

Our Commitment to Good Governance

We are committed to the principles of transparency, accountability and independence to enhance shareholder value.



Our Commitment to Good Governance

The Board and management are committed to principles of good corporate governance consistent with prudent management and enhancement of shareholder value. These principles emphasize transparency, accountability and independence.

Our corporate governance practices during the first six months of 2018 are in line with the practices set out in our 2017 Annual Report and on our corporate website.

The Board

The Board is currently composed of four Executive Directors, one Non-executive Director and five Independent Non-executive Directors. Details of the composition of the Board are set out in the "Corporate Information" section on page 2.

Since 1 January 2018, the following changes to the Board and Board committees have occurred:

- John G. Rice has been appointed as an Independent Non-executive Director and a member of the Audit Committee of the Company with effect from 10 January 2018.
- Joseph C. Phi has been appointed as an Executive Director of the Company with effect from 10 January 2018.

Further details of changes in the information of our Directors are set out in the "Other Information" section on page 56.

Board and Committee Meetings to Date in 2018

	Number of Meetings	Average Attendance Rate
Board	4	100%
Nomination Committee	1	100%
Audit Committee	3	100%
Risk Management and Sustainability Committee	3	94%
Remuneration Committee	2	83%

Review of Interim Financial Information

The Audit Committee has reviewed the interim financial information for the six months ended 30 June 2018 for the Board's approval.

Risk Management and Internal Control

Our risk management and internal control processes remain in line with the practices set out in the "Our Approach to Risk Management" section on pages 62 to 71 of our 2017 Annual Report, which is available on our corporate website.

Based on the respective assessments made by management and the Corporate Governance team responsible for internal audit activities, the Audit Committee considered that for the first six months of 2018:

- The risk management and internal controls and accounting systems of the Group were in place and functioning effectively, and were designed to provide reasonable but not absolute assurance that material assets were protected, business risks attributable to the Group were identified and monitored, material transactions were executed in accordance with the Group's policies and Key Operating Guidelines under management's authorization and the financial information was reliable for publication
- There was an ongoing process in place for identifying, evaluating and managing the significant risks faced by the Group

Compliance with the Corporate Governance Code

The Board has reviewed the Company's corporate governance practices for the first six months of 2018 and is satisfied that it has been in full compliance with all the applicable code provisions set out in the Corporate Governance Code and Corporate Governance Report in Appendix 14 of the Listing Rules.

Directors' and Relevant Employees' Securities Transactions

The Company has adopted stringent procedures governing Directors' securities transactions in compliance with the Model Code. We appreciate that some of our employees may have access to unpublished, price-sensitive information ("Inside Information") in their daily work; as such we have extended such procedures to cover relevant employees who are likely to be in possession of Inside Information of the Group. Relevant employees are also subject to compliance with written guidelines in line with the Model Code. Specific confirmation of compliance has been obtained from each Director for the interim reporting period. No incident of non-compliance by Directors and relevant employees was noted.

We continue to comply with our policy on Inside Information in compliance with our obligations under the SFO and Listing Rules.



Our Senior Management Team

Back row (from left to right): Robert Sinclair, Roger Young, Stephen Lister, Deepika Rana, Sean Coxall, Manuel Fernandez and Richard Darling
Front row (from left to right): Emily Mak, Edward Lam, Marc Compagnon, William Fung, Spencer Fung, Victor Fung, Joseph Phi and Carmen Chau

