There’s Banking. And then there’s SmartBanking.

At UnionBank, we offer expert, flexible business solutions that are relevant to your needs. We hold a track record for helping organizations improve efficiencies and grow profits.

We are obsessed with innovation in both our products and processes. Our numerous international awards back this up. This is SmartBanking working for you.

“Anyone who wants to be first must be the very last, and the servant of all.”

- Mark 9:35
Building Homes with Heart

Sun Hung Kai Properties Limited’s spirit of ‘Building Homes with Heart’ and constant pursuit of excellence have made it a leading Hong Kong property developer. It has built many distinctive landmarks over the years and helped define the city as a major international metropolis. International Commerce Centre at Kowloon Station is the tallest building in Hong Kong and remains a focal point on the skyline forming the stunning Victoria Harbour Gateway with Two IFC on the opposite shore.

ESG

Editorial

Investor Relations

Academic Views

Asian Viewpoints

Asia

Central Bank

INEDS

Companies Registry

Banking

China

wRegulations

Fraud

Women Executives

Views

Global Risks

Power

Climate

7th Asian Excellence Award

Asia’s Best CEO Investor Relations

Asia’s Best CFO Investor Relations

Best Investor Relations Professional

Best Investor Relations Company

Best Environmental Responsibility

Best Corporate Communications

Best Financial PR Firm in Asia

Corporate Governance Asia is published Quarterly by New Initiative Media Ltd No reproduction is permitted in whole or in part without proper written consent of the publisher. Please address all correspondence to New Initiative Media Ltd, Rm 2305A, 23rd Floor, World Wide House, 19 Des Voeux Road, Central, Hong Kong. Tel: (852) 2152 9292. Email: info@corporategovernanceasia.com • www.corporategovernanceasia.com • www.thebestofasia.org • www.asianexcellence.com • www.aseanbankingasia.com

Copyright © New Initiative Media Ltd Corporate Governance Asia is a registered trademark of New Initiative Media Ltd. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise without the written permission of the publisher.
“Treat others the same way you want them to treat you.”

– Luke 6:31

Environmental, social and corporate governance (ESG) continues to gain traction in Asia as both issuers and investors appreciate the benefit of adopting such practices. For companies, it allows them to make better management decisions, enhance transparency and address different risks, both financial and non-financial risks. Companies that effectively evaluate their ESG risks typically have progressive risk management processes, strive to create long-term shareholder value and embrace corporate responsibility.

For investors, it provides them with a clearer view of the risk/reward profile of each investment opportunity. By maintaining a focus on ESG factors, the investors can work towards achieving their investment objectives in a responsible and sustainable manner.

The drive towards ESG excellence comes amid expectations that there will be significant shifts in the way investments are selected during the next two years. People are betting that incorporating ESG can be beneficial to returns, so that companies are now including it in their investment strategy to attract both the investor attention and their capital. Investors in Asia are looking closely at ESG from various points of view, including investment allocations and regulatory risks, as they manage their investment portfolios.

Asia is not far behind as far as adopting ESG excellence is concerned. Many Asian corporates have made their presence in the global arena and that should underpin their drive to elevate their practices to higher international standards.

And in this ESG journey, Corporate Governance Asia will be watching and keep track of how this region is making strides to achieve the objectives.

And since we started the journey 14 years ago, we were glad that you were with us along the way. We would like to extend our profound gratitude for your continual support.

To God be the Glory.

Aldrin Monsod
Founder and Publisher
Corporate Governance Asia

Progress in Harmony

Diverse services, one mission—to improve lives and contribute to the nation’s economic progress.

Actively working to connect people and bridge places by managing efficient toll operations, energizing communities with adequate power supply, ensuring clean and safe water, providing world-class health care, managing a reliable rail system and increasing efficiencies in the movement of goods.

Metro Pacific Investments Corporation drives progress that fit together in harmony.
Environmental, Social and Corporate Governance (ESG) is now becoming a way of life for asset owners and managers in Asia and efforts are underway to further enhance its implementation in the region. A study by BNP Paribas Securities Services notes that about 84% of the 135 institutional investors from the region incorporates ESG into their investment, manifesting that Asia-Pacific is learning from experience of more developed markets. It is clear that the region is putting more emphasis on ESG in the market development.

Another global survey of 475 institutions by asset management company State Street Global Advisors (SSGA) shows that 70% of respondents from Asia-Pacific say the integration of an ESG strategy has significantly improved returns. Another 74% points out pursuing an ESG strategy has helped with managing volatility - indicating that the asset owners are using ESG strategies to enhance investment performance.

The results show there is a collective shift in the institutional investment world right now that has asset owners and managers thinking differently about the full implications of their investments. The question for majority is no longer ‘should we consider ESG as part of our mandate,’ but ‘how are we actively pursuing opportunities with our investments that help us reach our financial goals, while encouraging change in the process?’

Asset owners in Asia-Pacific, the survey shows, are ahead of their peers in terms of incorporating active ownership as part of a comprehensive ESG strategy. About 80% of the respondents have some level of ESG engagement with the companies in which they invest, compared to 70% in the US and 58% in EMEA.

Indeed, there has been a significant increase in the level of awareness and interest in ESG at the institutional level, and there is a broader appreciation of the notion that good governance translates into better management of areas such as a company’s carbon footprint, as well as how management engages with the workforce.

But despite the increased adoption, the proportion of a portfolio’s assets with ESG exposure remains low, the SSGA survey attests. This is especially noticeable in Asia-Pacific where only 15% of respondents have more than 50% of their assets exposed to ESG factors and 43% have less than 25%.

The survey identified cost, limited demand from stakeholders, unclear value proposition, as well as lack of internal knowledge and capability as the top challenges inhibiting greater ESG adoption in this region. Globally, nearly two-thirds of respondents say it is difficult to benchmark performance against peers, while 56% said the accurate assessment of external ESG asset managers was a key issue.

Nevertheless, the large majority of Asia-Pacific asset owners aspire to go beyond just negative screening to achieve fuller ESG integration in the next two years.

The drive to level up and enhance the ESG strategy in the region is exemplified in the Philippines where the central bank, Bangko Sentral ng Pilipinas (BSP), signed a memorandum of understanding with the International Finance Corporation (IFC) to boost the capacities and raised the ESG standards among the Philippine banks. Under the agreement, the IFC will support the BSP in improving its assessments tools to promote good governance and effective risk management in the banking system. The IFC will contribute to the capacity building initiatives of the BSP, particularly in applying the proportionate legal and regulatory framework.

BSP governor Amando Tetangco Jr notes good corporate governance and ESG practices enable companies and markets to make better management decision, improve transparency and proportionately address various financial and non-financial risks. He says that while corporate governance has been a core requirement for financial institutions in the Philippines, ESG is gaining traction among banks in emerging markets. “It is time that the Philippines joins the early movers, particularly in light of our environmental and social challenges,” he adds.

The BSP-IFC collaboration has produced the first comprehensive study on the financial sector’s perception and practices in sustainable finance. The study found that awareness remains low, but there is a growing understanding among banks of the business case for adopting good environmental and social risk management system.

The BSP is a member of the Sustainable Banking Network (SBN) established by IFC and 10 founding countries in 2012 as a knowledge and capacity building platform for financial regulators and banking associations. The BSP benefits from, and contributes its experiences to SBN, whose membership has grown to 31 countries. To date, 15 SBN member countries, including China, Indonesia and Vietnam have launched sustainable finance policies, guidelines and roadmaps, which provide a level playing field for banks to strengthen environmental and social risk management, and promote innovative green investments.

The move towards ESG competence comes as the Philippine regulators point out the challenges in raising the corporate governance standards in the country. The Securities and Exchange Commission (SEC) notes the biggest hurdle to raise the Philippine corporate governance standards to a level at par with its
Corporate Governance

The new code implemented at the start of 2017 contains revised regulations for companies listed in the Philippine Stock Exchange, including, among others, enhanced responsibilities for the board of directors, suggestions on keeping directors independent for more objective decisions making and heightened risk management functions. The code works under the “comply or explain” approach, which combines voluntary compliance with mandatory disclosure.

The code states that companies do not have to comply with the code, but they must state in their annual corporate governance reports whether they comply with the code provisions, identify any areas of non-compliance and explain the reasons for non-compliance.

A briefing note from Manulife in the second half of 2016 points out that understanding and embracing the evaluation of ESG risk factors should help businesses mitigate risks and may lead to long term sustainable returns. ESG factors are often not valued correctly by market forces and its risks are not captured in companies’ long term intrinsic values. Fundamental analysis, which includes robust ESG risk management, may help identify elevated ESG risks before they have a negative impact on valuations, it says.

Companies who effectively evaluate their ESG risks typically have progressive risk management processes, strive to create long term shareholder value and embrace corporate responsibility. The company management must determine the ESG risks that are material to their business and use disclosures as a roadmap to address risks. Elsewhere in the region, IFC remains committed to improving the standards of corporate governance as well. In March this year and together with the National Bank of Cambodia, and the Securities and Exchange Commission of Cambodia (SECC), they launched the Cambodia Corporate Governance Initiative (CCGI) to jointly promote good corporate governance standards and practices in the country. As IFC points out, enhanced corporate governance will improve the efficiency of the private sector and strengthen the overall business climate, enabling more for-profit companies to adopt regulations under the new Code of Corporate Governance. This includes the practice which requires the audit committee to comprise only of independent directors and enhance remuneration practices and disclosures. MAS has been monitoring the market development and industry feedback on how the code can be improved. A review of the Code of Corporate Governance and practices is thus timely to ensure that they continue to support sustainable corporate performance and maintain investor confidence in Singapore’s capital markets.

The council will consider how the “comply or explain” regime under the code can be made more effective. This includes improving the quality of the companies’ disclosure of their corporate governance practices and explanations for deviations from the Code of Corporate Governance. The council will also propose mechanisms to monitor the progress made by the listed companies in strengthening their corporate governance practices.

In Malaysia, the Securities Commission in late April this year released the new Malaysian Code on Corporate Governance (MCCG), a set of best practices to strengthen corporate culture anchored on accountability and transparency. The new MCCG places greater emphasis on the internalization of corporate governance culture, not just among the listed companies, but also encourages non-listed entities, including state-owned enterprises, small and medium enterprises, and licensed intermediaries to embrace the code.

The code has 36 practices to support three principles, namely board leadership and effectiveness; effective audit, risk management and internal controls; and corporate reporting and relationships with stakeholders.

A key feature of the new code is the introduction of the Com-prehend, Apply and Report (CARE) approach, and the shift from “comply or explain” to “apply or explain an alternative”. This is meant to encourage listed companies to put more thought and consideration when adopting and reporting on their corporate governance practices.

The MCCG also adopts a differentiated and proportional approach in the application of the code taking into account the differing size and complexity of listed companies. The code now identifies certain practices and reporting expectations to only apply to companies in the FTSE Bursa Malaysia Top 100 index, and those with a market capitalization of two billion ringgit or more.

Another new dimension in the code is the introduction of “step up” practices to encourage companies to go further in achieving corporate governance. This includes the practice which requires the audit committee to comprise only of independent directors and the establishment of a risk management committee; a
Sowing the seeds of corporate sustainability

Is sustainability being sustained by Asian companies?

By Aldrin Monsod and Corporate Governance Asia Editorial Team

Sustainable business operations constantly remain under the microscope of the investment community as an aspect that goes beyond the bottom line with lasting implications for society at large.

In a world clouded by issues such as climate change and the depletion of resources, corporate sustainability remains highly valued by stakeholders as a responsibility and perhaps mandatory approach to conducting business. It generates long-term stakeholder value based on a corporate strategy incorporating how a business operates in a triumvirate of key areas: its social, environmental, cultural, and financial impact.

The principle is instrumental in shaping a company, fostering its longevity by being mindful of sustainable business practices and concerns in the conduct of their business operations are more likely than non-responsible firms to sustain their life span.

Different industries have set about efforts to establish a viable model for attaining business sustainability, which has increasingly been expanded and encapsulated in Corporate Social Responsibility (CSR) programs. In their day-to-day operations, firms will be focusing on initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff. On the external front, firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.

Therapy firms should check the various impacts on its stakeholders include customers, suppliers, the community, and non-government organizations.

Indeed, sustainability trends are altering the world and are having a profound impact on companies’ top and bottom lines. Long-term challenges posed by the scarcity of resources, shifts in demographics and climate change have come to reshape expectations in society, public policies, regulatory frameworks, which all subsequently affect the business landscape and investment outcomes. Sustainability can potentially impact a company by increasing revenue, reducing energy, waste, materials and water expenses, and reducing strategic and operational risks. Sustainable business practices can also work wonders in attracting talent to join the company as well as produce tax breaks for the firm.

Establishing a culture of sustainability entails that a firm must delve deeper internally and externally to fully comprehend its corresponding environmental and social impacts. Companies can do so internally by educating their employees and seeking to reduce their impacts through energy efficiency and waste reduction initiatives, for instance. Setting up a dedicated green team or philanthropy committee can also encourage greater participation of their staff.
The indispensability of investor relations

Closer connections with investors will always be key in any environment

By Corporate Governance Asia Editorial Team

A"()

R

I
d

S

P

It is always important to point out that there are thousands of companies, and competition for investor, analyst and media attention is intense, and therefore a viable risk remains that firms may have limited access to these audiences. Thus, the key for companies is to separate themselves from the pack and, when done effectively, building a track record of strong investor relations and business performance will attract new investors and funds.

A round-the-clock function

One cannot escape from the fact that in today's reality, investor relations is a round-the-clock function that must be fully engaged 365 days a year, and something not just implemented by the time earnings and other important announcements come by. There is a developing need for the investor relations function to be more proactive with the investment community beyond calendar events.

Investor relations practitioners must constantly engage with the investment community to ensure they have complete control in conveying the company's corporate message. For instance, it is vital that they manage their corporate reputations in the media, as investors making investment decisions generally factor in the information they receive from a variety of sources. If investor relations practitioners are not proactively communicating their companies' actions and values, they lose sight of their overall message on the investors.

INVESTOR RELATIONS

The indispensability of investor relations

Closer connections with investors will always be key in any environment

By Corporate Governance Asia Editorial Team

A"()

R

I
d

S

P

It is always important to point out that there are thousands of companies, and competition for investor, analyst and media attention is intense, and therefore a viable risk remains that firms may have limited access to these audiences. Thus, the key for companies is to separate themselves from the pack and, when done effectively, building a track record of strong investor relations and business performance will attract new investors and funds.

A round-the-clock function

One cannot escape from the fact that in today's reality, investor relations is a round-the-clock function that must be fully engaged 365 days a year, and something not just implemented by the time earnings and other important announcements come by. There is a developing need for the investor relations function to be more proactive with the investment community beyond calendar events.

Investor relations practitioners must constantly engage with the investment community to ensure they have complete control in conveying the company's corporate message. For instance, it is vital that they manage their corporate reputations in the media, as investors making investment decisions generally factor in the information they receive from a variety of sources. If investor relations practitioners are not proactively communicating their companies' actions and values, they lose sight of their overall message on the investors.
With this in mind, firms should prioritize identifying those key stakeholders and the appropriate messages for each group. The crafted communication strategy should recognize that retail and institutional investors have varying needs. An effective way to approach retail investors is to convey stories about the business operations that retail shareholders can relate to. Meanwhile, institutional investors look for the facts that showcase the fundamentals of the company. Companies need to devise comprehensive messages for both types of investors, and this communication must be reviewed and improved to ensure that it evolves in parallel with the needs of the investment community.

During bullish or bearish periods in the market, investors who are looking to invest in the firm need to receive high-level information that can help them decide whether or not to delve even further. Simply put, quality financial reports allow for effective, informative fundamental analysis by the investor. In the absence of such information, the investment community will be placed in a difficult spot in terms of understanding the strategic or operational significance of an announcement.

The Asian landscape

The growing presence of investor relations in Asia is unsurprisingly in stride with the continent witnessing steady growth at times and winds of uncertainty in other periods. The sound and coordinated execution of best investor relations practices in Asia has never been so important as market volatility remains. In this light, companies are recognizing that performing optimally in this area is now more critical than ever.

During periods of market turmoil in the region, the investment community is likely to be more sensitive to information pertaining to the overall performance of listed firms. The instability in markets has placed a bright spotlight on how a company's investor relations platform as the investment community has become more sophisticated in its expectations.

Firms that are choosing for clarity of information on the strategies and direction from the firms they seek to invest in. Maintaining two-way communication channels with investors is therefore vital for the listed firms, and thus, Investor Relations Officers need to play an instrumental role in corporate boardrooms. With the tightened disclosure and reporting requirements, there is a greater influence being wielded by Investor Relations Officers in the decision-making process of the Board of Directors, as well as within the companies they represent.

Firms are increasingly acknowledging the direct impact that good ethics behavior has on financial performance. Firms that demonstrate high ethical standards across the board are sure to enjoy a positive public image. Increasing high standards of transparency with investors will enhance the status of listed firms, making them more appealing in the market. For instance, compliance with the legal rules governing disclosure will influence investors’ confidence in the long run. Doing so will subsequently reduce the cost of capital as it lowers its perceived risk in the eyes of investors.

Transparency and ethics

Transparency will always be sought after by the investment community, and as long as volatility persists in the marketplace, investors are placing greater value on than previous years. Investors certainly do not appreciate being surprised by a company's results or operations, and particularly any negative news that has not been well-flagged can potentially create a two-pronged havoc to the share price and reputation of the company. The company's investor relations programs and steady leadership must sustain open dialogue with investors to minimize the potential for negative surprises. Firms can do so by providing high quality and readily available information as investors are increasingly undertaking their own due diligence.

Maintaining high standards of transparency with investors will enhance the status of listed firms, making them more appealing in the market. For instance, compliance with the legal rules governing disclosure will influence investors’ confidence in the long run. Doing so will subsequently reduce the cost of capital as it lowers its perceived risk in the eyes of investors.

Firms are choosing for clarity of information on the strategies and direction from the firms they seek to invest in. Maintaining two-way communication channels with investors is therefore vital for the listed firms, and thus, Investor Relations Officers need to play an instrumental role in corporate boardrooms. With the tightened disclosure and reporting requirements, there is a greater influence being wielded by Investor Relations Officers in the decision-making process of the Board of Directors, as well as within the companies they represent.

Firms are increasingly acknowledging the direct impact that good ethics behavior has on financial performance. Firms that demonstrate high ethical standards across the board are sure to enjoy a positive public image. Increasing high standards of transparency with investors will enhance the status of listed firms, making them more appealing in the market. For instance, compliance with the legal rules governing disclosure will influence investors’ confidence in the long run. Doing so will subsequently reduce the cost of capital as it lowers its perceived risk in the eyes of investors.

The digital advantage

In today's digital era, corporate websites or smartphone applications have become a staple. Investors look to different options on how they want to receive corporate information, meaning whichever is the most convenient for them. As such, firms have to expand their horizons and offer a wider range of alternatives that encompass digital media to cater to their content, social media engagement, and interactive information.

Video presentations are not a new feature found in the investor relations sections of websites, but it has certainly gained traction as the preferred channel to receive content as opposed to reading long blocks of free flowing text. In this light, it has become critical for corporations to ensure that videos are a prominent part of their website’s infrastructure.

With its increased prominence, it is no longer a mere additional feature to investor relations strategies, but has rather evolved to become a staple. Utilizing video presentations to convey the corporate story, including corporate social responsibility initiatives, or introducing new key personnel can show the investment community that their time is valued and that you want to inform them using their most preferred and convenient channel.

As digital communications should be a two-way street, it is imperative that the Investor Relations section of the corporate website resonates the commitment to initiate conversations with the investment community. Social media platforms are practical tools to participate in investor conversations, and it is not surprising that companies are starting to explore making their social media feeds more prominent on the dedicated Investor Relations section of their website. It is vital that the Investor Relations teams can ensure consistent engagement with the investment community by sharing corporate news on social media and placing social media feeds on a more prominent section on the website.

Accessible websites are of great importance by the investment community as they have become more aware of the establishment of relatively recent regulations, and investors have now come to expect that corporate websites offer greater accessibility to a wider audience.

This is important since as the population ages, the investor relations section of the corporate website must be accessible to people living with disabilities as well as seniors. Prominent ways being used by firms include tools to enable users to hear the content on the website, while it is also important to make all functionality available from a keyboard as well as optimize the website’s compatibility with assistive technologies.

Even with the advent of new technology bringing new forms of communication to the forefront, one overarching element can never be lost on investors. Transparency is key to establishing trust and the foundation of a successful communication strategy. Even as the way we communicate changes, the principles of good governance and business practices that define the actions and decisions of the directors, officers, and employees of the company stay relevant.

In the absence of an ethical environment, financial statements can cast a shadow over the reputation that a company has developed over the years.

The backdrop that investors should steer clear of companies that lack transparency in their business operations, financial statements or strategies as firms with inseparable financial information are riskier and less valuable investments.

When financial statements are not seen to be transparent, the investment community will be on the edge scrutinizing the company’s real fundamentals and true risk. One such example is when a small-cap company funded its expansion by selling off its inventory. Reversing this trend will go a long way in enhancing the capabilities of the function as companies scramble to respond to increased reporting requirements and a challenging fundraising environment in the region.

In conclusion, the list of reasons why transparency and ethics are essential to investor relations has been so essential to the success of an Investor Relations program. As digital communications should be a two-way street, it is imperative that the Investor Relations section of the corporate website resonates the commitment to initiate conversations with the investment community. Social media platforms are practical tools to participate in investor conversations, and it is not surprising that companies are starting to explore making their social media feeds more prominent on the dedicated Investor Relations section of their website. It is vital that the Investor Relations teams can ensure consistent engagement with the investment community by sharing corporate news on social media and placing social media feeds on a more prominent section on the website.

Accessible websites are of great importance by the investment community as they have become more aware of the establishment of relatively recent regulations, and investors have now come to expect that corporate websites offer greater accessibility to a wider audience.

This is important since as the population ages, the investor relations section of the corporate website must be accessible to people living with disabilities as well as seniors. Prominent ways being used by firms include tools to enable users to hear the content on the website, while it is also important to make all functionality available from a keyboard as well as optimize the website’s compatibility with assistive technologies.

Even with the advent of new technology bringing new forms of communication to the forefront, one overarching element can never be lost on investors. Transparency is key to establishing trust and the foundation of a successful communication strategy. Even as the way we communicate changes, the principles of good governance and business practices that define the actions and decisions of the directors, officers, and employees of the company stay relevant.
In the past few decades, the single-minded pursuit of short-term profits and maximised shareholders’ values (MSV) demonstrated by many corporate executives at the expense of the interests of non-shareholder stakeholders (such as employees, customers, communities and the environment) has been responsible for many problems of today’s rotten capitalism. Such behaviour has led to market instabilities, wider income gaps, and more conflicts between corporations and the general public.

One major faulty assumption of this MSV belief is that directors and executives are, by law, the agents of shareholders only, with a fiduciary duty to maximise their values only. The truth is that MSV is merely a common practice or market norm, rather than a law or a regulation. Recent new “consistency statutes” and court cases in North America clearly indicate that directors and executives have fiduciary duties to all relevant stakeholders.

To maintain the legitimacy and sustainability of capitalism, over the past decade, reflections, explorations and movements have emerged in the European and North American countries in the direction of actively converting the “shareholder primary” model to the “shareholder-based” governance model. The public consent that corporate executives should balance the interests of various stakeholders, apart from shareholder interests.

Fallacy and Consequences of MSV

Shareholder primary and MSV both rest on the assumption that markets are efficient and function in a state of free and fair competition. Sadly, this is not the case in today’s complex and distorted business environment in which imperfect markets and market failures prevail. Even making money legally and ethically can harm certain social interests, generating social costs such as environmental pollution and unemployment.

Since the mid-twentieth century, the belief in shareholder primary and MSV has been embedded in the business sector, and is widely taught in business schools. Certain long-standing misconceptions have contributed to the broad adherence to MSV, including the belief that directors and executives are, by law, the agents of shareholders alone with a fiduciary duty to maximise their value.

In fact, corporate laws in most markets have granted certain privileges to shareholders, including the right to sell their shares at any time, while other shareholder groups are unable to terminate their relationships with corporations at any time so easily.

One of the unfortunate consequences of the MSV fallacy is that many senior executives focus on the stock market alone, overlooking the importance of the product market. Executive remuneration and share option schemes have offered excessive and unjustified compensation to senior executives (for instance, in 2012, CEO compensation in the US could be 550 times that of a regular employee), encouraging them to take high risks to pump up the share price in the short term. In line with the MSV concept, corporations have the propensity to implement policies that allow for a surge in corporate borrowing, high dividends and frequent share repurchases, and reduced investments in productivity.

A study published in The Economist found that the doubling of stock repurchases in recent years led to an 8% fall in corporate R&D spending. Furthermore, under the impetus of MSV, the average stockholding period of institutional investors in S&P 500 companies has fallen from an average of eight years in the 1960s to four months today. The average lifespan of corporations has also declined, falling from 55 years in the 1950s to 15 years at present. Several empirical studies have shown that a simplistic focus on MSV leads to myopic management, and adverse effects on long-term shareholder gains, growing macroeconomic instability and financial market fluctuations.

Social Contract and Balance of Interests

In fact, corporations have been advocating a new stakeholder-based governance model including at least the following principles.

- To undertake at least one sizeable social innovation project related to their core businesses at any one time to help resolve some pressing social problems and support social innovation projects could be developed by the corporation or in collaboration with other stakeholders and/or sectors, including other mainstream corporations, NGOs, social enterprises and benefit corporations.

Edward Freeman, one of the first advocates of stakeholder theory, defined the stakeholders as all parties engaging in a reciprocal relationship with the corporation and who are vital to its survival and success. He identified six such stakeholder groups: shareholders, management, employees, customers, suppliers and the local community (including the environment). These groups have the right to demand the management to take certain actions, and they expect not to be treated as the mere means to an end.

Based on stakeholder theory, Freeman further developed the Doctrine of Fair Contracts with the purpose to provide a fair and efficient way of dealing with the potential conflicts of interests that may arise among stakeholders. The parties involved in developing policies and agreements should not be able to predict the effects that those policies/agreements will have on themselves and others, thus helping to ensure fair treatment for all parties.

Despite its rigorous arguments and practical feasibility, however, stakeholder theory has several limitations. For example, difficulties may be encountered in determining who should be classified as a stakeholder, and it is difficult to determine whose interests should be accorded priority. Therefore, academia needs to continue developing guidelines and practical methods based on the theory.

Advocating Stakeholder-based Governance

Over the past decade, a number of companies have been practising charitable corporate social responsibility (CSR) and creating shared value (CSV) initiatives, both of which aim to improve the public impression of business and to increase public values. However, if a corporation is not publicly accountable for its contracting theory and stakeholder model. There is also growing belief by the public that corporate executives should not concentrate solely on shareholder interests through profit maximisation, but should also balance the interests of various stakeholders to ensure that corporations extend the mission of CSR/CSV to the society.

Changes in the Values of Business as Force for All-Win

The traditional corporate governance, which favours shareholders over other...
In the past few decades, many companies have faced large-scale bankruptcies and failures in their management. This has led to a rethinking of the responsibilities of corporations. Only in a market economy, we need to make a concerted effort to redefine the objectives and concepts of the social contract and the participatory role of various stakeholders.

The core values of free-market societies should treat customers, employees, communities as partners, rather than as means for maximizing short-term profit. Positively more stakeholders generate more values for all.

One way to begin the reform is for every corporation to take concrete, measurable steps. That transformation process relies on some trail-blazing business leaders for the twenty-first century and provides new ideas and concepts for the corporate theory.

ACADEMIC VIEWS

To nurture responsible global business leadership for the twenty-first century, we need to make a concerted effort to redefine the objectives and concepts of the social contract and the participatory role of various stakeholders.

To advance the social contracting model, it requires a transformation process. One way to begin the reform is for every corporation to take concrete, measurable steps. That transformation process relies on some trail-blazing business leaders for the twenty-first century and provides new ideas and concepts for the corporate theory.

The core values of free-market societies should treat customers, employees, communities as partners, rather than as means for maximizing short-term profit. Positively more stakeholders generate more values for all.

One way to begin the reform is for every corporation to take concrete, measurable steps. That transformation process relies on some trail-blazing business leaders for the twenty-first century and provides new ideas and concepts for the corporate theory.
What is the future of Corporate Governance practice in Asia?

The practice of Corporate Governance in Asia has already created an impact in the way business is conducted among many companies in the Philippines and will most likely continue, even as the practice evolves in response to the changing business and political environment.

With the advent of the new Code of Corporate Governance for Publicly Listed Companies, regulatory agencies have adopted international corporate governance standards to guarantee that publicly listed companies exercise the best standards in ensuring transparency and established norms of governance. As such, company leaders are now expected to make sure that risk management measures are able to address the changes in the political landscape as well as those brought about by the increased regulatory oversight. There is also a continued requirement on board composition, giving greater emphasis on the technical profiles, knowledge, expertise, diversity, and training of members of the board.

Corporate Governance plays a big role in ensuring that our Company leadership stays abreast of all these changes and is able to adapt to the ever dynamic political climate. Having an open and transparent governance policy, we have been able to bring greater participation from our various stakeholders. Our suppliers, subcontractors, as well as our clients have greater avenues for communication with top management, and our employees are encouraged to have greater participation in protecting the interests of the Company.

With the ASEAN integration, EEI Corporation is preparing to participate in projects within the ASEAN region which is currently being touted as the catalyst for growth worldwide. With its established expertise and large manpower pool available, the Company sets itself benefiting from greater access with the ASEAN economies. Like our ASEAN counterparts, working across the borders within ASEAN will require strict observance of good corporate governance practices to keep the playing field level for everyone, and raise the equality of services throughout the region.

Roderick Jose L. Castillo
President & CEO
EEI Corporation

Corporate governance plays a vital role in enhancing a Company’s long-term shareholder value. With the increasing level of scrutiny arising as a result of recent corporate scandals, investors and key stakeholders alike are demanding more stringent levels of corporate governance. At Esprit, our corporate governance practices are built upon the principles of transparency, accountability and good ethics. We believe these values will foster the trust and credibility needed to maximize shareholder value.

Being an international fashion brand, high standard of corporate governance is already embedded as part of Esprit’s DNA. Not only in the Philippines and United States and Hong Kong, and strengthen its internal control while guarding against operational risk.

At Esprit Holdings Ltd

Corporate governance practices are built upon the principles of transparency, accountability and good ethics. We believe these values will foster the trust and credibility needed to maximize shareholder value.

Being an international fashion brand, a high standard of corporate governance is already embedded as part of Esprit’s DNA. Not only in the Philippines and United States and Hong Kong, and strengthen its internal control while guarding against operational risk.

China Telecom Corporation

We always commit to uphold high level of corporate governance and insist on governing the corporate in accordance with laws and regulations, attracting great importance to risk management and control. We continuously enhance corporate transparency to ensure corporate healthy and sustainable growth. Our persistent efforts in corporate governance have been widely recognized by the capital markets.

The Company strives to maintain high level of corporate governance and has inherited an excellent, prudent and efficient corporate governance system and continuously improves its corporate governance methodology, regulates its operations, improves its internal control mechanism, implements sound corporate governance and disclosure measures, and ensures that the Company's operations are in line with the long-term interests of the Company and its shareholders as a whole. Over the past years, the Shareholders' Meeting, the Board and the Supervisory Committee have continuously maintained efficient operations in accordance with the operating specifications, and the Company insisted on reform and innovation and strived to promote corporate transformation and upgrades, while continuously optimized its internal control system and comprehensive risk management in order to effectively ensure corporate steady operation. The sustained enhancement of the Company's corporate governance aligned with the long-term best interest of shareholders and ensured that the interests of shareholders were effectively assured.

As a company dual-listed in Hong Kong and the United States, the Company strictly in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the regulatory requirements for non-US companies listed in the United States. In addition, the Company has regularly published statements relating to its internal control in accordance with the US Sarbanes-Oxley Act and the regulatory requirements of the SEC and the New York Stock Exchange to confirm its compliance with relevant financial reporting, information disclosure, corporate internal control requirements and other regulatory requirements.

The Company views comprehensive risk management as an important task within the Company’s daily operation. Pursuant to regulatory requirements in capital markets of the United States and Hong Kong, the Company has formulated a unique 5-step risk management approach based on its management theory and practice, including risk identification, risk assessment, key risk analysis, risk reaction and risk management assessment. The Company has also designed a risk management template, established and refined the centralized risk directories and case studies database of the Company, continued to strengthen the level of risk management informationisation, and solidified a standardized risk management procedure so that risk management terminology is unified across all levels of the Company and the effectiveness of risk management was enhanced. Following the efforts made over the years, the Company has established a structured and highly effective comprehensive risk management system and has gradually perfected its comprehensive risk monitoring and prevention mechanism. The Company has been continuously improving its risk management and internal control systems so as to meet the regulatory requirements of its places of listing, including the United States and Hong Kong, and strengthen its internal control while guarding against operational risk.

In response, the Company will continuously analyze the corporate governance development of international advanced enterprises and the investment desires, constantly examine and strengthen the corporate governance measures and practice, and improve the current practices at the appropriate time. We strongly believe that by adhering to good corporate governance principles, and improving the transparency of operations, as well as the establishment of the effective accountability system, we can ensure the long-term stable development of the Company and seek sustainable returns for the shareholders and investors.
Corporate governance has gained increasing prevalence in Asia as more and more companies in the region recognize that good corporate governance practices assist the board and management to pursue objectives that are in the interests of the companies and their stakeholders, facilitate effective monitoring and encourage efficient use of resources. Partly attributable to the higher environmental, social and governance (“ESG”) reporting standards required by some regulatory bodies, ESG has become increasingly present in the minds of the investment community and shareholders in Asia, and has gained more weight in their decision making process. Companies are now required not only to strengthen their risk management and internal control systems, but also to refine their ESG practices. We expect to see more initiatives focusing on these areas in the future.

At China Mobile, we always endeavour to enhance our corporate value, foster our sustainable long-term development and generate greater returns for our shareholders. In order to better achieve these objectives, we have established good corporate governance practices following the principles of integrity, transparency, openness and efficiency, and have implemented sound governance structures and measures. We have established and improved various policies, internal control system and other management mechanisms and procedures for key participants including shareholders, board of directors and its committees, management and staff, internal auditors, external auditors and other stakeholders (including our customers, local communities, industry peers, regulatory authorities, etc.).

Good corporate governance practices require due attention to the impact of our business decisions on our shareholders as well as other relevant stakeholders. We strive to closely study the best corporate governance practices implemented by the world’s leading corporations on an ongoing basis. We also continuously review and enhance our corporate governance procedures and practices to ensure the long-term sustainable development of the company. With every next step we are planning to embark on, the Board of Directors will work in tandem with the Board committee and senior management to effectively and efficiently implement the best corporate governance practices, while simultaneously continuing our goals of enhancing corporate value, maintaining sustainable development and delivering greater returns for our shareholders.

At China Mobile, we always endeavour to enhance our corporate value, foster our sustainable long-term development and generate greater returns for our shareholders. In order to better achieve these objectives, we have established good corporate governance practices following the principles of integrity, transparency, openness and efficiency, and have implemented sound governance structures and measures. We have established and improved various policies, internal control system and other management mechanisms and procedures for key participants including shareholders, board of directors and its committees, management and staff, internal auditors, external auditors and other stakeholders (including our customers, local communities, industry peers, regulatory authorities, etc.).

Good corporate governance practices require due attention to the impact of our business decisions on our shareholders as well as other relevant stakeholders. We strive to closely study the best corporate governance practices implemented by the world’s leading corporations on an ongoing basis. We also continuously review and enhance our corporate governance procedures and practices to ensure the long-term sustainable development of the company. With every next step we are planning to embark on, the Board of Directors will work in tandem with the Board committee and senior management to effectively and efficiently implement the best corporate governance practices, while simultaneously continuing our goals of enhancing corporate value, maintaining sustainable development and delivering greater returns for our shareholders.

The practice of corporate governance in Asia started as one of the government-led initiatives in response to the Asian financial crisis. This became one of the major reform agenda that was intended to instill strong regulatory discipline by requiring companies to follow good corporate governance principles in doing business. It was born out of necessity and served the region well to withstand the effects of the Global Financial Crisis. In recent years, Asia’s corporate governance journey continued to gain momentum with the implementation of initiatives to further strengthen institutions and promote a culture of good governance realizing that it is integral to business growth and sustainability. In particular, the push to adopt international best practices enunciated in the OECD Principles on Corporate Governance has led to the implementation of the ASEAN Corporate Governance Scorecard which is used to rank and showcase ASEAN PLCs. This is an ASEAN Corporate Governance Initiative to raise the corporate governance standards and practices of ASEAN publicly-listed companies that will facilitate cross listing and promote ASEAN as an asset class.

SHORT TERM OR LONG TERM FUTURE?
Regulators and policy makers in Asia are now more aware that good corporate governance is crucial to financial markets stability, to the economic growth of their country and to a fully inclusive and sustainable development to eliminate poverty. Businesses are important partners in development and only when they are operating in a responsible manner that they will be able to have the desired broad beneficial effect to the economy. We maintain our belief that the key to long-term sustainability and success largely depends on having a good name and solid reputation in the marketplace. Thus, the business and operations of companies should be conducted in accordance with the principles and best practices of good corporate governance.

As a result, most ASEAN jurisdictions have implemented their own principles-based Code of Corporate Governance to advance the corporate governance practices to international standards with the ultimate aim of building investor confidence and healthy growth in their respective capital markets. Each has its own variation and focus in consideration of their respective corporate landscape, laws and national regulations. Although it is a challenge and requires the best efforts of regulators, considerable progress has been done in the implementation of corporate governance that should be seen as a positive indicator that it is already mainstream and embedded in the business culture of many countries particularly in Asia.

Since corporate governance is now market-driven, it will continue to stay as an integral part in doing business into the long future.

ASM Pacific Technology Ltd.

Corporate governance practice in Asia has increasingly come into the spotlight ever since the 1997 Asian Financial Crisis. However, in Asia, corporate governance may still be perceived as a Western concept, and that this is only applicable to large listed entities. Often, corporate governance is not acknowledged enough when it works well, though it is chastised when it fails.

For many Asian companies, especially the Small and Medium Enterprises, there may be no clear distinction between management and ownership. On that basis, some would argue that corporate governance is an expensive and unnecessary luxury especially when global economic growth is still sluggish. So why introduce systems which impose limits on how they conduct business which could impact profitability, creativity and speed of response? The answer is value creation. Putting in place an appropriate corporate governance system from the outset will have significant benefits, not least of which is to protect a company’s reputation.

The implementation of corporate governance helps to address issues that are fundamental to a company’s performance, serves to create a framework for good business practices, safeguards the interest of the stakeholders, achieves transparency and fairness, and ensures sustainability. A number of studies have shown that investors have greater level of confidence in companies with good corporate governance. A company with proper governance system will see improved ability to obtain external funding, be from banks, angel investors or venture capitalists, who are prepared to pay a premium for companies that are properly managed. Another very important aspect irrespective of whether a company is large or small, is that reputation is key in the marketplace, thus a company with good corporate governance is just as important for SMEs, especially when the Asian company intends to branch further out and into the international arena.

There have been marked improvements in corporate governance practices in Asia, which are reflected by the changes in financial reporting, board composition and function, shareholder rights, auditing standards and regulatory enforcement. Despite this, Asia is still plagued with common corporate governance challenges such as a need to improve the level of transparency especially in the disclosure of non-financial information; manage the conflicts of interest through a more transparent process and more effort needs to be put in to regulate international corporate governance standards.

Therefore work has to continue to strive for a clearer transparency in corporate governance as well as professional industry bodies to promote the importance of responsible corporate practices and regulations in Asia.

Lee Wai Kwong
Group CEO
ASM Pacific Technology Ltd
Investors around the globe are increasingly raising the bar for corporate governance standard and are prioritizing best practice as one of their key considerations for making an investment decision. This requires all listed companies to not only comply with the relevant laws and regulations, but also to take proactive measures to mitigate risks and ensure reliable management with rigorous oversight and internal control practices.

In Asia, we see great opportunities together with challenges. With this in mind, effective risk management is crucially important for companies to keep inherent business risks in check while at the same time they strive for sustainable growth. CALC is committed to maintaining and achieving high corporate governance standards as we acknowledge its importance and contribution to our success and sustainability. We also strongly believe good corporate governance standards are essential in providing a framework for the Group to formulate its business strategies and policies, and to enhance its transparency, accountability and shareholder value. CALC has established four committees, namely the Audit Committee, Remuneration Committee, Nomination Committee and Strategy Committee, to ensure best practice in the Group’s corporate governance.

The Group’s rapid expansion and strong financial performance in 2016 is a testament to our high standard of corporate governance and we have gained the confidence of top tier airline companies across Asia, Europe and the Americas. Our governance practices have also won us recognition from investor communities and renowned media outlets. CALC was named “Aircraft Lessor of the Year” 2015 and 2016 respectively by Global Transport Finance, received “Listed Company Award of Excellence 2016” from the Hong Kong Economic Journal, “The Excellence of Listed Enterprise Award 2016” from Capital Weekly and the “Most Promising New Stock Award” at the 2016 Top 100 HK Awards Ceremony organized jointly by Finet and Tencent.

Poon Ho Man
Executive Director and CEO
China Aircraft Leasing Group Holdings Limited

PIT Public Company Limited
THAILAND

Corporate governance practices are not standing alone, but rather are closely interrelated with various economic and social systems and practices. It is a means to establish market confidence and transparency business, which in turn is essential for companies that need access to equity capital for long-term growth.

Also, it builds a responsibility framework of the Board and management towards all stakeholders and the management’s delegated authorities. In 2016, The Thai Institute of Directors Association (IOD), with support from the Stock Exchange of Thailand (SET), announced its results at the Corporate Governance Report of Thai Listed Companies (CGR). The results demonstrate a determination of Thai listed companies to continue improving their CG performance including both large and small companies. Thai listed companies have started to put more emphasis on business sustainability, disclosure of non-financial information, and a more active leadership role of the board of directors, specifically on business strategy and risk management. These practices are that both Thai and foreign investors deem important.

For PTT Public Company Limited, we have proven its capability in delivering business competitiveness and fulfilling its mission to create energy security for Thailand. At the same time, another mission in which PTT has been committed is that of good governance, which is to emphasize on business sustainability, disclosure of non-financial information, and a more active leadership role of the board of directors, specifically on business strategy and risk management. These practices are that both Thai and foreign investors deem important.

For PTT Public Company Limited, we have proven its capability in delivering business competitiveness and fulfilling its mission to create energy security for Thailand. At the same time, another mission in which PTT has been committed is that of good governance, which is to emphasize on business sustainability, disclosure of non-financial information, and a more active leadership role of the board of directors, specifically on business strategy and risk management. These practices are that both Thai and foreign investors deem important.

For PTT Public Company Limited, we have proven its capability in delivering business competitiveness and fulfilling its mission to create energy security for Thailand. At the same time, another mission in which PTT has been committed is that of good governance, which is to emphasize on business sustainability, disclosure of non-financial information, and a more active leadership role of the board of directors, specifically on business strategy and risk management. These practices are that both Thai and foreign investors deem important.

For PTT Public Company Limited, we have proven its capability in delivering business competitiveness and fulfilling its mission to create energy security for Thailand. At the same time, another mission in which PTT has been committed is that of good governance, which is to emphasize on business sustainability, disclosure of non-financial information, and a more active leadership role of the board of directors, specifically on business strategy and risk management. These practices are that both Thai and foreign investors deem important.

For PTT Public Company Limited, we have proven its capability in delivering business competitiveness and fulfilling its mission to create energy security for Thailand. At the same time, another mission in which PTT has been committed is that of good governance, which is to emphasize on business sustainability, disclosure of non-financial information, and a more active leadership role of the board of directors, specifically on business strategy and risk management. These practices are that both Thai and foreign investors deem important.
it becomes the prevailing practice throughout the world. Larger Asian economies are already experiencing this, and I believe that it is the right direction to go. Companies who wish to have a respected place in the global economy would do well to ensure that they will meet the exacting standards of activist investors.

When Travellers International Hotel Group, Inc. (TIHGI) opened Resorts World Manila (RWM) in 2009, it was the first world-class, integrated resort in the country and marked the beginning of an entirely new industry. Without a blueprint to follow, we had the freedom to determine the kind of company we wanted to be.

The Company’s Board of Directors has always been committed to following highest principles and best practices of Corporate Governance. This is articulated in a Corporate Governance Manual that demands utmost accountability, transparency, and integrity at every stage of the value chain. Since we started RWM’s operations, the Philippines’ entertainment tourism industry has grown exponentially and is becoming increasingly competitive. We at TIHGI continue to view Corporate Governance as a vital, non-negotiable component of strategic business management, so as to stay abreast of changes.

At Max’s Group, we recognize that corporate governance is an important pillar of long-term success. We continue to adopt the highest standards of transparency while introducing sustainability elements in the conduct of our business. We firmly believe in the outcome anchored on these combined principles, will deliver lasting value to our shareholders.

We have made significant progress in our thrust to be at the forefront of good governance. For 2016, we improved our governance score from 83.62 points to 84.22 points in the previous year, based on the ASEAN Corporate Governance Scorecard. This feat is aligned with our belief in embodying corporate responsibility and integrity across our group. We are likewise cognizant of the increasing awareness on the fundamentals of corporate governance within the region. We are committed to enhancing existing practices and working with various stakeholders in promoting a sound governance framework.

As Max’s Group, we recognize that corporate governance is an important pillar of long-term success. We continue to adopt the highest standards of transparency while introducing sustainability elements in the conduct of our business. We firmly believe in the outcome anchored on these combined principles, will deliver lasting value to our shareholders. We have made significant progress in our thrust to be at the forefront of good governance. For 2016, we improved our governance score from 83.62 points to 84.22 points in the previous year, based on the ASEAN Corporate Governance Scorecard. This feat is aligned with our belief in embodying corporate responsibility and integrity across our group. We are likewise cognizant of the increasing awareness on the fundamentals of corporate governance within the region. We are committed to enhancing existing practices and working with various stakeholders in promoting a sound governance framework.

At Max’s Group, we recognize that corporate governance is an important pillar of long-term success. We continue to adopt the highest standards of transparency while introducing sustainability elements in the conduct of our business. We firmly believe in the outcome anchored on these combined principles, will deliver lasting value to our shareholders. We have made significant progress in our thrust to be at the forefront of good governance. For 2016, we improved our governance score from 83.62 points to 84.22 points in the previous year, based on the ASEAN Corporate Governance Scorecard. This feat is aligned with our belief in embodying corporate responsibility and integrity across our group. We are likewise cognizant of the increasing awareness on the fundamentals of corporate governance within the region. We are committed to enhancing existing practices and working with various stakeholders in promoting a sound governance framework.

Kasikornbank PCL
Thailand

Over the next three to five years, Asian businesses will face numerous challenges and emerging risks, for example changing international trade policies, changes in consumer behavior in keeping with demographic and rapid technological changes, international and business-model transformations, climate change, and regulatory changes. It is imperative that companies modify their business undertakings accordingly.

Internal stakeholders, from directors to management and staff, are instrumental to the implementation of corporate governance so as to build value for the organization over the long term. Genuine compliance with the organization’s corporate governance principles at all levels will result in effective enforcement and trust. In substance, implementation will include the use of varied and rapid modern channels and modes of communication along with the development of systems for designating guidelines for conduct and the fulfillment of duties and responsibilities so as to stay abreast of changes.

Kasikornbank PCL maintains the aim of being a Bank of Sustainability in all our operations, based on the Statement of Corporate Governance Principles as well as appropriate risk and cost management. KBank adheres to our Customer Centricity strategy, aspiring to be our Customers’ Main Bank by pursuing brand empowerment via the delivery of impressive experiences to all customer segments and the creation of sustainability for all stakeholders.

Beyond our goal of promoting stable and sustainable growth for our business, KBank places equal importance on Good Corporate Governance, Sustainable Development, and especially adherence to our Green DNA resolution. These commitments have been ingrained in our workforce consciousness and embedded into our corporate culture by formal resolutions to be passed from one generation to the next.

KINGSAW U. SIAN
President and CEO
Travellers International Group, Inc.

VAR'S GROUP INC.

PHILIPPINES

As we, Global Power Synergy Public Company Limited (GPSC), realize that the Corporate Governance has become a sustainable approach to be a key value of a long-term success. Investors are expecting listed company to comply with good governance where disclosure of information is a key. Hence treating stakeholders equally through corporate governance principle especially transparent disclosure of information along with being mindful of environmental, social and governance (ESG) would be a concrete evidence indicating tangible impact to the long-term performance of the companies.

Investors across worldwide not only in Asia have unanimously given priority to sustainability issues by pushing to the forefront, particularly, nowadays where corporate scandals and insider trading have been amplified by social media. In my views, truly valuing the communication with wide spectrum of investors including retail investors, analysts and fund managers through Investor Relations activities like roadshows, shareholders’ company visit, analyst meeting and opportunity day could help making sure they have accurate and updated information where the leader of the company as myself and other key executives could have the discussion and make them confident with our standpoint in the power industry. Furthermore, to build up the good sense of compliance for the entire organisation towards sustainability, our Board of directors play a major role to create such practices.

GPSC’s major method to gain trust from investors who invest in our fundamental business is utilizing many channels of communication, which they can easily grasp when making their investment decisions. We have published our company data and ESG information in comprehensible language; cover most of material issues under the relevant rules of Stock Exchange of Thailand (SET) and The Securities and Exchange Commission of Thailand (SEC) in Letter reported to SET, Annual Report, 56-1 Form, Sustainability report, press releases and GPSC’s official website at www.gpscgroup.com.

It has been two years since GPSC listed in SET. We are proud to say that we have effectively overcome several challenges. In the year 2015, our year of Initial Public Offering, we started proving our business process by prioritizing the security of power and steam production and Operational Excellence Management System (OEMS) for the sustainable growth. In the year 2016, we encountered the instability of the world economy and domestic economy resulting in a dramatic fluctuation of oil and gas price, which considered as an important factor in our cost of business process. Despite such challenges, GPSC could finally delivered proven growth both in financial and business portfolio under the focused strategies called 5M “Maximize Manage Move” giving a clear picture of how we direct our business through Operational Excellence Management System (OEMS), efficient projects management and sustainable growth. Moreover, we are determined to create a good balance on expanding our existing expertise and at the same time pursuing for energy innovations making GPSC ready for a new era of power industry. The record of accomplishment on recognitions awarded since GPSC stock first traded in SET could resonate the confidence from both international and local investors in the stock’s performance and the company’s intrinsic value and could even more ensure our way of conduct regarding good governance.

Finally, I strongly believe that striving for building up business strengths must also come with sustainable development on the basis of good governance practice. Therefore, focusing on operational excellence and disclosure of information to investors, shareholders and stakeholders with equality, accuracy, clarity, transparency and accountability in order to contribute utmost benefits to all relevant parties is definitely a key for fulfilling the requirements of the future of Corporate Governance practice.

Sharon T. Fuentebella
Chairperson
Max’s Group Inc

Global Power Synergy Public Company Limited
Thailand

As we, Global Power Synergy Public Company Limited (GPSC), realize that the Corporate Governance has become a sustainable approach to be a key value of a long-term success. Investors are expecting listed company to comply with good governance where disclosure of information is a key. Hence treating stakeholders equally through corporate governance principle especially transparent disclosure of information along with being mindful of environmental, social and governance (ESG) would be a concrete evidence indicating tangible impact to the long-term performance of the companies.

Investors across worldwide not only in Asia have unanimously given priority to sustainability issues by pushing to the forefront, particularly, nowadays where corporate scandals and insider trading have been amplified by social media. In my views, truly valuing the communication with wide spectrum of investors including retail investors, analysts and fund managers through Investor Relations activities like roadshows, shareholders’ company visit, analyst meeting and opportunity day could help making sure they have accurate and updated information where the leader of the company as myself and other key executives could have the discussion and make them confident with our standpoint in the power industry. Furthermore, to build up the good sense of compliance for the entire organisation towards sustainability, our Board of directors play a major role to create such practices.

GPSC’s major method to gain trust from investors who invest in our fundamental business is utilizing many channels of communication, which they can easily grasp when making their investment decisions. We have published our company data and ESG information in comprehensible language; cover most of material issues under the relevant rules of Stock Exchange of Thailand (SET) and The Securities and Exchange Commission of Thailand (SEC) in Letter reported to SET, Annual Report, 56-1 Form, Sustainability report, press releases and GPSC’s official website at www.gpscgroup.com.

It has been two years since GPSC listed in SET. We are proud to say that we have effectively overcome several challenges. In the year 2015, our year of Initial Public Offering, we started proving our business process by prioritizing the security of power and steam production and Operational Excellence Management System (OEMS) for the sustainable growth. In the year 2016, we encountered the instability of the world economy and domestic economy resulting in a dramatic fluctuation of oil and gas price, which considered as an important factor in our cost of business process. Despite such challenges, GPSC could finally delivered proven growth both in financial and business portfolio under the focused strategies called 5M “Maximize Manage Move” giving a clear picture of how we direct our business through Operational Excellence Management System (OEMS), efficient projects management and sustainable growth. Moreover, we are determined to create a good balance on expanding our existing expertise and at the same time pursuing for energy innovations making GPSC ready for a new era of power industry. The record of accomplishment on recognitions awarded since GPSC stock first traded in SET could resonate the confidence from both international and local investors in the stock’s performance and the company’s intrinsic value and could even more ensure our way of conduct regarding good governance.

Finally, I strongly believe that striving for building up business strengths must also come with sustainable development on the basis of good governance practice. Therefore, focusing on operational excellence and disclosure of information to investors, shareholders and stakeholders with equality, accuracy, clarity, transparency and accountability in order to contribute utmost benefits to all relevant parties is definitely a key for fulfilling the requirements of the future of Corporate Governance practice.

Teomsri Bunyong, Ph.D.
President and Chief Executive Officer
Global Power Synergy Public Company Limited
SM Prime Holdings, Inc.

SM Prime acknowledges that good corporate governance is an integral part of good management practice and the four core principles of integrity, fairness, accountability and transparency are embedded in a practical way into the business processes. The line management ensures that strategies are executed while upholding these principles and the values the company ascribes to, which are integrity, hard work, innovation and focus.

Fast forward to ten years later, these principles will always remain at the core of SM Prime’s corporate governance practice. What will change is the way the board of directors and management carry out these principles and practices as well as communications with stakeholders.

In the future, we think there are three areas in corporate governance practice in Asia that are ripe for change:

First, increased emphasis on board diversity will create and maintain an atmosphere of constructive challenge and debate, requiring the right balance of skills, competence, experience, and perspectives among the directors. Diversity at the board level is an essential element of sound corporate governance, sustainable and balanced development, and effective business strategy.

Second, we see corporate governance becoming a relevant and important issue also in the public sector, as much as it is in the private sector. Both sectors play critical and intertwined roles in enhancing economic growth and development, hence, it is paramount that the same governance standards be expected from the public sector.

Disparate standards can compromise and even jeopardize ongoing private sector initiatives resulting in significant amount of opportunity cost and lower productivity.

Third, as the media landscape continues to widen and the usage of social media trends upwards, companies as well as regulators can no longer ignore it as a key channel of communication. Social media should serve as a two-way communication channel between companies and its various stakeholders. Companies should be able to promote shareholder engagement through, among others, live streaming of annual stockholders’ meeting and press/analyst briefings, updates and news via Instagram, Facebook, Twitter and other social media sites, to name a few.

Moreover, electronic voting in absence should be encouraged to enable shareholders to exercise their voting right without being physically present during the meeting or delegating a proxy to exercise such right.

Jeffrey C. Lim
President
SM Prime Holdings, Inc.

China Communications Services Corporation Limited

China Communications Services Corporation Limited (“China Comservice” or the “Company”) is a leading integrated service provider in the information sector in China and listed in the Hong Kong Stock Exchange (“HKSE”). Over the years, there have been lots of new developments on corporate governance practices around the world, and along the way, the HKSE has also been setting out new requirements for listed companies to enhance their corporate governance standard, including board diversity, disclosure of major risks, and measures taken by companies on prevention and internal control. Relevant authorities in China has also been putting out new regulations and guidelines to strengthen corporate governance for Chinese companies as well.

As a company incorporated in the PRC and listed on the HKSE, China Comservice has not only complied with the relevant provisions of the Listing Rules of the HKSE, but also abided by the PRC Company Law and other applicable laws, regulations and regulatory requirements of Hong Kong and the PRC as fundamental guidelines for the Company’s corporate governance. China Comservice places strong emphasis on fostering good corporate governance. Over the years, China Comservice has strengthened its corporate governance standard, such as having diversified background on our board members to reinforce the function of our board, and also increased its transparency and disclosure on its annual report on risks exposures and measures for risk management and internal control, so that investors could better appraise our company.

Going forward, in order for China to play a more important role in the world’s economy and for Hong Kong to stay competitive as an Asian financial center, both China and Hong Kong should keep on strengthening corporate governance practices in accordance with the international trend so as to improve trust in business, attract investments and stay competitive in the international capital market.

New World Department Store China Ltd

Hong Kong

Thanks to the well-educated workforce, improved infrastructure establishments and increasing number of economy-boosting policies introduced by the governments, Asian economy robustly takes off. In this new era of economic landscape, Asian companies emerge to seize their place in the world stage. Corporate governance is one of the major considerations for global investors along with profitability when it comes to making mindful investment decisions, urging regulators in Asia to elevate the standard of corporate governance of listed companies to make Asia a safe and transparent place to invest.

According to the findings of Reform Priorities in Asia: Taking Corporate Governance to a Higher Level and OCED Survey of Corporate Governance Frameworks in Asia published by OECD in 2011 and 2017 respectively, certain Asian countries have gone an extra mile to tighten their corporate governance-related regulation, for instance, raising the Corporate Governance Code to “binding” level from “comply or explain” or “voluntary” levels as well as raising the minimum number or ratio of independent directors in the board of listed companies etc. in an attempt to seek ongoing optimization. As the regional financial hub and one of the world-leading stock exchanges, Hong Kong also never stops elevat-
Corporate governance is considered as an essential characteristic of listed companies. We can see that corporate governance is taken into account by more investors when making their investment decisions. Therefore, listed companies wishing to attract long-term investors must be prepared and pay attention to corporate governance. Having good corporate governance means that the Company has efficient, transparent, and auditable management systems that create trust and confidence amongst all stakeholders. We may see the board playing an important role in corporate governance, especially independent board members should review and oversee decisions on matters likely to involve conflicts of interest for the benefit of the development.

In Thailand, corporate governance is being promoted and developed on a continuous basis as a result of a proactive push and drive by the regulatory agencies, namely the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). SET is also promoting corporate governance of listed companies in accordance with ASEAN CG Scorecard criteria. Although having good CG means that the company is efficient, transparent, and auditable management systems that create trust and confidence amongst all stakeholders, strict criteria may be impractical or become burdens on businesses. The corporate governance standards should be practical and not too strict or become burdens on businesses. If they can be applied to all types of business and not put any burden on normal business operation, it will be useful in our journey to develop our region. Also, corruption is a major problem and obstacle to development. Corruption not only undermines business competitiveness, but also inflicts damage on society and the country as a whole. The regulators could have done more on anti-corruption to further raise the stakes in corporate governance standards in Asia.

Chaiwat Kovavisarach
President
Bangkok Corporation Public Co Ltd

**Security Bank Corporation**
**Philippines**

The significant impact of private corporate behavior on the economy as seen in the economic crisis that hit the Asian region in 1997, among others, made it necessary for key regions and markets to join forces in improving corporate governance standards and regional mechanisms to ensure financial stability.

In the Asian region, awareness of the Organization for Economic Cooperation and Development (OECD) Principles of Corporate Governance is now high as all Asian economies use these principles in the development of their regulations, corporate governance codes, listing rules, scorecards, as well as academic work. Notably, the ASEAN Corporate Governance Scorecard uses the OECD Principles of Corporate Governance as one of the main benchmarks to assess listed companies in Indonesia, Malaysia, Singapore, the Philippines, Thailand, and Vietnam. In addition, the Association of Southeast Asian Nations has issued ASEAN Corporate Governance Scorecard. The ASEAN Corporate Governance Scorecard uses the OECD Principles of Corporate Governance as one of the main benchmarks to assess listed companies in Indonesia, Malaysia, Singapore, the Philippines, Thailand, and Vietnam. In addition, the Association of Southeast Asian Nations has issued ASEAN Corporate Governance Scorecard. It is a tool to measure the level of corporate governance in a company and to identify areas for improvement.

Bangkok Corporation Public Co Ltd

**Dah Chong Hong Holdings Limited**
**Hong Kong**

With over sixty-five years of history as a trading and distribution leader in Asia, Dah Chong Hong is deeply committed to the highest standards of corporate governance and social responsibility. We recognise the importance of transparency, professionalism and accountability as the cornerstones of investor confidence and creating sustainable value.

Throughout our history, we have been consistently committed to excellence in corporate governance and operate our business in compliance with all statutory requirements, listing rules in HK, rules and regulations in every country of operation. The Board of Directors is dedicated to stewarding shareholder value and upholding our commitment to responsibly serve all stakeholders. This multi-dimensional approach is driven by our core company values and supported by an evolving framework of best practices that extends across finance, operations, risk management, businesses ethics, corporate communications and community relations.

As the world becomes increasingly interconnected, and Asia’s role as an economic marketplace evolves, transparent and ethical governance will become increasingly important and valued by shareholders. Dah Chong Hong will continue to embrace strong corporate governance, keeping our practices under continual review to ensure consistent application in view of the dynamic market environment. We look forward to continuing our practice of serving all stakeholders with pride, commitment and integrity in the years to come.

Yang Jie
Chairman and CEO
Security Bank Corporation

**Citic Limited**
**China**

Asia is a highly diverse region; multinational companies like CITIC Limited, China’s largest conglomerate, necessarily operate across a diverse range of markets, most of which exist today amidst varying levels of economic development and institutional maturity. Against this context, strong and proactive corporate governance with an agenda directly set, stewarded and communicated by company directors, is essential. It is also becoming increasingly important, with regulators and institutional investors alike demanding greater transparency and accountability from the companies in their spheres. The future, therefore, of successful corporate governance in Asia hinges upon three elements: active stakeholder

Dah Chong Hong Holdings Limited

**Regulators have continuously undertaken great reforms and initiatives, i.e. Japan’s Corporate Governance Code was reformulated in 2015 to align with Western norms and help prompt the return of foreign investors; India instituted major changes in corporate governance practices required by the 2013 Companies Act; the Philippines, through the Securities & Exchange Commission (SEC) , issued the Philippine Corporate Governance Code in 2015 and the new Corporate Governance Code to further align with the G20/OECD Principles of Corporate Governance and Asian Nations Corporate Governance Scorecard.**
We believe that strong and effective corporate governance is important in creating value for our stakeholders. To this end, we endeavour to comply with corporate governance best practices (such as those set out in the MAS Code of Corporate Governance 2012, and the Asian Corporate Governance Scorecard). We are also committed to enhancing our corporate governance disclosures in our Annual Report.

In addition, we use a balanced scorecard approach to measure how well we are serving our various stakeholders. The balanced scorecard is based on our strategy and is used to set objectives and drive behaviours of our employees. DBS has a very strong Board - two-thirds of which are composed of seasoned bankers. The Board is responsible for setting the strategy of the bank, and board committees are actively engaged in providing oversight in various areas. For example, the Board Exco reviews strategic matters including investments and divestments, and business plans. The Board Risk Management Committee is responsible for determining risk appetite and has portfolio oversight, while the Compensation Committee ensures that the bank has a remuneration structure that correctly aligns incentives.

Over the last five years, DBS has turned in a solid performance, thanks to a strong partnership between the Board and management. The strong partnership allows management to confidently execute against strategy, knowing that the Board stands behind them.

Champion REIT

Nowadays, corporate governance is not only an integral part in the business strategy, but also a crucial instrument in contributing to the sustainability of businesses. Beyond the confines of the office, in situations ranging from boardrooms, academic research and also policy desks around the globe, corporate governance has become an inevitable topic of discussion.

Champion Real Estate Investment Trust, with a portfolio of two landmark properties Three Garden Road and Langham Place, is committed to attaining global best practices and standards for all activities and transactions. We believe that the increasing demand for continuous improvement in corporate governance, including the emphasis on accountability, resolution of conflicts of interest issues and transparency in reporting is seen as a significant global trend. To this end, our board structure, management and employees carry out all facets of business activities in the long-term interests of our stakeholders in both a professional and socially responsible manner through a set of well-implemented corporate governance practices.

We also believe that there is an emergence of cross-industry best practices in formulating corporate governance benchmarks. With my past years of working experience in the finance and banking industry, we have introduced more and more robust and distinctive best practices to Champion REIT, especially in the areas of risk management, extensive compliance and internal control infrastructure. This allows the Trust to keep abreast of the latest global trends and helps raise the bar of its control standards in corporate governance.

In recent years, there is no doubt that enterprises in Asia have done a remarkable job in enhancing the standards of corporate governance, that have led to the continuing inflows of capital by global investors into the region. Moreover, thanks to the technological advances, corporate governance benchmarks and norms are more readily available and would be more likely to be shared across geographies, originating from the more advanced and developed markets. Furthermore, in view of the rapid growth of social media platforms, there might be a revolutionary change in corporate governance practices regarding the means of communications in a bid to accommodate the Snapchat and Instagram generation.

Looking forward, apart from the interest of shareholders, it is indispensable that companies should also address social and environmental issues. Companies, as good corporate citizens, should bear in mind that their directors and managers are not only accountable to their shareholders but also to society as a whole.

In the future, we will not only ensure the compliance of listing rules and regulatory requirements, but will strive to maintain our industry leadership to deliver fair play, transparency and long-term values to our Unitholders. Through our cross-industry expertise and distinctive insights, we would lead the Trust to take the high road to achieve an international standard, encompassing an increasingly robust and comprehensive corporate governance framework towards establishing a strong foundation for the sustainable growth of Champion REIT.

Ada Wong
Chief Executive Officer
Champion REIT
OCBC Bank

OCBC Bank’s well-integrated and diversified franchise delivered a resilient set of results in 2016 amid the difficult operating environment. Net profit was $53.47 billion on the back of total income of $85.5 billion.

In a year marked by soft global growth, weak market conditions and a sustained low interest rate environment, OCBC Bank’s resilience stemmed from being steadfast to its long-term strategy of diversified growth and its firm belief that prudent risk-taking, strong governance and continuous investment in people, technology, systems and processes underpin its long-term sustainability.

Group CEO Samuel Tsien, who took over the helm in 2012, has overseen the steady and consistent execution of OCBC Bank’s corporate strategy that focuses on deepening OCBC Bank’s presence in its four key markets of Singapore, Malaysia, Indonesia and Greater China. Across these markets, the bank’s identified core businesses are in the areas of retail and commercial banking, wealth management and insurance.

The success of this strategy has been borne out by the increasing earnings contribution from the bank’s core markets outside of Singapore over the years. Profit before tax contribution from the Greater China region was 22 per cent in 2016, compared with 6 per cent in 2012. Over the same period, Indonesia’s contribution grew from 3 to 5 per cent.

Mr. Tsien, in underscoring the strength of OCBC Bank’s diversified franchise, notes that its wealth management business has continued to perform well, with wealth management fees at a new high. Wealth management income accounted for 27% of the group’s total income in 2016. The OCBC Group’s wealth management platform is a comprehensive one that draws on the combined product and advisory expertise of OCBC Bank and its subsidiaries. Customers have access to market-leading insurance products from Great Eastern Holdings, equities and bond funds from Lion Global Investors, brokerage services from OCBC Securities and private banking services from Bank of Singapore.

Under Mr. Tsien’s watch, OCBC Bank has successfully completed a number of acquisitions that have strengthened its position in its core markets and advanced its core businesses. These include the acquisition of Wing Hang Bank which has significantly expanded the bank’s presence in Greater China, and that of the wealth and investment management business of Barclays PLC in Singapore and Hong Kong, which has broadened the bank’s wealth management franchise. Most recently, OCBC Bank entered into an agreement to acquire National Australia Bank’s Private Wealth business in Singapore and Hong Kong - a deal which will boost its mortgage and deposit books across the two markets when completed.

As the longest established Singapore bank with a global footprint of 18 countries and regions, OCBC Bank has a proven legacy of stability, prudence and drive for progress. Its continued focus on balanced growth, effective risk management practices and diversified markets and products positions it well to respond effectively to cyclical and structural forces as well as capitalise on new market opportunities as they arise.
and all relevant stakeholders under good corporate governance and aims to strike a balance of win-win benefits between our company and all groups of our stakeholders in conformity to the framework of sustainability.

Chow Tai Fook Jewellery Group Ltd
Hong Kong

We introduce CHOW TAI FOOK T MARK diamond brand, along with a new “4Ts” concept, to reinforce the efforts in ensuring our diamonds are natural and ethically sourced. Each CHOW TAI FOOK T MARK diamond carries a resume, tracing its entire life journey. Such intrinsic value as backed by our rigorous controls under the vertically integrated business model is unparalleled in the industry.

The same set of principles is in place to guide the development of our governance practices, with five key components, evolving towards a new paradigm for corporate governance. These support the Group to better achieve our strategic objectives towards sustainable growth and development.

- Board of Directors (“The Board”): to strike a balance between tradition and innovation, preserving core values of the Group at all times while leading changes to adapt to the fast-changing business environment, both are essential to the sustainable development of the Group.
- With well-diversified experience and professional knowledge, the Board does not only focus on present business performance, but also takes initiatives to invest in advanced technologies and infrastructure which can generate sustainable values to the Group and our stakeholders in long run.
- Stakeholder Relations: to increase our visibility and interactive engagements with a wider spectrum of stakeholders so that we can attain better alignment of values and balance of interests, as well as enhancing the business acumen of the leadership.
- Report and Analysis: to produce more timely and insightful performance analytics to facilitate evaluation of operation effectiveness, optimisation of corporate resources, and exploration and capture of business opportunities.
- Organisational Governance: to enhance the organisational and management structure such that Group policies are standardised for centralised controls while the regional units have considerable autonomy.
- Risk Management and Internal Controls: to integrate risk management framework with regard to the reporting and communication of risk profile and mitigation plan evaluation, to strengthen accountability on all levels of management and to make informed decisions with a balance of efficiency and risk controls.

San Miguel Corporation
Philippines

We anticipate corporate governance in Asia or, at the very least, the ASEAN region, will become more standardized and aligned with global standards in the coming years.

With ASEAN integration, a solid infrastructure of checks and balances becomes even more important for publicly listed companies in the region. It safeguards the interest of stakeholders through transparency, integrity and accountability while maximizing opportunities and shareholder value.

The Philippine Securities and Exchange Commission (SEC) has been doing its share. Earlier this year, it adopted a new code that aims to raise the corporate governance standards of Philippine corporations to a level on par with its regional and global counterparts.

For its part, San Miguel Corporation, one of Philippines’ largest conglomerates and a listed company, has always adhered to good corporate governance. Such has been the company’s foundation for its superior performance. That’s why it continues to work on reinforcing the structure that underpins its principles and practices to position it for long-term success in the face of regional integration.

San Miguel Corporation
Philippines

We introduce CHOW TAI FOOK T MARK diamond brand, along with a new “4Ts” concept, to reinforce the efforts in ensuring our diamonds are natural and ethically sourced. Each CHOW TAI FOOK T MARK diamond carries a resume, tracing its entire life journey. Such intrinsic value as backed by our rigorous controls under the vertically integrated business model is unparalleled in the industry.

The same set of principles is in place to guide the development of our governance practices, with five key components, evolving towards a new paradigm for corporate governance. These support the Group to better achieve our strategic objectives towards sustainable growth and development.

- Board of Directors (“The Board”): to strike a balance between tradition and innovation, preserving core values of the Group at all times while leading changes to adapt to the fast-changing business environment, both are essential to the sustainable development of the Group.
- With well-diversified experience and professional knowledge, the Board does not only focus on present business performance, but also takes initiatives to invest in advanced technologies and infrastructure which can generate sustainable values to the Group and our stakeholders in long run.
- Stakeholder Relations: to increase our visibility and interactive engagements with a wider spectrum of stakeholders so that we can attain better alignment of values and balance of interests, as well as enhancing the business acumen of the leadership.
- Report and Analysis: to produce more timely and insightful performance analytics to facilitate evaluation of operation effectiveness, optimisation of corporate resources, and exploration and capture of business opportunities.
- Organisational Governance: to enhance the organisational and management structure such that Group policies are standardised for centralised controls while the regional units have considerable autonomy.
- Risk Management and Internal Controls: to integrate risk management framework with regard to the reporting and communication of risk profile and mitigation plan evaluation, to strengthen accountability on all levels of management and to make informed decisions with a balance of efficiency and risk controls.
There’s Banking. And then there’s SmartBanking.

At UnionBank, we offer expert, flexible business solutions that are relevant to your needs. We hold a track record for helping organizations improve efficiencies and grow profits.

We are obsessed with innovation in both our products and processes. Our numerous international awards back this up. This is SmartBanking working for you.
SM Investments Corporation (SMIC) recognizes the importance that the practice of good corporate governance has on its growth and sustainability. As a holding company with diverse businesses, SMIC’s governance practices enable it to operate in a manner that promotes and exudes its corporate governance principles. These are highly evident in the Company’s treatment of its shareholders, business partners, creditors, customers, employees and other various stakeholders, and the progressive manner in which the Company has developed its corporate governance culture.

SMIC’s culture of good governance emanates from its Board of Directors, which remains fully committed to the principles of corporate governance and ensures that the long-term financial success of the business is built on fairness, accountability and transparency. The Board sets the “tone at the top” and upholds the highest standard of excellence and integrity that permeates throughout the organization.

The importance of the Company gives to the practice of good governance may also be found in its various corporate governance related policies and programs. SMIC’s Manual on Corporate Governance contains the Company’s policies on disclosure and transparency, and mandates the conduct of communication, and training programs on corporate governance. It also outlines the rights of all stakeholders, and the protection of the interests of minority stockholders. Furthermore, all directors, officers and employees are required to adhere to SMIC’s Code of Ethics. The Code highlights the importance of integrity in all the dealings with investors, creditors, customers, contractors, suppliers, regulators, co-employees, and the Company’s other various stakeholders. It also highlights the Company’s duties to its employees, shareholders and the importance of corporate social responsibility.

With an eye toward the future, SMIC continues to foster its corporate governance culture through the adoption of new policies and programs in line with regional and global best practice, while also supporting the initiatives of regulators and the efforts of advocacy groups.

Union Bank of the Philippines

“Elevating lives, fulfilling dreams, enabling communities through smart banking in the spirit of Ubuntu” is our special kind of story shared with our customers as co-creators. It speaks to how we believe value is created and what we value in relationships. It explains why we exist and what defines our purpose.

As the largest producer of offshore crude oil and natural gas in China and one of the largest independent oil and gas exploration and production companies in the world, CNOOC Limited believes that maintaining the highest corporate governance standards is essential to its steady growth, efficient operation and serving the long-term interests of all shareholders. The Company has always upheld and attained high standard of business ethics, for which its transparency and standard of governance have been recognized by the public and its shareholders.

An effective corporate governance practice supports a foundation for sustained growth, a stable global economy and remain competitive to remain competitive to an open and transparent manner so as to protect the interests of all shareholders.

It is crucial for companies to strengthen business operation, internal control and risk management in order to ensure the effectiveness and appropriateness. CNOOC Limited has set up an internal audit based monitoring system, by combining the internal audit management system, financial information safeguarding system and anti-corruption supervision system into a comprehensive supervisory management system.

As 2017 marks our 35th anniversary, we are committed to fully transform into a digital bank. From being the internet banking pioneer in 2000, we will further advance our presence in the digital space. The Bank is setting aside brick-and-mortar expansion as we push our mobile and e-commerce platforms. While most of our peer banks concentrate on expanding “brick and mortar” build presence, UnionBank aims to “embed UnionBanking” into the digital-lives of current as well as new mass-market customers. In this way, we hope to achieve more effective and sustainable financial inclusion, especially to the unbanked.

Dr. Justo A. Ortiz
Chairman and Chief Executive Officer
Collaborates with International Capital Market Association to introduce
ASEAN Green Bond Standards

The ASEAN Green Bond Standards will be developed based on ICMA’s Green Bond Principles (GBP). The standards are intended to provide additional guidance on the application of the GBP to enhance transparency, consistency and uniformity of ASEAN green bonds which will also contribute to the development of a new asset class.

The newly revised ASEAN Corporate Governance Scorecard (Scorecard) was also endorsed by the ACMF meeting, in response to the new principles and recommendations of the G20/OECD Principles of Corporate Governance, the methodology and assessment of the Scorecard has been revised to take into consideration increased investor expectations, and developments in business and corporate governance practices.

The revised Scorecard will include new assessment questions, additional weightage for certain questions, particularly those on the Role of Stakeholders, and a streamlining of questions to place greater emphasis on practicing corporate governance. Another key change to the assessment is the introduction of an independent validation in addition to the existing peer-review process. The enhancements are being introduced to strengthen the quality of assessment in addition to expanding insights on corporate governance practices of companies across participating countries. The assessment using the revised Scorecard will commence in Q2 2017.

The ACMF also endorsed proposals to foster greater mobility of capital market professionals in the region and enhance connectivity by allowing more services to be provided to investors across ASEAN by regional capital market professionals. The ACMF has engaged with the industry through the ACMF Industry Consultative Panels (AICP), developing proposals that meet their needs and will continue to work with them in implementing the proposals on a phased basis, starting with investment consultants, research analysts and individuals who are licensed to carry out fund management activities.

The ACMF is working on enhancing the ASEAN Collective Investment Schemes (CIS) framework by further harmonising disclosure standards through product highlight sheets and prospectuses, and reducing investment restrictions while expanding the range of ASEAN CIS to include real estate investment trusts.

The ACMF continues to focus on enhancing capacity building through the ACMF Market Development Programme (A-MDP) to ensure all ACMF members benefit from regional capital market connectivity. Following the successful first phase of implementing the regulatory programme in developing domestic bond markets in Cambodia, Laos PDR, Myanmar and Vietnam (CLMV members), a second phase is expected to commence in Q3 2017, targeted at private sector market participants.

The ACMF discussed measures to enhance market connectivity and investor experience in regional investing, including feedback from the AICP and recommendations put forward by the independent consultant commissioned by the Asian Development Bank (ADB) at the ACMF’s request. The ACMF will further discuss the recommendations with relevant stakeholders including the exchanges.

At the ACMF’s 26th meeting, the ACMF acknowledged ADB’s support in providing technical assistance on several initiatives including capacity building, the ASEAN Corporate Governance Scorecard and the IOSCO application process for selected ACMF members.

Thailand

Thai listed firms’ 2016 earnings leap to 5-year high at THB 909 billion

Thai listed firms’ 2016 earnings leap to 5-year high at THB 909 billion - 2016 net profits worth THB 909 billion, up 30.41 percent year-on-year at 1.19 times, down slightly from 1.20 times year-on-year at THB 233 million loss in the same period a year earlier.

Meanwhile, Thai listed firms ability to generate profit has been growing with their 2016 gross profit margin rising to 24.69 percent from 22.28 percent a year earlier, and net profit margins also increased to 8.95 percent from 6.70 percent, while their debt-to-equity ratio (excluding Financials industry) was at 1.19 times, down slightly from 1.20 percent at end-2015.

In quarter 4/2016, the combined net profit was THB 204.85 billion, up 20.15 percent from the same quarter of 2015, but down slightly by 1.47 percent from the third quarter of 2016. SET Senior Executive Vice President Santit Santi Karanand said, "The overall performance of the Thai listed companies in 2016 has improved correspondingly with relevant stakeholders including the exchanges. The business sectors that could benefit most from the government policies were Property Development, Construction Materials, Commerce, and Healthcare sectors.

Interestingly, companies in 10 target industrial groups from the "Thailand 4.0" economic policy, the government economic model, reported healthy performance with a 20 percent net profit growth, compared to end-2015. The companies listed on Market for Alternative Investment (mai) also reported the 2016 net profit, a 8.73 percent year-on-year drop to THB 38.39 billion, partly due to extra items booked.

As for Q4/2016, they reported a net loss of THB 472 million, compared to THB 233 million in the same period a year earlier."
SZSE Holds 2017 Investor Protection and Service Symposium

Shenzhen Stock Exchange (SZSE) held the 2017 Investor Protection and Service Symposium on March 15. About 40 attendees were present, including the principals from CSRC Investor Protection Bureau, Shenzhen Securities Regulatory Bureau, China Securities Investors Protection Fund Corporation, China Securities Minor Investors Protection Service Center and Shenzhen Securities and Futures Dispute Resolution Center, experts and scholars, media representatives, investor education staff of intermediaries and investor representatives. At the symposium, participating representatives introduced the general situations of investor protection developed by interested units, discussed the policies and practices on investors’ law-based rights execution and protection and proposed suggestions like a diversified dispute settlement mechanism. An expert representative, Professor Guo Li from the Law School of Peking University shared his academic opinions on the three aspects of compound feature, commotion and scope of investors. Professor Liu Junhai from the Law School of Renmin University of China delivered his keynote speech explicating the mission, philosophy and measures of investor protection. In addition, the investor protection practitioners from securities companies, including CITICS, investor representatives and a media representative from Securities Times aired their opinions and suggestions on improving investor protection systems, constructing investor protection bases and other issues.

At the symposium, the participating parties also discussed and exchanged views on other hot issues on investor protection in a warm and harmonious atmosphere. To make investor protection systems work, we need the support from market players, the mass of investors and the staff of securities operation organizations. Also, we should know investors’ real needs and listen to their genuine thoughts while taking the opinions and wisdom of experts, scholars and media peers. The symposium has delivered a bridge of communication, understanding and discussion to all parties and pulled heads together to make them jointly endeavor to improve the weak parts in investor protection. As a result, the construction of a fair market system will be facilitated and a sound and robust market environment will be created, which in turn will help keep the work on investor protection moving forward.

SSE Issues Implements “Guidelines for credit risk management on corporate bonds in duration” (for Trial Implementation)

In order to strengthen the credit risk management on the corporate bonds in duration and effectively protect legitimate rights and interests of investors, the Shanghai Stock Exchange (SSE) has recently issued and implemented the “SSE Guidelines for Credit Risk Management on Corporate Bonds in Duration” (the Guidelines for short) on the basis of extensively soliciting opinions from market participants.

The Guidelines mainly involves the contents in four aspects: the first is to fully implement the responsibility of market participants for risk management and give full play to the central role of bond issuers and trustees; the second is to prevent and defuse prior and in-process credit risks, as all the parties concerned are required to take the initiative to carry out the credit risk management, continuously conduct monitoring, screening and early warning for credit risks and timely detect and defuse risks as early as possible; the third is to highlight the risk-oriented classification management by dividing bonds into the normal class, the attention class, the risk class and the default class and making differentiated arrangements for risk management; the fourth is to set up the reporting system for credit risk management of bonds by requiring trustees to submit periodic reports to the SSE every half a year and interim reports on high-risk bonds on an irregular basis so that regulators could monitor the risk situations in the market in a timely manner.

According to an SSE official, the SSE openly solicited opinions on the Guidelines on January 25, 2017. With the market participants attaching great importance, the SSE received feedbacks and opinions from bond issuers, trustees, investors and other parties concerned. The feedbacks and opinions generally recognize the positive role of the Guidelines in intensifying the credit risk management in the bond market and strengthening the protection of the legitimate rights and interests of investors, and that the relevant revisions and improvements for the Guidelines were put forward mainly in improving the monitoring over the bond risks, the standard for classification and other aspects. The SSE has earnestly studied the opinions one by one and made relevant revisions and improvements for the Guidelines, such as further improving the standard for risk classification, allowing trustees to conduct risk monitoring and classification on the basis of actual situations such as the business
model and the industry characteristics of bond issuers, and more accurately defining the responsibilities taken by underwriters. In terms of the suggestions for the non-institutional and specified SSE, the plans seek to make responses and explanations in publicity, training and other ways after the issuance of the Guidelines.

On an important self-regulatory role for the SSE bond market, after issuance and implementation the Guidelines will boost the implementation of the entity responsibility of market participants for the bond credit risk management, improve the market participants’ awareness of actively managing bond credit risks, set up the persistent and regular mechanism and system of bond credit risk management, move the focus on bond credit risk control forward, enhance the management, move the focus on bond credit risk management and implement the Guidelines will be SSE’s major work items in 2017.

The SSE Party Committee held that in 2017, we should, according to the decisions and implementation according to the decisions and implementation of the Guidelines, and strengthen the implementation of the Guidelines and enhance the awareness and capability of bond credit risk management. Secondly, market participants shall systematically sort out the responsibilities of all parties concerned stipulated in the Guidelines, divide and designate the relevant tasks to specific departments and personnel, improve the internal system and process, adjust and rationalize the corresponding organizational structure and operational mechanism, fully make business and technical preparations for the implementation of the Guidelines, and guide all market participants in effectively implementing the relevant requirements of the Guidelines.

The conference fully showed the conference’s board member and Chairman of the CSRC Party Committee in comprehensively implementing the requirements put forward at the 6th Plenary Sessions of the 18th CPC Central Committee and the Central Economic Work Conference, further studying the major speeches made by General Secretary Xi Jinping, consistently enhancing the four-awarenesses and adhering to the philosophy of carrying out legal and strict regulation in an all-round way and the reform direction of marketization, rule of law and internationalization, and firmly maintaining the long-term, sound and steady growth of the capital market.

To help market participants, especially bond issuers and trustees, better understand and implement the Guidelines, in the near future the SSE will hold forums for related persons in charge of the trustees, organize the training for the risk management business, step up publicity and organization, and guide all market participants in effectively implementing the relevant requirements of the Guidelines.

On February 13, the Party Committee of the Shanghai Stock Exchange (SSE) held a meeting to timely publicize the requirements put forward at the 2017 National Securities and Futures Regulation Work Conference, earnestly study the spirit of the 18th Congress of the CPC and the 6th Plenary Sessions of the 18th CPC Central Committee.

The SSE Party Committee regarded it as an honorable mission in spite of the arduousness and heavy responsibilities by strengthening team building and unifying everyone through effective measures.

The SSE Party Committee called for that all the cadres and employees of the SSE should firmly carry out the requirements put forward at the conference, and steadily complete all the SSE’s work items in 2017, so as to usher in the 19th National Congress of the CPC with its outstanding achievements.

The conference highlighted the conference’s board member and Chairman of the CSRC Party Committee in comprehensively implementing the requirements put forward at the 6th Plenary Sessions of the 18th CPC Central Committee and the Central Economic Work Conference, further studying the major speeches made by General Secretary Xi Jinping, consistently enhancing the four-awarenesses and adhering to the philosophy of carrying out legal and strict regulation in an all-round way and the reform direction of marketization, rule of law and internationalization, and firmly maintaining the long-term, sound and steady growth of the capital market.

The conference has given a directive and specific tasks and requirements for the SSE in its work in 2017, and encouraged it to further play its role as a frontline regulator and organizer and contribute more to boosting the healthy development of the capital market and the awareness of uniformity, carry out the decisions and deployments made by the CSRC Party Committee, and make the SSE Party Committee to play a politically leading role in the SSE’s governance work.

The conference emphasized the importance of actively managing bond credit risks, with a general-situation outlook and a practical attitude, and being pro-active.

(2) We should further cement the Party discipline and strictly administrate the SSE in an all-round way, especially the awareness of uniformity and in the context of the situation and the challenges facing the capital market, heavily promoted the major tasks of the securities and futures regulation system in 2017 in implementing the general keynote of moving forward while maintaining stability, and rationally fueling the capital market’s reform, stability and development, made by CSRC Chairman Liu Shiyu, with great foresight, a clear standpoint and rich content, boosts strong leadership and guidelines. In particular, the 6 aspects for stability and another 6 aspects for progress for the capital market’s reform, development and stability are highly instructive for working out a unified thought and correctly understanding and rationally propelling the major tasks of the capital market’s reform, development and stability under the complicated domestic and foreign economic environment and the ever-changing capital market.

The conference highlighted the conference’s board member and Chairman of the CSRC Party Committee in comprehensively implementing the requirements put forward at the 6th Plenary Sessions of the 18th CPC Central Committee and the Central Economic Work Conference, further studying the major speeches made by General Secretary Xi Jinping, carry out the “5-in-1” general layout (economic, political, social, ecological and civilization construction), the strategic layout of “Four Overall Constructions” (building a moderately prosperous society, boosting the awareness of core leadership and adhering to the philosophy of carrying out legal and strict regulation in an all-round way and the reform direction of marketization, rule of law and internationalization, and firmly maintaining the long-term, sound and steady growth of the capital market) and the ever-changing capital market.

The conference has given a directive and specific tasks and requirements for the SSE in its work in 2017, and encouraged it to further play its role as a frontline regulator and organizer and contribute more to boosting the healthy development of the capital market and the awareness of uniformity, carry out the decisions and deployments made by the CSRC Party Committee, and make the SSE Party Committee to play a politically leading role in the SSE’s governance work.

The conference highlighted the conference’s board member and Chairman of the CSRC Party Committee in comprehensively implementing the requirements put forward at the 6th Plenary Sessions of the 18th CPC Central Committee and the Central Economic Work Conference, further studying the major speeches made by General Secretary Xi Jinping, carry out the “5-in-1” general layout (economic, political, social, ecological and civilization construction), the strategic layout of “Four Overall Constructions” (building a moderately prosperous society, boosting the awareness of core leadership and adhering to the philosophy of carrying out legal and strict regulation in an all-round way and the reform direction of marketization, rule of law and internationalization, and firmly maintaining the long-term, sound and steady growth of the capital market) and the ever-changing capital market.

The conference highlighted the conference’s board member and Chairman of the CSRC Party Committee in comprehensively implementing the requirements put forward at the 6th Plenary Sessions of the 18th CPC Central Committee and the Central Economic Work Conference, further studying the major speeches made by General Secretary Xi Jinping, carry out the “5-in-1” general layout (economic, political, social, ecological and civilization construction), the strategic layout of “Four Overall Constructions” (building a moderately prosperous society, boosting the awareness of core leadership and adhering to the philosophy of carrying out legal and strict regulation in an all-round way and the reform direction of marketization, rule of law and internationalization, and firmly maintaining the long-term, sound and steady growth of the capital market) and the ever-changing capital market.

The conference highlighted the conference’s board member and Chairman of the CSRC Party Committee in comprehensively implementing the requirements put forward at the 6th Plenary Sessions of the 18th CPC Central Committee and the Central Economic Work Conference, further studying the major speeches made by General Secretary Xi Jinping, carry out the “5-in-1” general layout (economic, political, social, ecological and civilization construction), the strategic layout of “Four Overall Constructions” (building a moderately prosperous society, boosting the awareness of core leadership and adhering to the philosophy of carrying out legal and strict regulation in an all-round way and the reform direction of marketization, rule of law and internationalization, and firmly maintaining the long-term, sound and steady growth of the capital market) and the ever-changing capital market.

The conference highlighted the conference’s board member and Chairman of the CSRC Party Committee in comprehensively implementing the requirements put forward at the 6th Plenary Sessions of the 18th CPC Central Committee and the Central Economic Work Conference, further studying the major speeches made by General Secretary Xi Jinping, carry out the “5-in-1” general layout (economic, political, social, ecological and civilization construction), the strategic layout of “Four Overall Constructions” (building a moderately prosperous society, boosting the awareness of core leadership and adhering to the philosophy of carrying out legal and strict regulation in an all-round way and the reform direction of marketization, rule of law and internationalization, and firmly maintaining the long-term, sound and steady growth of the capital market) and the ever-changing capital market.

The conference highlighted the conference’s board member and Chairman of the CSRC Party Committee in comprehensively implementing the requirements put forward at the 6th Plenary Sessions of the 18th CPC Central Committee and the Central Economic Work Conference, further studying the major speeches made by General Secretary Xi Jinping, carry out the “5-in-1” general layout (economic, political, social, ecological and civilization construction), the strategic layout of “Four Overall Constructions” (building a moderately prosperous society, boosting the awareness of core leadership and adhering to the philosophy of carrying out legal and strict regulation in an all-round way and the reform direction of marketization, rule of law and internationalization, and firmly maintaining the long-term, sound and steady growth of the capital market) and the ever-changing capital market.

The conference highlighted the conference’s board member and Chairman of the CSRC Party Committee in comprehensively implementing the requirements put forward at the 6th Plenary Sessions of the 18th CPC Central Committee and the Central Economic Work Conference, further studying the major speeches made by General Secretary Xi Jinping, carry out the “5-in-1” general layout (economic, political, social, ecological and civilization construction), the strategic layout of “Four Overall Constructions” (building a moderately prosperous society, boosting the awareness of core leadership and adhering to the philosophy of carrying out legal and strict regulation in an all-round way and the reform direction of marketization, rule of law and internationalization, and firmly maintaining the long-term, sound and steady growth of the capital market) and the ever-changing capital market.
In pursuit of sustainable and inclusive growth

“Working Together to Achieve Inclusive Prosperity”

This is MAP’s guiding principle for 2017. It is sensitive to recent developments where we witness moves by nations to leave economic unions; when countries speak of closing off their borders to neighbors and refugees; when societies are fighting back against public institutions. All in the hope of raising their own standards of living.

The MAP therefore has to be commended for resolutely putting the themes of cooperation, social responsibility and sustainability at the heart of its activities for this year.

The MAP could not have chosen a more appropriate theme.

I say this because the world has taken uncertain turns in the past couple of years, driven by a general sense of discontentment and a brewing distrust in public policies and institutions. How did we get to this point?

If you look closely at the trend of the Global Policy Uncertainty Index1, two things jump out. The first is that it has been nearly a decade since the global financial crisis broke out. And yet, we continue to live with high uncertainty and its aftermath of heightened volatility and risk aversion.

The second is that these are truly uncertain times. Rising inequality has given traction to anti-globalization and populist sentiment across the globe. Even as these protectionism tendencies have seen some resistance, public attitudes toward globalization remain tepid.

This tension has cast a heavy cloud over global economic prospects.

Indeed, the rise of protectionism tends to erode a growing belief among countries that the benefits of growth need to be shared more equally and equitably. For public policymakers, this means that the goals of inclusivity and growth should always stay on hand.

Finally, I’ll relate these developments to emerging challenges for policy and the role the private sector can play in promoting inclusive growth.

Global outlook and risks

In terms of the world economic outlook, global growth is projected to improve modestly over the next two years, with upward adjustments to the projections of the IMF for the US, EU, UK and Japan for 2017. Note, however, that these forecasts are still lower than the actual growth outcomes prior to the global financial crisis.

Meanwhile, the outlook for emerging markets is still mixed. In particular, economic activity in China has held firm, while growth projections for India and Brazil in 2017 were cut.

A downside risk to this outlook, however, is potential political discord and heightened inward-oriented sentiment, both of which could undermine global trade and dampen financial market sentiment.

Meanwhile, an offshoot of the evolving upward momentum in global growth is the possibility of inflation, or that global inflation may be at a turning point.

This positive momentum is reflected in the shift in policy stances of a number of central banks. As you all know, the US Fed raised its target Fed Funds rate by 25 bps last week. Furthermore, it is widely expected to continue on this path, with at least two more hikes anticipated in 2017.

A review of recent monetary policy decisions points that central banks have largely turned neutral—they see less urgency for further accommodation and would rather stay on hold.

This phenomenon has been described as “watchful pause.”

The prospect of higher interest rates in advanced economies could cause capital outflows from emerging market economies (EMEs) as investors search for yield. The retreat of funds away from EMEs could lead to tighter dollar funding conditions in emerging markets.

For firms with significant dollar-denominated liabilities, these developments could pose a risk to their balance sheets and profitability, unless of course these exposures have been adequately hedged.

In the case of the Philippines, we have seen some inopportun signs of capital flow reversals as early as last year.

Fortunately, the risk to businesses was mitigated by robust domestic liquidity and credit growth and by an adequate supply of foreign exchange. Debits of nonfinancial corporations in the Philippines also remain mostly peso-denominated, which provides some measure of insulation from external shocks.

Meanwhile, with the potential for capital outflows from EMEs, some emerging-market currencies could also see depreciation pressures and volatility in the near term. We have seen that kind of depreciation effect on the Philippine peso in recent periods. However, if we take a longer-term view on the movements of the peso, we can see that the peso has been broadly stable and competitive over the medium term.

Looking ahead, we expect the peso to continue to draw strength from the steady stream of remittances from overseas Filipinos and of foreign exchange receipts from tourism and the BPO sector.

One other thing that we must be watchful of is the evolving dynamics of the international oil market. Oil prices rebounded right after the OPEC members agreed to cut output. However, the subsequent upwelling in supply, due partly to renewed shale oil production in the US, has raised questions on the sustainability of the oil price rally.

Keeping a close eye on all these developments is crucial because they have direct implications on business costs and consumer sentiment. On the latter point, we note from the BSP’s latest Consumer Expections Survey that consumers hold a slightly less favorable outlook for the year ahead, owing to expectations of higher prices of goods, the depreciation of the peso, as well as concerns over slow growth and an overall slowdown in business activity.

For policymakers, tracking these dynamics closely will therefore allow for a pre-emptive response, should needed, to protect the interests of businesses and consumers. On the part of central banks, they will need to ascertain the implications on future inflation, and particularly on inflation expectations, to see if adjustments in the monetary policy stance will be warranted.

In sum, ladies and gentlemen, we see three major trends in the global environment:

1) a modest but uneven recovery in global economic activity.
2) a tentative turning point for oil prices and inflation; and
3) heightened financial market volatility, owing to a buoyy outlook on potential shifts in macroeconomic policies.

Banking on sound macroeconomic fundamentals

With these uncertainties in the external environment, we expect the year ahead to be just as challenging as the last one, if not more. The good news is that we can bank on solid macroeconomic fundamentals to keep the economy moving along its path of robust growth.

We have a broader base for growth, a manageable inflation environment, a sound banking system, and a healthy external payments profile. How can we harness these potential to sustain the Philippine growth engine, and how sustainable is the Philippine growth story?

Over the last two decades, the country has weathered just as many financial crises—the Asian financial crisis in the late 90s, and the global financial crisis in the late 2000s. Throughout this period, the country managed to register 72 consecutive quarters of output expansion. To put things into perspective, we are referring to a span of 18 years.

Barring any significant shock, we are on track to extending this streak, as recent indicators of activity point to a strong growth impulse.3 The National Government expects growth to average 6.7-7.3 percent this year, slightly higher than last year’s target of 6.7 percent.

This mirrors buoyant business sentiment, as indicated in our latest Business Expectations Survey. Domestic economic activity is anchored on expectations of stronger job orders, the potential expansion of public works and private product lines, as well as the ongoing infrastructure projects of the government.

One reason for this sustained growth impulse is that growth has become more broad-based.

On the demand side, growth has historically been anchored by robust household consumption. In recent years, investments have also become a significant growth driver. In 2016, for instance, the contribution of capital investments to overall GDP growth even outstripped that of private consumption.

Meanwhile, on the supply side, the influx of manufacturing and construction have also been increasing. This complements the steady contribution from services such as trade, real estate, and financial intermediation.

By Former Governor Amando M. Tetangco, Jr.

CENTRAL BANK

CENTRAL BANK

BPO sector.

change receipts from tourism and the steady stream of remittances from overseas Filipinos and of foreign exchange receipts from tourism and the BPO sector.

Other one thing that we must be watchful of is the evolving dynamics of the international oil market. Oil prices rebounded right after the OPEC members agreed to cut output. However, the subsequent upwelling in supply, due partly to renewed shale oil production in the US, has raised questions on the sustainability of the oil price rally.

Keeping a close eye on all these developments is crucial because they have direct implications on business costs and consumer sentiment. On the latter point, we note from the BSP’s latest Consumer Expections Survey that consumers hold a slightly less favorable outlook for the year ahead, owing to expectations of higher prices of goods, the depreciation of the peso, as well as concerns over slow growth and an overall slowdown in business activity.

For policymakers, tracking these dynamics closely will therefore allow for a pre-emptive response, should needed, to protect the interests of businesses and consumers. On the part of central banks, they will need to ascertain the implications on future inflation, and particularly on inflation expectations, to see if adjustments in the monetary policy stance will be warranted.

In sum, ladies and gentlemen, we see three major trends in the global environment:

1) a modest but uneven recovery in global economic activity.
2) a tentative turning point for oil prices and inflation; and
3) heightened financial market volatility, owing to a buoyy outlook on potential shifts in macroeconomic policies.

Banking on sound macroeconomic fundamentals

With these uncertainties in the external environment, we expect the year ahead to be just as challenging as the last one, if not more. The good news is that we can bank on solid macroeconomic fundamentals to keep the economy moving along its path of robust growth.

We have a broader base for growth, a manageable inflation environment, a sound banking system, and a healthy external payments profile. How can we harness these potential to sustain the Philippine growth engine, and how sustainable is the Philippine growth story?

Over the last two decades, the country has weathered just as many financial crises—the Asian financial crisis in the late 90s, and the global financial crisis in the late 2000s. Throughout this period, the country managed to register 72 consecutive quarters of output expansion. To put things into perspective, we are referring to a span of 18 years.

Barring any significant shock, we are on track to extending this streak, as recent indicators of activity point to a strong growth impulse.3 The National Government expects growth to average 6.7-7.3 percent this year, slightly higher than last year’s target of 6.7 percent.

This mirrors buoyant business sentiment, as indicated in our latest Business Expectations Survey. Domestic economic activity is anchored on expectations of stronger job orders, the potential expansion of public works and private product lines, as well as the ongoing infrastructure projects of the government.

One reason for this sustained growth impulse is that growth has become more broad-based.

On the demand side, growth has historically been anchored by robust household consumption. In recent years, investments have also become a significant growth driver. In 2016, for instance, the contribution of capital investments to overall GDP growth even outstripped that of private consumption.

Meanwhile, on the supply side, the influx of manufacturing and construction have also been increasing. This complements the steady contribution from services such as trade, real estate, and financial intermediation.

By Former Governor Amando M. Tetangco, Jr.

CENTRAL BANK

CENTRAL BANK
In short, the country now has more diverse sources of growth. They should also provide ample cushions against external shocks, particularly if protectionist sentiment continues to gain traction overseas and dampen the country’s export-oriented sectors. It also bears noting that this sustained growth in output was achieved under prudent macroeconomic management. Going forward, we see average inflation will be within the target range of 2-4 percent for 2017-2018. A closer scrutiny of the monthly inflation path will show that inflation imprints will be rising until sometime in Q3 2017, when the monthly rates are expected to be very close to the lower end of the target range. Even so, our forecast path suggests that monthly inflation will slow down thereafter, resulting in within-target full-year averages over the policy horizon or the next two years.

In addition, money supply remains ample. Even at double-digit growth rates, we do not see overheating in credit conditions, as credit continues to be channelled to key production sectors to improve the inter-generational mediation of these funds is expected to remain safe and efficient, owing to our sound and stable banking system. Key indicators continue to reflect solid asset growth and improving quality of loans. Capitalization also remains strong and adequate both domestically and internationally.

On the external front, the country’s current account has been in surplus for 14 consecutive quarters, due to the sustained increase in overseas Filipinos (OFs) remittances, as well as business process outsourcing (BPO) revenues and trends in remittances. The narrowing of the current account surplus in recent months. This trend may continue, as imports of capital goods are seen to further pick up. Such importation, we note, is necessary to support the expansion of the economy in the medium term.

Steel industry exchange (FX) inflows from OF remittances and BPOs, however, will continue to allow us to maintain adequate FX reserves. We expect our gross international reserves to continue to be more than sufficient to meet the country’s FX liquidity requirements.

Reaping dividends from growth To reiterate, our macroeconomic funda- mentals remain strong. On the one hand, these give us enough buffers to ward off the challenges posed by a difficult external environment. On the other hand, how secure are we against homegrown challenges?

Political noise here as well as over- seas is a manifestation that the benefits of growth may not have trickled down fairly to all sectors of society. The rise in populist sentiment globally suggests that inequality in society also poses a threat to prosperity. In essence, what we’re saying is that it is not enough to be fast and sustained. For growth to be truly meaningful, it must also be inclusive.

We can take heart in knowing that the Philippines has made noteworthy progress and intends to see more headway moving forward.

For one, labor and employment conditions have shown marked improvements. The unemployment rate has declined steadily from 7.4 percent in 2010 to 5.5 percent in 2016. The government aims to reduce it further to between 3 and 5 percent by 2022, through various its social programs and sustained economic growth. Poverty incidence and income ine- quality among Filipinos have also been on an appreciable downward, with the incidence of poor population declining from 49.5 percent in 1998 to 21.6 percent in 2015. The new Philippine Development Plan aims for this to fall further to 14.0 percent by 2022.

Also, income inequality has been reduced. The Gini coefficient inch ed down from 0.49 in 1997 to 0.44 in 2015. 

Inflation, for the lowest 40 percent of households is also lower now than in prior years. From 5.1 percent in 2009, it has fallen to only 1.4 percent as of end-2016, suggesting that these households are now less vulner- able to price shocks.

Policy thrusts All these support the belief that with the right policies and programs in place, it is possible to achieve sustain- able and inclusive growth. But for the engine of inclusive growth to keep run- ning, both the public and private se- ctors must share in the responsibility of making sure that no Filipino is left behind. There is much to be done to- wards this end, so I reiterate the ques- tion I posed at the beginning: How do we create more inclusive society?

In this regard, let me provide some highlights of the initiatives for public policy. On the part of the BSP, we reaffirm our commitment to maintain price and financial stability conducive to balanced and sustainable growth. Our latest projections indicate that infla- tion is likely to settle within the target range of 2-4 percent for 2017-2018— at the moment, our forecasts are at 3.4 percent for 2017, and 3.0 percent for 2018. Inflation expectations also re- main well-anchored. Therefore, the current stance of policy is deemed ap- propriate.

The balance of risks surrounding our inflation outlook is, however, tilted toward the upside. The transitory im- pact of the implementation of the sugar de- gram as well as possible adjustments in transportation fares and electricity rates could raise the inflation trajec- tory. However, uncertainty over the prospects of the global economy and potential macroeconomic policy shifts overseas continue to pose a key down- side risk.

Turning to financial stability, the BSP will remain steadfast in working to strengthen the banking system, im- prove risk management standards, and align our financial regulations with in- ternational best practices. Amid turbulence in the global economy, maintaining a market-deter- mined exchange rate will help ensure the stability of the Philippine financial system and the economy as a whole. We are an inflation targeter, and there- fore, we follow a specific, robust inflation target. That is why the BSP participates in the FX market only to limit volatil- ity, or when movements are becoming misaligned with fundamentals. Other measures include deploying liquidity provision measures to address any potential tightness in funding condi- tions, as well as conducting operations, where necessary.

The Philippine Economic Growth Potential

The Philippines has made significant strides in strengthening its institutions and enhancing its competitiveness over the past years, and our efforts have not gone unnoticed. The “Philippines: Beyond and more...” recognition, these reforms also have begun to yield divi- ends for more Filipinos by encour- aging private-sector participation and investments; ensuring fiscal sustain- ability; and promoting innovation and competition—all of which, in turn, have helped reduce poverty and in- come inequality. But this is not to say that what it means is that we have a big job ahead of us.

However, as recent global events have shown us, there is no guarantee that these benefits of growth will be shared fairly. The challenge, therefore, remains: Promoting sustainable and inclusive growth will require much work and the concerted efforts of both the public and the private sector.

To reiterate, our macroeconomic fun- damentals remain strong and adequate both domestically and internationally.

The MAP, in particular, is moving towards the right direction. You have your Top Five Priority Programs for 2017: Traffic Management, Ease of Doing Business, Entrepreneurship, Employment Generation, and Women Empowerment. All these initiatives should provide a solid springboard towards your goal of promoting inclusive prosp- erity.

As we push forward in 2017, we hope that the MAP and BSP can work more closely together in this shared responsibility of pursuing sustainable and inclusive growth. Let me also wish the MAP continued success in its en- deavors in the year ahead.

The Global Economic Policy Uncertainty in- dex measures policy-related uncertainty using media coverage and professional forecasts of macroeconomic variables. The index peaked in January following the anti-immigration policy pro- motions of the Trump administration in the US. The BPI index continued to rise in February and also continues to rose sharply, with upcoming major elections in Germany and France, remaining a source of uncertainty.

Compared to these in their respective average annual growth rates prior to the global financial crisis (i.e., 1997-2007): US (3.0 percent); Euro Area (2.4 percent); UK (2.2 percent); and China (9.0 percent). (Source: IMF World Economic Outlook, October 2016)

The average capacity utilization rate of the manufacturing sector stood at 83.8 percent in January; 2016. (Source: BPS)
We are honored to attain 7th Asian Excellence Recognition Awards 2017

Opening Remarks of HKMA Conference for Independent Non-Executive Directors (INEDs)

By Norman T.L. Chan, Chief Executive, Hong Kong Monetary Authority

16 March 2017

Good morning and a very warm welcome to all of you to the inaugural Annual Conference of INEDs in Hong Kong! Today is a very special day for us because it is the first time in Hong Kong’s banking history that we have gathered in one place over 100 INEDs, which represents 82% of the total INED population of 123.

Today is also special because it marks an important milestone of the development of Hong Kong as the premier banking hub in Asia.

In case you do not know already, the size of Hong Kong’s banking sector, as measured in the amount of banking assets, has exceeded HK$20 trillion by end of 2016. This equals to 8 times of Hong Kong’s GDP which itself is a powerful manifestation of Hong Kong’s position as an international banking centre. Having said that, there would be devastating effects on systemic stability and on the society at large. I think you will agree with me that in the interest of good governance, a board of directors has to provide the needed steer, guidance and checks and balance to the bank. Clearly this can only be achieved if the INEDs can function effectively and efficiently. Without functioning INEDs, the board is just another gathering of the senior bank management. We may as well abolish the board of directors as it would serve no real or useful purposes.

This is why the HKMA has in the last few years been embarking on a programme to help equip and empower the INEDs. Our intention is to help INEDs to work with the executive directors and senior management to achieve a more optimal outcome and not work against them. So it is important that the bank management should position itself in the years to come.

In December last year, we have also organised thematic seminars on the important role and function of INEDs because we all share the common interests and goals.

Under this INED empowerment programme, we have rolled out a number of initiatives. Some of you have attended the High Level Seminar co-organised by the HKMA and China Banking Regulatory Commission (CBRC), which was designed to give INEDs a unique opportunity to understand the macro perspectives of China’s development strategy and how Hong Kong should position itself in the years to come. The first one was held in Beijing in October 2015 and the second one was held in Xian in June last year. On both occasions, the former Chairman of CBRC personally attended to speak to the INEDs, which is a clear indication of the support given by Beijing on this programme. On a regular basis, we have also organised thematic seminars in Hong Kong, all of which were well attended by INEDs. In December last year, we issued guidance to banks on the HKMA’s requirements to enhance the roles of INEDs, including their remuneration and the way the boards should conduct their meetings.

Two weeks ago, the HKMA issued a circular to banks providing guidance on the importance of sound governance and good corporate culture and what they should do to promote them. I won’t go into the details now as the main themes of these new guidance circulars will be covered in the Conference later today.

Today is going to be a long day for you so feel free to take a break if you must. I have talked long enough and now is the time for me to introduce to you our keynote speaker for this Conference. We are honoured and highly privileged to have Mr. Andrew Bailey, Chief Executive Officer of the UK Financial Conduct Authority, to fly all the way from London to join us today. Andrew needs no introduction. Before he joined the FCA last year, he was the Deputy Governor in the Bank of England and Chief Executive Officer of the Prudential Regulation Authority from April 2013 until June last year. So Andrew is truly exceptional in the sense that he has been in charge of both the prudential and conduct sides of banking supervision, and is very well-regarded internationally. He is therefore uniquely well-placed to share with us his experience and insights.
Corporate Governance is a fiendishly difficult topic to pin down. It’s incredibly broad, and perhaps that’s why it seems to be the subject of so much discussion and generates a very large volume of academic research. From a regulator’s point of view, we have to deal with the types of voluntary codes pioneered by Sir John Cadbury in the UK 25 years ago to the hard law of the type exemplified by the Sarbanes Oxley Act in the US 15 years ago. And lots of different rules and practices in between.

Sarbanes Oxley was a legislative response to the severe corporate governance crisis exemplified by the US company Enron’s extremely creative accounting approaches. The problem is that as the crisis recedes, politicians and the public are increasingly influenced by those who say that post-crisis regulation went too far and is anti-growth. This is part of a familiar cycle, which means that reformers who once had widespread support often become isolated and defensive as the political atmosphere changes.

And it’s an old story. The campaigned against short-termism and the period of industrialisation provoked a response from mining companies and textile mills that has echoed for centuries whenever the prospect of interference looms. That is regulation, whether motivated by concerns over social justice, environment or health always has its critics. As usual, the usual suspects of companies to compete. As competitiveness declines, the argument goes, negative effects ripple through the broader economy.

The reality is that companies now have a big impact on corporate governance in the UK 10 years ago. You will have seen that there is now a lot of talk about the so-called Dodd Frank in the US. Sir Paul Tucker, the former Deputy Governor of the Bank of England, was the driving force behind the Hay Davison report, which responded to Hong Kong’s own financial crisis in the 1980’s with the creation of the Securities and Futures Commission (SFC). He is now Chair of the Systemic Risk Council in the US, which recently issued a very clear warning about the rollback of regulation. It said that if we dilute measures taken to make the global financial system more able to withstand shocks, and bearing in mind dangerously high levels of global debt, the next financial crisis could be even more severe than the last. That’s because after years of low rates and quantitative easing (QE), the central banks, the only other line of defence, have run out of firepower.

The corporate short-termism debate Concerns about corporate short-termism have been discussed for years in one form or another, but have recently resurfaced as a key agenda item. In fact this issue is at the heart of the whole governance discussion. It even underlies different views about the best governance structures for tech companies – most recently in relation to the Snap IPO in the US where the only shares with voting rights are held by the company’s founders. On one side of the argument is the view that corporate managers aren’t investing properly in the long term because they are heavily incentivised to pursue short-term goals. The argument is that corporate activities are mainly directed to meet quarterly financial targets and to boost short-term share performance. Techniques used to achieve this range from share buy-backs financed by cheap borrowing, to the use of executory options in which companies present financial statements in a more favourable light such as executory options in which companies present financial statements in a more favourable light such as executory options in which companies present financial statements in a more favourable light such as executory options in which companies present financial statements in a more favourable light such as executory options in which companies present financial statements in a more favourable light such as executory options in which companies present financial statements in a more favourable light such as executory options in which companies present financial statements in a more favourable light such as executory options in which companies present financial statements in a more favourable light. The result is that companies which don’t have a long-term mindset consistently outperform industry peers on nearly every important financial measure.

Another criticism is that the study is that perhaps the whole short-term-long term thing is a distraction from the issues that really matter. The reality is that companies which are able to plan effectively for long-term projects are able to invest in infrastructure and innovative targets from quarter-to-quarter will continue to succeed and ride out short-term volatility. And because they have developed strong reputations for performance and, crucially, good governance, they can count on the support of investors to tide them over when they do report subpar quarterly results.

From this standpoint a focus on governance structures designed to avoid pressure from the market to deliver short-term performance may be a distraction from the need to control corporate success.

That’s because the criteria McKinnon used to define the short-term bank were the same as those which separate intrinsically great companies from those that aren’t so great. The point is that the best run companies can afford to take a long view because they have the advantage of having excellent managers and a product or service with deep market penetration which is characterised by its high operating or financial performance. And these are precisely the things that mediocre companies don’t have. It’s hard to plan for the future when your margins are rapidly deteriorating and you’re struggling just to stay in business.

Another criticism is that the study doesn’t accurately reflect what’s really happening in the economy. It turns out that the bad effects of short-termism are not so easy to find. The Economist has pointed out that if companies were to ramp up investment in response to criticism about the use of cash for buy-backs and the like, this would only create supply elasticities. This implies that the problem is really about large amounts of retained profits that have been hard to deploy in a very uncertain business environment.

And this gets to the core issue, which is that perhaps the whole short-term-long term thing is a distraction from the issues that really matter. The reality is that companies which are able to plan effectively for long-term projects are able to invest in infrastructure and innovative targets from quarter-to-quarter will continue to succeed and ride out short-term volatility. And because they have developed strong reputations for performance and, crucially, good governance, they can count on the support of investors to tide them over when they do report subpar quarterly results.

From this standpoint a focus on governance structures designed to avoid pressure from the market to deliver short-term performance may be a distraction from the need to control corporate success.
I’ll now turn to the rather left-field subject of climate change, and explain why this is also relevant to governance.

Global warming was the focus of the recent Paris Agreement, which aims to hold any increase in global temperatures to “well below” 2°C. The agreement also recognises that finance will play a big part in any transition to a low-carbon economy. Some companies recognised very early on that climate change was likely to have a big impact on their business models, either as a threat or as a potential opportunity. So energy companies have been struggling with the problem of stranded assets. There are those oil and gas reserves that simply can’t be exploited if you assume a transition to a low-carbon world. Clearly this has major financial and strategic implications for these companies.

Quite a few stock exchanges and regulators require corporate reporting about sustainability, but the details vary enormously. This makes this type of disclosure hard to use, because investors don’t have the ability to compare different companies properly.

There are also a vast number of voluntary sustainability standards which overlap and sometimes even contradict one another. This makes it difficult for companies which operate across many jurisdictions to know what to disclose. As a result, there have been calls for better global coordination to make corporate sustainability reporting more consistent and easily understood.

This is to end a really interesting international project now being led by Michael Bloomberg, involving leading companies such as Unilever, Aviva and Google. The idea is to come up with a framework for companies to produce consistent climate-related financial disclosures.

So there is a lot going in this area, although obviously there are many challenges, not least a difficult political debate about global warming. I’m firmly of the view that this project has special significance for Hong Kong. China is now heavily invested in the environmental and clean energy sector. So there is a lot going on in this area, especially with regards to the joint efforts of relevant authorities and market participants to monitor the long run impact of the recent Paris Agreement.

In my welcome address today, I will allude to the progress and challenges, especially with regards to the new developments in green energy and energy efficiency. I hope to highlight that the progress so far is due to the joint efforts of relevant authorities and the support from the industry. The costs of the financial crisis is significant. According to the Financial Stability Board (FSB), the cumulative losses due to the crisis, compared to its pre-crisis trend, is estimated around 25% of one year’s world GDP.

In conclusion, the promise of being able to make better informed investment decisions.

In the future, we expect that as long as the financial crisis is a reality, we will see the establishment of a comprehensive and harmonised framework. This is to do with the rise of index tracking funds are pursuing stewardship initiatives, not least a difficult political debate about global warming. I’m firmly of the view that this project has special significance for Hong Kong. China is now heavily invested in the environmental and clean energy sector. So there is a lot going on in this area, especially with regards to the joint efforts of relevant authorities and market participants to monitor the long run impact of the recent Paris Agreement.
The number of Shenzhen listed companies distributing cash dividend has occupied over 70 percent of the total number of Shenzhen listed companies after multi-measures on guiding cash dividend distribution

Under the guidance of the supervi- sion, multi-measures on guiding cash dividend distribution situation of Shenzhen listed companies has been improved continuously, with the proportion of cash dividend in net profit and the number of Shenzhen listed companies distributing cash dividend increasing year by year. Statistics show that Shenzhen listed companies realized accumulated cash dividend of CNY391.882 billion from 2013 to 2015, and the number of Shenzhen listed companies distributing cash dividend had occupied over 70 percent of the total number of Shenzhen listed companies.

Cash dividend is not only one of the main ways for investors of listed companies to realize the returns of investment, but also is an important way for cultivating investors’ long-term investment philosophy and making the capital market more attractive.

After China Securities Regulatory Commission (‘CSRC’) promulgated the Guidelines No. 5 on the Supervision and Administration of Listed Companies – Distribution of Dividends of Listed Companies in 2013, CSRC, Ministry of Finance and State-owned Assets Supervision and Administration Commission (‘SASAC’) jointly released relevant notice in 2015 to actively encourage listed companies to distribute cash dividend.

Shenzhen Stock Exchange (‘SZSE’) has actively implemented measures made by the CSRC and the ministries and commissions under the State Council, and regulated and guided the cash dividend distribution of listed companies via the Guidelines on Standard Operation of Listed Companies, so as to enhance the capital market and listed companies on shareholder return.

SZSE always attaches importance to regulating and guiding the cash dividend distribution of listed companies, and has achieved demonstrable results. Statistics show that the cash dividend distribution situation of Shenzhen listed companies has been improved continuously from 2013 to 2015, with the total amount of cash dividend, the proportion of cash dividend in net profit and the average amount of cash divi- dend increasing year by year.

From 2013 to 2015, the total amount of cash dividend is CNY92.738 billion, CNY111.078 billion and 153.216 billion respectively, the average proportion of cash dividend in net profit is 30.51%, 32.31% and 36.39% respectively, and the proportion of cash dividend in net profit is CNY178 million, CNY93 million and CNY 125 million respectively.

From 2013 to 2015, there were many listed companies implementing cash dividend continuously and stab- ility of listed companies. The annual dividend distribution proportion of Shenzhen stock market. Over the past three years, 74% of the cash div- idend distributed in the household appliance industry and 8.4% in the Shenzhen stock market was distrib- uted by Gree and Midea.

Moreover, the proportion of cash dividend in total dividends of non-ferrous, construction materials, food and beverage, household appli- ance and machinery industries. The financial sector ranks the top in terms of average cash dividend distributed, closely followed by the household appliance, food and bev- erage, and the real estate industries. The annual report provides an important window for distribution of cash dividend by listed companies.

As of 24 March, 405 listed com- panies in the Shenzhen Stock Market have disclosed plans for profit dis- tribution, among which, 343 com- panies have plans to distribute cash dividend. The total cash dividend to be distributed by PingAn Bank, Sh- uizhou Automobile, Jiangxi CPTC and Vanke-A has distributed cash dividend every year since its listing with the accumulated cash dividend of CNY26.893 billion, accounting for 19.90% in the accumulated net profit.

Cash dividend varies in different boards and different sectors of the stock market.

Judging from different boards of the stock market, in 2015, the ratio is higher for companies listed on the SMEs board and ChiNext board to distribute cash dividend, while the total and average amount of cash divid- end and its percentage in net profit are more prominent among main- board listed companies.

The total amount of cash divi- dend distributed by main-board list- ed companies over the last three years exceeds that of others financing.

Meanwhile, the average cash divi- dend distributed by SMEs board and ChiNext board listed companies is increasing year by year, which shows that the market has fostered a group of relatively mature blue-chip com- panies.

Though there is a large capital demand on the part of growing SMEs and start-ups, they have shown a fairly strong willingness to distribute cash dividend.

From the Exchange shall enhance su- pervision and regulation on irregular- ities such as no cash dividend or minimum cash dividend or conducts stop during the year.

The person in charge of the Shenzhen Stock Exchange expressed that the Exchange shall continue to promote and regulate cash dividend distributed by listed companies on the basis of information disclosure.

From the Exchange shall enhance su- pervision and regulation on irregular- ities such as no cash dividend or minimum cash dividend or conducts stop during the year.

It shall further optimize the allo- cation of capital market resources via the market transmission mechanism, so as to create a win-win situation for the listed companies, investors and other parties in the market.
Thank you for inviting me to speak at today’s luncheon. Let me start by acknowledging Kah Siang for his work as LIA President for the past three years when many of the recommendations under the Financial Advisory Industry Review (FAIR) were implemented. As Chairman of the Institute of Banking and Finance (IBF) Financial Planning Working Group, Kah Siang was also active in raising the competency of financial advisory representatives through the development of the IBF Financial Planning Competency Standards.

May I also welcome Patrick as the new LIA President. I look forward to working with Patrick and his team to further raise the standards of financial advisory practices and strengthen the life insurance industry in Singapore.

In my remarks today, I will share MAS’ regulatory perspective on the importance of culture as a key driver of conduct, and set out some thoughts on what more can be done to promote a positive culture in financial institutions. To begin, let me first briefly take stock of global developments in this area, to underscore why regulators worldwide, including MAS, are stepping up our focus on culture and conduct. In the aftermath of the global financial crisis, regulators introduced a slew of reforms aimed at strengthening the resilience and stability of the financial system. The initial focus of the reforms was primarily directed at micro- and macro-prudential issues such as capital adequacy, liquidity risk and measures to dampen pro-cyclicality of financial markets. In recent years, however, there has been a growing regulatory emphasis on culture and conduct. There is a good reason for this - apart from the recognition that ethical failure was one of the root causes that got many firms into trouble during the crisis, the financial industry continues to be dogged by egregious misconduct nine years on from the crisis. According to research by the CCP Research Foundation, the cost of poor conduct for 20 global banking groups for the 5-year period from 2011-2015 was £252 billion, an increase of 27.6% compared to the 5-year period from 2008-2012 when the research on conduct costs was first carried out. And this does not include the cost of remedial compliance or risk management actions that these entities have been directed to take by their regulators.
loss in their franchise values. Conduct costs are now so significant that it is not uncommon these days to read about big financial groups reporting higher or lower profits largely because of a decline or increase in regulatory fines or litigation costs related to misconduct. It is therefore no surprise that the International Monetary Fund has acknowledged that the problem of poor culture has become systemic in the financial sector, and the Financial Stability Board now has workstreams looking into conduct issues given its potential to impact financial stability.

While the life insurance industry may not have been at the forefront of the major misconduct cases making global headlines, some of these conduct costs involve mis-selling of products and inappropriate advice. The need to pay attention to culture to avoid paying the price of misconduct is clearly equally applicable to the life insurance industry, particularly when it involves poor financial advisory practices.

**What is culture and why it matters**

So what is culture? Definitions and descriptions abound in the literature but in the main, we see it as the shared values, attitudes and norms that guide behaviour in an organisation. Culture reflects the underlying mindset of an organisation that affects the way the culture and direction to align business practices with fair dealing outcomes. Second, the balanced scorecard framework under FAIR, which adds non-financial performance measures to volume-based remuneration arrangements, to better align the interests of financial advisers and their representatives with that of their customers. Third, regulations on complaints handling and resolution, which require financial advisory firms to establish an independent and prompt process for handling and resolving complaints from retail customers. At their core, all of these initiatives can be seen as measures to promote and reinforce the right culture in financial institutions and among their staff. In our supervisory engagements with individual financial institutions, where relevant, MAS also includes observations on culture and our assessment of its impact on selling and advisory practices.

Assessing culture and its impact on conduct inherently poses a greater challenge than prudential supervision because culture cannot be quantified, nor easily monitored. But we believe it is as important as capital and liquidity, and should receive equally close attention from regulators and financial institutions.

**MAS’ approach to culture and conduct**

To be clear, the focus on culture is not a new concept to MAS. In a new approach, a framework of rules and guidelines already set out our regulatory expectations on culture and conduct. For the financial advisory business in particular, let me highlight three initiatives:

- First, the Guidelines on Fair Dealing issued by MAS in April 2009. The Guidelines hold the board and senior management of financial institutions accountable for setting the culture and direction to align business practices with fair dealing outcomes.
- Second, the balanced scorecard framework under FAIR, which adds non-financial performance measures to volume-based remuneration arrangements, to better align the interests of financial advisers and their representatives with that of their customers.
- Third, regulations on complaints handling and resolution, which require financial advisory firms to establish an independent and prompt process for handling and resolving complaints from retail customers.

**Getting the culture right in financial institutions is critical because poor culture can be a driver of poor conduct.** The financial industry’s most valuable asset—its reputation—can be catastrophically undermined by poor conduct. And all financial institutions need their customers to trust them in order to build a sustainable business.

From a regulatory perspective, one of the outcomes that MAS seeks to promote is the development of an atmosphere of self-regulation of conduct being driven by financial institutions – among others, this involves instilling fair business practices in the marketing and distribution of financial products and services. MAS is therefore interested in the culture in financial institutions as it has a dominant influence on the way they conduct their business with customers.

**Regulators**

**Getting the culture right in financial institutions is critical because poor culture can be a driver of poor conduct.**

**A good culture bolsters integrity, intelligence and energy.** And if you hire, you look for three qualities: in the individual or team’s work, it is the qualities that you want. Decide on the qualities that are most important to you and then look for them starting with the individual or team’s work. Apart from assessing the individual’s qualifications, ask about how they think about the company and its values.

**Proper culture ensures that the firm’s leadership should ask if the behaviour is pervasive and where else the behaviour could have occurred. In addition to just addressing isolated instances of misconduct, firms should always seek to identify if there is a root cause of the bad behaviour that needs to be fixed so that the problem goes away for good.** Where instances of misconduct occur at other firms, the same introspection should apply – “do we have a similar problem?”, “how do we prevent this from happening to us?”

**Conclusion**

Let me briefly conclude. Good culture drives good conduct and good conduct is good for business. A good culture bolsters reputation and strengthens customer loyalty. As regulators, MAS can design rules and supervisory approaches to reinforcing the culture of the right culture in financial institutions. But it is the efforts within firms that will make a real difference. Firms should spare no efforts to develop and sustain the right culture that genuinely integrates with customers and best practices around for the long term. I urge all of you to regularly think about your organisation’s culture and reflect on changes that you can make to promote a more positive culture of doing the right thing.

---

“*Culture and Conduct - A Regulatory Perspective*”, by Mr Lee Ruei Ngiap, Assistant Managing Direc- tor, Monetary Authority of Singapore, at the 2017 Annual Luncheon of the Life Insurance Association Singapore on 6 March 2017
Businesses See a Significant Rise in Fraud and Risk Incident During 2016

- 82% of executives surveyed worldwide experienced a fraud incident in the past year compared to 75% in 2015, according to the Kroll Annual Global Fraud and Risk Report.
- 85% of executives reported at least one cyber incident and over two-thirds reported security incidents.

Current and former employees were the most common perpetrators of fraud, cyber, and security incidents. They are now the “new normal” for companies across the world, according to the executives surveyed for the 2016/17 Kroll Annual Global Fraud and Risk Report. The proportion of executives that reported their companies fell victim to fraud in the past year rose significantly to 82%, from 75% in 2015 and 70% in 2013, highlighting the escalating threat to corporate reputation and regulatory compliance.

Cyber incidents were even more commonplace, with 85% of executives surveyed saying their company has suffered a cyber incident over the past 12 months. Over two-thirds (68%) reported the occurrence of at least one security incident over the course of the year.

The threat from within Despite widespread concerns about external attacks, the findings reveal that the most common perpetrators of fraud, cyber, and security incidents over the past 12 months were current and former employees. Six out of ten respondents (60%) who worked for companies that suffered from fraud identified a combination of perpetrators that included current employees, former employees, and third parties. Almost half (49%) said incidents involved all three groups. Junior staff were cited as key perpetrators in two-fifths (39%) of fraud cases, followed by senior or middle management (30%) and freelance or temporary employees (27%). Former employees were also identified as responsible for 27% of incidents reported.

Overall, 44% of respondents reported that insiders were the primary perpetrators of a cyber incident, with former employees the most frequent source of risk (20%), compared to 14% citing freelance or temporary employees and 10% citing permanent employees.

Adding agents or intermediaries to this “insider” group as quasi-employees increases the proportion of executives indicating insiders as the primary perpetrators to a majority, 57%.

Over half of respondents (56%) said insiders were the key perpetrators of security incidents, with former employees again the most common of these (23%).

Tommy Helsby, Co-Chairman, Kroll Investigations & Disputes, commented: "The threat from within is growing, and companies must be vigilant in their efforts to prevent fraud, cyber, and security incidents. Insiders, particularly former employees, should be a primary focus of corporate risk management strategies."
Corporate Governance Asia  68  June 2017

Asian female senior execs in multinational firms confined to regional roles

- 90% of Asian female senior leaders aspire to global roles, but only 36% are at least somewhat confident that they will have the opportunity.
- An astonishing 85% are considering leaving their current companies in the next two years.

The road to resilience

While insiders are cited as the main perpetrators of fraud, they are also the most likely to discover it. Almost half (44%) of respondents said that a recent fraud had been discovered through a whistle-blowing program, and 39% said it had been detected through an internal audit.

Indeed, three in four respondents indicated that their companies (70%) have adopted employee-focused anti-fraud measures such as staff training or whistle-blowing hotlines. 82% of respondents have adopted anti-fraud measures focusing on information such as IT security or technical countermeasures, and 79% have implemented physical security measures.

FRAUD

A broad range of cyber incidents were reported. The most commonly reported cyber risk mitigation action was conducting in-house security assessments of data and IT infrastructure, implemented by 76% of survey respondents.

Over two-thirds (69%) of executives say their companies have been dissuaded from operating in a particular country or region due to fraud concerns and just under two-thirds (65%) because of security threats.

The shortage in the Asian executive talent pipeline continues to pose a major business challenge for many multinational companies, a majority of Asian women leaders at multinational corporations feel trapped in regional roles, according to a new study by Heidrick & Struggles (Nasdaq: HSII), a premier provider of executive search, leadership consulting and culture shaping worldwide.

The study’s findings reveal that headquarters leaders at take notice of Asian women leaders as an untapped resource for global roles, said Steve Mullinjer, Regional Leader of Heidrick & Struggles, Asia Pacific. “As leadership advisors, we recognize the pressing imperatives for companies to harness and promote the brightest and those with high potential in order to stay competitive and outperform others, regardless of their nationalities, age groups, gender and cultural backgrounds,” Mullinjer said. “Senior management or headquarters need to embed such diversity of thinking in their organizations. DNA to become truly diverse and inclusive organizations and drive better value to their stakeholders.”

According to the study, 90% of Asian female senior leaders currently in regional roles in multinational companies with headquarters outside Asia aspire to be promoted to global roles. Moreover, only 36% are at least somewhat confident that they will be granted the opportunity. More than half (54%) believe these barriers are a response to their ethnic background, while nearly half (47%) feel that their gender is the main obstacle.

Visionary corporations that recognize the increasing importance of Asia to their business are relocating their global headquarters to Asia. This move by a handful of companies serves as a great opportunity for Asian female leaders to take on global responsibilities without juggling time zone differences or perceptions that they are below average performers just because of the foreign accent they display during midnight conference calls. This requires a shift in mentality for headquarters leaders and must align with performance appraisal systems that indicate the path to global roles,” said Karen Chevy-Man, Partner of Heidrick & Struggles based in Hong Kong.

A broad range of cyber threats have been reported. The most prevalent of these were cyber attacks related to critical asset theft, intellectual property theft and data theft.

Asian female senior ejecutives are also the most likely to discover a fraud. They have adopted anti-fraud measures focusing on information such as IT security, technical countermeasures, and physical security measures.

FRAUD

A broad range of cyber threats have been reported. The most prevalent of these were cyber attacks related to critical asset theft, intellectual property theft and data theft.

Asian female senior ejecutives are also the most likely to discover a fraud. They have adopted anti-fraud measures focusing on information such as IT security, technical countermeasures, and physical security measures.
Mr Greg Medcraft, Chairman of the Australian Securities & Investments Commission, distinguished guests, ladies and gentlemen, good morning.

I am happy to join you for this ASIC Annual Forum on “Future Focus”, and congratulate ASIC for the choice of a timely topic.

• The global financial system experienced nine years ago a most devastating crisis.
• In response, we saw the implementation of perhaps the most wide-ranging set of regulatory reforms ever.

We are now at an inflection point.

I see three key areas of focus in the regulatory agenda going forward:

• First, take stock of the reforms to-date, with a focus on evaluating their effectiveness and effects.
• Second, go beyond rule-setting to foster a culture of trust and risk governance in our financial institutions and markets.
• Third, position regulation for the technological changes sweeping the financial industry, to harness the opportunities they present while managing their risks.

Evaluating the effects of regulatory reforms

Let me start with a stocktake of the regulatory reforms. Basically, the reforms set out to address the fault-lines that caused or exacerbated the global financial crisis of 2008. There are four key thrusts:

• Build resilient financial institutions. This is being done chiefly through the Basel III reforms, strengthening capital and liquidity buffers in banks.
• End too-big-to-fail. Frameworks are being established to identify and address the risks posed by global systemically important financial institutions.
• Make derivatives markets safer. Requirements are being put in place to foster central clearing, margin requirements, and mandatory reporting of OTC derivative trades.
• Transform shadow banking into resilient market-based finance. Oversight of shadow banking entities is being strengthened.

The Financial Stability Board has been working to ensure that these internationally agreed regulatory reforms are implemented in a timely and consistent manner across the major jurisdictions.

• While gaps remain in some areas, implementation is generally proceeding well.
• It is time now to begin the important task of evaluating the impact of the reforms.

The Financial Stability Board has been working to ensure that these internationally agreed regulatory reforms are implemented in a timely and consistent manner across the major jurisdictions.

• While gaps remain in some areas, implementation is generally proceeding well.
• It is time now to begin the important task of evaluating the impact of the reforms.

The framework aims to answer two questions:

• Have the regulatory reforms been effective – are...
they achieving their intended outcomes.

• What are the cumulative effects of the reforms – how have the various reforms interacted with one another, are they coherent, what are their larger social benefits and costs?

This work is especially important in the current context:

• Internationally, regulators have been cracking down on illicit fund flows, with several financial institutions being penalised for lapses in money laundering controls.

• In Singapore, we have taken decisive actions against financial institutions that fell short of our anti-money laundering standards.

• MAS shut down two banks and fined several others, and culpable individuals have been charged in court and sentenced.

Reform of the financial industry will not be complete until this issue of trust and ethics is addressed. We need to “get the culture right”. This will require collective effort by regulators, the industry, and financial institutions.

The FSB and IOSCO have been driving international efforts to reduce misconduct risk, focusing on governance and incentive structures, conduct standards in wholesale markets, and the reform of financial benchmarks.

• National regulators have been stepping up engagement with financial institutions on issues pertaining to culture and conduct.

The industry must itself take collective responsibility to promote good practices and develop codes of conduct, and hold institutions accountable to their peers.

• Here in Australia, you have set a good example.

• The Australian Bankers’ Association has commissioned an independent review of sales commissions and product-based payments in retail banking that is now in its final stages.

• Banks have also agreed to share information among themselves on financial advisers with a history of poor conduct.

But ultimately it is the financial institution itself that must bear responsibility for getting the culture right. There are a couple of things they can focus on.

• First, set a clear tone from the top that is supported by concrete policies and leaders that walk the talk.

Management decisions must consistently reflect the firm’s espoused values.

• Second, align human resource (HR) policies with the desired culture. From recruitment and training to rewards and penalties, compensation to career development, HR policies send the clearest signal to staff on the values that the firm regards as important.

This is difficult but important work. We must move the financial industry to look beyond the question “is this legal” to the larger question “is this right?”

Positioning regulation for technological innovation

Let me now move to the third thrust of financial regulation going forward – how to position for technological innovation.

Financial technology or FinTech is transforming financial services.

• Digital payments are becoming more widespread, propelled by advances in near-field communications, identity authentication, digital IDs, and biometrics.

• Blockchains or distributed ledger systems are being tested for a wide variety of financial operations – to settle interbank payments, reconcile trade finance invoices, execute performance contracts.

Big data is being used in many areas of finance – to gain richer insights into customer behaviour and needs, to detect fraud or anomalies in financial transactions, to sharpen surveillance of market trends.

How should regulation respond?

• First, we need to develop a deep understanding of these emerging technologies and the risks as well as opportunities they present.

• Second, we need to develop novel approaches in regulation and supervision that will promote the safe and responsible application of these technologies without stifling innovation.

In some ways, FinTech helps to reduce existing risks; in other ways, they may accentuate these risks or even create new ones. Let me illustrate using robo-advisors.

• Robo-advisors, as you know, are software algorithms that recommend a portfolio based on a set of investor preferences and rebalance the portfolio automatically.

The financial risks presented by robo-advisors are similar to traditional fund management, depending on the underlying instruments used.

• A common question is whether robo-advisers present prudential risks and should therefore be subject to capital requirements.

The operational risks posed by robo-advisers are more interesting.

• AML/CFT risks may well be reduced through transaction monitoring enhanced by big data and pattern recognition algorithms.

• But technology risks may be higher, such as runaway algorithms or cyber criminals stealing customer information.

Then there is the question of systemic or macro-financial risks. Here we simply do not know enough. But here are a couple of points to ponder:

• The failure of a robo-advisor could potentially lead to contagion among other algorithm-driven service providers. The system could be subject to systemic risk if investors seek to withdraw their invest-ments in securities through these funds.

• The pro-cyclicality arising from algorithms is another unknown, as the interaction between algorithms could exacerbate market trends.

Often, with these risk assessments of FinTech, there is a certain “Year of the unknown” or tendency to “imagine the worst”. A degree of conservatism and caution are indeed laudable values for FinTech regulators, but we should guard against taking too pre-emptive an approach when dealing with the uncertainties of FinTech.

Regulators need to keep pace with innovation but regulation itself must not front-run innovation.

• We have to learn the risks associated with new technologies and right-size regulation accordingly.

• The experiment is time-bound.

• Of the experiment fails, we all learn something.

• Regulatory sandboxes not only encourage FinTech innovation by providing a safe space for experimentation. They also give regulators an opportunity to learn the risks associated with new technologies and right-size regulation accordingly.

Several regulators have introduced variants of the regulatory sandbox over the past year.

• Take registration requirements. The experiment is time-bound – how to position for technological innovation.
notify ASIC before commencing business, provided they also meet certain consumer protection conditions.

- MAS opted for an application-based approach because we wanted to closely engage each applicant, understand the innovation, business model, and risks so as to customise the sandbox conditions.
- But each application is turning out to be quite time-consuming and we are mindful that our process does not get in the way of speed-to-market.
- So, we are keen to study ASIC’s experience with the class-exemption approach and see how our own approach can be improved.
- There are also interesting differences in the qualifying entities.
- HKMA’s sandbox is restricted to authorised institutions, while ASIC’s sandbox is restricted to FinTech start-ups.
- The MAS and UK FCA are open to both regulated entities and FinTech start-ups.

Supervisory technology or SupTech

The second aspect of our approach that I want to highlight is SupTech. Many of you are familiar with this term. The Centre will encourage regional and international collaboration, and we are mindful that our approach can be improved. Let me conclude. Financial regulation remains work-in-progress. We must press on with the reform agenda and see it through to full, timely, and consistent implementation. At the same time, we must evaluate the effects of the reforms put in place and make adjustments where appropriate, to maximise their effectiveness and minimise their costs.

Cyber security

And last but not least, cyber security. Cyber-attacks are a growing threat to the financial ecosystem, and FinTech could potentially accentuate this risk.

- As more financial services are delivered over the internet, there will be growing security and privacy concerns from cyber threats.
- And maybe even systemic concerns. It is not inconceivable that the next financial crisis is triggered by a cyber-attack.
- We need to develop the regulatory and supervisory capabilities to address these emerging threats.
- Cyber risk management will be the new frontier for global regulatory efforts and supervisory co-operation.
- The BIS has set up a taskforce to develop international guidelines on cyber-security responsibilities for banks and fund-transfer providers, with the aim of making global payments safer.
- More such initiatives are likely in the years ahead. Another area that will be a growing focus is information sharing. Unlike other traditional risks facing financial institutions, cyber risks are less visible and yet often affect multiple firms at the same time given the interconnectedness of the financial sector.
- The sharing of timely and actionable cyber information among financial institutions is therefore key to building resilient cyber defences within the financial ecosystem.
- MAS has collaborated with the Financial Services Information Sharing and Analysis Centre (FS-ISAC) to establish an Asia Pacific (APAC) Regional Intelligence and Analysis Centre.
- The Centre will encourage regional sharing and analysis of cybersecurity information within the financial services sector.
- It is expected to begin operations soon.

Conclusion

Let me conclude. Financial regulation remains work-in-progress. We must press on with the reform agenda and see it through to full, timely, and consistent implementation. At the same time, we must evaluate the effects of the reforms put in place and make adjustments where appropriate, to maximise their effectiveness and minimise their costs.

Let me conclude. Financial regulation remains work-in-progress. We must press on with the reform agenda and see it through to full, timely, and consistent implementation. At the same time, we must evaluate the effects of the reforms put in place and make adjustments where appropriate, to maximise their effectiveness and minimise their costs.

S&P 1500 benchmark analysis finds progress on board renewal, but that investor concerns on tenure and diversity are warranted

The intense focus that investors and others have placed on board refreshment has begun to pay off. But, structural and governance practices that encourage longer tenures could slow, or even reverse this progress over the next decade, according to a new study. Board Renewal Trends at S&P 1500 Firms: 2008 To 2016, commissioned by the Investor Responsibility Research Center Institute (IRRCi) and conducted by Institutional Shareholder Services Inc. (ISS), shows that boards are adding fresh faces following a multi-year period of board roster stagnation in the wake of the financial crisis. Nearly one out of every ten directors was new to their boards in 2016. At a corporate level, more than one-half of S&P 1500 boards added one or more new directors to their rosters in 2016.

As a result, the average tenure of an S&P 1500 board member declined to 8.7 years in 2016 from nine years three years earlier, although median tenure held steady at seven years. However, that recent surge in renewal obscures some longer-term trends towards longer-serving and older directors. Directors with at least ten years of board service now occupy an eye-catching 38 percent of board seats and about half of those are held by directors with 15 or more years of tenure. Also, directors in their seventies and eighties have increased their share of directorships to more than 20 percent of all directorships: the average director age rose two years for the study period, from 60.5 years in 2008 to 62.5 years in 2016; and the proportion of directors aged less than 50 declined, despite much corporate, media, and investor discussion of the need for millennial- and technology-focused directors.

The pace of change with respect to diversity in the boardroom has been sluggish. As of 2016, women held only 17.8 percent of S&P 1500 board seats, and minority directors held slightly more than ten percent of board seats. Those directorships are far from uniformly distributed. For example, larger cap firms in the S&P 500 are more likely to have more than one minority director, while the typical headcount of minority directors at small cap companies in the S&P 600 is zero.
G L O B A L  B O A R D S

One positive change with respect to diversity was a surge in refreshment in 2016. This included 24.4 percent female and 13 percent ethnic or racial minority director nominees, more than the historic norms.

“Who sits around the board table matters,” said Jon Lukomnik, IRRCi executive director. “The directors of a company are engaged in selecting the CEO, the corporate strategy and the capital structure. So it’s no wonder that board composition and refreshment are among the hottest topics for investors and issuers. The good news is that boards seem to be listening and increased refreshment recently, but it’s off a very sluggish trend line.”

“This report provides hard data – not just about age, tenure, and refreshment – but also about the effectiveness of mechanisms such as age limits, tenure limits and board evaluations. That is valuable. For example, it may be in- teresting that boards that do not perform board evaluations are older and staler than other companies – and this report proves it,” Lukomnik explained.

“Our institutional investor clients put their faith in corporate directors to oversee their long-term investments, so assessing refreshment is critical to their oversight of boards,” said ISS-Head of Strategic Research and Studies Patrick McGuire.

While there is no quick fix, we hope that benchmarking refreshment practices will fuel constructive engagement on the topic between shareholder and directors.”

Looking forward, S&P 1500 boards face a potential explosion in the ranks of directors with double-digit tenure as the next generation of directors – those in their mid-career – move into new classes—led by nominees in the fifties—could serve for decades and limit turnover.

Rising ‘mandatory’ retirement ages (75 appears to be the new 72), the rarity of term/tenure limits (found at less than two percent of study firms), opaque board/director evaluations and the widespread retention of experi- enced directors to serve on key board committees all signs point toward a

chronic boardroom logjam in a few years.

Notably, investors may tacitly en- courage such ‘staying and greying’ by rarely addressing ‘excessive’ tenure in their voting policies or when they as- sess nominees’ ‘independence.’

The 145-page study can be consid- ered the most comprehensive examina- tion of board composition at public companies in the U.S. IRRCi and ISS will host a webinar to review the find- ings on Thursday, February 23, 2017, at 1:30 PM ET.

The report examines three key ar- eas:

1. Demographic trends in the board- room, including tenure, age, gender and ethnicity/race.
2. The impact of the three most com- mon refreshment tools—retirement ages, term limits, and boardroom evaluations.
3. Structural issues that appear to have a significant impact on board re- freshment rates including director independence, the growing impor- tance of committees and board size shifts.

Additional key findings include:

• Board tenure trends may reverse. Average boardroom tenure steadily rose from 8.4 years in 2008 to a peak of nine years in 2013 before slowly reversing course from 2014 to 2016. As a result, average di- rector tenure at S&P 1500 firms stands at a level—8.7 years—last recorded in 2010. However, struc- tural issues—especially rising man- datory retirement ages—could cause tenures to climb again. The report notes that “75 is the new 72,” as a 75-year age limit appears to be replacing 72 years as the new norm.

• There’s a bumper crop of new di- rectors in recent years. The pace of adding new directors to S&P 1500 boards accelerated in the latter half of 2016. This is due, in part, to an energy about boardroom ‘refreshments’ that appear to be increasing.

New nominees claimed less than six percent of total directorships prior to 2012, but their prevalence steadi- ly rose over the remainder of the study period. By 2016, 9.5 percent of directors serving on S&P 1500 boards were new.

• Board diversity has been sluggishly increasing. The share of S&P 1500 board seats held by women crept up to 17.8 percent in 2016 from 11.9 percent in 2008. Minority direc- tors now fill slightly more than ten percent of the total directorships at S&P 1500 firms, but the typical mi- nority director headcount at small cap firms is zero.

• Boards have limited tools to drive refreshment. The three primary refreshment mechanisms focus on an individual director’s age (retire- ment policies), length of service (term limits) or absolute or relative performance (board evaluations).

Each of the popular refreshment mechanisms has benefits and poten- tial costs. Retirement ages and term limits force periodic refreshment by creating vacancies, but both may cause some directors to leave boards at a time when they are still highly- effective contributors. Reliance on these mechanical devices may allow some less productive directors to re- main on boards until they reach the term or age limit. Evaluation of execu- tive directors’ contributions and competence in real time, but may be ineffective in fostering the replenishment of directors’ skills set in the absence of true boardroom succession planning.

• Board independence levels continue to rise despite the growing ranks of directors with double-digit tenures. Independence levels at companies in the S&P 1500 have continued to rise in step with the increase in number of independent directors has increased by almost five percent- age points to 81.5 percent over the study period.

The study examined the board- room attributes for firms in the S&P 1500 Company study as of January 1, 2016, and includes director data for index constituents with annual general meeting dates through to October 12, 2016.

Power to the people: How the sharing economy will transform the electricity industry

A new report released today by the World Economic Forum, The Fu- ture of Electricity: New Technologies Transforming the Grid Edge, finds that adoption of new “grid-edge” technolo- gies in OECD countries could bring more than $2.4 trillion of value for society and the industry over the next decade, says new Forum report.

The rules of the game are changing, with consumers in the driving seat as the sector becomes increas- ingly digitalized and de- meanorized.

Collaboration between public and private sectors is needed to develop the enabling infrastructure that un- locks the benefits of tech adoption.

The Fourth Industrial Revolution is transform- ing the electricity system with grid-edge technolo- gies projected to create more than $2.4 trillion of value for society and the industry over the next decade, says new Forum report.

The rules of the game are changing, with consumers in the driving seat as the sector becomes increas- ingly digitalized and de- meanorized.

Collaboration between public and private sectors is needed to develop the enabling infrastructure that un- locks the benefits of tech adoption.

• The Fourth Industrial Revolution is transform- ing the electricity system with grid-edge technolo- gies projected to create more than $2.4 trillion of value for society and the industry over the next decade, says new Forum report.

• The rules of the game are changing, with consumers in the driving seat as the sector becomes increas- ingly digitalized and de- meanorized.

• Collaboration between public and private sectors is needed to develop the enabling infrastructure that un- locks the benefits of tech adoption.

A new report released today by the World Economic Forum, The Fu- ture of Electricity: New Technologies Transforming the Grid Edge, finds that adoption of new “grid-edge” technolo- gies in OECD countries could bring more than $2.4 trillion of value for society and the industry over the next decade, says new Forum report.

The rules of the game are changing, with consumers in the driving seat as the sector becomes increas- ingly digitalized and de- meanorized.

Collaboration between public and private sectors is needed to develop the enabling infrastructure that un- locks the benefits of tech adoption.

The Fourth Industrial Revolution is transform- ing the electricity system with grid-edge technolo- gies projected to create more than $2.4 trillion of value for society and the industry over the next decade, says new Forum report.

The rules of the game are changing, with consumers in the driving seat as the sector becomes increas- ingly digitalized and de- meanorized.

Collaboration between public and private sectors is needed to develop the enabling infrastructure that un- locks the benefits of tech adoption.
New analysis identifies game changing technology solutions for climate change

New analysis by PwC identifies the top ten most influential breakthrough technology solutions that could be combined into five game changing innovations with substantial potential to move towards a zero net emissions economy over time. Rapid technology and innovation advances underpinning the ‘Fourth Industrial Revolution’ (4IR), come at a time when scientists report the highest levels of pressure on climatic, water, land and air systems. Innovation for the Earth demonstrates how ten technological innovations including artificial intelligence (AI), blockchain, robots, Internet of Things (IoT), cloud technology and advanced materials could come together to provide innovative and commercial viable climate solutions. The study applies the potentially most influential technology solutions to five areas of focus for the reduction of greenhouse gas emissions: clean power, smart transport systems, sustainable production and consumption, sustainable land use, smart cities and homes.

It showcases how innovators and businesses could harness these advances to build solutions that deliver sustainable benefits, alongside economic and societal impacts. Addressing some of climate change’s biggest challenges could be helped by combining the technologies into five innovation game changers:

1. A next generation distributed grid: combining blockchain, Artificial Intelligence (AI), the Internet of Things (IoT), cloud and big data, and advanced materials.
2. Electrification of the transport system: combining cloud and big data, advanced materials, AI and IoT.
4. Smart and transparent land-use management: combining autonomous vehicles, IoT, AI, cloud and big data.
5. Technology enabled urban planning and design: combining IoT, AI, cloud and big data, advanced materials, 3D printing, and autonomous vehicles.

Examples outlined in the report include virtual power plants connected to each other via the cloud, and utilising the IoT to aggregate emerging energy sources including solar panels, microgrids and energy storage installations, could be optimised using big data and machine learning.
The new platform for Asian financial communicators
China Mobile notched a higher operating revenue in the first quarter of 2017 amounting to 184 billion renminbi, up 8.7% from the corresponding period of 2016, with revenue from telecommunications services rising 6.1% during the same period to 160.9 billion renminbi. Profit before tax attributable to shareholders was 24.8 billion renminbi, up 3.7% over the first quarter of 2016.

China Mobile maintained a steady increase in the number of mobile customers was around 856 million for the first quarter of 2016. ARPU of wireline broadband customers soared 1.6% year-on-year to 58.50 renminbi. The number of mobile customers was around 856 million, up 22.1% from 2015. ARPU of wireline broadband customers maintained a net increase of 33.04 million for the first quarter. ARPU of mobile customers up 1.6% year-on-year to 32.60 renminbi.

China Mobile will continue its efforts to steadily expand its 4G customer base, as well as to preserve and raise 4G customer value. As at March 31 2017, the total number of 4G customers was around 936 million, with the average revenue per user (ARPU) to these customers up 1.6% year-on-year to 38.56 renminbi. The number of 4G customers was 568 million, representing a net increase of 33.04 million for the first quarter. Data traffic business maintained rapid growth with handset data traffic recording a 101.4% growth year-on-year and handset DOU exceeding 1.008GB. The group continued to focus on speed upgrade, quality enhancement and targeted development to develop wireline broadband business and business, refining its products and services in the first quarter of 2017 that resulted in further enhancement to business quality and market competitiveness. As at end-March 2017, the total number of wireline broadband customers was 85.68 million, representing a net increase of 8.06 million for the first quarter. ARPU of wireline broadband customers soared 1.6% year-on-year to 30.60 renminbi.

The telecommunication services demonstrated favourable growth momentum in the first quarter of 2017, with the revenue increasing 6.1% year-on-year to 160.9 billion renminbi. Due primarily to the expansion of further terminal sales from open channels, the group’s sales of terminals fell with revenue from the sales of products dropping by 10.7% year-on-year to 25.1 billion renminbi.

China Mobile captured business opportunities arising from the transformation of telecommunications operators into service providers and the demand for information and mobile customer support services. The group recorded a year-on-year growth of 9.3% impacted by the decline in service charges in certain businesses and higher labour-related costs, the overall gross profit margin was 13.2%, representing a year-on-year decrease of 0.9 percentage point.

China Mobile maintained a steady growth among the three major businesses and accounted for 51.9% of the total revenues. Revenue from TIS services from China Telecom recorded an annual growth of 1.9%. During the year, the company further developed its traditional businesses and expanded into new industries and cross-sector businesses, and continued to leverage its service capabilities to further develop the two new markets (domestic non-operator market and overseas market). It thus achieved 29.1% year-on-year growth to 38.25 billion renminbi.

China Mobile continued to focus on transforming towards high end and value-added services rising 6.1% during the same period to 88.45 billion renminbi, up 8.6% from 2015.

China Mobile’s construction service business captured 32.53 billion renminbi, down 1.5% year-on-year. Its construction projects engaged were mainly those that contributed to the 13th Five-Year Plan, and were also the first year during which the group introduced a new management structure to facilitate the concurrent growth of its four major business segments. It also achieved notable achievements across all aspects of its development and concluded the year with exceptional results, which create positive momentum for China Mobile’s future growth.

The group’s construction service business posted a record high as the management of projects at the preparatory stage was strengthened and construction works were carried out steadily. It also saw continuous modest growth in revenue as well as steady improvement as it continued to reduce costs, expand its income streams and enhance efficiency. In 2016, the group’s consolidated revenue amounted to more than HK$13.97 billion, up 64% over HK$8.53 billion in the previous year.

China Mobile will continue to adhere to the principles of forward looking planning, effective resources allocation, rational investment and refined management in implementing the State’s policy requirements relating to network speed upgrade and tariff reduction, China Mobile will cancel all handset long distance and roaming tariffs from October 1 2017 onwards. In addition, the company will significantly reduce the dedicated Internet access tariffs for small and medium enterprises, and reduce international long distance call tariffs.

As at December 31 2016, the group had secured 213 environmental protection projects with a total investment of about 53.312 billion renminbi and completed the construction of 130 projects, which commanded around 25.681 billion in investment. A total of 39 projects were under construction, and the group invested an investment of about 14.462 billion renminbi into the project. The group in the preparatory stage commanded a total investment of about 13.069 billion renminbi.

In 2016, the group acquired Jingtou Design & Research Institute and the Nanjing Science and Technology Building. Established Environmental and Technology Centre and actively engaged in activities of international technological exchange and cooperation. Through organizational restructuring, the environment business now comprises three research institutes in the fields of incineration plants, environmental technology and electrical control technology, as well as an information control centre and a technical standards analysis and testing centre.
Chang Zhenming Yang Hua

and continued to maintain rapid growth. The number of 4G terminal users reached 138 million, with a net addition of 6.53 million – of which the 4G subscribers recorded a net addition of 18.175 million, reaching a total of 122.726 million. 4G subscriber ARPU was 73.90 renminbi.

The fixed line business maintained steady increase. Fast growth in innovative businesses such as IDC/cloud computing, ICT, video and IoT, effectively offset the decline in fixed line revenue. Faced with fierce market competition in fixed line broadband, China Unicom actively promoted subscriber consumption upgrading and integrated development leveraging high bandwidth products and video applications. The number of fixed line broadband subscribers reached 76.589 million, representing a net addition of 1.353 million as compared to the end of 2016. However, the fixed line broadband access ARPU declined compared with the first quarter of 2016. Fixed line service revenue was 28.113 billion renminbi, up 2.5% year-on-year.

The group fully promoted the transformation of its marketing model in the first quarter of 2017 to accelerate scale and performance. The year-on-year increase of 4G subscribers recorded a net addition of 16.425 million, reaching a total of 81.3 million, representing an increase of 25% year-on-year. The year-on-year growth in ARPU was 7.2%.

Going forward, China Unicom will gradually develop new opportunities, deepen the implementation of Focus Strategy, persistently uphold scale and profitable development as the centre, promote growth, control costs and reform mechanisms, thus unswervingly promote the innovation and transformation of operating model and manage innovative use of resources in order to deliver sustainable growth in revenue and gradually economic improvement.

Underpinned by the strong and steady performance by most of its businesses, CITIC Limited achieved a solid results in 2016 with the profit attributable to ordinary shareholders rising 5% to HK$43.1 billion. Factors impacting the results include a HK$7.2 billion (after tax) non-cash impairment charge made on the Sino Iron mine, lower contribution from the financial services business owing to the company’s reduced weighted average holding in CITIC Bank, and the depreciation of the renminbi as expressed in CITIC’s reporting currency, Hong Kong dollar. On the other hand, a gain of HK$10.3 billion was recorded due to the completion of the sale of residential property assets in mainland China to China Overseas Land and Investment in September 2016.

The profit contribution from financial services was HK$38.4 billion, or 72% lower compared with 2015. CITIC Bank’s profit in 2016 increased slightly from 2015, mainly attributable to a rise in the impairment for non-performing loans. During the year, the bank saw a reduction in its non-interest income as a proportion of total income from 35% to 31% at the end of 2016 and 28% at the end of the previous year. Although the net interest margin narrowed, the effect was offset by an increase in interest earning assets.

A sluggish a share market, meanwhile, affected the results of CITIC Securities. Net profit at CITIC Trust remained flat compared with 2015, while profit at CITIC Prudential grew as its premium income went up.

The resources and energy sector registered a smaller loss of HK$6.9 billion in 2016, compared with the HK$17.3 billion loss in the previous year as performance of CITIC Resources improved significantly.

The manufacturing sector posted a profit contribution of HK$1.7 billion in 2016, which was 36% less than in the previous year, while the real estate sector recorded a profit contribution of HK$1.1 billion. Meanwhile, the other businesses continued to contribute to the company’s bottom line and provide opportunities for future growth.

Yeung Hsing says the company, amid the continuing global economic uncertainties, is confident about its strategic orientation, which is to be customer-centric andcommercially-driven in all that it sets out to do. “We will simultaneously nurture and build our core competitiveness while explore opportunities in the consumer economy, such as its recent investment in McDonald’s business in Hong Kong and mainland China. As the world changes and China’s economy matures, CITIC will strive to regain market leadership and to identify the businesses of tomorrow.”

Yeung Hsing
Former Chairman and CEO
CNOOC Ltd

CNOOC achieved total net production of 119.1 million barrels of oil equivalent (BOE) in the first quarter of 2017, representing a year-on-year drop of 4.2% due mainly to the natural decline of the producing oil and gas fields. The company made four new discoveries during the period and successfully
drilled five appraisal wells in Bohai China. Among them, the newly-discovered Beihong 29-6 and Beihong 29-65 in the mature area of Bohai showed demonstrative exploitation potential of this area. The company also made one new discoveries and successfully drilled one appraisal well overall.

For the first quarter of 2017, the unaudited oil and gas sales revenue of the company amounted to about 38.39 billion renminbi, up 55.8% year-on-year, mainly due to the significant rebound in international oil prices. The company's average realized oil price during the period increased 58.7% year-on-year to US$51.64 per barrel, which was on par with the trend of the international oil prices, while the average natural gas price increased 18% to 1,675 renminbi per thousand cubic feet, or up 5.4%.

CNOOC's capital expenditure amounted to about 6.87 billion renminbi in the first quarter of 2017, or down 10.6% year-on-year due to the decline in investment on development according to the work schedule arrangement. For 2017, the capital expenditure allocation is in the range of 450 million BOE to 460 million BOE, of which about 64% and 36% are projected in China and overseas, respectively. The net production targets set for 2018 and 2019 are 435 million BOE to 465 million BOE, and 460 million BOE to 470 million BOE, respectively.

There will be five new projects coming on stream during the year, of which the Penglai 19-9 oilfield comprehensive adjustment project and the Enping 23-1 oilfields, Penglai 19-9 oilfield comprehensive adjustment stream during the year, of which the 465 million BOE, and 460 million BOE to 2018 and 2019 are 455 million BOE to 2019 range of 450 million BOE to 460 million BOE. The company has unrelentingly pursued a management strategy for intensive and efficient production and capacity utilization. It has strengthened the control and coordination of high-margin products. It also expanded overseas high-profitability regions to boost the export of refined oil products, in order to ensure smooth operation of the whole business chain and to enhance its overall profitability. The company also continues to put efforts to maintain a healthy cash flow with free cash flow remaining positive.

In posting such a performance in the first quarter, PetroChina adhered to its principle of steady development, enabling it to seize favourable opportunities brought about by increase in international oil prices, brick demand for natural gas in domestic market and the high price of chemical products amidst a moderate recovery in the global economy and stable improvement in China's economy.

The company proactively adapted to market changes, optimized oil and gas production, strengthened the comprehensive balance of production, refining, storage and trading, deepened reforms and innovations, continued efforts to broaden revenue sources, reduce costs and improve profitability and made a good start of production and operations in 2017.

The exploration and production segment optimized the deployment of exploration resources, focused on building a resource base for sustainable development, coordinated oil and gas development in a scientific manner according to changes in oil prices and the market, resulting in a smoothly organized oil and gas production. In the first quarter of 2017, the PetroChina's crude oil output increased by 2.6% to 216.8 million barrels. Marketable natural gas output was 999.8 billion cubic feet, while oil and gas equivalent output reached 366.8 million barrels, of which 326.2 million barrels were from domestic operations and 44.2 million barrels were from overseas operations.

The refining and chemicals segment focused on the principle of market orientation and efficiency, optimized resources allocation and product structure, increased output and sales of high-margin products, and reduced diesel-to-gasoline ratio in a scientific manner, with the ratio being reduced from 1.44 to 1.32 this year compared with the same period last year.

In the marketing segment, PetroChina strengthened the control and coordination of refined oil resources, enhanced marketing in high-profitability regions and sales of high-margin products. It also expanded overseas high-profitability regions to boost the export of refined oil products, in order to ensure smooth operation of the whole business chain and to enhance its overall profitability. The company also continued to focus on the export of refined oil products, in order to ensure smooth operation of the whole business chain and to enhance its overall profitability. The company also continued to focus on the export of refined oil products, in order to ensure smooth operation of the whole business chain and to enhance its overall profitability. The company also continued to focus on the export of refined oil products, in order to ensure smooth operation of the whole business chain and to enhance its overall profitability.
year 2016 increased 3.4% to HK$817 million through some moderate revision in some areas. The overall tenants sales in the mall increased 4.9% year-on-year, beat the overall Hong Kong retail sales figures, which fell 8.1% in 2016. Langham Place Office Tower maintained the top choice for location-sensitive segments looking for quality office premises. As well as maintaining 100% occupancy, the property saw total rental income increased 6.1% to HK$335 million for 2016 due to rental revision.

To mitigate the impact of potential interest rate hike, the Trust is increasing the fixed rate portion of total debt. It has commenced a hedging programme to swap part of the floating rate loan into fixed rate. The Trust expects the fixed interest rate will be lowered from 2% to 1.5% per annum.

The overall Hong Kong motor market remained the top choice for location-sensitive segmentation. The turnover went down 12.8%. High inventory accumulated as a result of the slowdown of sales in the past few years.

The company seriously scrutinized its inventory and all other balance sheet items, including receivables and decided to make sufficient provisions in the year to cover the risk. As such, the segment posted a loss from operations of HK$104 million. Nevertheless, it’s electrical appliances business saw encouraging growth of 29.6% in mainland China, driven by the popularity of trendy earphones and audio products.

The overall Hong Kong and Macau market was stagnant due to the ongoing economic downturn, weak local consumer sentiment and a further slowdown in tourist demand. As a result, Dah Chong’s turnover and segment outcome from operations declined by 3.5% and 1.5%, respectively. The food commodity market slightly decreased in turnover, but recorded a significant increase in profit with improved margin.

The operational environment proved challenging for Chow Tai Fook Jewellery Group Ltd. The overall Hong Kong motor market decreased due to weak consumer sentiment and the narrowing down of tax incentive schemes for environment-friendly vehicles.

Following the market trend, Dah Chong’s total units sold in Hong Kong dropped by 18.6% and turnover fell 17.5%. Segment results from operations plunged 36.8% as strong Japanese yen affected the new car sale gross profit. However, the group maintained its market share in Hong Kong at 20.9% as its drop in commercial vehicle unit sales was lower than that in the market.

In other markets, Dah Chong's turnover rose 6.6% due to strong contribution from the Singapore market. Segment result from operation and segment margin both contributed more than two-thirds of the group’s total turnover, declined 4.4% to HK$32.60 billion. Dah Chong’s mainland China motor business improved significantly, reporting a 349% surge in segment results from operations as a result of better sales, gross margin and measures taken internally to enhance profitability. Total units sold increased 4.9%, but because of the renminbi depreciation, the turnover fell 1.8% in Hong Kong dollar term. Segment margin also increased by 1.1 percentage points.

The overall Hong Kong motor market decreased due to weak consumer sentiment and the narrowing down of tax incentive schemes for environment-friendly vehicles. Following the market trend, Dah Chong’s total units sold in Hong Kong dropped by 18.6% and turnover fell 17.5%. Segment results from operations plunged 36.8% as strong Japanese yen affected the new car sale gross profit. However, the group maintained its market share in Hong Kong at 20.9% as its drop in commercial vehicle unit sales was lower than that in the market.

In other markets, Dah Chong’s turnover rose 6.6% due to strong contribution from the Singapore market. Segment result from operation and segment margin both contributed more than two-thirds of the group’s total turnover, declined 4.4% to HK$32.60 billion. Dah Chong’s mainland China motor business improved significantly, reporting a 349% surge in segment results from operations as a result of better sales, gross margin and measures taken internally to enhance profitability. Total units sold increased 4.9%, but because of the renminbi depreciation, the turnover fell 1.8% in Hong Kong dollar term. Segment margin also increased by 1.1 percentage points.

The overall Hong Kong motor market decreased due to weak consumer sentiment and the narrowing down of tax incentive schemes for environment-friendly vehicles. Following the market trend, Dah Chong’s total units sold in Hong Kong dropped by 18.6% and turnover fell 17.5%. Segment results from operations plunged 36.8% as strong Japanese yen affected the new car sale gross profit. However, the group maintained its market share in Hong Kong at 20.9% as its drop in commercial vehicle unit sales was lower than that in the market.

In other markets, Dah Chong’s turnover rose 6.6% due to strong contribution from the Singapore market. Segment result from operation and segment margin both contributed more than two-thirds of the group’s total turnover, declined 4.4% to HK$32.60 billion. Dah Chong’s mainland China motor business improved significantly, reporting a 349% surge in segment results from operations as a result of better sales, gross margin and measures taken internally to enhance profitability. Total units sold increased 4.9%, but because of the renminbi depreciation, the turnover fell 1.8% in Hong Kong dollar term. Segment margin also increased by 1.1 percentage points.

Langham Place Office Tower is expected to remain a hub for lifestyle trades and continue to deliver stable rental income growth. In addition to optimizing rental income of the properties portfolio, monitoring interest rate movements will be one of the Trust’s major focus in 2017. It will look for opportunities to further increase the fixed rate portion of its outstanding debt.

In May 2016, the company announced the signing of two loan facilities amounting to HK$31.3 billion with the support of 11 participating banks. The two loan facilities comprised of a HK$50 billion three-year credit and a HK$5.8 billion facility, with the proceeds to be used to refinance all existing bank loans. As a result of the significantly improved interest margin, the Trust’s effective interest rate will be lowered from 2% to 1.7% per annum.

Langham Place Office Tower is expected to remain a hub for lifestyle trades and continue to deliver stable rental income growth. In addition to optimizing rental income of the properties portfolio, monitoring interest rate movements will be one of the Trust’s major focus in 2017. It will look for opportunities to further increase the fixed rate portion of its outstanding debt.

In May 2016, the company announced the signing of two loan facilities amounting to HK$31.3 billion with the support of 11 participating banks. The two loan facilities comprised of a HK$50 billion three-year credit and a HK$5.8 billion facility, with the proceeds to be used to refinance all existing bank loans. As a result of the significantly improved interest margin, the Trust’s effective interest rate will be lowered from 2% to 1.7% per annum.
Corporate Governance Asia

Spencer Fung

while bookings improved 34.6% in the first quarter of 2017. The surface mount technol-
ogy (SMT) equipment revenue increased 9.0% to US$163 million, while gross margin increased by 77bp year-on-year.

ASM Pacific group CEO is pleased with the strong financial results of the company, which was driven by the robust demand for lead frames, CIS, LED, IC/Dicote and SMT equipment. “We closed the first quarter on a high note with good results attained by all three business segments. All three business segments recorded the highest ever first quarter bookings, strong year-on-
year bookings growth.”

On January 17 2017, ASM Pa-
cific announced the official opening of its state-of-the-art Maintenance Centre, which will showcase the latest features of back-end semiconductor equipment and SMT solutions that support customers in their day-to-day operations and enhanced technology packaging. The new facility will consolidate the group’s SMT solutions business segment and the back-end equipment business seg-
ment under one roof. Mr. Lee says by locat-
ing the company’s businesses within close proximity, it allows the group to integrate its facilities and put it in a better position to focus on creating strategies for different business units.

Besides supporting customers in the development of Industry 4.0 capable solu-
tions to digitize worldwide, ASM Pacific is in the process of transforming their production plants to smart factories through the use of robots and automated guided vehicles to op-
timize some of its manufacturing processes. Additionally, the Innovation Centre func-
tions to bridge collaboration between ASM Pacific and its industry partners through research and development.

Spencer Fung

China Aircraft Leasing Group Holdings Limited (CALC), a full value chain aircraft solutions provider for airlines globally, performed strongly in 2016 as it registered a 58% growth in its total revenue and other income to HK$2.45 billion. This was driven by the continued expansion of the aircraft lessor’s airline customer base and gains from the disposal of finance lease receivables of 14 aircraft, which constitutes a recurrent part of the group business. The total assets increased 29% to HK$5.90 billion as a result of a larger fleet size.

Net profit rose 67.9% to HK$638.4 million, with return on average shareholders’ equity improving by 5.2 percentage points to 24.4%. The group plans to adopt a new dividend policy, which targets to increase its dividend payout ratio from 30% to between 50% and 60% in order to attract long-term investors.

CALC implemented globalization strategies in 2016 and delivered 18 aircraft during the year. In fleet size, rose to 81 aircraft with an average age of less than four years and an average remaining lease term of nine years. The group’s client base increased by five airlines to 16 and China Aircraft ex-
panded its global footprint to cover Europe, Southeast Asia, Japan and the US.

CALC maintained a 100% aircraft lease occupancy rate in 2016 and it expects to deliver at least 17 aircraft in 2017. It also expects to expand its fleet to not fewer than 175 aircraft by 2022 based on its current order of commitment, not including the aircraft transactions under Aircraft Recycling International, a member company of CALC.

The group enhanced its financing flexibility with new channels and asset structures. It continued to explore a variety of onshore and offshore financing avenues that will provide flexibility for the group’s sustainable development and support its globalization strategy. It issued its first and second senior unsecured US dollar bonds in aggregate of US$600 million, and in March 2017, it priced a dual tranche unrated and unrated bonds totalling US$500 million.

The latest bond deal consisted of a five-year bond offering amounting to US$500 million and a seven-year bond amounting to US$300 million, with the proceeds to be used for air-
craft acquisitions, business expansion of the company’s aircraft and related businesses, and general working capital.

CALC launched Asia’s first syndicated loan of US$195 million for financing pre-
delivery payments of aircraft. It completed its first Japanese operating lease with call option (JOLCO) financing arrangement in relation to two new Airbus A320 aircraft delivered to Turkey’s Pegasus Airlines in June 2016, representing the first JOLCO for a

airline lease in Turkey. The group completed a sale placement of 40 million new shares at HK$8 per share in September 2016 and issued a medium-term note in China amounting to US$30 million remittus.

Bruce Philip Rockowitz

Vice Chairman and CEO

Global Brands Group Holding Ltd

Golden Brands Group Holding, one of the world’s leading branded apparel, footwear, and fashion accessories companies, reported a group revenue of over US$1.84 billion for the six months ended September 30, 2016, representing an increase of 15% from US$1.60 billion in the corresponding period last year and largely due to the growth in existing and new licenses.

The group’s total margin continued to trend up strongly and rose 19.9%, reaching US$65.0 million – growing as a percentage of revenue to 35.5%. The increment was brought about by an improving business mix in favour of higher margin businesses and sourcing optimization. As a result of its investment in key brands and the addition of new licenses, operating costs increased by 12.0% to US$135.0 million.

Core operating profit also posted a sig-
nificant increase of 129.9% from the same period of 2016 to US$78.8 million, while Ebitda leaped 44% to US$179.7 million. The group’s adjusted net profit attributable to shareholders increased by 34.4% to US$44.4 million, compared with US$32.9 million for the same period of 2016.

In terms of the group’s four business verticals – kids, footwear and accessories, men’s and women’s apparel, and management – the largest, the kids vertical manifested a 10.3% increase in revenue to US$2.45 billion, while the total margin increased by 14.8% to US$578 million – growing as a percentage of revenue to 23.5%.

The group’s continuing business transforma-
tion with the goal of creating the supply chain of the future and helping brands and retailers to grow all four of its business verticals.

Bruce Rockowitz says the strong results were achieved despite facing a challenging business environment globally and fundamental shifts in consumer behavior. He points out that these excellent results demonstrate the resilience of its business model and the success of its ef-
forts to grow all four of its business verticals.

Global Brands business model, he adds, is perfectly positioned to capital-
ize on the opportunities presented by the revolutionary changes seen in the retail landscape. It embraces change, continuing to diversify its brands, leveraging its ability to be channel agnostic and growing its e-commerce capabilities.

On April 21 2017, Global Brands an-
ounced a multi-year licensing agreement with outdoor lifestyle brand, Timberland, covering men’s and women’s sock, soft, accessories, and cold weather accessories. As part of the agreement, Global Brands will design, produce and distribute men’s and women’s socks, inners, Bell caps, felt and straw caps, leather gloves, printed lightweight and women scarves, and cold weather accessories under the Timberland brand name.

The first season to launch under Global Brands’ direction will be available in Spring 2018.

Spencer Fung

Group CEO

Li & Fung Limited

On April 21 2017, Global Brands announced a new Three-
Year Plan (2017-2019) representing the company’s continuing business transforma-
tion with the goal of creating the supply chain of the future and helping brands and retailers to better respond to consumer trends and navigate the digital economy.

At its core is a focus on three key themes of speed, innovation and digitalization. The company is, therefore, focused on addressing the ever-changing needs of their customers with solutions to maximize the value from their supply chain and differentiated products that delight the customers. The company is embedding in-
novation not only into its product and ser-
vice offerings but also in its business models and ways of working with its customers and other ecosystem partners, enabling a culture of open innovation and collaboration.

In order to achieve speed and innova-
tion, Li & Fung’s goal is the digitalization of the supply chain. It aims to digitize all key aspects of the supply chain from product development, material con-
signs, and sampling to business and back office processes and delivery of products. This end-to-end plat-
form will make customers’ processes more seamless, efficient and cost effective and enable the company to deliver data-driven insights as well as customized services to brands and retailers.

As a continuation of the drive to simple the supply chain, Li & Fung’s second step was the implementation of the new Three-Year Plan, the company also announced it will reorganize into two major divisions, focused on services (supply chain solutions and logistics) and produ-
ts (product verticals and omnichannel solutions).

“The Company expects this focus will allow each area the autonomy to plan for growth and bring greater efficiency and productivity for Li & Fung as a whole.

July 2017

June 2017

June 2017

91

91

7th Asian Excellence Award 2017

7th Asian Excellence Award 2017

Li & Fung Limited adopted a new Three-
Year Plan (2017-2019) representing the company’s continuing business transforma-
tion with the goal of creating the supply chain of the future and helping brands and retailers to better respond to consumer trends and navigate the digital economy.

At its core is a focus on three key themes of speed, innovation and digitalization. The company is, therefore, focused on addressing the ever-changing needs of their customers with solutions to maximize the value from their supply chain and differentiated products that delight the customers. The company is embedding in-
novation not only into its product and ser-
vice offerings but also in its business models and ways of working with its customers and other ecosystem partners, enabling a culture of open innovation and collaboration.

In order to achieve speed and innova-
tion, Li & Fung’s goal is the digitalization of the supply chain. It aims to digitize all key aspects of the supply chain from product development, material con-
signs, and sampling to business and back office processes and delivery of products. This end-to-end plat-
form will make customers’ processes more seamless, efficient and cost effective and enable the company to deliver data-driven insights as well as customized services to brands and retailers.

As a continuation of the drive to simple the supply chain, Li & Fung’s second step was the implementation of the new Three-Year Plan, the company also announced it will reorganize into two major divisions, focused on services (supply chain solutions and logistics) and produ-
ts (product verticals and omnichannel solutions).

“The Company expects this focus will allow each area the autonomy to plan for growth and bring greater efficiency and productivity for Li & Fung as a whole. 
Further it will allow the businesses to create enhanced solutions for its existing and target customers as well providing differentiated and innovative products.

On March 24, 2017, Li & Fung announced that it has entered into agreements for a new supply chain relationship with PT Telekomunikasi Indonesia (PT Telkom), a leading Indonesia-based enterprise in the telecommunications industry.

On March 24, 2017, the group won the tender for the development of the joint development old building renovation project in Mid-Levels, while three industrial property redevelopment project in Mid-Levels were completed, while three industrial property redevelopment project in Mid-Levels were completed, while three industrial property redevelopment projects were added. In February 2017, the gross floor area of three million square feet is progress smoothly as scheduled during the review period.

The hotel’s operations also delivered stable contribution to the sales of residential units of the projects. As of mid-February 2017, the attributable contracted sales has surpassed the financial year 2017 to HK$10 billion target.

In terms of Hong Kong landbank, the attributable gross floor area was 10 million square feet, of which five million square feet was earmarked for residential use. During the six-month period, the acquisition procedures of the joint development old building redevelopment project in Mid-Levels were completed, while three industrial property development projects were added. In February 2017, the group won the tender for the commercial site in Cheung Sha Wan.

In terms of Hong Kong property investment, the gross rental income to HK$778.9 million. If stripping out the effect from the contract expiry of 2 MacDonnell Road and disposal of certain area in Cheltenham Commercial Centre in Kowloon Bay during the review period, the group’s gross rental income in Hong Kong was up 5.9% year-on-year.

Key investment properties maintained satisfactory occupancy with K11 recording 100% occupancy rate with an average monthly pedestrian flow of about 1.4 million. The redevelopment of New World Centre in Tin Tsz Tsui with a gross floor area of three million square feet is progressing smoothly as scheduled during the review period.

In mainland China, the overall contracted property sales for the period July to December 2016 reached 12.8 billion renminbi in gross sales proceeds, and the average selling price was 19,300 renminbi per square metre. The group has been optimistic on the prospects of mainland China and its operations will learn from its Hong Kong operation strategies and its niche to strengthen and pro-actively manage its development resources with potential.

In August 2016, the group and Chow Tai Fook Enterprises jointly acquired a premium commercial site in Shenzhen, China, while in November, New World Development entered into joint development arrangements with China Merchants Shekou Industrial Zone Holdings Company in respect of the development of premium sites in Prince Bay, Shenzhen. The hotels operations also delivered stable contribution to the sales of residential units focus from Grand Hyatt (with average occupancy of 78%), Renaissance Harbourview (average occupancy 83%), Hyatt Regency TST (average occupancy 92%) and Hyatt Regency Sha Tin (average occupancy 89%).

Further it will allow the businesses to create enhanced solutions for its existing and target customers as well providing differentiated and innovative products.
Corporate Governance Asia has added 7,060 new base transceiver stations improving its cellular business, the company respectively. Telkom’s sales rose 14.7% and 45.8% from the same period a year ago.

The impressive performance was attributed to the strong growth of data service or digital business. Data, internet and IT service business was the company’s growth driver that rose 25.4% compared to the first quarter of 2016, or worth 12.92 million rupees. The business that was dominated by fixed and mobile broadband service contributed 41.6% to the total consolidated sales of Telkom. The result demonstrated the company’s transformation into a digital telecommunication company.

During the first quarter of 2017, the growth of fixed-line customers climbed by 7.6%. The growth continued in the same period in 2016. Telkom’s subsidiary Telkomsel achieved growth in sales, Ebitda and net income of 10.4%, 15.0% and 17.8%, respectively. Telkomsel is still capable of maintaining cellular legacy business and to keep improving its cellular business, the company has added 7,060 new base transmitter stations (BTS) in the first quarter of 2016, and all of them are 3G/4G network BTS.

Meanwhile, the total expenses increased 3.1% or 18.0 million rupees. The operations and maintenance expenses rose 8.5% or worth 8.30 million rupees as the company keeps developing communications network infrastructure to support the performance of mobile and fixed broadband services.

In April 2017, it was announced that Nippon Telegraph and Telephone Corpora- tion (NTT) and PT Telkom established the APAC Telecom Innovation Initiative (AITE) as a joint research and development initiative with a view to create new network services in the Asia-Pacific region with a look beyond 2020 focusing on virtual infrastructures.

The initiative will develop technical studies and proof of concepts (PoC) regarding new requirements for new services in the virtualization era, and aims to expand this initiative together with various partners, including other service providers, who share similar goals.

Currently, APAC’s service providers are faced with several common issues such as sustainability due to natural disasters and unique traffic demands or requirements due to uneven population densities with a similar geography as islands nation in the APAC region. With this in mind, AITE will also continue to support government and technology for the APAC region. Moreover, AITE will attempt to accelerate innovation and create new markets using information and communications technology (ICT) to benefit society with a focus on sustainable development through collaboration and promotion with various partners in the APAC region so as to realize the vision of APAC’s service providers / countries to lead the world economy in the future.

Tan Sri Dato’ Sri Leong Hoy Kum Property developer Mah Sing Group recorded a net profit of 361.4 million ringgit for the financial year ended December 31, 2016, which was 6.9% lower than the previous year mainly due to a fair value gain on its 29.5 million ringgit Star Avenue property investment in 2015 and the repurchase of 335 million ringgit nominal value of redeemable convertible secured bonds at a purchase consideration of 397.4 million ringgit in 2016. It posted a 4.9% drop in revenue to 5.5 billion ringgit in 2016 due to lower contributions from its Jalan Ampang M City and Putrajaya Icon City projects, which are in the tail end of development last year.

Mah Sing plans to use its 253.8 million ringgit cash pile and healthy balance sheet to invest in new landbank acquisitions and joint venture opportunities. Group managing director and executive chairman Tan Sri Dato’ Sri Leong Hoy Kum says their focus is mainly in Greater Kuala Lumpur but they are also open to other high growth locations in Malaysia. He says the company’s cash pile and low net gearing will allow them to look out for potential land acquisitions, joint ventures and investments.

This is the first time Mah Sing is looking to replenish its landbank since

7TH ASIAN EXCELLENCE AWARD 2017

Tan Sri Dato’ Sri Leong Hoy Kum

Group Managing Director and Group Chief Executive

Malaysia

7TH ASIAN EXCELLENCE AWARD 2017

Tan Sri Dato’ Sri Leong Hoy Kum

Group Managing Director and Group Chief Executive

Malaysia

Tan Sri Dato’ Sri Leong Hoy Kum

Group Managing Director and Group Chief Executive

Malaysia

Theresa T. Sy-Coson

Chairperson

BDO Unibank, Inc.

BDO Unibank reported a 6% year-on-year rise in net income to 5.8 billion pesos in the first quarter of 2017, due mainly to the 17% increase in interest income, which rose 19%, and loans that went up 21%. Net interest income in the first three months of the year amounted to 14.8 billion pesos, while loans reached 1.5 trillion pesos. Total deposits increased 19% to 1.9 trillion pesos, mainly to the 17% expansion of low-cost deposits.

BDO officials remain optimistic of the continued robust performance this year, partly because of the government’s bid to strengthen infrastructure investment. The bank has issued a 28 billion pesos profit guidance for 2017, up from its record-high 26.1 billion pesos net income in 2016, with its management now proposing new services to maintain its strong market position, capturing 45.8% retail market share of the private unit trust industry. As at end-March 2017, BDO Mutual has 135 unit trust funds under its management with a total net asset value of 74.4 billion pesos.

The group’s profit before tax increased from 2016’s 22.7 billion pesos to 25.5 billion pesos, while net income jumped from 15% to 6.6 billion pesos, while fee-based income increased

164

June 2017

Corporate Governance Asia

Public Bank group has continued to achieve stable profitability even in times of persistent headwinds facing the banking environment. The profitability continued to be driven by its core retail banking business underpinned by healthy growth in loans and deposit during the quarter, coupled with sustained strong asset quality.

During the three-month period, the total gross loans increased at an annualized rate of 3.6% with the domestic loans growing faster at 4.7% year-on-year. The group’s growing loans portfolio focusing on the financing of residential properties and commercial lending to small and medium enterprises, continued to capture major market share in the domestic lending market.

In the deposit-taking business, Public Bank achieved an annualized 8.3% increase in total customer deposits for the first quarter of 2017, underpinning a stable base for the group’s funding position. On the domestic front, the total deposits rose 7.9% year-on-year. Tan Sri Teh says that as the bank’s loan base expands, the group places great emphasis on maintaining a healthy credit structure to support its loan business. The healthy deposit growth has continued to form a stable financing base for the group in managing its liquidity requirements.

Public Bank’s unit trust income remained one of the main contributors to the group’s net profit revenue. Though the wholly-owned subsidiary Public Mutual Berhad, the unit trust business has continued to contribute positively to its financial performance. The business recorded a double-digit growth of 11.1% in pre-tax profit for the first quarter of 2017, as compared with the previous corresponding period.

Meanwhile, the bank will propose new services to maintain its strong market position, capturing 45.8% retail market share of the private unit trust industry. As at end-March 2017, BDO Mutual has 135 unit trust funds under its management with a total net asset value of 74.4 billion pesos.

The group’s profit before tax increased from 2016’s 22.7 billion pesos to 25.5 billion pesos, while net income jumped from 15% to 6.6 billion pesos, while fee-based income increased

164

June 2017

Corporate Governance Asia

Public Bank group has continued to achieve stable profitability even in times of persistent headwinds facing the banking environment. The profitability continued to be driven by its core retail banking business underpinned by healthy growth in loans and deposit during the quarter, coupled with sustained strong asset quality.

During the three-month period, the total gross loans increased at an annualized rate of 3.6% with the domestic loans growing faster at 4.7% year-on-year. The group’s growing loans portfolio focusing on the financing of residential properties and commercial lending to small and medium enterprises, continued to capture major market share in the domestic lending market.

In the deposit-taking business, Public Bank achieved an annualized 8.3% increase in total customer deposits for the first quarter of 2017, underpinning a stable base for the group’s funding position. On the domestic front, the total deposits rose 7.9% year-on-year. Tan Sri Teh says that as the bank’s loan base expands, the group places great emphasis on maintaining a healthy credit structure to support its loan business. The healthy deposit growth has continued to form a stable financing base for the group in managing its liquidity requirements.

Public Bank’s unit trust income remained one of the main contributors to the group’s net profit revenue. Though the wholly-owned subsidiary Public Mutual Berhad, the unit trust business has continued to contribute positively to its financial performance. The business recorded a double-digit growth of 11.1% in pre-tax profit for the first quarter of 2017, as compared with the previous corresponding period.

Meanwhile, the bank will propose new services to maintain its strong market position, capturing 45.8% retail market share of the private unit trust industry. As at end-March 2017, BDO Mutual has 135 unit trust funds under its management with a total net asset value of 74.4 billion pesos.

The group’s profit before tax increased from 2016’s 22.7 billion pesos to 25.5 billion pesos, while net income jumped from 15% to 6.6 billion pesos, while fee-based income increased
BDO has also partnered last year with another Japanese bank, Aurora Bank to advise companies from their respective countries on mergers and acquisitions – the first time that BDO is venturing seriously into something more than just commercial banking. BDO will also assist Aurora, whose clients are keen on investing in companies in the Philippines as growth opportunities arise, especially in Japan.

BDO ended 2016 with a branch network of 982 (including one in Hong Kong). Of this total, 492 branches were in Metro Manila, 305 in Luzon, 108 in Visayas, and 76 in Mindanao. This year, the bank eyes to add 60 more branches, further increasing its network to 1,042 by the end of 2017.

Roberto Jose L. Castillo
President and CEO

EEI Corporation

EEI Corporation posted a higher consolidated revenue in the first quarter of 2017 amounting to 3.84 billion pesos, up 6% compared with the same quarter of 2016. Revenue from domestic construction activities accounted for 3.43 billion pesos, slightly lower than revenue from the same period of 2016. The company’s increasing shift to slower-paced but longer-duration infrastructure projects decelerated its revenue recognition.

Revenue from services increased 27% to 223.5 million pesos as a result of improved activity in a number of its subsidiaries. Petrowind and Petro Solar, both under EEI Power’s investments, generated substantial volume of electricity during the quarter.

EEI Corporation’s total liabilities stood at 13.88 billion pesos, or 3% lower than the amount as December of 2016. During the quarter, bank loans decreased 12% to 3.9 billion pesos. The total equity increased 5% from 5.84 billion pesos to 6.14 billion pesos, mainly because of the 7% increase in retained earnings.

As at end March 2017, the company’s unworked portion of existing contracts amounted to 54.7 billion pesos, including ARCC’s unworked portion of 10.7 billion pesos. This bodes well for future growth. In the first quarter of 2016, EEI increased its loan book substantially due to a number of locally sourced projects.

Ricardo R. Chua
EEI Corporation

China Banking Corporation

China Banking Corporation recorded a 6% growth in net income to 1.47 billion pesos in the first three months of 2017 on the back of strong growth in lending and core fee-based income. Operating income reached 5.66 billion pesos, up 7% compared to the same period last year. Net interest income rose 14% to 4.47 billion pesos, underpinned by the 10% increase in gross loan portfolio.

Non-interest income (excluding trading gains) jumped 22% to 1.08 billion pesos from the gain in service charges, the fee from bancassurance, investment banking and trust, as well as income from asset sales.

Cost-to-income ratio – operating income excluding trading gains – was up 15% to 5.5% billion pesos from 4.8 billion pesos in the first quarter of 2016. Operating expenses growth was limited to 8% to 3.8 billion pesos even with the continued expansion in its branch and distribution network and investments in people and technology to support the growth of new businesses. Cost to income ratio was at 66.57% versus 66.15% in the first quarter of 2016. Return on equity and return on assets were at 9.15% and 0.93%, respectively.

Total assets stood at 620.40 billion pesos, up 14% or 77.33 billion pesos above the 2016 first quarter levels, driven mainly by the 16% growth in gross loan portfolio to 378.41 billion pesos. Strong growth was achieved across all market segments: consumer, commercial and corporate.

Total deposits, on the other hand, went up 17% to 352.32 billion pesos, supported by an increase in gross time deposits to 272.58 billion pesos – demonstrating the strength of the China Bank franchise boosted by deposit growth from new branches. Total capital funds reached 64.91 billion pesos, up 5% from the first quarter of 2016.

China Bank president and CEO Rich Chua says the bank’s strategy focus to strengthen its core businesses and diversifying our fee-based revenues in the midst of its network expansion is starting to produce encouraging results. “We marked significant milestones in 2016: our investment banking arm China Bank Capital Corporation completing its maiden year of operations as market leader in retail bond issues, our thrift bank China Bank Savings turning around to full profitability, and significant growth achieved in all other
China Bank raised 15 billion pesos through a stock rights offering (SRO) priced at 31 pesos share to beef up its resources. The SRO was fully subscribed and led by major shareholder SM Group. The offer also saw strong participation from the Banks’ domestic and international investors. The proceeds will be used to grow its loan portfolio, expand its branch network, and support other strategic business initiatives.

China Bank Capital Corporation, the investment arm of China Bank, acquired ATC Securities as its securities broker-dealer subsidiary company. As a wholly-owned subsidiary of China Bank Capital and a part of the China Bank group, ATC Securities will be renamed China Bank Securities Corporation. China Bank Savings continued to perform well in the first quarter, propelled through increased presence in Beacon Electric Asset Holdings and Global Business Power Corporation and the continuing growth in its franchise business. In terms of contribution to the company's net operating income (distribution and generation) accounted for 2.1 billion pesos or 52% of the aggregate contribution. Tollroads contributed 900 million pesos or 24% of the total, while water (distribution, production and sewage treatment) accounted for 700 million pesos or 18%. Meanwhile, the hospital group contributed 182 million pesos or 4%, and retail, logistics and systems group contributed 54 million pesos or 2% of the total. Consolidated reported net income attributable to owners of the parent company rose 14% to 8 billion pesos in the first three months of 2017 from 7.1 billion pesos in the first quarter of 2016. As a result, operating income for the first three months of 2017 from 2.7 billion pesos in the first quarter of 2016. Non-recurring expense amounted to 76 million pesos substantially comprising project expenses and one-time separation expense as a result of Maynilad’s redundancies and right-sizing programme.

San Miguel Corporation (SMC) reported higher earnings in the first quarter of 2017 attributable to the contribution from new hospital businesses due to favourable prices and 2% growth in revenue with Petron Corporation, the infrastructural supermajority owner of San Miguel, having increased its share in the franchise contracts. The system-wide sales of Max’s Group rose 12% to 15.34 billion pesos for 2016 from 13.72 billion pesos for the previous year. Topline posted double-digit growth of 10% to 11.4 billion pesos from 10.37 billion pesos as of end-December 2016. Restaurant sales went up 10% to 9.42 billion pesos from 8.59 billion pesos on the back of 77 new stories and steady same store sales performance. Online and delivery revenues came in 24% higher at 1.08 billion pesos from 875.18 million pesos for 2015, anchored on a centralized ordering and dispatch platform. Commissary sales stood relatively flat at 1.28 billion pesos owing to closures of certain franchised outlets. Meanwhile, revenues from new franchises, royalty and continuing license fees surged 54% to 766.72 million pesos compared with 497.51 million for 2015 mainly driven by a growing recurring income base and additional overseas franchise contracts.

Cost of sales improved to 72.2% for 2016 as compared with 72.6% in the previous year. The company incurred pricing headwinds from rising input components with lower logistics and utility expenses. As a result, earnings before interest, taxes, depreciation and amortization (EBItA) registered at 1.47 billion pesos – translating to a net income of 561.74 million pesos, up 12% from 501.39 million in 2015. The company has earmarked about 77 new stories, including 16 overseas branches, bringing its total network to 623 branches with 69 located abroad. It has kept within reach of its objective of setting up 1,000 outlets, including 200 international by 2020. The company has commented about 750 million pesos to 800 million pesos in capital expenditure largely for the rollout of another 60-70 new stores primarily among core brands Max’s Restaurant, Pancake House, Yellow Cab Pizza and Krappy Kreme for 2017.

For 2016, Max’s Group opened 194 new stories, including 16 overseas locations and 77 new stories, registering 132 net stories for the year.

On the offshore front, Max’s Group continued to build on its expanding pipeline of over 140 stores dated to open in the coming years. In 2016, the company was able to secure eight development agreements for at least 80 stories across various geographies. Among the notable markets penetrated for 2016 include Yellow Cab in China and Singapore. The company has also made significant progress in fortifying its support structure. In 2016, the company invested in major enterprise resource systems to automate processes and harmonize procedures throughout the organisation. At the senior management level, Max’s Group has on-boarded key talent to strengthen its existing talent reserves. There are also initial plans to expand commodity capacity to reinforce future growth. Max’s Group president and CEO Robert Tosta says the company was upbeat about its performance and it was able to successfully execute its strategic amid a rapidly intensifying competitive environment.

Meanwhile, Yellow Cab Pizza has scaled its bid into Brunei and East Malaysia after Max’s Group signed a development agreement with YTT Sdn Bhd to establish at least 10 Yellow Cab stores in the two markets within five years.
solidated net revenue, meanwhile, fell 3% to 19.35 billion pesos as a result of lower bilateral volumes, which was partly offset by higher average bilateral realization prices.

Alfonso L. Salcedo Jr CEO Security Bank Corp

Amid all the challenging events of 2016, Security Bank Corporation emerged with a very respectable performance – a stronger balance sheet with a solid capital base and a long-term partnership with Japan’s largest bank. Bank of Tokyo-Mitsubishi UFJ (BTMU). Net income rose 11.1% to 8.6 billion pesos, with return on equity amounting to 14.9%, up from 13.0% in 2015 due to the dilutive effect of the capital infusion from BTMU.

Total loan portfolio grew 22% to 267.7 billion pesos, while total deposits rose 20% to 346.6 billion pesos. Cost-to-income ratio was at 50.2%, while tier 1 capital adequacy ratio (CAR) was at 20.53% as against total CAR of 20.5%.

With the fresh capital infusion from BTMU, Security Bank is better able to support corporate clients through larger project financing. Given the bigger capacity for lending and access to the global expertise of BTMU, the bank is in a better position to participate in public-private partnership infrastructure projects necessary for national development. The bank is likewise able to tap into the Japanese market.

With the focus on developing the retail banking business, the bank now has a very broad base of consumer finance products, including auto loans, home loans, personal loans, corporate employer loans and credit cards all designed to help individuals in realizing their dreams and pursuing a better life. For high net worth individuals, the bank offers wealth management with a dedicated team of advisors, specialized investment products and priority servicing across all banking channels.

In the first year, wealth management’s assets under management grew to 12.4 billion pesos. Bancassurance exhibited a robust performance in 2016. Security Bank-effluent customers were introduced to FWUD using the globally accepted practice of raising customer awareness of variable universal life (VUL). SBIRH products to date.

One of the Philippines’ most diversified conglomerates SM Investments Corporation (SMIC) reported a strong performance in the first quarter of 2017 with the net income rising 13% to 6.6 billion pesos, compared with 5.8 billion pesos in the previous year. The increment was underpinned by the 12.6% growth in consolidated revenues to 20.5 billion pesos, against 18.2 billion pesos a year earlier. The overall operating income surged 34% to 9.6 billion pesos due largely to rental revenue from mall expansions in the past two years, as well as to higher real estate sales and construction accomplishments of residential projects since 2014. Mall revenues, which accounted for 62% of the consolidated revenues, increased 11% to 12.7 billion pesos in the first quarter of 2017, compared with 11.4 billion pesos in the corresponding period last year. Mall rentals grew 18% to 10.7 billion pesos on the back of additional retail spaces of 1.1 billion square meters of gross floor area added since 2015. Excluding the new malls and expansion, same mall sales expanded 7%. Cinema and event ticket sales jumped 16% to 1.23 billion pesos due to higher international movie and event ticket sales. Revenue from amusement and merchandise sales surged 27% to 763 million pesos from 602 million pesos, fueled by the improvement on merchandise sales and new amusement centers in the company’s newer malls.

At present, SM Prime has 60 shopping malls in the Philippines and seven in China with a combined gross floor area of 9 million square meters. In 2017, the company is slated to open five new malls in the country. Meanwhile, the overall mall operating income rose 12% to 7 billion pesos from 6.3 billion pesos, while the operating margins moved up from 55% to 56% in the first quarter of 2017. By business unit, SM Prime’s residential group reported a 6% growth in revenues to 6 billion pesos – contributing 29% to the overall revenue. The top three markets are traced to the construction accomplishments of SM Development Corporation projects launched from 2014 to 2015.

Integrated property company SM Prime Holdings recorded a strong performance in the first quarter of 2017, with the net income rising 13% to 6.6 billion pesos, compared with 5.8 billion pesos in the previous year. The increment was underpinned by the 12.6% growth in consolidated revenues to 20.5 billion pesos, against 18.2 billion pesos a year earlier. The overall operating income surged 34% to 9.6 billion pesos due largely to rental revenue from mall expansions in the past two years, as well as to higher real estate sales and construction accomplishments of residential projects since 2014. Mall revenues, which accounted for 62% of the consolidated revenues, increased 11% to 12.7 billion pesos in the first quarter of 2017, compared with 11.4 billion pesos in the corresponding period last year. Mall rentals grew 18% to 10.7 billion pesos on the back of additional retail spaces of 1.1 billion square meters of gross floor area added since 2015. Excluding the new malls and expansion, same mall sales expanded 7%. Cinema and event ticket sales jumped 16% to 1.23 billion pesos due to higher international movie and event ticket sales. Revenue from amusement and merchandise sales surged 27% to 763 million pesos from 602 million pesos, fueled by the improvement on merchandise sales and new amusement centers in the company’s newer malls.

At present, SM Prime has 60 shopping malls in the Philippines and seven in China with a combined gross floor area of 9 million square meters. In 2017, the company is slated to open five new malls in the country. Meanwhile, the overall mall operating income rose 12% to 7 billion pesos from 6.3 billion pesos, while the operating margins moved up from 55% to 56% in the first quarter of 2017. By business unit, SM Prime’s residential group reported a 6% growth in revenues to 6 billion pesos – contributing 29% to the overall revenue. The top three markets are traced to the construction accomplishments of SM Development Corporation projects launched from 2014 to 2015.
amounted to 23.6 billion pesos, supported by an improved win rate and stable growth in the non-VIP segment. Revenue from non-gaming activities, which include hotel, food & beverage and other sources, contributed 3.8 billion pesos during the year increasing by 10%.

Growth in non-gaming revenues can be attributed to new opportunities in MICE (meetings, incentives, conferences and events) and also driven by the sustained customer acquisition and enticement offerings entice them to visit Asia. This, he says, will enable them to deliver continuing returns and financial performance in the coming years.

Total room count for the three hotels - Maxims Hotel, Remington Hotel, and Mall Hotel - has increased to 1,454 rooms, with an additional 228 premium rooms and suites at the Marriott West Wing, which formally opened on November 30, 2016. Mr. Sian notes the Philippine tourist arrivals have grown steadily in the past seven years with 2016 reaching six million international arrivals and he assures Resorts World Manila, thePEDAS Manila, the pedestrian bridge to the country. He says the company has seen a 28% increase in the non-VIP segment, which included hotel, food & beverage and other sources.

The opening of the Marriott West Wing completes the Phase 2 expansion. Phase 3, consisting of three hotels - Hilton Manila, Sheraton Manila Hotel and Maxim's Hotel - is still underway. Sheraton Manila Hotel is targeted for completion by the last quarter of 2017 while Hilton Manila in the first quarter of 2018. Phase 3 will also include additional gaming areas, new retail spaces and six basement parking decks.

The company’s net debt position was at 8.6 billion pesos as it continues to be aggressive in its expansion projects. The opening of the Marriott West Wing is well underway. Sheraton Manila Hotel is targeted for completion by the last quarter of this year while Hilton Manila in the first quarter of 2018. Phase 3 will also include additional gaming areas, new retail spaces and six basement parking decks.

The company’s net debt position was at 8.6 billion pesos as it continues to be aggressive in its expansion projects.

In particular, Union Bank recognizes the unique challenges of effectively passing-out on both wealth and shared values from one generation to the next and the death of proven solutions to these problems. Together with Lombard Odier, the bank aims to provide answers that integrate all the values of a trusted, resilient local bank with the expertise of a global private bank. Union Bank, meanwhile, has signed a memorandum of understanding with the Department of Information and Communications Technology (DICT) for a partnership on the UPERA Forum - the country’s biggest mass conversion programme for micro, small and medium enterprises.

Earnings and revenues of Vista Land & LifeScapes, one of the leading integrated developers in the Philippines, posted double-digit growth in the first quarter of 2017 on the back of stronger contribution from residential development and leasing business. Net income rose 11% to 2.3 billion pesos from 2.1 billion pesos in the first quarter of 2016. Consolidated revenues went up 14% to 9 billion pesos, compared with 7.9 billion pesos a year earlier. Leasing revenue increased from 961 million pesos to 1.44 billion pesos, underpinned by activity in a sector that added about 80,000 square meters of gross floor area (GFA). The company said this year could be another banner year for Vista Land and supported by the continued expansion of its commercial assets and core leasing business on the back of sound domestic macroeconomic fundamentals. Vista Land is bullish with the expansion plans of its newly-acquired subsidiary StarMalls. In strategies in both the commercial and residential side of the business are anchored on sound Philippine macroeconomic fundamentals, a robust real estate industry, the favourable market environment and the sustained growth in disposable income and overall Filipino remittances. The company’s capital expenditure continues to be kept in the range of 15.5 billion pesos for the entire 2017.

In March this year, Union Bank launched its partnership with Lombard Odier, one of the largest private banks in Switzerland and Europe with over US$28.2 billion in assets under management. The partnership aims to bring customized global solutions to the wealth management needs of the country.

Reservation sales – considered a barometer of future revenue growth from residential projects – rose 12% year on year, as Vista Land launched new projects amounting to about 12 billion pesos in the first quarter of 2017. Mr. Villar said in addition to the expansion of its rental spaces, which provides stability to its existing core and stable end-user housing business, the company will continue to open in new areas across the Philippines as it embarks on its next 100 new cities and municipalities in addition to where it had at end of 2016.

As of end-March, Vista Land has presence in 197 cities and municipalities across 44 provinces, one of the largest footprints among the property developers in the country. It has announced that it will focus on the development of communities, integrated urban developments combining lifestyle retail, prime office space, schools, healthcare, themed residential developments and leisure components.

Vista Land is bullish with the expansion plans of its newly-acquired subsidiary StarMalls. In strategies in both the commercial and residential side of the business are anchored on sound Philippine macroeconomic fundamentals, a robust real estate industry, the favourable market environment and the sustained growth in disposable income and overall Filipino remittances. The company’s capital expenditure continues to be kept in the range of 15.5 billion pesos for the entire 2017.
business pipeline is healthy, consistent with the recent improvement in economic data for key markets,” he says. “While asset quality pressures appear to be moderating, we remain vigilant to continued headwinds in the oil and gas support sectors. Our diversified business lines, resilience in execution and strong balance sheet put us in good stead for the coming year.

Saul Loey
Group CEO/Focused Officer
OCBC Bank

Oseas-Chinese Banking Corporation (OCBC) reported a net profit after tax of S$375 million for the first quarter of 2017 compared to S$362 million posted a year ago. The robust year-on-year performance was largely driven by sustained growth in wealth management income, underpinned by increased fee revenue as well as increased earnings in local currency terms from all of the group’s overseas banking subsidiaries, particularly from Indonesia. Net interest income rose 30% to S$377 million from S$297 million a year ago. Fee and commission income climbed 29% to S$481 million, driven by a 70% rise in wealth management fee income, partly contributed by the acquisition of the former wealth and investment management business of Barclays in Singapore and Hong Kong in November 2016. Net trading income of S$158 million, predominantly treasury-related income from customer flows, surged 30% from S$122 million last year, while net realized gains from the sale of investment securities rose 16% to S$65 million.

Profit from life assurance more than doubled from S$85 million in the preceding year to S$198 million, largely from positive performance in Great Eastern Holdings’ investment portfolio as a result of favourable market conditions. Great Eastern continued to diversify its strong underlying insurance business growth, with total weighted new sales and new business embedded value increasing 29% and 24% year-on-year, respectively. The group’s total insurance premium income, comprising income from insurance, private banking, wealth management, stockbroking and other wealth management products, grew 30% to S$272 million, from S$204 million a year ago. As a proportion of the group’s total income, wealth management contributions remained at 32%, as compared with 29% in first quarter of 2016. OCBC’s private banking business continued to grow, as reflected by a significant increase in assets under management to S$385 billion as at March 31, 2017, up 6% from US$57 billion the previous year, partly contributed by the acquisition of Barclays Wealth WTW.

OCBC CEO Samuel Tsien says the first quarter results reflect the underlying strength and diversity of its banking, wealth management and insurance franchise.

The overall quality of the loan portfolio remained stable and the bank’s assets were 1.43 trillion, a strong capital and liquidity position. It launched its maiden covered bond programme in November 2016, which further diversified its funding base. In another major acquisition, OCBC on May 11 2017 announced that it has entered into an agreement to acquire National Australia Bank’s private wealth business in Singapore and Hong Kong. At the end of January 2017, the business comprised a portfolio amounting to about US$1.7 billion in net worth of mainly residential mortgage loans and a deposit portfolio made up of about US$9.5 billion worth of deposits in a multi-currency mix. The business serves a total of about 11,000 customers across the two markets, primarily from the affluent segments.
Bangchak's refinery performance had an exceptional gross refining margin acting as a launchpad for production increase, coinciding with the increase in sales numbers by the marketing business, and planning and production management by the refinery that kept production levels high.

The market gross refining margin increased by over 1.34 billion baht, up 120% from the same period in the previous year as a result of an increase in production volume and upward adjustment of crack spread between various finished product and crude oil, especially the gasoline/Dubai crack spread that rose from the higher demand from Indonesia and Australia, and the reduced supply from emergency shut downs in the Middle East.

Retail market sales volume (service stations) increased 45 million litres, or 5% due to larger customer base following the company's main strategy of using service stations as the main channel. The majority of the increase in sales volume came from the diesel, gasoline 95 and gasoline E85 product. The number of service stations as of the end of the quarter was 1,075 stations, with seven new locations; large size station, in strategic location with modernized aesthetic, along with non-oil businesses to increase service station customers.

However, the company closed down some service stations which has under target sales volume and were in unfavourable locations. Bangchak also made renovations to existing locations to increase throughput per station. Overall, the company was able to increase its market share and was able to retain its position as second in the market. The cumulative market share from January-March 2017 was 15.2%.

**Dr Toemchai Bunng**

President and CEO

Global Power Synergy Public Company Limited, together with its subsidiaries, engages in the production and distribution of electricity, steam, and water for industrial purpose in Thailand. It operates through three segments: independent power producer, small power producer and very small power producer. The company generates electricity through hydro, natural gas and solar energy resources.

In the first quarter of 2017, the group reported a consolidated revenue from sale and rendering of services of over 5.31 billion baht in the first quarter of 2017, compared with 5.32 billion baht in the same period a year ago. Profits before finance costs and income tax expense dropped to 907.45 million baht from over 1.04 billion baht in the first quarter of 2016. Profits before income tax expense of was also lower at 753.19 million baht from over 875.87 million baht, while profit for the period attributable to owners of the company reduced by over 706.35 million baht, or down from 848.95 million baht.

**Sukrit Surabotsopon**

President and Executive Director

IRPC Public Company Ltd

Refining and petrochemical company IRPC Public Company Limited is a better position to generate higher and more sustainable earnings. In a recent note on the company released in April this year, S&P Global Ratings affirmed its ratings because it believes IRPC's moderately improving earnings profile and pause in sustained investing will not translate into a more solid capital structure or liquidity profile before 2018 at the earliest.

IRPC completed most of its UHV (upstream project for hydrocarbon and value-added products) project in 2016, the last and final component of the company’s Phoenix project, with a total investment of US$1.2 billion. UHV will allow the company, through higher refinery complexity, to produce more propane and naphtha at the expense of lower value light and fuel oil. IRPC will complete the final project stage by end 2017 to maximize its production of gasoline.

In parallel, the company will also complete its polypropylene (PP) expansion and PP compounding projects, which together will increase the company’s PP capacity by 300,000 tonnes per year. Close to 85% was completed as of December 31, 2016. S&P says IRPC is slated to benefit from the initiatives it undertook to optimize key process, on top of industrial assets improvement. Such initiatives include the Everest project, which is expected to bring in over 500 million baht contribution to Net income in 2017, compared with the same period a year ago. The Everest project is expected to benefit the company's PP segment by extending its capacity beyond its current PP capacity of 300,000 tonnes per year.

Beyond 2017, the company will have implemented all the strategic initiatives it has been deploying in the past few years, and S&P anticipates that the period of el-...
Supattanapong Punnavecha
President and CEO
PTT Global Chemical Public Company Limited

Driven by the higher price of crude oil, PTT Global Chemical Public Company Limited achieved strong operating results in 2016, with a net profit of over 25.60 billion baht, representing a 25% increase compared with 2015. Ebitda amounted to 48.15 billion baht, or up 4% from a year ago as the higher crude oil price generated a gain in the value of the company’s crude oil stocks.

The company continues to implement Project MAX, a programme to improve its operating efficiency. The programme aims to increase performance every year through increased productivity, improvements to operational processes and reduced operating costs to generate additional profits.

In 2017, PTT Global expects its refineries will operate at 100% capacity during the year, higher than in 2016, during which the company stopped production as planned. As a result, the company expects the performance of its petroleum business to improve this year.

The aromatics business in 2017 will expand due to growing demand for end-products. This will result in higher spread between benzene and paraxylene than previously expected. It is expected that spread between paraxylene and condensate will remain at US$4.13 per barrel. In terms of the olefins business and aromatics products, it is expected that the price of raw plastic this year will be US$36.17 per tonne.

At a meeting on February 14, 2017, the board of directors approved PTT Global’s purchase of shares from PTT Public Company Limited, which is 15% of the outstanding shares of PTT Global that operate petrochemical businesses, including a propylene business, biochemical business and service businesses. These transactions will encourage the growth of the company’s business operations through greater flexibility, simplified operating processes and increased efficiency in utilizing resources within the PTT Global business. The purchase of shares from PTT Global will enable the company to enter new S-curve industries, such as the automotive, electronics and electrical, and construction sectors, which show promising growth trends in the future for growth industries such as the automotive, electronics and electrical, and construction sectors.

The value of the PTT Global transactions to purchase the shares from PTT’s affiliated companies is approximately 26.30 billion baht, including shares in HMC Polymers Company, PTT Audi Chemical Company, PTT MCE Bioderm Company, PTT Polymer Marketing Company, PTT Polymer Logistics Company and PTT Maintenance & Engineering Company.

Arthid Nanthawithaya
President & CEO
Nave Commercial Bank

Siam Commercial Bank (SCB) and its subsidiaries announced a net profit of 11.93 billion baht for the first quarter of 2017, representing an increase of 13% from the same period last year. The increase in net income was attributed to higher net interest income, higher net fee and service income, as well as a decline in net insurance claims.

In the same period, net interest income was 122.9 billion baht, or up 4.1% from the first quarter of 2016 and driven by the 6.2% loan growth over the past year.

Non-interest income increased 33.7% to over 10.62 billion baht in the first quarter of 2017, primarily a result of continual growth in net fee and service income as well as higher net insurance premium income from a decline in net insurance claims.

The non-performing loan ratio stood at 2.70% at the end of March 2017, an increase of 0.06% from the previous period a year ago, largely due to higher non-performing loans from housing loans and from the SME segment. In this quarter, the bank set aside loan loss provisions of 5.11 billion or 143% of total loans, effectively raising the coverage ratio to 153.4% at the end of the first quarter of 2017 from 122.8% a year earlier.

SCB president and CEO Arthid Nanthawithaya says the bank is satisfied with the financial results in the first quarter. He says this year the transformation project will be a key element in strengthening SCB and putting the bank on the path to become the most admired bank. In addition, it is focusing on developing staff capabilities so they can adapt to changes and respond to new business models and changing needs in the future.

The bank has announced job rotation for seven top executives to enhance its customer service quality and competitiveness, citing their expertise in creating the global market.

New perspectives will be brought to ensure services meet client needs, which will help boost customer usage of various financial products and services. In addition, the job rotation of the top ranks will herald a new organizational culture to serve as a prototype and encouragement for all employees to develop their competence and undertake new challenges in the bank’s other business areas.

In February this year, SCB and Sansai PGI purchased 10% of SVEN VENTURE, Thailand’s first corporate venture capital specializing in full-scale research and development on property technology. The new venture capital, with initial registered capital of 100 million baht co-invested with SCB, opens up opportunities for technology start-ups to develop innovations for home living and life-style, from conception to commercial viability, with direct access to sustain business in the property market.

SVEN VENTURE aims at building a network of at least 300 property technology start-ups by 2020, while driving Thai innovations for home living to spring up globally as well as create a strong and sustainable growth potential.

Akillim Tienpranit
President & CEO
Thaioil

Thai Oil and its subsidiaries delivered a strong performance in the first quarter of 2017, with sales revenue of 87.60 billion baht, up by 10.49 billion baht from the fourth quarter of 2016, due to higher total product sales at higher selling prices, which was more than the increase in costs.
The company’s projects now look more diversified between Hanoi and Ho Chi Minh City after the launch of Vinhomes Central Park and Vinhomes Golden River in Ho Chi Minh City. Beyond property development, Vingroup is expanding its retail portfolio and is looking at complementary services, such as schools, retail, and hospitals for long-term, it targets to have 50% of revenue from its nascent consumer retail business. As result, it expects Vingroup to maintain its current moderate net financial leverage. Deleveraging to a lower level may be possible when its retail business matures and starts being profitable, which is likely in 2019 if Vietnam’s macro-economic environment remains supportive.

Fitch views the rising granularity of Vingroup’s property development portfolio and its ability to sustain a high pre-sales rate of around 85% favourably. Cash collections from property sales quadrupled to 57.6 trillion in 2015 from 14.65 trillion in 2014. Meanwhile in September 2016, Vingroup announced the transformation of Vinmech and Vinschool into social enterprises under the leadership of a premier private business corporation in Vietnam, emulating examples from leading international corporations. The transformation of Vinmech and Vinschool into social enterprises underlines Vingroup’s desire to contribute to the advancement of healthcare and education in Vietnam, by improving patient care, and quality of training in both sectors.
both the percentage of revenue and the acceleration of the business growth. Two opportunities of intelligentization and products distribution business with lower 32.53 billion renminbi due to the group’s declined 1.5% year-on-year in 2016 to over three major businesses.

Executive Vice President & CFO Hou Rui

The performance of China Communications Services Corporation in 2016 was undeniably with three growth drivers. The telecommunications infrastructure services (TIS) manifested an increased market share in the telecommunications business with enhanced service quality to enlarge market share. It also aimed to firmly grasp integrated construction and management in China Tower to further enlarge the revenue scale. To take advantage of the opportunities of growing OPEX, the company will develop high end maintenance business such as smart network management and integrated maintenance services. It will unify brand name and promote synergistic formation to explore new businesses in Smart Home and Internet of Things, etc.

Meanwhile, in managing its cost structure, the company managed to reduce the direct cost of products distribution accordingly by proactively controlling the products distribution business. On the other hand, by utilizing subcontracting resources, the direct personnel cost as a percentage of revenue continuously declined, while labour productivity further increased.

Executive Director and CFO Li Fushen

For 2017, the goals of China Unicom (Hong Kong) Limited are to focus on smooth transition and to introduce private shareholders in a pilot scheme of ownership reform. As the Chinese government put pressure on telcos to bring private investors and enhance competition. In a filing to the Hong Kong Stock Exchange, China Unicom stated that the shareholders list will be used as a platform for the mixed ownership reform.

Tomakin Lai

In an effort to strengthen its capital base, China Resources Beer (Holdings) Company Limited announced in July 2016 a fully underwritten rights issue to raise about HK$5.6 billion. It comprised of over 811.04 million rights shares on the basis of one rights share for every three existing shares at the subscription price of HK$11.73.

The subscription price represented a discount of about 30.76% to the closing price – the last dealing price – of HK$13.94 per share on the Hong Kong Stock Exchange on July 5 2016 – the last trading day. Apart from enhancing the company’s capital base, the rights issue will give it flexibility to capture development and expansion opportunities in its beer business. The net proceeds were used to partially fund the acquisition of the 49% interest in China Restaurant (Beverages) Limited held by SABMiller Asia Limited as well as for working capital and other general corporate purposes.

Chow Tai Fook Jewellery Group Limited

Chow Tai Fook Jewellery Group in a profit warning for the first quarter of 2017 attributed the decline in revenue and profit to several factors. The group attributed the decline in revenue and profit to the softer economic environment and intensified market competition in 2016, as well as an improvement in gross profit margin by product, particularly from the loss of 963 million renminbi during the year 2016, as well as an improvement in gross profit margin by product, particularly from 79.3% year-on-year and a significant improvement from the loss of 963 million renminbi posted in the fourth quarter of 2016.

The company continued to explore new business opportunities, particularly in the segment of “Focus, Cooperation and Innovation” and strived to mitigate the underlying short-comings. To promote long-term sustainable development, the company braved short-term profit pressure and increased core initiatives in appropriate to strive for a gradual turnaround, achieving initial success in turning around the unaffordable conditions in operation and development.

China Unicom is expected to be among the first batch of state-owned enterprises to introduce private shareholders in a pilot scheme of ownership reform as the Chinese government put pressure on telcos to bring private investors and enhance competition. In a filing to the Hong Kong Stock Exchange, China Unicom stated that the shareholders list will be used as a platform for the mixed ownership reform.

Meanwhile, in the company’s annual general meeting in April 2017, the board of directors again sought a general mandate to buy back shares. The directors believe that the buy back proposal is in the best interest of the company and the shareholders. Such a buy back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per share of the company and will only be made when the directors believe that such a buy back will benefit the company and the shareholders. In repurchasing the shares, the company may only apply funds legally available for such purpose in accordance with the articles of associations and the Companies Ordinance. The Companies Ordinance provides that payment in respect of a share buy back may be made out of the company’s distributable profits and/or out of the proceeds of a fresh issue of shares made for the purpose of the share buy back.

HKT Limited

HKT continued its streak of strong financial performances by delivering another solid set of financial results in the past year, while weathering the storm of an increasingly challenging macroeconomic environment and intensified market competition. The outstanding performance reflects the resilience of the company’s core businesses and the strong across-the-board execution of its operations.

While Chow Tai Fook Jewellery Group’s short-term profitability may continue to be subject to market volatility, it strives to maintain an optimal capital structure and capital efficiency to deliver long-term value and return to its shareholders.
ber 2011. Mr. Tung has also been the Group Chief Financial Officer of PCCW, HKT’s majority shareholder, since April 2007 and an Executive Director of PCCW since May 2010.

For the financial year ended December 31, 2016, HKT’s profit attributable to holders of Share Stated Units stood at HK$4,889 million, an increase of 24% over the previous year, with its basic earnings per Share Stated Unit at 64.62 HK cents. The firm’s adjusted funds flow for the year touched the HK$4,683 million mark, an increase of 14% over the previous year, with its adjusted funds flow per share stated unit coming in at 61.85 HK cents. HKT Limited looks to extend every effort to enhance its network and services to capture the lucrative opportunities in the market and will continue to invest and innovate to meet Hong Kong’s telecommunications needs into the future.

Executive Director and CFO
Imran Ansari

Esprit Holdings built on the positive progress achieved in its last financial year, as the firm’s performance of the company continued to improve in the six months ended 31 December 2016 to record a handsome net profit of HK$61 million. This represents a significant recovery from the net loss of HK$238 million recorded for the same period last year.

The company went on to post a gross profit of HK$47.37 billion, resulting in a gross profit margin of 52.5% and translating to a year-on-year increase of +2.0% points, despite the deterioration development of the Euro exchange rates. The marked improvement came around primarily as the result of Esprit Holdings’ initiatives to reduce the level of promotional activities, price markdows and wholesale discounts.

Playing a key role in Thomas Tang, who has been Esprit Holdings’ Executive Direc-
tor and Group Chief Financial Officer since May 2012. He is a member of the Risk Management Committee and the General Committee of the Board, as well as a direc-
tor of certain subsidiaries of the company.

Mr. Tang is also a fellow member of The Hong Kong Institute of Certified Public Accountants (Practising) and has over 35 years of experience in the accounting and finance fields.

Mr. Tang’s financial expertise has enabled Esprit Holdings to remain debt free with cash, bank balances and deposits totaling HK$4.5 billion as of year end 2016, compared to HK$1.15 billion in the same period last year.

Furthermore, Esprit Holdings gener-
ated positive EBIT from its underlying operations (excluding exceptional items) of HK$52 million, marking a significant recover-
y from the LBiT of–HK$252 million it recorded over the same period last year.

Moving forward, the financial perfor-
mance of Esprit Holdings continued to advance positively and in line with the expectations of senior management. The progress achieved in most areas of the company has sustained its confidence in remaining fully committed and focused on executing its Strategic Plan in the years to come.

Executive Director and CFO
Edward Lam

The company’s underlying sales surge of 13.7% to US$4.5 billion, while consolidating Adjusted Property ERDTA grew by 16.7% to US$1.9 billion.

In the past year, Melco International Development delivered a strong set of oper-
ing and financial results, despite the ongo-
ing challenges posed by the Macau gaming market. Its net revenue increased year-on-
year by 13.7% to US$4.5 billion, while consolidated Adjusted Property ERDTA grew by 16.7% to US$1.9 billion.

In launching its green bond offering, the Link REIT has identified and imple-
mnted a set of green initiatives covering energy efficiency, greenhouse gas emissions, water management, waste management and low carbon transportation.

Link REIT has become more active in its asset purchases and sales recently, as part of its initiative to upgrade its portfolio. As the same time, the company has been increasing its exposure to China. Moody’s Investors Service estimates that Link REIT’s earnings in China will account for around 9%-10% of its total asset upon completion of this latest acquisition. Nevertheless, it believes that Link REIT’s internal policy of limiting its total China and office leasing exposure to below 12.5% of its total port-
folio should prevent its business risk from rising materially.

In addition, Link REIT has developed mall and office space in Beijing, Shanghai, which will mitigate execution risk for its newly acquired property, the Metropolitan Plaza in Guangzhou, for which it paid 4.665 billion renminbi. It is the third property in Link REIT’s mainland China portfolio, along with the EC Mall in Beijing and Corporate Avenue I & 2 in Shanghai.

Moody’s says the acquisition will have little impact on Link REIT’s financial profile, because it will be largely cash-funded following its recent disposal of five properties in Hong Kong, and as the property will immediately contribute income and cash flows.

The company’s financial results for the six months ended 30 June 2016, represent a return to the healthy financial position of Melco International Development. Mr. Tam joined the Group in 2006, and has more than 20 years of experience in the corporate finance, accounting, financial control and mergers & acquisitions fields.

Under his watch, the Group finances its business via a comprehensive mix of internal resources, cash revenues generated from operating activities, and bank and other borrowings. As of year-end 2016, total assets of Melco International Develop-
ment stood at HK$103.65 billion which were financed by shareholders’ funds of HK$2.34 billion, non-controlling interests of HK$44.69 billion, current liabilities of HK$1.73 billion, and non-current liabilities of HK$34.88 billion.

Meanwhile, Melco International Devel-
Corporate Governance Asia

The company's borrowings are chiefly arranged on a floating rate basis, and used interest rate swaps and foreign currency swaps to hedge part of its underlying interest rate and foreign exchange exposure. At year-end 2016, New World Development Company had outstanding derivative instruments to the tune of HK$35.8 billion and US$600 million. During the same period, the company had outstanding foreign currency swap contracts in the aggregate amounts of HK$3.13 billion which were allocated to hedge for certain foreign currency exposure.

New World Development Company also issued 5.75% prepayment capital securities in the aggregate principal amount of US$1.2 billion, with the net proceeds being utilized to finance its development projects, land bank expansion and other general working capital purposes.

Valencia Lee

CFO and Company Secretary
Sun Land Co Ltd

Sino Land Company recorded a group profit attributable to shareholders, excluding the effect of fair-value changes on investment properties for the six months to December 2016 amounted to HK$2.75 billion, compared with HK$1.01 billion in the same period a year ago.

The net profit attributable to shareholders was HK$3.44 billion, down from HK$3.88 billion in 2015, representing an increase of 3%. Its underlying profit amounted to HK$3.13 billion, compared with HK$3.88 billion in 2015, representing an increase of 3%.

The company had cash and bank deposits of HK$28.07 billion. After net debt of total borrowings, the group had net cash of HK$22.98 billion. Of the total borrowings, 75.9% was repayable within one year and the remaining repayable between two and four years. The group's borrowing is subject to floating and fixed interest rates. The total assets and shareholders' funds of the group were over HK$148 billion and HK$82.4 billion, respectively.

The majority of the group's debts are denominated in Hong Kong dollars and US dollars with the balance in Singapore dollars, with the latter mainly used to fund the projects in Singapore. The group's cash are denominated in Hong Kong dollars and the Australian dollars and US dollars.

Peter Anthony Curry

Executive Director and Group CFO
Sun Hung Kai & Co Ltd

Under the leadership of Executive Director and Group Chief Financial Officer Peter Anthony Curry, who joined the company in 2010 and has over 40 years' business experience, Sun Hung Kai & Co maintains a balanced mix of funding from diverse yet complementary portfolio of investment and finance businesses. In the past year, it has maintained a conservative balance sheet with a net gearing ratio remaining low at 16.2% as at 30 June 2016.

Rosie Yu

Chief Financial Officer
Taiwan Mobile

Taiwan Mobile is flying high to start the year, disclosing consolidated revenue of NT$9.02 billion in April 2017. Its EBITDA stood at NT$2.76 billion with an operating income of NT$3.63 billion and net income of NT$1.29 billion, while Earnings Per Share was NT$55.63. It achieved a special milestone as the firm not only reported 7% growth in operating income over the previous year, in Earnings Per Share was the highest in the industry and exceeded its forecast by 9%. The outstanding results were due in large part to the performance of its 4G business which exceeded its expectations.

Pedro M. Florescin III

Executive Vice President and Treasurer
BDO Unibank, Inc

BDO Unibank conducted one of the biggest fund raising in the Philippine capital market when it raised 60 billion pesos through a rights offering in January 2017. The transaction represented a key milestone in the growth of the Philippines as the largest ever common equity capital raised from the domestic market and executed amid challenging global market environment. The offer increased the bank's common equity tier 1 (CET1) capital, maintaining its Tier 1 capital adequacy ratio at its medium-term growth objectives and take advantage of the positive outlook on the Philippine economy. This issue will likewise provide a comfortable buffer

PhiliPPhiNES
over higher capital requirements with the imposition of the domestic systematically important bank surcharge.

As the largest bank in the Philippines, Fitch Ratings says BDO would need to have CET1 of 11% of risk-weighted assets by January 1 2019. The bank’s CET1 ratio had fallen to 11.3% at end-June 2016 on a consolidated basis from 12.4% at end-2014, which was still adequate based on current regulations, but would have left limited headroom above the higher incoming requirement.

Fitch adds the timing the capital issuance reflects the confidence of BDO’s management and board of directors in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.

Earlier in October 2016, BDO priced a US$375 million offering of senior perpetual capital securities, fully priced a US$300 million worth of five-year fixed rate senior notes with a coupon of 2.63%, the lowest rate on record for a US dollar-denominated bond from a Philippine issuer. The bonds were issued in the medium-term growth prospects for the Philippines. The new capital will provide BDO with a comfortable loss-absorption buffer as it continues to expand its loan portfolio during the next one to two years.

The offer was fully subscribed and led by major shareholder SM Group. It also saw substantial participation from the bank’s domestic and international investors. The rights shares amounting to over 716.40 million shares were issued at a price of 81.75 pesos each.
Joselito E. Mape

Security Bank Corporation

CFO and Executive Vice President

Security Bank has partially paid the company's US dollar-Pesos - the proceeds of which will be used in fixed rate retail bonds on a three-year shelf registration of up to 60 provinces.

It also includes the expansion of Buendia interchange and Ramp Extension to Macapagal Boulevard and Sky 9 (Pasig River alignment) including ramps to Boni, Pioneer and Bonifacio Global City. With the execution of the agreement, SMIC and PNCC, with the participation of the Department of Public Works and Highways, the Department of Transportation, the Toll Regulatory Board and other government agencies, intends to commence with the extension of the SLEX, Skyway Stage 3 and 5 by 2018 and create a seamless network of roads and expressways, connecting Metro Manila to neighboring provinces.

For its fund raising, SMIC has set aside a three-year shelf registration of up to 60 billion pesos. It has issued and listed 20 billion pesos worth of seven-year rate retail bonds on March 1, 2017 and the second issuance was for 10 billion pesos with an over-allotment option of up to 5 billion pesos – the proceeds of which will be used to partially pay the company's US dollar-denominated obligations.

Joselito E. Mape
CFO and Executive Vice President
Security Bank Corporation

Seasonal Chief Financial Officer and Executive Vice President Joselito E. Mape draws from his experience to confidently manage Security Bank's sound financial position. Mr. Mape notes that Security Banks 2016 financial performance exceeded expectations as seen through its 11% increase in net income to Php6.6 billion, which is equivalent to a return of 10.4% on shareholders’ equity. The healthy growth in net interest income placed the bank in good position to be able to offset the decline in trading gain, foreign exchange gain and miscellaneous income, even as it kept its operating expenses in check.

The strength of Security Bank's balance sheet was further enhanced with a faster-than-industry growth in loans and deposits, excellent asset quality and an enriched capital base through the Bank of Tokyo-Mitsubishi UFJ capital infusion. Mr. Mape further pointed out that the bank has upgraded its financial position and is accelerating the execution of its growth plans in order to deliver even better its overarching mantra of "BetterBanking" to all its clients and valued stakeholders.

Security Bank's highlight of the past year was the forgoing of the Strategic Partnership of Security Bank with The Bank of Tokyo-Mitsubishi UFJ, the largest bank in Japan and a member of the Mitsubishi UFJ Financial Group. The transaction was completed by April 2016 with the capital infusion of Php69.6 billion from BTMU, which represents a 20% stake in Security Bank. By June of last year, the 150,097,778 new common shares issued to BTMU were listed on the Philippine Stock Exchange.

As of last year, the Php69.6 billion capital infusion from BTMU marks the largest foreign direct investment in a Philippine financial institution. The celebrated has resulted in a significant increase in shareholders' value. As a result, Security Bank's capital increases by 83% from a base of Php5.32 billion at end-2015 to Php7.1 billion year-end 2016. Furthermore, its book value per share exceeds by 46% from Php4.17 to Php6.1827.5.

Josue T. Sio
Former Executive Vice President and CFO
SM Investments Corporation

In a key organizational changes announced on April 26, 2017 aimed as supporting the company's next phase of growth, SM Investments Corporation (SMIC) has appointed Josue Sio as the successor to Henry Sy Sr as chairman of the board. The board has conferred upon Mr. Sio the role of chairman emeritus in recognition of his role as the founder of SM and all its core businesses.

Mr. Sio, who was SM's chief financial officer for 26 years, was highly instrumental in supporting the phenomenal growth of SM and its subsidiaries. He instilled strict financial discipline across all businesses that later helped the company achieved optimal results even as the whole group maintained a sound and stable financial position.

In a fund raising announced in December 2016, SMIC issued 20 billion pesos worth of retail bonds, which was met with strong investor demand. The seven-year deal was upsized from the initial amount of 15 billion pesos on the back of robust interest from a wide spectrum of investors, ranging from individuals in the retail market to banks, investment funds, pension funds, insurance companies and other corporates. The offering was the maiden issue from SMIC's 50 billion pesos bond shelf registration with the Philippine Securities and Exchange Commission. The bond proceeds are intended to finance future investments and strategic acquisitions in SMIC's core business segments, namely property, retail and financial services.

Meanwhile, the group's subsidiary SM Prime Holdings also accessed the domestic bond market in May 2017 with a seven-year retail bonds amounting to 15 billion pesos, the proceeds of which will enable the company to pursue its expansion plans for malls and residential businesses.

SMIC started strongly in 2017 with good growth and steady profit margins across its core businesses. It continues to build its portfolio of investments in complementary businesses that will help capture the high growth opportunities of the Philippine economy. Its investments include stakes in attractive assets such as the City of Dreams Manila property, NET Buildings, CityMalls and other entities. It also announced the acquisition of a 34.5% stake in the parent company of 0% Group and 61.2% interest in Metrobank. SM continues to look to invest in partners with leading positions in the industry, strong management and potential for high growth and attractive yields.

Tananao-Tagaytay Expressway or Sky 3 (Pang Intechange and Ramp Extension to Macapagal Boulevard and Sky 9 (Pasig River alignment) including ramps to Boni, Pioneer and Bonifacio Global City). The strategy covers loans from local financial institutions as well as the issuance of bonds in order to repay the loan due in 2017 approximately totaling THB20 billion, while carefully considering the situation of the financial institutions during the period. Moreover, the firm signed a syndicated loan agreement and loans agreements with local financial institutions amounting to THB20 billion.

IRPC Public Company's long-term loans increased by THB32.9 billion to THB56.4 billion, primarily due to an increase of the long-term loan drawdown of THB35.5 billion with a loan repayment of THB3.8 billion. There was also an unrealized foreign exchange gain of THB182 million from the effect of Thai Baht appreciation against USD. The company's other current liabilities increased by THB56.7 billion, consisting of an increase in short-term loans by THB53.9 billion, payables from related parties by THB2.3 million, advances payments for goods by THB79 million, accrued bonus by THB63 million and other payables by THB283 million.

Corporate Finance and Accounting Rachadaporn Rajchatasuwinda, who joined the company in 2015 and has several years' experience with listed companies, has been on top of the company's financial management matters. Mrs. Rajchatasuwinda has led the way in implementing the company's sound approach to long-term financing.

The past year carried over the resounding success that the IRPC Public Company experienced in 2015 as it posted a net profit of THB971.2 billion, representing an increase of 3.4% from THB940.2 billion. As of year-end 2016, the firm possessed total assets of THB1,728.3 billion, which marked an increase of THB9.2 billion from the previous year. Throughout her tenure, SR EVP Corporate Finance and Accounting Rachadaporn Rajchatasuwinda, who joined the company in 2015 and has several years' experience with listed companies, has been on top of the company's financial management matters. Mrs. Rajchatasuwinda has led the way in implementing the company's sound approach to long-term financing.
In tapping the Australian dollar bond market, DBS was able to diversify its investor base and was able to secure a competitive pricing since on an after-tax basis, it was able to secure a negative yield. The deal garnered an order book in excess of US$1 billion from 29 accounts. The bond is issued under DBS’ US$1 billion global covered bond programme, which was updated on April 14 2016. DBS actually launched Singapore’s first covered bonds in July 2015 when it priced a three-year US$1 billion fixed rate notes.

In another fund raising in August 2016, DBS was able to tap into the favourable market conditions and to print its first US dollar-denominated Basel III-compliant additional tier 1 (AT1) capital securities amounting to US$750 million. In doing so, it secured the lowest yield and tightest spread ever of any similar capital securities offerings globally.

The AT1 tranche, a non-call five-year deal was priced at par with a coupon of 3.60% - or at the tight end of the final price guidance of 3.65% area (+/- 58bps), and 460bp inside of the initial guidance of 4% area. This is the tightest perpetual US dollar AT1 executed under Basel III by a considerable margin, the bank says the deal meets its objectives.

In marketing the bond, DBS spent over US$1.09 billion for the first quarter of 2017, of which total liabilities amounted to more than US$19.25 billion, of which total liabilities accounted for US$7.80 billion with total interest bearing debts of US$2.86 billion and the remaining US$11.45 billion was the total shareholders’ equity.

It is assessing options to increase liquid asset-quality pressure. SCB and its subsidiaries posted a higher net profit in the first three months of 2017 amounting to 11.9 billion baht, which was up 13% from the corresponding period in 2016. This was driven by the increase in net interest income, higher net fee and service income and a decline at the same time in net insurance claims. Underpinned by a higher loan growth, the net interest income rose 4.1% to 22.56 billion baht in the first quarter of 2017.

On the other hand, non-interest income grew even faster at 33.2% to over 10.62 billion baht in the first quarter of 2017, due largely to the continual growth in net fee and service income as well as higher net insurance premium income from a decline in net insurance claims.

The stable outlook on SCB reflects S&P Global’s expectation that the bank will maintain its strong business position and sound financial profile over the next 12-18 months despite challenging operational conditions and the associated asset-quality pressure.

**Corporate Governance Asia** 122 June 2017

**Turavve Pramanik**

**Siam Commercial Bank**

Siam Commercial Bank (SCB) commenced 2017 with a fund raising in the offshore bond market, tapping the US dollar bond market with a US$400 million offering for 5.5 years. The Reg S deal was priced at 99.860% with a coupon of 3.20% to offer a yield of 3.228%, which was equivalent to a spread of 130bp over the US treasuries. The notes are issued by SCB’s Cayman Islands branch, under the bank’s US$3.5bn medium-term note programme and the proceeds will be used for general corporate and funding purposes.

In November 2016, S&P Global Ratings affirmed the ratings on SCB of BBB-(Stable) because it expects the bank to maintain its well diversified earning streams and solid capital buffer over the next 12-18 months despite a one-off loss related to Salavatri Steel Industries Pcl in 2015. It expects the bank’s credit costs to remain higher than historical average over the period owing to still-challenging economic conditions. However, the bank’s prudent risk management and sound capital position should mitigate the risks.

**CFO Dialogue**

**The role of CFO in Corporate Governance & Transparency**

October 2017 - Hong Kong

**Corporate Governance Asia** 123 June 2017

**Pannalin Makwongw Tulit**

Executive Vice President, Finance and Accounting Group

PTT Exploration & Production Public Company Limited

PTT Exploration and Production Public Company Limited (PTTEP) announced an increased net profit to US$349 million for the first quarter of 2017. PTTEP also maintains its plan for mergers and acquisitions in projects located in Thailand and Southeast Asia, where it has expertise and can operate with low risks and costs.

**Kritiya Todhanakasen**

CFO

Siam Commercial Bank

With this performance, PTTEP has managed to strengthen its profitability as reflected in earnings before interest, tax, depreciation and amortization (Ebitda) margin of 74% and the operating cash flow of US$688 million. At the end of the first quarter of 2017, PTTEP had cash on hand of more than US$4.40 billion.

In the first quarter of 2017, PTTEP’s total asset amounted to more than US$19.25 billion, of which total liabilities accounted for US$7.80 billion with total interest bearing debts of US$2.86 billion and the remaining US$11.45 billion was the total shareholders’ equity.

An increased net profit was attributed to the lower sales from the Australian dollar, an increased net profit to US$349 million for the first quarter of 2017, more than 100% increase compared to the same period a year ago, with recurring net profit of US$211 million mainly attributed to an increase of average selling price to US$53 per BOE, compared to US$35 per BOE for the corresponding period of 2016. The company also recorded gains from non-recurring items of US$138 million on the back of tax savings caused by the Thai baht appreciation against the US dollar and gains from oil price hedging.

**CFO Dialogue**

**The role of CFO in Corporate Governance & Transparency**

October 2017 - Hong Kong

**Corporate Governance Asia** 123 June 2017

**Pannalin Makwongw Tulit**

Executive Vice President, Finance and Accounting Group

PTT Exploration & Production Public Company Limited

PTT Exploration and Production Public Company Limited (PTTEP) announced an increased net profit to US$349 million in the first quarter of 2017. This was buoyed by the average selling price that stood at US$58 per barrel of oil equivalent (BOE) improving in line with global crude oil price, cost efficiency that was achieved as planned and the appreciation in Thai baht. As a result, the company’s financial position remains strong, ready for future investments and acquisitions as well as bidding for the upcoming concession of the natural gas fields in the Gulf of Thailand.

The company recorded total revenue of over US$51.99 billion for the first quarter of 2017, an increase from US$1.85 billion in the same period last year, despite the reduction in sales volume to 304,108 barrels of oil equivalent per day (BOE/D) compared to 220,650 BOE/D.

It is assessing options to increase liquid asset-quality pressure. SCB and its subsidiaries posted a higher net profit in the first three months of 2017 amounting to 11.9 billion baht, which was up 13% from the corresponding period in 2016. This was driven by the increase in net interest income, higher net fee and service income and a decline at the same time in net insurance claims. Underpinned by a higher loan growth, the net interest income rose 4.1% to 22.56 billion baht in the first quarter of 2017.

On the other hand, non-interest income grew even faster at 33.2% to over 10.62 billion baht in the first quarter of 2017, due largely to the continual growth in net fee and service income as well as higher net insurance premium income from a decline in net insurance claims.
It is unmistakable that China Communications Services attaches great importance to its investor relations work. Since its listing back to 2006, the company has extended every effort to strengthen and optimize its investor relations work by adhering to its core values of high transparency, accuracy, timeliness and effectiveness. The company has consistently disseminated such values and development philosophy to the market and built up a good corporate image, and has fulfilled its responsibility for its shareholders to enhance investors’ confidence.

Credit to this can be given in large part to the work of Deputy CFO and Company Secretary Terence Chung. Mr. Chung is a member of the Hong Kong Institute of Certified Public Accountants and the CPA Australia. In his previous stints, he worked in an international accounting firm, China Mobile Limited and China Telecom Corporation Limited, and has nearly 20 years of extensive experience in auditing, company secretary and financial management of listed companies.

The firm has demonstrated that it continues to enhance its two-way communications mechanism with the capital market and maintains interactive communications with the shareholders and investors. In the past year, China Communications Services delivered comprehensive and effective communications with its investors via multiple channels including investor and press conferences, non-deal road shows, reverse road show, investor forums organized by investment banks, one-on-one meetings, teleconferences and video conferences. In view of the stock connect between Mainland China and Hong Kong stock markets in recent years, the firm enhanced its marketing to Mainland investors and actively participated in investor forums for Mainland investors.

China Communications Services also arranged for certain customers to meet with the analysts to enhance their understanding of the capital market on how the firm implements its development strategies, as well as the market and operating environment of the local markets and the competitive edges of the company through different perspectives.

There is a reason why China Mobile consistently ranks among the top investor relations practitioners each year. The company’s goal has always been to enhance its corporate values, which will subsequently generate greater returns for its shareholders. To better achieve these objectives, the telecommunications firm implements good corporate governance practices following the principles of integrity, transparency, openness and efficiency, with a solid focus on its investor relations platform.

There have been many activities for Mainland investors, such as arrangements for certain customers to meet with the analysts, shareholders and the media. In view of the stock connect between Mainland China and Hong Kong stock markets in recent years, the firm enhanced its marketing to Mainland investors, and actively participated in investor forums for Mainland investors.

The firm also arranged for certain customers to meet with the analysts to enhance their understanding of the capital market on how the firm implements its development strategies, as well as the market and operating environment of the local markets and the competitive edges of the company through different perspectives.

China Mobile has in place a sound Investor Relations programme, targeting the cooperation and leadership of its Board of Directors, alongside its senior management, and has been able to maintain proactive communications with its investors via multiple channels including investor and press conferences, non-deal road shows, reverse road show, investor forums organized by investment banks, one-on-one meetings, teleconferences and video conferences. In view of the stock connect between Mainland China and Hong Kong stock markets in recent years, the firm enhanced its marketing to Mainland investors and actively participated in investor forums for Mainland investors.

China Mobile Communications Services also arranged for certain customers to meet with the analysts to enhance their understanding of the capital market on how the firm implements its development strategies, as well as the market and operating environment of the local markets and the competitive edges of the company through different perspectives.

Grace Wong
Deputy General Manager, Investor Relations
China Mobile

There is a reason why China Mobile consistently ranks among the top investor relations practitioners each year. The company’s goal has always been to enhance its corporate values, which will subsequently generate greater returns for its shareholders. To better achieve these objectives, the telecommunications firm implements good corporate governance practices following the principles of integrity, transparency, openness and efficiency, with a solid focus on its investor relations platform.

There have been many activities for Mainland investors, such as arrangements for certain customers to meet with the analysts, shareholders and the media. In view of the stock connect between Mainland China and Hong Kong stock markets in recent years, the firm enhanced its marketing to Mainland investors, and actively participated in investor forums for Mainland investors.

The firm also arranged for certain customers to meet with the analysts to enhance their understanding of the capital market on how the firm implements its development strategies, as well as the market and operating environment of the local markets and the competitive edges of the company through different perspectives.

China Mobile has in place a sound Investor Relations programme, targeting the cooperation and leadership of its Board of Directors, alongside its senior management, and has been able to maintain proactive communications with its investors via multiple channels including investor and press conferences, non-deal road shows, reverse road show, investor forums organized by investment banks, one-on-one meetings, teleconferences and video conferences. In view of the stock connect between Mainland China and Hong Kong stock markets in recent years, the firm enhanced its marketing to Mainland investors and actively participated in investor forums for Mainland investors.

China Mobile Communications Services also arranged for certain customers to meet with the analysts to enhance their understanding of the capital market on how the firm implements its development strategies, as well as the market and operating environment of the local markets and the competitive edges of the company through different perspectives.
communications with its shareholders, investors and other capital market participants which has enabled it to fully understand its operation and development.

Working alongside the department is senior management which presents the company’s annual results and interim results every year. Through various activities such as analyst meetings, press conferences, global investor telephone conferences and investor road shows, China Telecom’s senior management provides the capital market and media with important information and responds to key questions which are of prime concern to the investors.

Since 2004, China Telecom has been holding its annual general meetings in Hong Kong to provide greater convenience to its valued shareholders, and encourage them to actively participate in the company’s annual general meetings and to promote direct and two-way communications between its Board of Directors and the shareholders.

With an aim of strengthening communications with the capital market and enhancing transparency of information disclosure, China Telecom has provided the timely quarterly revenue disclosure, operating results, annual reports, EBITDA, net profit figures and other key operational data. Attentive to its emphasis on maintaining constant communication with its shareholders, investors and analysts, the company participated in numerous investor conferences held by a number of major international investment banks.

Over the past year, China Telecom embarked on revamping its corporate website to enhance its design and functionality to align with the latest international best practices, as well as enhance the transparency and timeliness of its corporate information disclosure. The result is a responsive website with the latest information, aimed at the best user experience of website content with desktop and mobile devices.

Jacky Yang
Company Secretary and Head of Investor Relations
China Unicom (Hong Kong) Limited

Setting the tone for China Unicom’s exceptional performance in the investor relations field is Company Secretary and Head of Investor Relations Jacky Yang. Mr. Yang is a fellow member of the Hong Kong Institute of Certified Public Accountants and has built an extensive career in auditing, company secretary and senior financial management of listed companies. In his role as Company Secretary, he has day-to-day knowledge of the China Unicom’s affairs and reports to the Chairman of the Board. Mr. Yang keeps close contact with all Directors and ensures that the operation of the Board and all board committees adheres to the procedures as set forth in the Articles of Association and the charters of the board committees at all times.

Mr. Yang has also been responsible for compiling and regularly updating draft minutes of board meetings and committee meetings to the Directors and committee members for their comment, and final versions of minutes for their records, within a reasonable time after the relevant meetings.

The Directors seek his advice and services to ensure that board procedures, and all applicable rules and regulations, are strictly observed. To ensure that Mr. Yang has up-to-date knowledge and market information to perform his duties, he has attended sufficient professional training over the past year.

Mr. Yang also leads the China Unicom’s investor relations department which has consistently provided essential information and services as requested by investors, maintaining timely communications with investors and fund managers. These activities include responding to investors’ inquiries and meeting with company-visit investors, as well as gathering market information and passing views from shareholders to the Directors and management to ensure such views are properly communicated.

In addition, China Unicom regularly organizes road shows and attend investor conferences that have been set up by investment banks, wherein its management communicates with investors to enable them to understand the company’s latest development and performance in various aspects more clearly, including business operations and management.

Holly Chen
Director of Investor Relations
and Corporate Communications
Citic Limited

The solid investor relations showing of Citic Limited bear the fingerprints of Director of Investor Relations and Corporate Communications Holly Chen, who has 15 years’ experience in investor relations. With Ms. Chen at the helm, Citic Limited has been able to attain its objective of generating sustainable shareholder value. Ms. Chen and her team recognize that effective management of stakeholder relationships especially with investors is key to realizing that value. This echoes with the firm’s belief that its objectives and stakeholder objectives must be aligned for long-term value creation and encourage its shareholders to agree with its solid conviction that sustainable long-term growth is more significant than short-term gains.

Citic Limited considers effective communication with its shareholders as instrumental in enabling them to have a clear assessment of the enterprise performance as well as to ensure the board of directors is held accountable. It has diligently engaged with its shareholders and responded expeditiously to any queries they have, founded on its commitment to transparent and open communications through timely disclosure of relevant and material information. The company has been regularly meeting with investors to keep them up to speed with business progress and strategy. During these meetings, the firm responds promptly to questions from the media and individual shareholders.

Over the years, Citic Limited has shared financial and non-financial information that is relevant and material, and clearly communicated its views through both annual and timely communications.

When communicating its information, great care is taken to ensure that price sensitive information is not disclosed at all times. When announcements are made through the Stock Exchange, the same information is swiftly made available on its corporate website.

The corporate website contains important information as annual reports and half-year reports to shareholders, announcements, business development and operations, corporate governance practices that can be reviewed by the investment community.

Charlotte So
Head of Investor Relations
Cosco Shipping Ports Ltd

Cosco Shipping Ports’ excellent investor relations reflects Head of Investor Relations Charlotte So’s expertise in the field, underscored by the firm’s belief that good investor relations practices play an essential role in creating shareholder value. The company’s implementation of effective investor relations programs has combined the disciplines of communications and finance, which has provided its stakeholders with an accurate picture of its performance and prospects.

The shipping firm has always strived to establish an effective two-way communications process between the financial community and senior management. Led by Ms. So, the Investor Relations team has deftly managed the dissemination of financial, strategic and legal information to stakeholders including institutional and retail investors, financial analysts, stockbrokers, regulatory bodies and the media.

To understand the company better, Cosco Shipping Ports’ annual report has been established as the essential reference for shareholders and investors. The firm spares no effort in preparing the report, which incorporates human elements into the design and resonates with the company’s culture.

Internally, the Investor Relations team consistently informs its senior management on the latest market movements and market perceptions regarding Cosco Shipping Ports, issues of concern to investors and changes to regulations or compliance requirements, as well as international best investor relations practices.

Time and again, the shipping firm conducts analysis of its shareholder structure, which includes reviewing its current institutional and retail investors to keep track of changes in shareholdings and establish sound relationships with existing and potential shareholders.

In the past year, Cosco Shipping Ports met with investors and related parties 214 times, among which fund managers accounted for 66%, securities professionals including analysts and brokers for 17%, investment banks for 29% and media for 15% of meetings. The company also conducted three road shows and participated in three investor forums over the same time period.

Vincent Tie
Investor Relations Director
China Resources Beer (Holdings) Company Limited

China Resources Beer’s investor relations programs have been humbling, thanks to the dedicated efforts of Investor Relations Director Vincent Tie who has helped shape the firm’s communication efforts with the investment community.

A notable event in the past year highligted the strength of China Resources Beer. In March 2016, the firm reached an agreement with Anheuser-Busch InBev S.A/N.V to acquire a 49% stake in China Resources Snow Beverages Limited from SABMiller Asia Limited for US$1.6 billion. To assist its shareholders and the market in strengthening their understandings of this transaction, the company hosted numerous investor meetings and teleconferences to disseminate relevant information.

Such a case illustrates China Resources Beer’s conviction that adhering to the highest standards of corporate governance and transparency enables investors to accurately understand its latest business developments. Doing so also helps to enhance the company’s performance and expand its business opportunities.

In addition, to ensure the transparent and timely disclosure of information on China Resources Beer’s latest developments, the firm proactively implemented effective mechanisms for multi-channel communications with shareholders and the investment community. The past year saw the firm conduct approximately 150 meetings with nearly 1,400 analysts and fund managers as it continued to communicate with institutional investors, analysts and potential investors in myriad ways. On top of organizing conferences to announce its results, it kept in close touch with investors through one-on-one meetings, luncheons, forums and telephone conferences arranged by financial institutions.

In the years to come, Mr. Tie and his team are determined to elevate their high standards of corporate governance in the investor relations function. In turn, this will further generate sustainable and profitable growth for China Resources Beer, as well as deliver a better return on assets to create higher value for the benefit of its shareholders.
Corporate Governance Asia

Amy Luk
Investor Relations Director Champion REIT

Champion REIT presses all the right buttons when it comes to maintaining timely, mutual and effective communication with the investment community onto its corporate strategy, business development and prospects. As part of its approach, the REIT Manager regularly meets with potential investors, financial analysts and media at one-on-one group meetings, local and overseas conference and road shows, while analyst briefings and investor meetings were also held during the year.

Investor Relations Director Amy Luk has been a big part of the firm’s successful investor relations programs, where she excels in identifying and evaluating Champion REIT’s potential investment opportunities, overseeing the company’s capital structure and investor relations. Prior to this, Ms. Luk has been involved in equity research covering the Hong Kong real estate sector for over five years at various international financial institutions, where she recommended on-equity investments. Champion REIT ensures that all corporate communications, including annual and interim reports, presentations at its investor relations website so that the results briefing of the company. Its Investor Relations Department provides a valuable forum for dialogue and interaction with senior management.

During the meetings, the Board of Directors and Board Committee members and appropriate senior staff attend so they can answer the questions raised by shareholders.

Patrick Lau
Senior VP Finance and Head of Investor Relations Espirit Holdings Ltd

Espirit Holdings has been proactive in distributing information regarding its annual and interim results, as well as its first and third-quarter trading updates through email alerts. In addition, the company arranges results briefings to ensure that the public has access to first-hand information on the results announcement. A live webcast is also made available along with an archive of the webcast on Espirit’s dedicated investor relations website so that the results briefing is easily and readily accessible to international investors.

Alison Law
Director of Investor Relations and Corporate Finance Li & Fung Ltd

Li & Fung has long upheld high standards of corporate governance through its unwavering communication with the investment community through the dissemination of information in a timely and accurate manner. Director of Investor Relations and VP Corp Finance Alison Law leads a dedicated Investor Relations team that maintains constant dialogue with institutional investors and research analysts via one-on-one meetings and conference calls, participating in investment conferences and attending non-deal road shows both in Hong Kong and overseas.

In catering to the wider investment community, Li & Fung’s corporate website is filled to the brim with extensive information about the company. A clearly defined Investors page enables investors to easily search for its financial reports and presentation materials, recent announcements and circulars, as well as contact details. In addition, the company considers its annual general meeting as another effective platform that facilitates the communication between senior management, Board members and shareholders.

Under Ms. Law’s guidance, Li & Fung fully recognizes its obligations under the SFO and the Listing Rules, including the overriding principle that information which is expected to be Inside Information should be announced promptly and to prevent selective or inadvertent disclosure of Inside Information. As such, the fund handles and disseminates such Inside Information in compliance with the “Guidelines on Disclosure of Inside Information” issued by the SFO in June 2012 and the Company’s Policy on Inside Information.

Li & Fung is further committed to adhering to disclosure rules and regulations set forth by the relevant regulatory bodies, and to communicating its business strategies, development and goals to the investment community. As a market leader, the company constantly shares its market insights and industry developments with the investment community. For instance, senior management meets with investors and analysts to share their latest views on the business performance and to further explain its business model.
Ross Dunwoody  
Vice President, Development & Investor Relations  
Melco Resorts and Entertainment Ltd

Redefining a culture of sound investor relations has been a staple at Melco Resorts and Entertainment, which embodies continuous enhancement of its standards of corporate governance in this function. Vice President, Development & Investor Relations Ross Dunwoody helps to shape the direction of its investor relations program, which has been designed to facilitate effective communication between the company and the investment community.

A prime example is that Melco Resorts and Entertainment conscientiously prepares for its all-important annual general meeting, which provides an engaging platform for the Board of Directors to openly communicate with its shareholders. The Chairman of the Board, members of the Board and external auditors place top priority to the event and attend the annual general meeting at all times. The Board of Directors always aims to ensure that shareholders and prospective investors are kept informed of all major developments affecting the company.

Furthermore, the firm implements its Corporate Governance Code’s principle of strongly encouraging shareholders’ participation at the meeting. Questioning by the shareholders of the Board and senior management has been increased towards the conclusion of the meetings regarding any concerns they may have. This opportunity enables them to gain a better understanding of the company that would help them make well-informed investment decisions.

Melco Resorts and Entertainment’s Corporate Communications Department emphasizes a habit of responding quickly to letters, emails and telephone enquiries from its various shareholders and investors. The proactive team allow shareholders and investors to communicate more freely with the company through the numerous channels they provide to raise their enquiries such as through email or by mail.

Complementing these investor relations efforts is its handy corporate website which provides readily available corporate information to the shareholders under a dedicated section for the convenience of the investment community.

In the past year, New World Development has joined over 30 global investor conferences and roadshows held in Mainland China, Macau, Taiwan, Singapore, Malaysia, Japan, United States of America and Europe. Furthermore, it maintained active communications with investors and analysts, and site visits to Hong Kong projects were organised for over 90 investors and analysts.

Violet Chan  
Assistant GM Corporate Communications and Investor Relations  
New World Development Store China Ltd

New World Development has always been on top of its investor relations efforts to the investment community by maintaining open and transparent communication to enhance investor confidence. The firm has furnished quality and timely information to investors to enable the investment community to better understand its business operations and activities.

Carving out the company’s wide range of effective communications channels is General Manager - Investor Relations Aldous Chiu. Mr. Chiu is a seasoned practitioner of investor relations and continuous to build a solid resume in driving New World Development’s investor relations activities and successfully articulating the latest business developments to the investment community.

New World Development capitalizes on opportunities to the fullest in establishing face-to-face engagement with its investors. The Board of Directors and senior management take part in press conferences and analysts’ briefings following the announcement of results to further explain the company’s financial positions. Once it receives feedback from the investment community, it is directly reverted to senior management to further foster mutually beneficial relationships between the Board of Directors and investors.

Aside from organizing conference calls, one-on-one meetings, small group meetings, investor conferences, lunches and non-deal roadshows are regularly arranged by the Investor Relations team led by Mr. Chiu to elaborate on its latest developments and future business plans with institutional investors and sector analysts. Research reports and company updates are published frequently that serve as one of the most informative and resourceful references to support investment decisions of investors.

In line with Sun Hung Kai & Co.’s philosophy, Head of Investor Relations Nancy Chen recognises the importance of clear and constant communication with the firm’s shareholders. To this end, Ms. Chen and her team disseminate timely corporate information to the investment community through a series of communications including intermediate and annual reports, announcements and circulars. These published documents are also made available on its corporate website together with the latest corporate information and news.

In its efforts to promote two-way communication, the company has been increasingly active in establishing a positive image of the firm in domestic and overseas capital markets. The team is proactive in staying in close touch with local and international institutional investors and analysts, primarily through one-on-one meetings, conference calls and store visits. As part of its communications tools, New World Development Store organizes analyst briefings following its annual and interim results announcements to disclose important information to analysts and investment institutions, while research reports regarding the firm are issued by prominent investment research institutions.

To ensure shareholders’ timely access to its corporate information, a dedicated Investor Relations section is featured in New World Development Store’s corporate website. The investment community can find all the latest announcements, circulars, press releases, financial reports and presentations here. Through interim and annual reports, notices, annual general meetings and as well as real-time distribution of updates to e-News subscribers, the Investor Relations team enables its investors to gain a deeper understanding of the business development strategies and latest operating conditions.

Looking ahead, the astute Investor Relations team is keen to continue its proactive communications with investors to reinforce their confidence in the company and to create an ideal financing environment for the firm in the capital markets.

Nancy Chen  
VP and Head of Investor Relations  
Sun Hung Kai & Co. Ltd

In line with Sun Hung Kai & Co.’s philosophy, Head of Investor Relations Nancy Chen recognises the importance of clear and constant communication with the firm’s shareholders. To this end, Ms. Chen and her team disseminate timely corporate information to the investment community through a series of communications including intermediate and annual reports, announcements and circulars. These published documents are also made available on its corporate website together with the latest corporate information and news.

Sun Hung Kai & Co. Ltd also regards its general meetings as valuable forums for its Board of Directors to communicate directly with its shareholders. The Chairman of the board attends the annual corporate governance as a pillar of the firm’s investor relations programs. Mr. Sum and his dedicated team have excelled in putting into practice the firm’s commitment to maintaining a high standard of transparency to ensure stakeholders from around the globe are being provided with accurate, comprehensive and timely information.

Comprehensive information regarding the firm is disseminated on a timely basis through annual and interim reports, press releases and public announcements, all of which are also promptly uploaded onto its corporate website. Post-result conferences and analysts’ meetings are convened shortly after results are announced, and Sun Hung Kai & Co.’s senior management are always available at the meetings to respond to the questions from the investment community.

Mr. Sum and the Investor Relations team have also been proactive in communicating with various stakeholders, including investors, analysts and credit rating agencies. On top of organizing frequent meetings and conference calls, the company has been increasingly active in participating in large-scale conferences and presentations.

As a result, the activities have helped investors have a better grasp of its strategies and latest business developments as well as its views on the local property market. In its efforts to promote two-way communication, the company highly encourages feedback and advice from its stakeholders, which will be assessed and help devise long-term sustainable business development strategies.
The investment community has a lot to like about China Banking Corporation’s investor relations programs that have been proficient in delivering the important information they need regarding the company. The bank is a staunch advocate of transparency and accountability, which is reinforced by SVP for Investor & Corporate Relations Alexander C. Escucha and his team, in the dissemination of corporate information. Throughout his tenure, Mr. Escucha has demonstrated his outstanding skill in conveying the bank’s story to the investment community and satisfying their need for timely information at all times.

Through their efforts, China Banking Corporation’s maintains high standards of disclosure to facilitate public understanding of the bank’s financial condition and the state of its corporate governance. In order for them to make a well-informed decision regarding the company. All material information on the bank is adequately and promptly disclosed in accordance with the Securities and Exchange Commission and the Philippine Stock Exchange’s disclosure policy such as the publication of quarterly financial statements in newspapers and the presentation of a comprehensive annual report during its shareholders’ meetings.

Furthermore, China Banking Corporation discloses market-sensitive information encompassing dividend declarations, joint ventures and acquisitions, sale and disposition of significant assets, as well as financial and non-financial information that may affect the decision of the investment community through television and radio broadcasts, as well as direct communication with its stakeholders.

On the digital front, China Banking Corporation also electronically files its disclosures through the Electronic Disclosure Generation Technology of the PSE, making it readily available on the PSE website. In a similar manner, the bank’s corporate website is updated to include the latest news and current information about the bank in a timely basis.

Paul C. Cheek
Head of Investor Relations and Compliance
Max’s Group Inc.

Under Head of Investor Relations and Compliance Paul C. Cheek’s watch, Max’s Group has exceeded expectations in the eyes of the investment community which has been to its benefit. Mr. Cheek and the Investor Relations team have earned the plaudits of the investment community for delivering a comprehensive investor relations platform which paves the way for a most convenient communication experience for all its stakeholders.

The dedicated Investor Relations team has deftly crafted policies pertaining to the disclosure of relevant information to the public and regulators. These sound practices in place, Max’s Group’s financial and operating results, corporate activities and other material information are disclosed to the investment community and regularly in a timely manner. In addition, Mr. Cheek oversees that the investor relations programs adhere to the company’s revised Manual of Corporate Governance.

Max’s Group’s series of investor relations initiatives involves engaging investors and other stakeholders through pre-arranged office visits, on-one-one meetings, small group discussions, roadshows, teleconferences, email and briefings. The company also submits its quarterly reports to regulatory authorities, publicly discloses the company’s strategy for delivering a comprehensive investor relations program to ensure that its investors are up to speed on all of its latest developments.

Mr. Cheek’s series of investor relations initiatives involves engaging investors and other stakeholders through pre-arranged office visits, on-one-one meetings, small group discussions, roadshows, teleconferences, email and briefings. The company also submits its quarterly reports to regulatory authorities, publicly discloses the company’s strategy for delivering a comprehensive investor relations program to ensure that its investors are up to speed on all of its latest developments.

In the past year, Metro Pacific Investments has been stepping up its game in the implementation of best investor relations practices. It constantly ensures that all of its communications adhere to fair business practices to establish long-term and mutually beneficial relationships with its wide spectrum of stakeholders. It ensures that the firm’s long-term strategy is for the benefit of all its stakeholders, with the investment community placed at the forefront of all its activities and programs.

Throughout the year, the firm has witnessed an increase in its engagement and awareness among the representatives of the investment community, making it widely accessible communication channels to foster a two-way communication with the investment community.

On a regular basis, San Miguel Corporation organizes in-depth briefings and meetings with investment and financial analysts through its Investor Relations group under the Corporate Finance division. Its investor relations practices enables San Miguel Corporation to respond to information requests from the investing community and keeps them up to speed with its timely disclosures to the Philippine Stock Exchange and the Securities and Exchange Commission. The company also distributes regularly quarterly briefings, annual general meetings, investor briefings and conferences, corporate website, and responses to email and telephone queries.

The detailed and accurate financial statements of the company are reviewed by its independent auditors to ensure that they contain all material information. On top of adhering to structural reporting requirements, San Miguel Corporation discloses market-sensitive information such as dividend declarations, joint ventures and acquisitions, sale and disposition of significant assets that materially affect the share price performance of the company in a timely manner.

The investment community is highly willing to engage with the company, providing a platform for the firm to share its vision and strategy with the market as a whole.
Corazon P. Guidote
Senior Vice President and Head of Investor Relations
SM Investments Corporation

Firmly in command of SM Investments’ investor relations programs is Senior Vice President Investor Relations Corazon Guidote, whose expertise in the field has cemented the company’s status as the investment community can conveniently research on its policies, programs and periodic “UnionBanker” newsletters to regularly inform its shareholders and investors of significant announcements and disclosures on top of the bank’s submissions to regulatory authorities.

Brian N. Edang
Head of Investor Relations
Vista Land & Lifescapes, Inc

Having compiled an outstanding track record in the investor relations field, Vice President Investor Relations Amanda Wang constantly displayed her expertise in driving the executive investor relations initiatives of Fubon Financial Holdings. Under her steady leadership, the company has made a name for itself as a primary advocate in the investor relations arena.

The Investor Relations team also helps to regularly maintain Fubon Financial Holding’s corporate website where they provide essential information that highlights key aspects of the firm’s performance. The website contains essential content in Chinese and English that enables local and overseas investors to search and download financial statements, annual reports and important financial information. The investment community can also research on the company’s share price or perceive news on its investor conferences and shareholder meetings. The bilingual Investor Relations section has also resulted in the disclosure of more timely and accurate information to the investment community.

Notifications of significant corporate activities and major announcements are also issued to its website members via email, and investors can likewise communicate their suggestions to the company. The investor relations team led by Ms. Wang then study the feedback received and refer them to senior management which it takes into account when devising the firm’s future plans.

Further underscoring the transparency of its corporate information and maintaining real-time communications with the investment community, the Investor Relations team organises investor conferences on a quarterly basis and participates in seminars and various road shows organized by foreign brokerages to better explain the company’s operating performance, financial results, strategic development and business direction.

Edang has made a name for itself as a primary advocate in the investor relations arena.

The Investor Relations team also helps to regularly maintain Fubon Financial Holding’s corporate website where they provide essential information that highlights key aspects of the firm’s performance. The website contains essential content in Chinese and English that enables local and overseas investors to search and download financial statements, annual reports and important financial information. The investment community can also research on the company’s share price or perceive news on its investor conferences and shareholder meetings. The bilingual Investor Relations section has also resulted in the disclosure of more timely and accurate information to the investment community.

Notifications of significant corporate activities and major announcements are also issued to its website members via email, and investors can likewise communicate their suggestions to the company. The investor relations team led by Ms. Wang then study the feedback received and refer them to senior management which it takes into account when devising the firm’s future plans.

KASIKORNBANK has been implement-
It also organizes company visits, press conferences, and notice and meeting documents sent by mail to shareholders.

The bank further conducts an annual investor relations satisfaction survey, wherein the results are analyzed to optimize the effectiveness of its investor relations policies, functions and activities in line with international standards. Such activities have been a boon in enhancing Kasikornbank’s image and credibility, and thus generate higher value for shareholders in a sustainable manner.

Thitipong Jurapornsiridee
VP - Corporate Finance & IR
PTT Global Chemical Public Company Ltd

With his excellent management of PTT Global Chemical’s investor relations programs over the past year, Vice President - Corporate Finance & Investor Relations Thitipong Jurapornsiridee has reinforced the firm’s top-notch communications with its existing and potential investors. Not one to rest on their laurels, Mr. Jurapornsiridee and the Investor Relations team have continuously enhanced the quality of PTT Global Chemical’s communication with the investment community through the various channels it implements. Through their collaborative efforts, all essential information conveyed by the firm is disclosed regularly which maintains the confidence of shareholders and stakeholders. These activities also assure the investment community that they are presented information in an equitable manner which comply with the requirements of rules, laws and the articles of association of the company and relevant governmental agencies.

PTT Global Chemical has established a corporate governance policy that promotes the protection of shareholders’ rights and ensures the equitable treatment of all shareholders. In this light, the policy outlines the equal exercise of rights by major and minor shareholders at the Annual General Meeting; the equal disclosure of information; the prevention of conflicts of interests or the use of internal information to illegitimately benefit oneself and others; and strengthens relationships with shareholders.

Mr. Jurapornsiridee and the Investor Relations team regularly update the corporate website for the investment community to access a suite of information regarding the company with ease. This information includes comprehensive annual reports which can be readily downloaded, presentations and webcasts, news and publications, stock performance, strategies and vision, PTTGC at a Glance, PTTGC’s strengths, Code of Conduct and other financial information useful for its investors.
Outstanding investor relations has been ingrained in the corporate culture of China Communications Services Company, which prioritizes nurturing fruitful relations with the capital market by maintaining close communication and contact with the investment community. This has been a fixture in the company’s daily operations since its listing, and it always strives to implement highly effective investor relations measures to keep its stakeholders abreast of its latest developments.

Its activities over the past year have demonstrated that China Communications Services Company has steadily extended its investor relations works by observing the principles of accuracy, timeliness and effectiveness in reaching out to the investment community. The company has proactively engaged in effective and interactive communications with its shareholders and investors by utilizing a wide spectrum of communication channels that are crucial in the continuous development and enhancement of its long-term investment value to generate high returns to the investment community.

Throughout its business operations, China Communications Services Company reinforces its two-way dialogue with the capital market to enhance the effectiveness of its investor relations practice. It maintains timely and effective communications with its shareholders and investors, as well as enhances the understanding and confidence of the market in the company. Simultaneously, it closely monitors their feedback to ensure the management has comprehensive understanding to cater to the evolving needs of its investors as well as their expectations of the company. Doing so provides a larger picture with which the company can devise more comprehensive future development strategies, thus fully enhancing and realizing its investment value.

Moreover, China Communications Services Company is of the firm view that information disclosure is not only a responsibility and obligation that must be carried out by a listed company in accordance with the regulatory requirements to duly protect investors’ interests. The company also believes that it is a highly effective means to boost transparency and enables the investment community to gain a better understanding of the company.

In following these principles, the firm has consistently adhered to the information disclosure requirements for listed companies and has responsibly disseminated corporate information by observing the principles of timely, just, fair and accurate disclosure. In the past year, China Communications Services Company has published numerous corporate communications tools such as announcements and circulars. Such publications have objectively and comprehensively disclosed information valuable to the investment community pertaining to its results, operating performance, financial information, dividend payment, poll results of general meetings, and voluntary disclosures as well as accolades that it has received from the capital market.

Looking ahead, China Mobile looks to step up its efforts in enhancing its investor relations work for the betterment of the company and the investment community.

China Mobile has long established a strong connection with the investment community by formulating sound communication policies with its shareholders. Throughout its implementation, the company regularly reviews such policies to ensure that they are effective in addressing the needs of its investors at all times.

At the core of China Mobile’s investor relations structure is the establishment of an investor relations department that is dedicated to provide all relevant information and services to, and communicate with, shareholders and investors and other participants in the capital market. Such initiatives have enabled the company to sustain an active dialogue with them and ensure that they are fully informed of the company’s latest operations and developments.

China Mobile taps into a number of formal channels to report to shareholders on its performance and operations, particularly through its annual and interim reports. In the announcement of its interim results, annual results or any major transactions in accordance with the relevant regulatory requirements, the company accordingly organizes a series of investment analyst conferences, press conferences and investor telephone conferences to explain the relevant results or major transactions to the shareholders, investors and members of the general public, as well as listen to their opinions and address any questions that they may have.

Additionally, the company voluntarily discloses on a quarterly basis certain key, unaudited operational and financial data, and on a monthly basis the net increase in the number of customers on its website to further increase its transparency and to provide shareholders, investors and the general public with additional information to enable them to gain a better understanding of its business operations.

China Mobile further maintains close communication with the wider investment community through a series of investor relations conferences, one-on-one meetings, video-conferencing and other forms of exchange interaction to deliver its operating conditions to the capital markets in a timely manner. In the past year, its senior management set out to attend 13 investor conferences and 222 routine investor meetings, met with 538 investment institutions and 702 investors in total.

The firm also attaches significant importance to the Annual General Meetings, and makes substantial efforts to enhance communications between its Board of Directors and the shareholders. At the AGMs, the Board makes it a point to fully address the questions raised by shareholders.

Looking ahead, China Mobile looks to step up its efforts in enhancing its investor relations work for the betterment of the company and the investment community.
China Resources Beer (Holdings) Company Limited

China Resources Beer has always incorporated the unwavering view that adhering to the highest standards of corporate governance, transparency and a comprehensive accountability system paves the way for investors to accurately understand the latest business developments of the company. Doing so also helps the beverage firm enhance its performance and brand its network of business opportunities. In parallel with this, China Resources Beer has shown outstanding determination to maximizing returns for its shareholders through various means. For instance, the company reached an agreement with Anheuser-Busch InBev SA/NV to acquire 49% stake in China Resources Snow Breweries Limited from SABMiller Asia Limited over the past year. To strengthen the understanding of the investment community, the firm’s representatives have hosted numerous investor meetings and teleconferences, and relevant information is released through its corporate website.

With a sound investor relations structure in place, China Overseas Land and Investment maintains and develops its close connections with mainland investors, and further China Overseas Land and Investment maintains and develops its close connections with mainland stock markets and bond markets, about the company can easily do so by clicking on a dedicated investor relations section on its corporate website serves as an important channel for the company to disseminate press releases and corporate announcements to investors, media and the capital market, while playing an indispensable role in its valuation and compliance with regulatory requirements towards information disclosure. The past year also saw China Telecom launch a dedicated investor relations enquiry line which has opened up a new avenue to address enquiries from the investment community. By doing so, it has further enabled the company to better serve the ever-evolving needs of its shareholders and investors.

China Unicom makes it a point to go above and beyond in its efforts in the investor relations function. For instance, the company discloses major unaudited financial information on a quarterly basis, while announcing operational statistics on a monthly basis to increase transparency and improve investors’ understanding of its business operations. The firm implements such initiatives to complement the publication of its annual and interim reports. Moreover, the company consistently submits annual and regular reports to the United States Securities and Exchange Commission which adheres to the requirements under U.S. federal securities laws.

In the upcoming year, China Resources Beer will continue to strive for transparency. The company aims to maintain its active execution of effective investor relations strategies, to strengthen its capital base and provide its shareholders with more financial flexibility to capture future growth. It has been announced, China Unicom is swift on its feet to conduct analyst and press conferences. Senior management will interact directly with fund managers, investors and journalists in these conferences to provide them with relevant corporate information. They then answer questions raised by analysts and journalists in an accurate and thorough manner. An extensive archived webcast of the analyst conference is also uploaded on its corporate website to ensure that all essential information is widely disseminated to the investment community.

China Unicom has also established an investor relations department that thrives in efficiently providing information and services whenever it is requested by investors, and maintaining timely communication with its investors and Fund managers. Its wide scope of responsibilities includes responding to investors’ queries and meeting with company-visit investors, in addition to gathering market information and sharing opinions from shareholders to the Directors and management to ensure such views are properly communicated to the company.

Furthermore, China Unicom has firmly in place a sound Shareholders’ Communication Policy that does its job in ensuring that the shareholders of the firm are provided with convenient, equal and timely access to balanced and readily understandable corporate information. In turn, this enables their valued shareholders to exercise their rights in an informed manner, and enhances the shareholders’ and the investment community’s two-way communication with the company.
Over the years, Citic Limited has put together a strong track record in delivering sustainable long-term shareholder value. It has done so by recognizing that effective management of stakeholder relationships particularly that with the investment community is instrumental in realizing this value. Furthermore, it firmly believes that the objectives of shareholders must be clearly aligned to produce long-term value, and encourages its shareholders to agree with its view that sustainable long-term growth is more important than short-term gains.

In this light, Citic Limited constantly engages with its shareholders and extends every effort to respond to any question they may have regarding the business operations of the company. In performing these daily activities, it aspires to provide transparent and open communication and always be steadfast in its commitment to disclosing relevant and material information in a timely manner. The firm regularly meets with investors to provide them with pertinent updates on the latest business developments and strategies.

Time and again, Citic Limited has disseminated financial and non-financial information that is relevant and material, and constantly strives to clearly communicate its business strategies through biannual and other timely communication tools. It carefully ensures that price sensitive information is never disclosed selectively. To ensure that new corporate information is easily accessible by all, when announcements are made through the Stock Exchange, the same information will be made available on its corporate website at the soonest possible time.

Accuracy is always upheld in Citic Limited’s disclosures, underscored by the emphasis placed by its senior Board of Directors on the integrity of its financial information. With this in mind, it recognizes and subsequently fulfils its responsibility for preparing financial statements that provide a true snapshot of its business operations, its results and cash flows that all adhere to the Hong Kong Financial Reporting Standards and the Hong Kong Company Law.

Corporation governance is key in delivering sustainable long-term value to the firm.

CNOOC Limited

CNOOC further expanded its investor relations horizons that follow its commitment to proactively serving the investment community, safeguarding the interests of its investors, while never losing sight of producing handsome returns to its shareholders. In its steadfast upholding of high standards of business ethics and corporate governance, CNOOC is committed to ensuring the company’s investor relations practices which are all geared towards the long-term interests of the firm and its shareholders.

Setting the tone for best investor relations practices is CNOOC’s Board of Directors which places a solid focus on effective communication with all its shareholders. It incorporates an unwavering policy of transparency through establishing and maintaining different communication channels with shareholders, which has delivered swift and clear investor relations, and consistent and stable returns to the investment community.

CNOOC continued to make bigger strides in adhering to prompt and timely dissemination of corporate information. On top of announcing its interim and annual results, the firm also publicizes its major business developments and activities through an extensive portfolio of communication channels such as press releases, announcements, and a user-friendly corporate website that comply with all relevant rules and regulations.

In its constant communication with the investment community, CNOOC furnishes a balanced and understandable assessment of the company’s current status in its interim and annual reports, other financial disclosures required by the Listing Rules, reports to the regulators and information disclosed under statutory requirements. Such efforts have assisted investors in appraising its business development and financial position and subsequently make investment decisions on.

At the beginning of every year, CNOOC issues quarterly operational statistics and financial results, backed by a comprehensive overview about its performance and to furnish details on the latest developments of the company in a timely manner. Furthermore, CNOOC organizes regular press conferences as an avenue for the firm to present its latest financial performance and major transactions to the media and the investment community.

Meanwhile, CNOOC’s general meetings serve as another useful platform for shareholders to share their views with the company’s senior Board of Directors. The Chairman of the Board, along with the Chairmen of the Audit Committee, Nomination Committee and Remuneration Committee as well as members of the respective Committees grace the event where they confidently respond to questions from shareholders at the annual general meeting, extraordinary general meetings. The senior management at CNOOC do their part in ensuring the external auditors attend forward written enquiries to its Board of Directors at their most convenient time. Such a structure has been designed to bolster communications with the investment community and facilitate clear and definite procedures for enquiries of the shareholders.

Moreover, the firm provides complete contact details of key personnel in the annual report of the company on top of making it available on the investors section in its corporate website. Constant engagement with the investment community has enabled its senior management to gain a better understanding of the feedback from the capital market. As a result, these activities have helped promote the continuous development of the firm, and consequently delivered higher returns to shareholders and investors with optimum results.

Speaking of its corporate website, PetroChina consistently updates its content in accordance with the latest revisions of the regulatory rules and the requirements of the Hong Kong Stock Exchange. It serves as an outstanding communications platform where investors can find business developments and operations, updates on financial information and corporate governance practices.

Reinforcing the effectiveness of its investor relations programs, PetroChina constantly reviews and guarantees the completeness of its annual reports, interim reports and quarterly reports, related financial statements and accounts to enable the investment community to formulate well-informed decisions regarding the company.

COSCO SHIPPING Ports Ltd

COSCO SHIPPING Ports continued to make waves with its best investor relations practices over the past year, founded on its philosophy that its investors are its close partners and regards investor relations as a crucial component in establishing a culture of good corporate governance.

In the past year, COSCO SHIPPING Ports completed a restructuring and entered a new phase of development. Thus the company needed to ensure that its investors fully understood the philosophy behind the change. Spearheading the function is its diligent investor relations team which always facilitates efficient two-way communication between senior management and the investment community. It plays a big role in helping the company release accurate information in a clear and timely manner, andaccording to standards higher and more transparent than those of the disclosure regulations governing the Company’s listing. Its senior management proactively communicated with investors, comprehensively explaining the reasons for the business restructuring and the strategic synergies after restructuring, to ensure that investors fully understood the rationale and the new structure.

To further increase corporate transparency, in addition to announcing its business results voluntarily on a quarterly basis and answering investors’ queries, COSCO SHIPPING Ports compiles a corporate sustainability report, and assumes full accountability to a diverse range of stakeholders, which helps in further boosting the company’s governance, sustainability and shareholder value.

COSCO SHIPPING Ports has consistently displayed sound understanding of investor’s queries and concerns when faced with a volatile market and its own business restructuring. In deftly addressing these concerns, on top of responding promptly to investors’ enquiries, the firm organises regular communications with its investors through road shows, press conferences, analyst discussions, investor meetings, luncheons and individual and group meetings with fund managers. Through such sincere and honest meetings, the company helps different audiences understand the company’s financial results, performance, operational strategies and development prospects.

This is in line with its belief that only if the market fully understands COSCO SHIPPING Ports’ strategy can the company’s share valuation reflect its true value.

Since 2007, COSCO Shipping Ports has gone over and above regulatory requirements by posting the monthly throughput figures for its terminals clearly on its corporate website as an informative reference for the benefit of the investment community and the media. Furthermore, it has released its business results on a quarterly basis tracing back to the third quarter of 2007, providing timely updates on the latest developments affecting its operations and financial performance.

PotroChina Company Limited

Delivering complete investor relations solutions to the investment community has been the expertise of PetroChina as it remains among its top practitioners of this function in the Asian region. The energy company continues to develop and refine its communication tools each year to ensure that it resonates its intrinsic culture of good corporate governance at all times.

Of course, the anchor of PetroChina’s exceptional investor relations platform is its formidable Board of Directors which does not rest on its laurels when it comes to enhancing the firm’s corporate governance standards. It does so by enhancing its corporate transparency through effective channels of information disclosure. Its Board of Directors also regularly listens to reports on investor relations which comprise of feedback from investors, forecasts by analysts, data and analysis of research reports, and stock price performance. Furthermore, the Board of Directors collectively exposes that good corporate governance is unmistakably beneficial for maintaining close and trusted relationships with its shareholders and the investment community.

Mirroring PetroChina’s dedication to nurturing two-way communication, the company welcomes its shareholders to put forward written enquiries to its Board of Directors at their most convenient time. Such a structure has been designed to bolster communications with the investment community and facilitate clear and definite procedures for enquirers of the shareholders.

Moreover, the firm provides complete contact details of key personnel in the annual report of the company on top of making it available on the investors section in its corporate website. Constant engagement with the investment community has enabled its senior management to gain a better understanding of the feedback from the capital market. As a result, these activities have helped promote the continuous development of the firm, and consequently delivered higher returns to shareholders and investors with optimum results.

Speaking of its corporate website, PetroChina consistently updates its content in accordance with the latest revisions of the regulatory rules and the requirements of the Hong Kong Stock Exchange. It serves as a benchmark communications platform where investors can find business developments and operations, updates on financial information and corporate governance practices.

Reinforcing the effectiveness of its investor relations programs, PetroChina constantly reviews and guarantees the completeness of its annual reports, interim reports and quarterly reports, related financial statements and accounts to enable the investment community to formulate well-informed decisions regarding the company.
China Aircraft Leasing Group Holdings Limited

CALC

The standards of CALC’s investor relations practices have steadily taken off over the years, powered by its emphasis on fostering good and effective communication with all its stakeholders. The past year saw the company continuing to enhance its proficient investor relations initiatives which have forged stronger ties with the investment community. In the investor relations arena, the firm regularly exchanges opinions and views with its stakeholders through a number of communication channels such as annual general meetings.

CALC has also deployed an extensive shareholders’ communications policy and daily implemented it in its daily operations. Under such policy, the company openly communicates with its shareholders and investors through a wide spectrum of channels. For example, timely publishing of annual and interim results, announcements regarding firm’s latest developments and press releases readily uploaded on its corporate website and the Stock Exchange’s website enables the company’s shareholders appreciate the firm’s financial position.

The company’s annual general meeting provides an effective forum for its shareholders to share their invaluable views with the Board of Directors. Shareholders are most welcome to attend these annual general meetings, where the directors and the external auditor of the company are all available to answer shareholders’ questions about the annual results recorded by the firm for the past financial year.

CALC shareholders’ rights are further preserved when separate resolutions are proposed at shareholders’ meetings on each substantially separate issue, including but not limited to election or re-election of individual directors at the annual general meetings. As a consistent practice, all resolutions proposed at shareholders’ meetings are then put to vote by poll.

The company has dedicated investor relations personnel to exercise their rights in an informed manner, as well as allow the investor community to engage actively with the company.

On its corporate website, the investment community can easily view all of ASM Pacific Technology’s announcements and notices which are similarly published on the Stock Exchange’s website. It fosters greater understanding with the investment community by holding numerous conference calls or investor luncheon meetings where the company’s annual, interim and quarterly results are discussed extensively. During these events, the company’s Chief Executive Officer or his delegate will conduct presentations to the firm’s performance to the investment community. In reaching out to a larger audience, these conference calls are also broadcast live via webcast.

On top of such efforts, the company has designated senior executives to engage in constant dialogue with institutional investors to keep them abreast of the ASM Pacific Technology’s latest developments, which are all comply with applicable laws and regulations.

Chow Tai Fook Jewellery Group

Chow Tai Fook’s exceptional investor relations practices has shone bright in the eyes of the investment community, which has provided timely access to the company’s material information. As a prime example, the company furnishes announcements and results presentations, annual and interim reports and press releases via public channels including its corporate website and the Stock Exchange of Hong Kong. Complementing its IR practices is the organizing of informative and engaging press and analysts conferences at least twice a year following the timely release of interim and annual results.

In addition, the company has provided timely and comprehensive investor relations website which provides all of the company's announcements, circulars and other relevant information, are available on its corporate website for the investment community to keep informed of any material information. Furthermore, the company has implemented a stock Buy-and-Sell principle in 2007, whereby all feedback and complaints pertaining to Champion REIT from Chow Tai Fook Jewellery’s IR department will be recorded. In accordance with Champion REIT’s IR operation manual, the Chief Executive Officer or his delegate will conduct presentations on the firm’s latest developments and moving forward, CALC is determined to explore other better investor relations practices to further expand its shareholder base.

Chow Tai Fook Jewellery Group

Chow Tai Fook’s exceptional investor relations practices has shone bright in the eyes of the investment community, which has provided timely access to the company’s material information. As a prime example, the company furnishes announcements and results presentations, annual and interim reports and press releases via public channels including its corporate website and the Stock Exchange of Hong Kong. Complementing its IR practices is the organizing of informative and engaging press and analysts conferences at least twice a year following the timely release of interim and annual results.

In addition, the company has provided timely and comprehensive investor relations website which provides all of the company's announcements, circulars and other relevant information, are available on its corporate website for the investment community to keep informed of any material information. Furthermore, the company has implemented a stock Buy-and-Sell principle in 2007, whereby all feedback and complaints pertaining to Champion REIT from Chow Tai Fook Jewellery’s IR department will be recorded. In accordance with Champion REIT’s IR operation manual, the Chief Executive Officer or his delegate will conduct presentations on the firm’s latest developments and moving forward, CALC is determined to explore other better investor relations practices to further expand its shareholder base.

Chow Tai Fook Jewellery Group

Chow Tai Fook’s exceptional investor relations practices has shone bright in the eyes of the investment community, which has provided timely access to the company’s material information. As a prime example, the company furnishes announcements and results presentations, annual and interim reports and press releases via public channels including its corporate website and the Stock Exchange of Hong Kong. Complementing its IR practices is the organizing of informative and engaging press and analysts conferences at least twice a year following the timely release of interim and annual results.

In addition, the company has provided timely and comprehensive investor relations website which provides all of the company's announcements, circulars and other relevant information, are available on its corporate website for the investment community to keep informed of any material information. Furthermore, the company has implemented a stock Buy-and-Sell principle in 2007, whereby all feedback and complaints pertaining to Champion REIT from Chow Tai Fook Jewellery’s IR department will be recorded. In accordance with Champion REIT’s IR operation manual, the Chief Executive Officer or his delegate will conduct presentations on the firm’s latest developments and moving forward, CALC is determined to explore other better investor relations practices to further expand its shareholder base.
It fully recognises that it is responsible for explaining its annual and interim results, as well as the first and third quarter trading updates straight to its shareholders and other interested parties who are listed on the Hong Kong Stock Exchange. The Directors also take their role in ensuring that all information is disclosed to the relevant stakeholders. Furthermore, it is essential to highlight the need for the company to maintain a high standard of corporate governance, particularly in the investor relations space. In this respect, the company has adopted the code provisions of the Corporate Governance Code that has subsequently applied the principles. It has also adopted the code provisions of the Corporate Governance Code as set out in the Listing Rules on The Stock Exchange of Hong Kong, and has subsequently applied the principles. It is committed to maintaining a high standard of corporate governance, the principles of which serve to uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of its business operations and to ensure that HKT’s affairs are conducted in accordance with applicable laws and regulations.

Another communication channel that it taps into to inform the investor community of the company’s performance and strategic priorities is through its Annual General Meeting, which is the primary platform for shareholders to exchange views directly with the Board of Directors. The Board of Directors also holds annual general meetings as a primary platform for shareholders to exchange views directly with the Board of Directors. The Board of Directors also holds annual general meetings to discuss the company’s financial performance and strategic priorities.

Global Brands Group Holdings Ltd

Over the years, Global Brands has cemented its spot in the international investor relations space by its commitment to maintaining regular dialogue and fair disclosure with its valued shareholders, fund managers, analysts, and the media. Global Brands’ senior management has excelled in communicating its overall strategy and latest corporate developments at major investor conferences, as well as attending investor and analyst meetings on a regular basis. This has been highly beneficial to all parties who attend such events, with some of them publishing reports on the firm’s performance.

Another communication channel that it taps into to inform the investor community of the company’s performance and strategic priorities is through its Annual General Meeting, which is the primary platform for shareholders to exchange views directly with the Board of Directors. The Board of Directors also holds annual general meetings as a primary platform for shareholders to exchange views directly with the Board of Directors. The Board of Directors also holds annual general meetings to discuss the company’s financial performance and strategic priorities.

Global Brands Group Holdings Ltd

Over the years, Global Brands has cemented its spot in the international investor relations space by its commitment to maintaining regular dialogue and fair disclosure with its valued shareholders, fund managers, analysts, and the media. Global Brands’ senior management has excelled in communicating its overall strategy and latest corporate developments at major investor conferences, as well as attending investor and analyst meetings on a regular basis. This has been highly beneficial to all parties who attend such events, with some of them publishing reports on the firm’s performance.

Another communication channel that it taps into to inform the investor community of the company’s performance and strategic priorities is through its Annual General Meeting, which is the primary platform for shareholders to exchange views directly with the Board of Directors. The Board of Directors also holds annual general meetings as a primary platform for shareholders to exchange views directly with the Board of Directors. The Board of Directors also holds annual general meetings to discuss the company’s financial performance and strategic priorities.
for the preparation of the company’s annual interim and reports and issues policies regularly to ensure compliance with the various rules and obligations that have been established under the Listing Rules. Meanwhile, HKT is committed to promoting and maintaining effective communication with the holders of Share Stapled and other stakeholders. HKT has adopted a clear Unitholders Communication Policy to ensure that HKT provides Unitholders and the investment community with appropriate and timely information about the company. HKT highly encourages invaluable two-way communications with institutional and retail investors, as well as financial and industry analysts. On top of the dissemination of HKT’s annual report to Unitholders, financial and other information relating to the Group, HKT Limited Group and the Trustee-Manager and their respective business activities have been disclosed on the corporate website to promote effective communications. Another way it engages in constant dialogue with the investment community is welcoming inquiries from individuals on matters relating to their holdings in the Share Stapled Units, the business of the company and the HKT Trust. Once it has received these inquiries, the company swiftly deals with them in an informative and timely manner.

Link Asset Management Ltd

Link REIT stands tall among investor relations practitioners as it continues to build upon its IR function, with a focus on transparency and accountability. The Board of Directors and the investors.

In the eyes of its investors, Li & Fung has consistently upheld optimal standards of corporate governance, especially with regards to establishing open and transparent communications with the investment community by providing them with important information in a timely and accurate manner.

Li & Fung has established a top-notch investor relations team to facilitate two-way communications with its institutional investors and research analysts. They engage in fruitful discussions with them during one-on-one meetings and conference calls, participating in investment conferences and attending non-deal road shows both in Hong Kong and overseas. Their website reaches out to a wide spectrum of the investment community with comprehensive and readily available information about the company in both English and Chinese.

The investment community can conveniently view Li & Fung’s financial reports and presentation materials, recent announcements and circulars, as well as contact details of the investor relations team by navigating to its dedicated Investor section on the website. The company holds its annual general meeting as a platform that enables its senior management, Board members and shareholders to communicate productively with the investment community.

Li & Fung adheres to its obligations under the SFO and the Listing Rules, being especially mindful of the overriding principle that information which is expected to be Inside Information should be announced promptly and to prevent selective or inadvertent disclosure of inside information. In this light, the company responsibly handles and distributes such inside information in accordance with the Guideline from the GAOI on Disclosure of Inside Information issued by the SFO in 2012 and the company’s policy on Inside Information, while Li & Fung’s senior management deftly respond to related external enquiries. In complementing these efforts, the firm’s Shareholders’ Communication Policy is regularly reviewed by the Board of Directors to ensure its effectiveness at all times.

The company is further committed to complying with disclosure rules and regulations stipulated by the relevant regulatory bodies to communicate and provide transparency to its investors and analysts. Li & Fung sets a prime example in constantly sharing its market insights and industry developments with the investment community. In addition, the firm’s senior management regularly meets with investors and analysts to share their latest views on the business and to further explain the company’s business model.

Link Asset Management Ltd

Li & Fung Ltd

7TH ASIAN EXCELLENCE AWARD 2017

Melco International Development Ltd

Cultivating effective communication with the investment community is atop the agenda when it comes to New World Development’s investor relations practices. Underscoring this commitment, the firm always strives to connect with its shareholders and investors to keep them informed regarding the company’s performance at all times.

New World Development always seeks to capitalize on every opportunity to engage both investors and shareholders regarding its business performance. As such, the Board of Directors and senior management participates in press conferences to communicate and offer accurate analysis on its business strategies and future development plans. In addition, the company welcomes feedback as a key element in the two-way communication between the Board of Directors and the investors.

Throughout its outstanding Investor Relations Department, the firm is able to clearly maintain communications via different communication channels, with the team playing a proactive role in connecting the company with the investment community.

The company sets out to organize conference calls, luncheons as well as non-deal road shows to assist the investment community in gaining a firm grasp of New World Development’s operations and developments. On top of meetings, property tours, construction site and show flat visits are often organized to strengthen the market’s understanding in the property developments and growth in both Hong Kong and Mainland China. It incorporates the feedback from the different parties wherever suitable, which has helped bolster its product quality allowing it to maintain a leading position in the property market. In turn, this has been highly appreciated by the investment community.

New World Development protects the interest of its shareholders and stakeholders through voluntary announcements of sensitive information pursuant to the Listing Rules in line with its emphasis on the significance of fair disclosure. For instance, major updates such as latest movements and relevant information are available on both the Stock Exchange of Hong Kong and its corporate website.
New World Department Store China Ltd

New World Department Store has gone strong to strength in its firm’s solid performance. Moreover, its implementation of its investor relations function, driven by its clear New World Department Store China Ltd commitment, is facilitated by its firmly established investor relations team, which has been proactive in communicating with the investment community. The company’s senior management executives have established a proficient investor relations team which has been proactive in contacting institutional investors and analysts in domestic and overseas capital markets.

To bring the investors in line with the latest developments of the company, New World Department Store organized analyst briefings to disclose information proactively to analysts and investment institutions. Once the annual and interim results have been released, it regularly organizes on-site visits and road shows for its various stakeholders. In addition, its senior management carries out international road shows and attend a number of investor conferences hosted by major banks or securities companies.

In ensuring that its shareholders have regular access to New World Department Store’s corporate information, a clear Investors section can be found in its corporate website, where they can receive the company’s latest announcements, circulars, press releases, financial reports, etc. Moreover, the investor relations team guides the investment community in gaining a deeper understanding of its business development strategies and operations through its interim and annual reports, notices, annual general meetings, on top of the real-time distribution of timely updates to e-News subscribers.

Transparency is duly emphasized in all of its communication efforts. To this end, New World Department Store has established an Information Disclosure Committee in 2012 and set up a corresponding internal policy on the fair disclosure of corporate information.

Inspired by its success in this key corporate function, its investor relations team will strive to proactively sustain its solid communications with its investors, in order to reinforce their confidence in the company and lay down the foundations for a thriving financing environment for the company in the capital market.

Sino Land Co Ltd

Exceptional investor relations practices constitute a formidable pillar in Sino Land’s success, buoyed by its commitment to corporate transparency, communicating regularly with its shareholders and ensuring that the wider investor community is provided with ready, equal and timely access to balanced and understandable information about the firm. Such critical information encompasses its financial performance, strategic goals and plans, material developments, governance and risk profile, which all enable the shareholders to exercise their rights in an informed manner.

Sino Land’s investor relations team conveys the company’s outlook and strategy, briefs the top management on the needs and expectations of investors, and arranges regular meetings with research analysts and fund managers. It also ensures that all the disclosures submitted to the Stock Exchange and its corporate communications and other corporate publications are accessible on its corporate website for the investment community to peruse.

The annual general meeting serves as a principal communication channel between Sino Land and its shareholders, and the firm makes it a point that shareholders’ views are sought out at the annual general meeting.

Complying with all relevant rules and regulations, Sino Land’s transparency when providing accurate and timely information to the investment community is well recognized by the investment community. The firm is committed to maintaining equal and timely access to balanced and understandable information to investors for the investment community's full benefit.

Sun Hung Kai Properties Ltd

Sun Hung Kai Properties scored high in burnishing its exceptional investor relations track record, underpinned by a focus on transparency when providing accurate and timely information to international stakeholders from around the globe. It continuously ensures that it releases clear and accurate information to increase its market integrity and the confidence of the investment community. The firm complies with all relevant rules and regulations when providing pertinent information that expounds on the firm’s latest developments to shareholders and capital market authorities through various channels to ensure effective and equal communications.

For instance, among its key communication channels to disseminate its corporate information is through its annual and interim reports, press releases and public announcements, which can all be accessed freely on its corporate website.

Another primary platform utilized by Sun Hung Kai Properties is its annual general meeting, which enables its investors to engage directly with the Board of Directors and senior management.

In strengthening its connections with the investment community, senior management engages with analysts as well as institutional investors to solicit their views regarding the ongoing performance of the company.

Among its other IR activities, the firm proactively communicates with its wide range of stakeholders such as investors, analysts and credit rating agencies. Sun Hung Kai Properties also emphasizes reaching out to overseas equity and fixed-income investors by participating in international investor conferences and staging non-deal road shows to foster ongoing dialogue with the investment community. To bring the investors in line with the latest developments of the company, site visits to Sun Hung Kai Properties’ Hong Kong and mainland China projects are regularly arranged for their benefit.

Sun Hung Kai & Co. Ltd.

Brilliantly setting the tone for Sun Hung Kai & Co.’s sound investor relations function is the steady leadership from its Board of Directors, which fully recognizes the importance of maintaining transparent communication with the investment community.

By focusing on this, its corporate information is responsibly distributed to its shareholders in a timely manner through a number of formal channels, covering interim and annual reports, announcements and circulars. Such published documents, together with the latest corporate information and news, are also made readily available on its corporate website.

Sun Hung Kai & Co. strives to ensure that it publishes factual information that is presented in a clear and balanced manner, disclosing both positive and negative information objectively, so that the investment community can arrive at well-informed investment decisions regarding the firm.

The company holds general meetings as an irreplaceable forum and opportunity for the Board of Directors to engage in direct communications with its shareholders to paint a clearer picture of the firm’s operations. During these meetings, the Chairman of the Board, the Chairman of the audit, remuneration, nomination and any other committees as appropriate all attend the event. Another member of the respective committee or their duly appointed delegate is on hand and available to answer questions at the annual general meeting should they be unavailable to attend.

Adding to Sun Hung Kai & Co.’s representation at the meetings are the independent non-executive directors and other non-executive directors, enabling them to develop a balanced understanding of the entire investment environment.

The chairman of any independent board formed as necessary or pursuant to the Listing Rules is also on hand to answer questions put forth by the shareholders to approve a connected transaction or any other transaction that is subject to independent shareholders’ approval.

Notice of meetings to the shareholders are sent at least 20 clear business days before the beginning of any general meeting, and the poll results of the resolutions are published in the manner prescribed under the requirements of the Listing Rules for the investment community to view.
Taiwan Mobile

Taiwan Mobile has exhibited a remarkable penchant for providing comprehensive corporate information to the investment community which has helped support the latter’s investment decision-making. Over the years, the telecommunications firm has executed its investor relations initiatives based on its philosophy that stakeholders are entitled to equal access to financial and corporate announcements. The firm duly set up engagement conferences to facilitate face-to-face communication and encourage feedback from its customers, non-government organizations, and suppliers as it responds to their expectations. The firm has subsequently served as primary references for its practices in the three key areas of economy, society, and environment, as well building solid foundations for the firm’s sustainable future.

The investor relations channels Taiwan Mobile taps into to communicate with its stakeholders serve to facilitate the compilation and organization of key issues of concern based on the principles of sustainability context, materiality, integrity, and stakeholder tolerance. Various material issues are identified through three channels, starting with the formulation of a vision blueprint in accordance with the sustainability strategies developed by the CSR committee. Industry trends are then analyzed to ensure that the firm’s sustainability issues are subsequently posted on the PSE website as soon as possible. In a similar fashion, ICTSI’s time and again updates its corporate website to ensure that it features the latest news and current information about the bank at all times to enable the investment community to be well informed of its operations.

China Banking Corporation

Chinabank’s outstanding business performance over the years can be credited in large part to its unwavering adherence to good corporate governance throughout all levels of the organization. This innate culture is driven by its dedication to conducting its business operations the right way. Indeed, the establishment of a culture of good corporate governance has proven to be an integral pillar in promoting the sustainability of the bank. The bank’s diligent Board of Directors and senior management enforce the policies set out in its By-Laws, Corporate Governance Manual, Compliance Manual, and Code of Ethics to direct its governance and business conduct of Chinabank. In carrying these out, they ensure that all levels of the organization do not only adhere to the rule of law, but also that Chinabank runs in a sound and prudent manner that prioritizes the best interests of the investment community.

ICTSI

ICTSI goes the extra mile in implementing a comprehensive investor relations platform, which has been a primary element towards enhancing its long-term shareholder value as a leading global port management firm. It places the interests of the investment community atop its agenda, demonstrating that it wholeheartedly upholds the importance of maintaining sound and open communications with its stakeholders. In doing so, the company has made waves in disseminating vital corporate information in a manner that is accessible at all times to sufficiently cater to the changing needs of the investment community by utilizing its suite of investor relations channels.

Among such communication channels is ICTSI’s extensive annual report which highlights the various activities and operations that it undertakes across the numerous continents in which it operates. The report’s detailed account of the company’s performance over the past year in terms of its corporate citizenship activities, as well as complete sections on its independent auditor’s report and consolidated financial statements for the investment community to peruse. ICTSI’s efforts to distribute its corporate information to the users of its corporate website featuring content in Chinese and English that enable local and global investors to search and download financial statements, annual reports and important financial information. The website also proactively takes part in seminars and road shows held by foreign entrepreneurs to elaborate on the company’s operating performance, financial results, development and business direction. Complementing these activities were numerous meetings with investors and analysts, while the division made it a point to answer calls from its investors, analysts and shareholders.

Fubon Financial Holding Co Ltd

Fubon Financial Holding further plants the seeds of a solid foundation for the company’s sustainable operations by continuing to instill a culture of good corporate governance throughout the organization. One such way it does so is by providing clear information to investors such as maintaining a corporate website featuring content in Chinese and English that enable local and global investors to search and download financial statements, annual reports and important financial information. The website also encourages feedback from its customers, non-government organizations, and suppliers as it responds to their expectations. The site has subsequently served as primary references for its practices in the three key areas of economy, society, and environment, as well building solid foundations for the firm’s sustainable future.

The investor relations channels Taiwan Mobile taps into to communicate with its stakeholders serve to facilitate the compilation and organization of key issues of concern based on the principles of sustainability context, materiality, integrity, and stakeholder tolerance. Various material issues are identified through three channels, starting with the formulation of a vision blueprint in accordance with the sustainability strategies developed by the CSR committee. Industry trends are then analyzed to ensure that the firm’s sustainability issues are subsequently posted on the PSE website as soon as possible. In a similar fashion, ICTSI’s time and again updates its corporate website to ensure that it features the latest news and current information about the bank at all times to enable the investment community to be well informed of its operations.

China Banking Corporation

Chinabank’s outstanding business performance over the years can be credited in large part to its unwavering adherence to good corporate governance throughout all levels of the organization. This innate culture is driven by its dedication to conducting its business operations the right way. Indeed, the establishment of a culture of good corporate governance has proven to be an integral pillar in promoting the sustainability of the bank. The bank’s diligent Board of Directors and senior management enforce the policies set out in its By-Laws, Corporate Governance Manual, Compliance Manual, and Code of Ethics to direct its governance and business conduct of Chinabank. In carrying these out, they ensure that all levels of the organization do not only adhere to the rule of law, but also that Chinabank runs in a sound and prudent manner that prioritizes the best interests of the investment community.

ICTSI

ICTSI goes the extra mile in implementing a comprehensive investor relations platform, which has been a primary element towards enhancing its long-term shareholder value as a leading global port management firm. It places the interests of the investment community atop its agenda, demonstrating that it wholeheartedly upholds the importance of maintaining sound and open communications with its stakeholders. In doing so, the company has made waves in disseminating vital corporate information in a manner that is accessible at all times to sufficiently cater to the changing needs of the investment community by utilizing its suite of investor relations channels.

Among such communication channels is ICTSI’s extensive annual report which highlights the various activities and operations that it undertakes across the numerous continents in which it operates. The report’s detailed account of the company’s performance over the past year in terms of its corporate citizenship activities, as well as complete sections on its independent auditor’s report and consolidated financial statements for the investment community to peruse. ICTSI’s efforts to distribute its corporate information to the users of its corporate website featuring content in Chinese and English that enable local and global investors to search and download financial statements, annual reports and important financial information. The website also encourages feedback from its customers, non-government organizations, and suppliers as it responds to their expectations. The site has subsequently served as primary references for its practices in the three key areas of economy, society, and environment, as well building solid foundations for the firm’s sustainable future.

The investor relations channels Taiwan Mobile taps into to communicate with its stakeholders serve to facilitate the compilation and organization of key issues of concern based on the principles of sustainability context, materiality, integrity, and stakeholder tolerance. Various material issues are identified through three channels, starting with the formulation of a vision blueprint in accordance with the sustainability strategies developed by the CSR committee. Industry trends are then analyzed to ensure that the firm’s sustainability issues are subsequently posted on the PSE website as soon as possible. In a similar fashion, ICTSI’s time and again updates its corporate website to ensure that it features the latest news and current information about the bank at all times to enable the investment community to be well informed of its operations.

China Banking Corporation

Chinabank’s outstanding business performance over the years can be credited in large part to its unwavering adherence to good corporate governance throughout all levels of the organization. This innate culture is driven by its dedication to conducting its business operations the right way. Indeed, the establishment of a culture of good corporate governance has proven to be an integral pillar in promoting the sustainability of the bank. The bank’s diligent Board of Directors and senior management enforce the policies set out in its By-Laws, Corporate Governance Manual, Compliance Manual, and Code of Ethics to direct its governance and business conduct of Chinabank. In carrying these out, they ensure that all levels of the organization do not only adhere to the rule of law, but also that Chinabank runs in a sound and prudent manner that prioritizes the best interests of the investment community.

ICTSI

ICTSI goes the extra mile in implementing a comprehensive investor relations platform, which has been a primary element towards enhancing its long-term shareholder value as a leading global port management firm. It places the interests of the investment community atop its agenda, demonstrating that it wholeheartedly upholds the importance of maintaining sound and open communications with its stakeholders. In doing so, the company has made waves in disseminating vital corporate information in a manner that is accessible at all times to sufficiently cater to the changing needs of the investment community by utilizing its suite of investor relations channels.

Among such communication channels is ICTSI’s extensive annual report which highlights the various activities and operations that it undertakes across the numerous continents in which it operates. The report’s detailed account of the company’s performance over the past year in terms of its corporate citizenship activities, as well as complete sections on its independent auditor’s report and consolidated financial statements for the investment community to peruse. ICTSI’s efforts to distribute its corporate information to the users of its corporate website featuring content in Chinese and English that enable local and global investors to search and download financial statements, annual reports and important financial information. The website also encourages feedback from its customers, non-government organizations, and suppliers as it responds to their expectations. The site has subsequently served as primary references for its practices in the three key areas of economy, society, and environment, as well building solid foundations for the firm’s sustainable future.

The investor relations channels Taiwan Mobile taps into to communicate with its stakeholders serve to facilitate the compilation and organization of key issues of concern based on the principles of sustainability context, materiality, integrity, and stakeholder tolerance. Various material issues are identified through three channels, starting with the formulation of a vision blueprint in accordance with the sustainability strategies developed by the CSR committee. Industry trends are then analyzed to ensure that the firm’s sustainability issues are subsequently posted on the PSE website as soon as possible. In a similar fashion, ICTSI’s time and again updates its corporate website to ensure that it features the latest news and current information about the bank at all times to enable the investment community to be well informed of its operations.
The company’s formidable Board of Directors and senior management expertly navigate the landscape of communication. It publicizes its financial results and interim and annual reports, announcements and circulars, as well as recent developments, to the investment community. Manila Water’s transparency in its annual reports anytime and anywhere.

Max’s Group Inc.

Max’s Group considers the promotion and implementation of good governance throughout all levels of the organization a constant priority. The company is principally committed to creating a transparent, timely and open communication process. In this regard, the company has a dedicated investor relations unit that serves as the focal point for communicating with stakeholders through transparent, timely and open communication channels.

Max’s Group fully understands that the best proof of good corporate governance is that it is visible to the eyes of the investment community. As an exponent of efficiency, it focuses on well-defined and detailed communication initiatives. Thus, it is consistent in communicating the results of its activities in a transparent manner to all stakeholders.

Metro Pacific Investments Corporation

Over the years, Metro Pacific Investments has cleared the path for its corporate governance practices, transparency, and accountability. It promotes and implements good governance throughout all levels of the organization, which has allowed it to better understand Manila Water’s long-term prospects and provided them with a fair valuation of its shares.

In fostering an open two-way communication channel with the investment community, the company ensures that these communications are easily contacted via phone, electronic mail, or through its corporate website to address any concerns raised by stakeholders, shareholders, or investors.

Manila Water

Manila Water has been dedicated to providing investors and analysts with essential information to give a comprehensive view of its business and future prospects through its suite of communication channels including its annual report, quarterly presentation of results and investor presentations, and its corporate website.

The firm ensures that its disclosures are visible to the eyes of the investment community, San Miguel Corporation responsibly communicates with its stakeholders. As it does so, the firm ensures that its disclosure of useful information always complies with all relevant laws and regulations that are in force in the long-term relationship. The company disseminates market-sensitivity information including dividend declarations, joint ventures and acquisitions, as well as promptly and directly provides information that materially affect its share price performance in a timely manner.

San Miguel Corporation

San Miguel Corporation has been exemplary in exercising transparency when communicating with its stakeholders and investors. As it does so, the firm ensures that its disclosure of useful information always complies with all relevant laws and regulations that are in force in the long-term relationship. The company disseminates market-sensitivity information including dividend declarations, joint ventures and acquisitions, as well as promptly and directly provides information that materially affect its share price performance in a timely manner.
Security Bank has endeared itself to the investment community by placing a firm focus on building enduring relationships. Enabling it to do so is its investor relations Program that drives its consistent and timely public disclosure of all material information which could potentially affect its viability or the interests of its stockholders.

At all times, the bank provides its investors and the general public with strategic, operating and financial information through adequate and timely disclosures to the regulatory authorities, such as Securities and Exchange Commission and the Philippines Stock Exchange. In doing so, the company also responsibly submits quarterly and annual reports on or even prior to the deadline prescribed by the regulatory agencies.

Its secretive Board of Directors respects the rights of its stockholders as set forth in its Corporation Code, encompassing Voting Rights, Power of Inspection, Right to Information, Rights to Dividends, and Appraisal Rights. In adhering to the Corporation Code, the Directors duly carried out their duties to promote shareholder rights, remove impediments to the exercise of shareholders’ rights and provide them with opportunities to seek redress for violation of their rights.

Time and again, Security Bank proactively encourages continuous discourse with its shareholders and institutional investors with an aim to further strengthen and support the attainment of the bank’s corporate goals and objectives. Through consistent engagement and pinpointing areas for enhancement, Security Bank has capably demonstrated its dedication to instilling a culture of fairness, accountability and transparency throughout all levels of the company. This culture of corporate governance, which has helped place the company in good ground towards sustainable growth. It has not rested on its laurels when seeking to implement best practices by staying abreast of the regional and international trends in the corporate governance space.

SM Investments Corporation

SM Investments’ investor relations continues to flourish and raise its standards in the area of corporate governance, which has helped place the company in good ground towards sustainable growth. It has not rested on its laurels when seeking to implement best practices by staying abreast of the regional and international trends in the corporate governance space.

SM Investments’ investor relations function as SM Investments prioritizes disseminating timely and accurate information on all facets of its business to the investment community by uploading the information on its corporate website and other disclosures to the general public.

Delving into its SM Investment’s corporate website, users are able to navigate a dedicated corporate governance section that features subsections on its policies, programs and other relevant developments. Aside from this, the firm ensures that shareholders are provided periodic reports containing relevant information on its directors and officers and their shareholdings and dealings with the company.

Its Investor Relations Department has established an open communication channel between the company and its various stakeholders. It has consistently excelled in various investor relations activities such as organizing regular teleconferences and site visits for investors, and embarking on annual road shows in a number of different international cities. The company has also taken part in numerous local investor forums and conducts briefings with analysts and members of the media on a regular basis.

As another of its key communication platforms, its Annual Stockholders’ Meeting is an opportune venue for its shareholders to raise concerns, offer suggestions, and vote on relevant issues concerning the company’s operations. The methods of voting are clearly detailed and explained to shareholders beforehand so as to ensure the observance of their voting rights and continued participation in the voting process.

In accordance with SM Investment’s By-Laws and Manual on Corporate Governance and with certain laws, shareholders are given the option cumulatively vote for the election, removal or replacement of members of the Board of Directors. A corporate governance disclosure through financial statements, and all relevant information about the current and nominated directors and key officers are provided to the shareholders prior to the Annual Stockholders’ Meeting.

SM Prime Holdings Inc

SM Prime Holdings places a premium on good governance as a pillar of the continued success of its business over the years. With this in mind, it has capably demonstrated its dedication to instilling a culture of fairness, accountability and transparency throughout all levels of the company. These core values correlate the Corporate Governance Framework of the company, and are deeply ingrained into the fabric of the company’s business operations and its communication with the investing community.

It is this very investment community that reaps the benefits of SM Prime Holdings’ excellent investor relations practices. The company has shown its steadfast commitment to providing its stockholders and the public with timely and accurate information regarding its latest developments. As such, the firm regularly uploads pertinent updates onto its corporate website and faithfully provides full and prompt disclosure of all material information.

The corporate website features a separate Corporate Governance section where the Revised Manual on Corporate Governance, Code of Ethics and other relevant policies, programs and important information can be viewed by the investment community.

SM Prime Holdings initiated the publication of a separate Environmental, Social and Corporate Governance Report that details its corporate governance, social responsibility and environmental sustainability policies and programs. The company also organizes briefings and meetings with its valued investors, analysts and the media, as the company aims to keep them informed on its numerous projects, financial and operational results. The presentation materials used in such briefings, as well as the company’s annual reports and reports provided to the Philippine Stock Exchange and Securities and Exchange Commission, are then immediately uploaded onto the corporate website for easy viewing.

In protecting the rights of the investing community, its stockholders are entitled to vote following the one-share-one-vote system prescribed in its Corporation Code. SM Prime Holdings’ Board of Directors is also amenable to personally attend the Annual Stockholders’ Meeting to exercise their voting right and individually elect candidates to the Board of Directors, as well as vote on matters requiring stockholder approval.

SM Prime Holdings maintains an informative corporate website which is constantly updated and contains all material information. Visitors to the website can access a dedicated Investor Relations page that features its corporate disclosures, company reports and news clippings. The firm also encourages visitors to view the annual corporate governance report where they can find more information regarding the firm’s investor relations platform.

Travellers International Hotel Group

Travellers International Hotel Group always places its best foot forward in conducting its best investor relations practices. The company throughout the years has encouraged continuous discussion between its senior management and its shareholders, communicating transparently and accountability in its investor relations.

As Security Bank expounds on its corporate message to its employees, partners, investors and consumers, the company has continuously updated its corporate website, as well as regular public
Unionbank of the Philippines
UNIONBANK

Unionbank has been a stalwart in the investor relations arena, buoyed by the steady leadership of its Board of Directors. It is easy to see that the Board of Directors has had a big hand in moving the bank forward in optimizing the long-term value for its shareholders while simultaneously keeping the best interest of its stakeholders to heart.

This is seen through its investor relations platform, part of which Unionbank highly encourages its shareholders to attend annual and quarterly meetings and subsequently exercise their right to elect directors. Their shareholders are provided copies of the bank’s Preliminary Information Statement, its Annual Report and Audited Financial Statements a month preceding the annual meeting. The minority shareholders are given the right to propose the holding of a meeting, and recommended items for inclusion in the agenda if these are for legitimate business purposes. Shareholders are also given the right to remove and replace directors and vote on certain corporate acts, inspect corporate books and records and be furnished with annual reports and financial statements of the bank.

Over the years, Unionbank capitalizes on efficient tools to maintain frequent and clear communication with its shareholders, investors and creditors. The bank has provided accessible channels for the investment community including its corporate website and periodic "Unionbanker" newsletter, where its shareholders and investors are informed of important announcements, disclosures, and the bank’s submissions to regulatory bodies.

The bank invests a significant amount of time and effort to ensure this commitment is consistent in its actions and regulations. Unionbank does so not only to adhere to stringent requirements but also put into practice its view that good governance begets good business, especially when reaching out to the investment community. Among Vista Land & Lifescapes’ other investor relations programs are interviews, conference calls, questionnaires, Corporate Access Days, domestic and international road shows, email, and tours of its properties. It conducts such communication channels with transparency, timely disclosure, openness, accessibility and relevance in mind so that the investment community grasps the current status.

Another key player in its investor relations framework is Unionbank’s Investor Relations Office that is responsible for bolstering the bank’s relations with outside parties by implementing a highly engaging investor relations program. In addition, Unionbank attends regular analyst programs and quarterly earnings conferences, one of its principal stockholders. The Investor Relations Office also conducts face-to-face meetings with investors, investment banks, rating agencies, financial analysts, and other interested parties upon request whenever possible. Over the years, the IRO has also swiftly responded to investors’ and analysts’ queries or concerns via telephone and email.

Unionbank also engages business reporters to further elaborate on the bank’s unique culture and competitive advantages, while also conducting conference calls for international investors and analysts.

Vista Land & Lifescapes, Inc.

VISTA LAND

Vista Land & Lifescapes has exceeded the expectations of the investment community over the years, propelling by its consistent adherence to best corporate governance practices. Launched in 2007, its Manual on Corporate Governance serves as the framework from which the company’s strategies follow with regards to management and investor relations. The manual has helped ensure that the company and its employees comply with high standards and ethics at all times. It underpins assessments and benchmarking on a regular basis, which allows the Governance Code to evolve and adapt to changes within the organization and the industry whenever necessary.

A proactive internal Corporate Communications Group has largely carried out Vista Land & Lifescapes’ internal and external communications. The unit is responsible for communicating internal policies that have provided the investment community with all the necessary information they need to give them a better understanding of the company’s strategy, operations and its latest business developments.

The Corporate Communications Group sets forth its communication plans based on its target audience and is reviewed on a regular basis by the Management Committee. The strategies are also regularly brought to the Board of Directors for discussion to ensure that it meets the needs of the investing community at all times.

Its annual general meeting serves as a platform for shareholders to express views on the company’s performance as well as present their questions to the Board of Directors or senior management regarding the firm’s operations. The members of the different committees and the external auditors consistently attend to sufficiently address questions to shareholders’ satisfaction at the meeting.

As part of its investor relations efforts, Bangchak Corporation organized a series of meetings between its executives and shareholders, stock analysts, investors, and employees. It presented its performance outcomes through analyst meetings, road shows, conference calls, participation in local and international conferences, attendance in meetings with minor investors at the "Opportunity Day" or at "SET in the City" hosted by SET, or company visits by shareholders to enable them to better understand its business operations. Moreover, local and international institutional investors as well as stock analysts were able to make appointments with executives during company visits to inquire about the company’s performance, including its financial and non-financial information. The firm uploaded important data encompassing meeting minutes, video and audio recordings, E-Newsletters, and other reports submitted to the SET on its ready-to-reach corporate website where it can be read and downloaded with ease. The website has a clearly defined Investor Relations page that contains bilingual information in Thai and English.

When conducting its investor relations programs, Bangchak Corporation ensures that it always complies with relevant laws and regulations prior to disseminating its corporate information which covers operating results, operations and financial management, and development strategies to its stakeholders via multiple channels.

Bangchak Corporation Public Company Limited

Bank of Ayudhya Public Company Ltd

Accurate and timely disclosure of its financial and general information remains to be a top priority when Bank of Ayudhya implements its investor relations. The bank takes into account the importance of disclosure of its information concerning financial and general matters to its shareholders, investors and the public.

Bank of Ayudhya has laid out stringent guidelines for the disclosure of information on both financial and other matters that must be disclosed via channels that is accessible in Thai and English, accurately, adequately, transparently, equally, and in a timely manner, in compliance with the relevant laws and regulations. The bank regularly updates important information so that it is always up-to-date for the benefit of the investment community.

On top of disseminating corporate information through a series of channels, the bank has an Investor Relations Department in place which is responsible for coordinating, responding to, announcing performance details, and establishing good relations with the investment community.

Since 2002, the Investor Relations Department has deftly managed investor relations-related duties and activities, especially in presenting financial and non-financial information that adhere to good corporate governance principles and fully comply with its policy governing disclosure and other applicable laws and regulations. Moreover, the team constantly organizes investor relations activities that cover investor and analyst meetings and participating in domestic and overseas conferences.

The unit also follows up the bank’s operating performance and other factors related to its business operations which will be announced to the shareholders via announcements on the Bank of Ayudhya’s official website. The bank realizes that publicizing timely and accurate information is crucial in presenting financial and non-financial information that adhere to good corporate governance principles and fully comply with its policy governing disclosure and other applicable laws and regulations. Moreover, the team constantly organizes investor relations activities that cover investor and analyst meetings and participating in domestic and international conferences.

7TH ASIAN EXCELLENCE AWARD 2017
A serious commitment underscores IRPC’s prudent approach to investor relations, its role to serve as a disclosure center of material information, financial statements, and information disclosed to the SET. To this end, the Global Power Synergy’s management has duly pursued strategies that focus on sufficient, accurate, reliable, up-to-date, and fair information disclosure, in accordance with the criteria prescribed by the SEC and the SET.

In addition, the company has organized effective investor relations activities to present the company’s performance as well as activities aimed at fostering relations and creating an understanding of the company’s operation among institutional and non-institutional investors, which will ultimately lead to stability and liquidity of the prices of the company’s securities.

In the previous year, Global Power Synergy’s Investor Relations Division executed strategies to further develop its information disclosure to investors and analysts through a series of documents such as the Management’s Discussion and Analysis, analyst presentations, and investor notes. Doing so has ensured that sufficient, complete, accurate, and ready-to-use information on the company’s performance and financial positions are accessible for investors and analysts as well as to reflect accurately the prices of the company’s securities.

Global Power Synergy has attached utmost significance to the role of stakeholders, from its shareholders to its investors. To this end, the company has defined its policy on the roles of stakeholders and the sub-committees, policies on corporate governance and corporate social responsibility, and compliance with such policies.

The company places an emphasis on the disclosure of material information to investors as it fully understands that accurate and equal information is vital for them to make their investment decisions. In this light, it has formed an Investor Relations Division to serve as a disclosure center, whereas shareholders and institutional investors can exercise their rights and verify the company business performance over the past year directly from its Board of Directors. Immediately upon the annual general meeting’s conclusion, IRPC furnished details through its IRPC Newsletter in Thai and English translation, which was promptly sent to all of its shareholders together with the meeting notices.

The company always strives to protect and promote shareholders’ exercise of their rights in compliance with the law and company regulations, which encompasses attending shareholders’ meetings, decision-making, voting on crucial matters, acknowledging performance outcomes, and expressing views and asking questions. IRPC also tapped into other communication channels such as using printed media, radio, television, activities when keeping in touch with shareholders and other public relations channels including its newsletter to regularly inform the investment community on its performance results and major business activities.

IRPC’s quarterly report published for its shareholders, while the firm bases its Sustainability Report on the G4 Sustainability Reporting Guidelines. The reports provide its shareholders and investors a comprehensive snapshot of the company’s operating performance from which they can arrive at well-informed decisions regarding the company.

To keep in step with global best practices, IRPC has adopted international standards, including the UN Global Compact, on voluntarily corporate social responsibility efforts. In this light, all of IRPC’s short-term and long-term plans must consider the expectations and satisfaction of each group of stakeholders in all aspects, including sustainable development, corporate governance and operational excellence management system.

In turn, IRPC communicates efficiently with each group of stakeholder to touch upon its company policies, business ethics and good-operation practices, particularly the potential impacts that may arise that affect the stakeholders.
PTT Global Chemical PCL

Fueling PTT Global Chemical’s impressive performance in the investor relations arena is its astute Board of Directors which has instilled a thriving culture of best corporate governance practices in the organization. The Board of Directors fully recognizes the importance of providing high quality corporate information to the investment community which is founded on transparency and the fair disclosure of information through easily accessible channels. In this light, PTT Global Chemical ensures a steady policy that laudably governs the sufficient and timely preparation and disclosure of financial and non-financial information. The company ensures that the information prepared carefully, clearly, correctly, transparently and in a manner which allows an audit to be completed. Investors will also find that the content is concise and legible for their convenience.

Along these lines, PTT Global Chemical keeps its analysts and investors well-informed by holding analyst meetings, conference calls and investor conferences on a regular basis. In line with this, the firm makes it a point that all essential information, whether favouring the company or not, is disclosed regularly to maintain the confidence of shareholders and stakeholders. Doing so also gives them assurance that they receive information in an equitable manner which complies to the requirements of laws, rules and the articles of association of the company and relevant governmental entities.

Since its inception, PTT Global Chemical has placed a high priority on the equitable treatment of all its valued shareholders. On this note, its Board of Directors has put in place a well-defined corporate governance policy that protects shareholders’ rights as well as ensuring the equitable treatment of all shareholders. Digging deeper, the policy is put in place as the zero-tolerance of any misuse of rights by major shareholders and minor shareholders at the Annual General Meeting; the equal disclosure of information; the prevention of conflicts of interests or the use of internal information to illegitimately benefit oneself and others; and strengthening the relationship with the firm’s shareholders.

PTT Global Chemical runs an informative corporate website wherein the investment community can conveniently access an archive of information on the company. This includes the firm’s comprehensive annual reports which can be readily downloaded, its stock performance, various presentations and webcasts, news and publications, the company’s strategy and aspiration, PTTGC at a Glance, PTTGC’s strengths, Code of Conduct and other financial information.

Siam Commercial Bank

Siam Commercial Bank has consistently made its mark in the investor relations space, driven by a top-notch investor relations unit that has always ensured the accuracy, adequacy and clarity of disclosure of its information to investors. It delivers the information on a timely basis which comply with the bank’s disclosure principles. One of the top investor relations activities including meeting with investors and analysts, taking part at investor events and organizing informative road shows, the investor relations function of the bank has done well in serving as the focal point of contact for all shareholders, analysts, fund managers, bondholders and rating agencies. Siam Commercial Bank’s chief executive officer and deputy chairman of the Executive Committee, the president, CFO and other senior executives set the tone by participating in numerous investor relations activities.

Its annual general meeting serves as a forum for the company to converse and directly exchange views with its investors. In attendance at the general meetings are the Board members, senior management and the external auditors, and their investors are given the opportunity to raise questions and clarify any issues they may have on the bank’s performance over the past year. Siam Commercial Bank’s disclosure policy and procedures are incorporated within the bank’s extensive Corporate Governance Policy which form solid foundations for its investor relations function. The investor relations team has carried out its responsibility in a timely and readily disclosed the bank’s information in accordance with its core principles. This entails that information to be disclosed must be accurate, adequate and clear as well as disclosed on a timely basis, and that disclosure must comply with relevant laws, rules and regulations.

As a prime example, audited annual financial statements are published within 60 days from the end of each financial year, which are readily disclosed on the bank’s website both in Thai and English. With this in mind, the bank has done well in serving as the focal point of contact for all shareholders, analysts, fund managers, bondholders and rating agencies. As a result, the bank has done well in serving as the focal point of contact for all shareholders, analysts, fund managers, bondholders and rating agencies. As a result, the bank has done well in serving as the focal point of contact for all shareholders, analysts, fund managers, bondholders and rating agencies.

This year, the bank has done well in serving as the focal point of contact for all shareholders, analysts, fund managers, bondholders and rating agencies. As a result, the bank has done well in serving as the focal point of contact for all shareholders, analysts, fund managers, bondholders and rating agencies. As a result, the bank has done well in serving as the focal point of contact for all shareholders, analysts, fund managers, bondholders and rating agencies. Moreover, Siam Commercial Bank’s responsibility for financial reporting and the external auditor’s report are always incorporated in its annual report. The energy firm discloses its non-financial information as stipulated by the SEC and SET, including dividend payment, invitation and resolution of the AGM, and other information that may affect investment decisions, on top of all information disclosed in the SEC and SET’s Corporate Governance Section and the company’s website.
information disclosure measures that are fully aligned with its long-term interests and those of the investment community.

Overall, DBS Group’s wide range of investor relations activities foster regular, effective and fair communication with its shareholders. These include conducting timely briefing sessions for the media and analysts following the release of its quarterly results. In enhancing the convenience of the investment community, it publishes its press statements and quarterly financial statements on its corporate website as well as on that of the Singapore Exchange. Its website contains full contact details for the investment community to submit their feedback and forward any questions that they have.

Driving DBS Groups’ best investor relations practices is a dedicated investor relations team that thrives on full support behind the Chief Executive Officer and the Chief Financial Officer in their constant and engaging communication with institutional investors. Senior management met investors at over 350 one-on-one and group meetings and took part in domestic and international investor conferences and events at the opportunity avenue for its senior management to evaluate the strategy and financial results of the bank, as well as encouraging investors and analysts to share their opinions of its performance.

A stringent disclosure policy has been established by DBS Group to ensure that the bank’s disclosures of material information are timely, complete and accurate. It has set the guidelines on the manner in which material information should be managed to prevent selective disclosure. Meanwhile, a Group Disclosure Committee assists the CEO and CFO to implement the bank’s disclosure policy, with an aim to periodically review the bank’s disclosure policy and update as needed, ensure that all material disclosures are appropriate, complete and accurate, and ensure selective or inadvertent disclosure of material information is avoided.

Meanwhile, its Annual General Meeting provides shareholders with the opportunity to share their opinion on the company and to meet the Board of Directors, including the chairpersons of the Board committees and management. The bank’s external auditor is also in attendance, as is the chairman from the shareholders.

At the Annual General Meeting, DBS Group’s financial performance for the preceding year is presented along with the general meetings. The chairman represents the board of directors and the representation of the shareholders and the general public to receive information on Mah Sing Group’s performance and prospects on a regular basis. Shareholders, investors and members of the public are able to access such announcements on Bursa Securities’ website and other information via its corporate website, while a summary of its interim results is also published in national newspapers.

A proficient Corporate Communications team and Investor Relations unit dutifully implements Mah Sing Group’s engaging investor relations program to explain the firm’s strategies, performance, products and major developments to research analysts, fund managers, shareholders, financiers and the media through regular meetings. Some of its communications tools cover briefing sessions and site visits, as well as taking part in non-deal investment road shows, one-on-one meetings and press conferences with the media. The Group Managing Director, Group Chief Executive and Executive Directors all proactively participate in the investor relations program to engage with investors.

In the past year, Mah Sing Group was able to meet with 167 members of the investment community from across Malaysia, Singapore, Hong Kong, Japan, Thailand, Taiwan, Australia, Europe and the United States. Members of its senior management took part in local and international investor conferences and non-deal road shows that were organized by local and foreign brokers. The company is covered by 17 research houses where analysts are actively updated through the dissemination of quarterly analysts’ pack briefings and regular meetings with analysts. It went on to facilitate 11 site visits for analysts and fund managers to tour Mah Sing Group’s projects over the course of the year.

For instance, its investors visited SouThville in Bangi, Lakeville Residence in Kempen, D’Esa Sentral in Sungai Buhok, Icon City in Pekan Baru Jaya, M-Gt at Jalan Ampang, Garden Residence in Cyberjaya, M Residence in Rawang, Southbay City in Petaling Jaya, M-City at Jalan Ampang, Garden Residence in Cyberjaya, The Meridin@Medini and Meridin East.

Public Bank Berhad

Public Bank admirably carried on its enduring tradition of generating long-term value for its shareholders and the general public. The Board of Directors and senior management led the way in steering the organization towards observing best corporate governance practices to enhance the effectiveness, capabilities and operational management of the bank. In addition, it has established a solid structure to optimize the long-term shareholder value for its shareholders by catering to the concerns of its stakeholders, customers, employees, business partners and the general public.

In executing its investor relations programs, the bank believes that effective communication is indispensable to forge mutually beneficial relationships with the investment community. As such, OCBC Bank

Even higher standards of investor relations are at foot at OCBC Bank, which places utmost importance communicating regularly and effectively with its shareholders, with an aim to enable them to better understand its operations, strategies and directions.

A primary responsibility shouldered by its Corporate Communications and Investor Relations units which they consistently excel in is keeping the market and investors apprised of the firm’s major corporate developments and financial performance. In doing so, the group uses different channels such as through regular media releases and briefings with the media, analysts and fund managers. Moreover, its valued shareholders and the public can access the OCBC Group’s media releases, financial results, presentations, materials used at briefings and other essential information through its corporate website.

OCBC Group has in place a sound investor relations policy that has been approved by its Board of Directors. In addition, the shareholders are given the opportunity to participate at the general meetings where they can ask questions and communicate their views. They are also allowed to vote in person or by proxy, and the Group’s Constitution currently allows a shareholder to appoint up to two proxies to attend, speak and vote in his place at general meetings.

At the engaging annual general meeting, OCBC Group’s financial performance for the preceding year is presented to its shareholders. The Board of Directors, external auditors and senior management attend the meetings to respond directly to any relevant queries raised by shareholders. Moreover, independent scrutineers are encouraged to review the voting process and attend the meetings.

In taking steps to ensure the authenticity of shareholder identity and other related security issues, the Group currently does not allow voting in absentia by mail, fax or email. It conducts voting by poll for all resolutions proposed at the general meetings, for greater transparency in the voting process. Immediately after the meetings, it announces the detailed results of the votes, which clearly display the number of votes cast for and against each resolution and the respective percentages.

OCBC Group provides for separate resolutions at general meetings on each separate material issue, rather than combining resolutions, provided the resolutions are not interdependent and linked so as to form one significant proposal. The Company Secretariat prepares minutes of general meetings, which reflect responses from the Board and management to queries and comments from shareholders, and are made easily accessible on its corporate website.

Malaysia

Encorp Berhad

Encorp Berhad has certainly worked wonders in conducting its investor relations practices with its shareholders and the wider investment community. The company places a premium on cultivating two-way communication with shareholders, investors and the public by keeping them informed through announcements, the release of quarterly financial results, annual reports, circulars and general meetings. In line with the recommendations under the Code, a shareholders’ communication policy was implemented to handle the process of handling queries from its shareholders.

When presenting Encorp Berhad’s assessment of its financial position and prospects, its Board of Directors aims to do so in a clear, balanced and comprehensive manner. The financial statements for each financial year and quarterly results are prepared in accordance with the Companies Act, 1965 and all applicable Financial Reporting Standards.

The company’s annual general meeting serves as the principal forum for its continuous communication with shareholders. To help further prepare for fruitful discussions, the notices of the annual general meeting and annual reports are sent out to shareholders at least 21 days prior to the forum, and it is also published in a major newspaper. Details of any special business resolutions are also made available in an explanatory statement to provide relevant information on matters involved.

During each annual general meeting, the Board of Directors encourages its shareholders to participate in the question and answer session wherein the Directors are available to discuss aspects of Encorp Berhad’s performance and its business activities. In turn, the firm’s Chairman responds extensively to the numerous questions from the shareholders during the meeting.

Over the years, Encorp Berhad has also strived actively to the disclosure requirements under the Listing Requirements of Bursa Malaysia, announced its financial results quarterly to Bursa Securities via Bursa Link, and presented its material transactions and events accordingly.

Encorp Berhad’s sharp corporate website features a dedicated Investor Relations section that provides all relevant information on the company and is accessible to members of the public. In its endeavours to furnish as much information to its shareholders and stakeholders wherever possible, the firm is always mindful of the legal and regulatory framework governing the release of material information.

To further support its investor relations programs, Encorp Berhad’s Board of Directors has established a well-defined Corporate Disclosure Policy designed to provide accurate, timely, consistent and fair disclosure of corporate information that allows investors and stakeholders to devise informed market decisions. The policy outlines the policies and procedures for disclosing material information on the firm, and is applicable to all of its Directors and employees.

Mah Sing Group Berhad

Mah Sing Group remains among the elite practitioners in the Asian region, piloted by a strong Board of Directors that place top value on the importance of conducting effective and clear communication to its shareholders, potential investors and members of the general public. The company has consistently fulfilled its commitment to adhering to the highest standards of transparency and accountability when disclosing pertinent corporate information.

The Board of Directors prioritizes the timely release of financial information and updates on other developments to enable shareholders and the general public to evaluate Mah Sing Group’s performance and prospects on a regular basis. Shareholders, investors and members of the public are able to access such announcements on Bursa Securities’ website and other information via its corporate website, while a summary of its interim results is also published in national newspapers.

In executing its investor relations programs, the bank believes that effective communication is indispensable to forge mutually beneficial relationships with the investment community. As such,
Public Bank regularly reaches out to its shareholders and investors through its investor relations activities including organizing general meetings with its shareholders, briefings to the investment community and disclosing information on its major business plans and developments to the public. In addition, the bank organizes press conferences, analyst meetings, company visits and conference calls on a regular basis for senior management to respond to any questions that the investment community may have.

Public Bank’s annual general meeting serves as a practical forum for shareholders to engage directly with its Board of Directors and senior management. The Chairman of the meeting presents a comprehensive review of the bank’s financial performance and value created for shareholders, which is supported by visual and graphical presentation of key points and key financial figures. During the general meeting, shareholders can raise questions or seek clarification on the agenda items of the general meeting from the bank’s Directors and Senior Management Officers.

Shareholders’ attendance at the general meetings has always been high, indicating Public Bank’s extensive engagement with its shareholders. Furthermore, a summary of the proceedings of the annual general meetings is uploaded on its corporate website. Public Bank’s corporate website features convenient, transparent and accessible information which effectively delivers pertinent information, and handles relations with its shareholders, investors, analysts and other interested parties. It is committed to the equitable treatment of all shareholders, including minority, institutional, domestic and foreign.

Public Bank makes use of are timely announcements on Bursa Malaysia, press releases and disclosures in its corporate website. Its annual report provides comprehensive information on its financial results, business performance and operations which complies with the Bursa Malaysia Main Market Listing Requirements and BNM Policy on Financial Reporting for Financial Institutions. Such initiatives enable it to better understand its latest developments for them to make educated investment decisions.

One of the most fundamental good corporate governance principles that Vingroup as part of its pursuit of delivering optimum value to the investment community. The company’s comprehensive investor relations program has enabled Vingroup to deftly manage inquiries, disclose information, and handle relations with its shareholders, investors, analysts and other interested parties. It is committed to the equitable treatment of all shareholders, including minority, institutional, domestic and foreign.

Vingroup provides timely and accurate information on its businesses to its shareholders and the general public through its corporate website and SGNX. Bilingual publications of its investor presentations materials, news and financial releases in both English and Vietnamese are disseminated together and are readily available for download when users navigate to the Investor Relations section on its corporate website.

On top of holding its Annual General Meeting, conducting quarterly conference calls and investor meetings following the release of financial results, Vingroup also hosts regular briefings and meetings with investors and analysts as well as site visits to keep them updated on the company’s various projects, financial and operational results. Such initiatives have enabled the investment community to communicate with its senior management who respond to questions regarding the different strategies and operations of the company.

Over the past year, Vingroup successfully organized some 120 events ranging from meetings and conference calls to site visits for its investors. Aside from this, the company organized a series of meetings and took part in conferences hosted by leading financial institutions and bulge-bracket investment banks to further expand its access to all investors. Such conferences were held locally and in Singapore, Thailand, the UK and the US, where Vingroup engaged with investors who expressed potential interest in the firm.

The fifth annual Vingroup Tour took place in late 2016 and included more than 60 investment funds and securities firms. The number of meetings it was able to hold reflects the growing interest of the investment community in the company and in its new projects in Ho Chi Minh City, Phu Quoc, as well as other cities and provinces throughout Vietnam.

In closing out this year, Vingroup’s Investor Relations Department which falls under the External Finance Division has an even greater number of events in the pipeline for its investors, while also extending its efforts in responding promptly to all investor and analyst inquiries.

It regards its Annual General Meeting as a primary platform for its Board of Directors and senior management to engage in direct dialogue with its private and institutional shareholders. PT Telekomunikasi always ensures that the annual general meeting obtains constructive feedback from its valued shareholders. Shareholders are encouraged to participate in the proceedings and ask questions on the operations of the company and on any resolutions being proposed. During the annual general meeting, the company presents its operational and financial performance over the past year to the firm’s shareholders to accord them with a better understanding of their investment.

The firm has taken the initiative to proactively engage in a variety of social media as a medium to disclose information. In addition, PT Telekomunikasi uses the mailing list system as a medium of information disclosure and communication for investors.
China Overseas Land and Investment Ltd

As a leading property development firm in the PRC, China Overseas Land and Investment has been blazing a trail and promoting the design and practice of green construction in China through the use of cutting-edge technology. In upholding its commitment to running a sustainable firm, it believes the life-cycle green concept should run through the process from the stage of project positioning, design and planning to all other stages throughout the project’s development. By consistently reducing energy and resource consumption through cost-effective energy-saving technologies, the Group is paving the way in raising the awareness of green construction with its forward-looking project development practice.

Through its industrialisation approach, China Overseas Land and Investment integrates standard designs with industrialised production to construct premium quality, efficient, energy-saving, smart and livable residential buildings designed to improve and enhance residents’ quality of living.

The company plans to apply the industrialisation process primarily in a number of aspects. China Overseas Land and Investment will continue to develop civil engineering projects featuring precast concrete structures with the use of an industrialised mode, in which precast parts are delivered and installed on the site. The firm will also emphasize industrialising fine decorations such as the use of assembled cabinet, wardrobe, woodwork, and integrated bathroom accessories to reduce on-site wet operations and to ensure project quality, while simultaneously boosting an upgrade in the upstream and downstream industries. Third, the firm will conduct research on smart home and intelligent residential buildings combined with internet technology, and aim to apply and improve this in the projects.

With regards to its operations and offices, in recent years, China Overseas Land and Investment has begun to monitor and collect greenhouse gas emissions from the business locations of its subsidiaries to help it disclose its carbon footprint information. To this end, the subsidiaries are encouraged to organise charitable events.

China Overseas Land and Investment Ltd

Since 2014, Esprit Holdings’ products have been free of polyand perfluorinated chemicals (PFCs) which are used for a water repellent surface on garments and decompose very slowly. Such materials have a very negative impact on the environment, especially on the health of people and animals. Through its ongoing chemical management program, the company works closely with its suppliers to maintain this achievement.

Since 2012, Esprit Holdings has been a member of the Zero Discharge of Hazardous Chemicals (ZDHC) 10 group, which collaborates with industry peers to develop the tools and protocols to empower the entire supply chain and eliminate chemical discharges. The long-term target of the ZDHC’s “Roadmap to Zero” is zero discharge of hazardous chemicals by 2020. To achieve this ambitious goal, the firm continues to work alongside the ZDHC Group on the development of a holistic system by adopting the Manufacturing Restricted Substance List to minimize chemical hazards in its supply chain.

Esprit Holdings Ltd

Running smooth operations that underscores sustainability has been an integral part of Esprit’s corporate culture since the company was founded in 1968. The company is of the view that in an era of increasing pollution and climate change, it has taken upon itself to adopt a responsibility to act towards greater sustainability and transparency, as well as to create high quality products that form a sustainable environment for future generations.

In recent years, Esprit has also witnessed an increasing interest in sustainability from its consumers, shareholders and the wider society. During the past fiscal year, the company reinforced its sustainability strategy and structured its different sustainability programs to ensure a more systematic approach to the sustainability issues that it has identified as most material for its business.

Esprit Holdings notes that the environmental problems caused by the fashion industry are garnering increasing attention from the media and society at large.

The company further points out that fabric manufacturing, laundries, dying and finishing processes are important to creating fashionable garments, but on the other side of the coin, they also generate waste and, if not treated responsibly, much pollution.

To keep these processes as environmentally friendly as possible, they must be managed properly and Esprit Holdings is an environmental steward by ensuring that not only are its products safe for consumers, but that it also protects the environment and the local communities where they are made. As such, the company focuses on the use of chemicals in the manufacturing process to identify chemicals of concern and applies the precautionary principle in its evaluation.

Since 2014, Esprit Holdings’ products have been free of poly-and perfluorinated chemicals (PFCs) which are used for a water repellent surface on garments and decompose very slowly. Such materials have a very negative impact on the environment, especially on the health of people and animals. Through its ongoing chemical management program, the company works closely with its suppliers to maintain this achievement.

Since 2012, Esprit Holdings has been a member of the Zero Discharge of Hazardous Chemicals (ZDHC) 10 group, which collaborates with industry peers to develop the tools and protocols to empower the entire supply chain and eliminate chemical discharges. The long-term target of the ZDHC’s “Roadmap to Zero” is zero discharge of hazardous chemicals by 2020. To achieve this ambitious goal, the firm continues to work alongside the ZDHC Group on the development of a holistic system by adopting the Manufacturing Restricted Substance List to minimize chemical hazards in its supply chain.

Esprit Holdings Ltd
Link Asset Management Ltd

Link Asset Management is of the firm belief that sound environmental stewardship and resource conservation strategies must always be fully implemented into its business operations. As a leading real property owner and manager in Hong Kong, Link Asset Management places strong emphasis on responding to global climate change through its electricity consumption, water consumption and waste management at its properties. Over the past years, the issue remains at the top of its environmental agenda and the company has accordingly developed strategic programmes to reduce its carbon footprint and adopt measures to cultivate behavioural change and raise awareness in the community.

Link Asset Management has taken proactive measures to avoid loss of Building Energy Consumption Taxation. In the past year, energy audits for each property were carried across the company’s entire portfolio where invaluable data on energy consumption for analysing the condition and performance of existing systems, installations, management techniques, and energy bills were collected. The company was then able to compete its facility energy performance against benchmarks for its premises and activities of a similar nature. This helps the firm to further improve the energy efficiency in four major energy management areas including heating/cooling systems, maintenance, capital works and natural resources.

Another area that Link Asset Management addresses is that building energy consumption delivers a significant contribution to Hong Kong’s total carbon footprint. In this light, the firm has actively considered and adopted green building practices and subsequently obtained certifications to enhance the energy and operational efficiency of its portfolio. Back in 2012, the company completed an asset enhancement project at Stanley Plaza and at the same time, achieved the desirable goal of obtaining the Green Building Platinum Certification. Since then, green building practices have been incorporated into its renovation and operational guidelines for tenants.

In 2015, Link Asset Management announced a plan to build a HK-BEAM Platinum and US Green Building Council LEED certified mixed used commercial and retail property in Kowloon East. As of last year, nine of its properties already have undergone energy audits based on the National Australian Building Environment Rating System (NABERS).

In addition to reducing its in-house environmental impact, the Link REIT also fully supports its tenants and service providers to conserve their natural resources. To underscore this point, the company launched a ‘Tenant Energy Efficiency Program’ wherein it provides smart metering technology and data analysis services from a local start-up company to interested tenants. This helps to empower energy users to understand their consumption pattern and adopt energy saving practices accordingly.

Melco Resorts and Entertainment Ltd

Melco Resorts and Entertainment is a king when it comes to being a staunch advocate for environmental protection and sustainability, founded on its commitment to giving back and creating value for the communities it has deep roots in. The company believes that it is responsible for and capable of building a better future for all and the next generations to come. With the long-term well-being of society in mind, its sustainability efforts are part of its three-pronged CSR strategy that emphasizes Youth Development, Environment and Education.

Attest to its green efforts, Melco Resorts and Entertainment is a signatory to the Carbon Reduction Charter and a Green Partner of the Environmental Protection Department’s ‘Carbon Audit • Green Parks • Campaign’, as well as a signatory to the Copenhagen Communique. As a consumer of substantial natural resources, the company is firmly committed to mitigating the impact of its daily operations on the environment. It closely monitors its use of resources and carbon emissions, while taking steps to minimise or reduce the waste it generates accordingly.

To a large extent, Melco Resorts and Entertainment has adopted the best industry practices in its office and business operations, as evidenced by the company being presented with the ISO4001:2004 certification. On top of that, City of Dreams in Macau has attained an additional certification of ISO30604 Greenhouse Gas (GHG) Emissions Inventories and Verification.

Keeping in min that operating resort hotels requires substantial energy consumption, Melco Resorts and Entertainment diligently manages its costs and minimises carbon emissions by undertaking a number of measures to increase energy consumption efficiency. One of the largest centralised cooling systems in the Southern China hospitality industry can be found at its City of Dreams and Studio City that has contributed to energy savings of around 20-35% over traditional air-conditioning systems. Additional energy savings of more than 20% have also been recorded at Studio City with the installation of a chilled ceiling air-conditioning system and a DC motor FCU that reduces carbon emissions.

Furthermore, the advanced indoor air purification system at the City of Dreams and Studio City conserves energy by reducing the fresh air drawn from outside. Combined with its highly advanced Building Management System, it enables the firm to transfer heat generated from the air-conditioning system to warm the water used for taps and showers.

Melco Resorts and Entertainment has further capitalized on the significant energy savings gained from LED lighting by installing LED lights at the City of Dreams, both on the façade and for interior illumination.

Sino Land Co Ltd

There has been no let up in Sino Land’s drive towards promoting sustainable development and environmental protection, and joining hands with stakeholders on environmentally-focused programmes to build a greener future together. The property development firm always endeavours to make its properties environmentally friendly through careful architectural planning, energy-saving and green management initiatives. With proactive involvement in various green programmes, it also aims to further promote green living to stakeholders and members of the public.

Sino Land consistently addresses the potential environmental impacts of its business, ranging from carbon management to waste minimisation. In doing so, the company strives to go above and beyond its regulatory requirements and implement innovative ideas to reduce its ecological footprint. By strictly maintaining and following the Integrated Management System Policy and the Environmental Aspect Register, it ensures it gains better control of its Greenhouse Gas (GHG) emissions, water pollution, land contamination and waste disposal.

A prime example is Sino Land’s response to the Paris Agreement signed in 2015, which set a goal of keeping global temperature increase to below 2 degrees Celsius and stabilise emission by the end of the 21st century. The firm has since pledged to support the Agreement by adopting a low-carbon approach to its business. In particular, it has been firmly committed to supporting the Environmental Protection Department’s carbon disclosure initiative and reporting its carbon emissions annually since 2015. Furthermore, Sino Hotels signed the Environmental Protection Department’s Carbon Reduction Charter in full support of Hong Kong’s carbon reduction effort.

In contributing to a healthy and green atmosphere, Sino Land is progressively phasing out the use of traditional chillers that use hydrochlorofluorocarbon refrigerants. It also conducts daily inspections of the generator rooms as well as monthly maintenance works on the generators to ensure exhaust gas emissions from backup generators in its properties strictly adhere to the regulatory air quality standard. Moreover, the company regularly organises training seminars for property managers and technical staff to keep them abreast of the compliance requirements and proper maintenance procedures.

Sino Land also embraces the significance of minimising waste and as such, has been introducing recycling various materials to minimise its impact on the environment. In recent years, it has set up fluorescent lamp recycling stations in its buildings, where fluorescent lamps and tubes were collected for recycling.

The firm also fosters the message of waste minimisation to its stakeholders and participate in recycling activities, especially during festive seasons when the amount of waste generated is likely to increase, such as in sale packages, Christmas trees, peach blossom trees and mooncake boxes.

Sun Hung Kai Properties Ltd

Raising its dedication to protecting the environment to another level in the past year is Sun Hung Kai Properties, which has always implemented well-defined green policies in its business operations geared towards sustainable development and conserving resources for generations to come.

In conducting its day-to-day operations, Sun Hung Kai Properties operates in harmony with the environment and incorporates modern green features into the design and construction of Hong Kong’s buildings. The company pulls out all the stops to reduce waste at the source, conserve energy and keep its carbon footprint to a minimum.

As a leading property development firm in Hong Kong, Sun Hung Kai Properties firmly puts the green procurement on a project by project business operations and it consistently pursues prospective recyclable or reusable materials, and all timbers used are from sustainable sources. The green efforts in project planning and development have earned BEAM (Building Environmental Assessment Method) and LEED (Leadership in Energy and Environmental Design) certifications for its numerous developments in Hong Kong.

In a similar fashion, Sun Hung Kai Properties goes all out in recycling construction waste as part of its efforts to promote reducing waste at the source. In keeping with its comprehensive approach to waste management with priorities on prevention, reuse and recycling, the firm has introduced a range of recycling and reuse schemes at its various properties under its management. In the past year, the company showed its support of the government’s Food Waste Recycling Projects in Housing Estates by working diligently to recycle food waste into useful resources.

Furthermore, Sun Hung Kai Properties constantly calls on its properties to support energy saving causes. During its Power Saving Scheme, Sun Hung Kai Properties has won the championship and the second-runner-up title in the Biggest Units Saver Award (Property Management), in acknowledgment of a significant year-to-year reduction in electricity consumption.

The property development firm further recognizes that climate change presents an ongoing challenge to humankind. Adopting this viewpoint, Sun Hung Kai Properties never ceases to tackle its carbon footprint and minimised greenhouse gas emissions of 80 buildings for the year under review. To reinforce its promotion of environmental conservation, the company runs the Love Nature Campaign that combines elements of learning with appreciation and outdoor exploration to nurture the love of nature in children. A key activity during the campaign involves organized beach and countryside clean-ups to collect waste and recyclables scattered in the area.
Global Power Synergy PLC

Fuelled by its passion to explore a sustainable future, PTTEP is always determined in its pursuit of all three aspect of sustainability: business prosperity, impact to society, and environmental stewardship. PTTEP operates in business to ensure that it grows sustainably, and through this unwavering strategy, it will lead to organization excellence. To this end, the company has placed technology, innovation, and knowledge as the keys to the sustainable success of the business in terms of value, productivity, opportunities, and future prosperity.

Addressing environmental impacts and operating safety remain at the core of Bangkok Corporation top priories. In the past year, the energy firm added measures for these areas by applying chemical degasser in its refining processes as a means of reducing emissions of pollution into the environment, which involved an in-depth study. This resulted in a “waste-to-energy plant” solution with additional treatment and further use in the refinery.

Metro Pacific Investments Corporation

Addressing environmental impacts and operating safety remain at the core of Bangkok Corporation top priorities. In the past year, the energy firm added measures for these areas by applying chemical degasser in its refining processes as a means of reducing emissions of pollution into the environment, which involved an in-depth study. This resulted in a “waste-to-energy plant” solution with additional treatment and further use in the refinery.

Metro Pacific Investments Corporation

With every year that passes, Metro Pacific Investments continues to add another green feature to its cap with a sterling commitment to environmental responsibility through its various companies.

Metro Pacific Investments Corporation

Addressing environmental impacts and operating safety remain at the core of Bangkok Corporation top priorities. In the past year, the energy firm added measures for these areas by applying chemical degasser in its refining processes as a means of reducing emissions of pollution into the environment, which involved an in-depth study. This resulted in a “waste-to-energy plant” solution with additional treatment and further use in the refinery.

Metro Pacific Investments Corporation

Addressing environmental impacts and operating safety remain at the core of Bangkok Corporation top priorities. In the past year, the energy firm added measures for these areas by applying chemical degasser in its refining processes as a means of reducing emissions of pollution into the environment, which involved an in-depth study. This resulted in a “waste-to-energy plant” solution with additional treatment and further use in the refinery.

Metro Pacific Investments Corporation

Addressing environmental impacts and operating safety remain at the core of Bangkok Corporation top priorities. In the past year, the energy firm added measures for these areas by applying chemical degasser in its refining processes as a means of reducing emissions of pollution into the environment, which involved an in-depth study. This resulted in a “waste-to-energy plant” solution with additional treatment and further use in the refinery.

Metro Pacific Investments Corporation

Addressing environmental impacts and operating safety remain at the core of Bangkok Corporation top priorities. In the past year, the energy firm added measures for these areas by applying chemical degasser in its refining processes as a means of reducing emissions of pollution into the environment, which involved an in-depth study. This resulted in a “waste-to-energy plant” solution with additional treatment and further use in the refinery.

Metro Pacific Investments Corporation

Addressing environmental impacts and operating safety remain at the core of Bangkok Corporation top priorities. In the past year, the energy firm added measures for these areas by applying chemical degasser in its refining processes as a means of reducing emissions of pollution into the environment, which involved an in-depth study. This resulted in a “waste-to-energy plant” solution with additional treatment and further use in the refinery.

Metro Pacific Investments Corporation

Addressing environmental impacts and operating safety remain at the core of Bangkok Corporation top priorities. In the past year, the energy firm added measures for these areas by applying chemical degasser in its refining processes as a means of reducing emissions of pollution into the environment, which involved an in-depth study. This resulted in a “waste-to-energy plant” solution with additional treatment and further use in the refinery.
SM Prime Holdings

Building a greener future for all is always front and center for SM Prime Holdings, and this is particularly seen in its property development business. Prior to implementation, all of its projects secure permits and comply with other requirements and laws of the different government agencies, particularly the Department of Environment and Natural Resources. Prevention and mitigation measures are implemented in operations with significant potential negative impacts on the local environment.

SM Prime Holdings further demonstrates its commitment to protecting the environment by implementing effective and efficient resource utilization measures in its daily operations.

Its project in Hamilo Coast serves as a prime example of SM Prime Holdings’ initiatives towards decreasing greenhouse gas emissions with its own energy and water conservation measures by integrating the use of renewable energy solar and saltwater in its operations. Hamilo Coast has already installed numerous solar panels that generate enough power to supply the lamp post lighting along Hamilo Drive. It has also adopted the solar absorption cooling system at the St. Therese Chapel, which absorbs heat from solar energy and thus decreasing the energy required for cooling units to maintain temperature.

Another way SM Prime Holdings optimizes operational efficiency is by investing in new technologies and strategies as well as creating partnerships with government agencies, local and international institutions. The company’s energy saving initiatives include the conversion from Compact Fluorescent Lamp (CFL) to Light Emitting Diode (LED) while installing alternating lighting fixtures in hallways.

Its designs have also incorporated effective energy principle as seen in skylighting, installation of parking finders, and integration of vestibules and glass panes in the mall entrances. In addition, SM Prime Holdings has continued its partnership with Tropical Focus Philippines Inc. (TFPI) specifically in its real-time monitoring and control of air-conditioning management systems of SM Supermalls.

In terms of water management, SM Prime Holdings implements daily water recycling through Sewage Treatment Plants where used potable water is recycled to become non-potable source of water for the business units cooling towers, comfort room flushing, grounds keeping and even irrigation. Unrecycled water is then discharged to bodies of water within the allowed standards set by the DENR’s existing laws and regulations.

SM Prime Holdings prioritizes waste management in its operations through its continuous monitoring of waste generated and implementation of policies on proper waste disposal. It has responsibility sold out programs that are implemented by its business units such as tenant solid waste management programs and Trade to Cash, a monthly recycling market held in SM Supermalls.

Public Bank

Public Bank has always recognised that investors expect companies, in undertaking business operation for profitability, would simultaneously generate economic value to its stakeholders while ensuring that their business practices preserve the environment for future generations and also add value to society.

With this in mind, the bank’s astute Board of Directors spearheads this drive and commands overall responsibility of its sustainability matters, performance and disclosure. As the Board oversees the Public Bank’s operations, it takes into account sustainability issues in setting the strategic direction of the bank, and also ensures the integration of sustainability practices into its daily operations.

Following a thorough review of its existing sustainability practices, Public Bank ramped up its efforts to provide more focus on enhancing the current sustainability initiatives. In the past year, the Board established a Sustainability Management Committee to direct and oversee sustainability practices across its business operations.

The Sustainability Management Committee is responsible for driving Public Bank’s sustainability performance and guiding the management and integration of sustainability matters into business operations. The committee works closely with all the Heads of Business and Support Divisions who are responsible for managing material sustainability matters in line with established policies and practices, implementing measures and actions, as well as monitoring relevant key performance indicators.

To monitor carbon footprint from its business operations, Public Bank commenced an initiative to measure carbon emissions released from electricity consumption covering its two main buildings and reduce environmental impact.

The bank began replacing all the T8 fluorescent tubes and light bulbs in its Corporate Head Office and its Information Technology & Training Centre in Bangi, with LED tubes and LED bulbs. Public Bank also identifies air-conditioning as a major factor in electrical energy consumption, and thus proper and regular maintenance ensures energy efficiency. Towards this end, all Public Bank’s branches nationwide carry out scheduled servicing of all their air-conditioning equipment on monthly basis so as to maintain optimum operational and energy efficiency. It is also replacing in stages all its air-conditioning units which are running on ozone depleting R22 refrigerant gas with more environmentally friendly R410A refrigerant gas.

Another area Public Bank has focused on is reducing paper wastage, such as implementing an e-Procurement system to facilitate efficient processing of requisitions/purchases. The sending of e-Purchase Orders to vendors and service providers was implemented in recent years and the bank will regularly review its procurement procedures and practices to identify areas for further improvement towards an even greener future.
The inherent passion of China Everbright International to enhance all aspects of its business operations naturally extends to the corporate communications space. Its impressive corporate communications team collaborates as a cohesive unit to effectively disseminate its business plans and financial results to its wide spectrum of shareholders while ensuring optimum transparency throughout its operations.

China Everbright International undertakes these activities because it recognizes the significance of establishing productive communications with its shareholders and the investment community as well as the value of providing current and relevant information to them. In this light, its Board of Directors has put in place a viable shareholders' communication policy that lays down the principles of the firm with regards to communicating with shareholders. The policy aims to ensure that its shareholders and investors are supplied with ready, equal and timely access to current and relevant corporate information.

As such, shareholders can send their enquiries and concerns to the company at any time through the corporate website, and can present their enquiries with the Board of Directors during the firm’s general meetings.

The firm maintains continuous dialogue with its shareholders to constantly communicate with them at the annual general meetings or other general meetings and encourage their participation in these events. China Everbright International organizes a series of informative briefings and meetings with institutional investors and analysts to inform them on the latest developments of the company. In addition, the firm is always on its toes when it comes to facilitating the coverage of the company by research analysts of investment banks. Such publications of their assessments are instrumental in providing investors with ready, equal and timely access to current and relevant corporate information.

Cultivating a culture of open, two-way communication with its various stakeholders is founded on an all-inclusive Shareholders Communication Policy that Melco International Development’s corporate communications unit strictly observes. The policy sets forth the guidelines to ensure that essential corporate information is efficiently disseminated to shareholders and the investment community in a timely manner. It also reinforces the primary channels of presenting its corporate information such as through its financial reports, annual general meetings and other meetings it convenes.

To attain this, the company ramps up its efforts to boost the frequency of contact with its stakeholders through a multitude of communication channels, with a keen emphasis on engaging the investment community and forge an enduring relationship with them. With the corporate communications function playing a pivotal role, Link Asset Management has always manifested an unwavering commitment to identifying its stakeholders and corresponding responsibilities towards them.

Over the years, Link Asset Management has utilized formal and informal mechanisms to establish clear and open dialogue for a deeper understanding of each other’s concerns and expectations. The company is of the view that such interactions are invaluable and provide golden opportunities to pursue common goals together.

Internally, Link Asset Management considers its employees its greatest asset and with this in mind, the company prioritizes the clear communication of key business achievements, policies, operational strategies and messages from senior management to them. As the providers of capital necessary to support its healthy growth, the firm engages with its Unitholders and investors to keep them abreast of the financial performance and overall sustainability of the company.

Link Asset Management’s comprehensive strategy to generate value in the short, medium and long-term is dedicated to forging strong, lasting communication channels with its various stakeholders across its value chain. Its stakeholders represent a wide range of interests and perceptions on different issues including corporate priorities, performance and managing emerging trends. As the providers of capital necessary to support its healthy growth, the firm engages with its Unitholders and investors to keep them abreast of the financial performance and overall sustainability of the company.
As an industry leader, BDO Unibank is of the firm view that corporate communications play a significant role in shaping the perception of the bank among its stakeholders. The bank’s overarching strategy is to foster a culture of transparency and accountability, ensuring that information is disseminated in a timely and effective manner. The bank’s corporate communications team has been instrumental in this regard, with a focus on both internal and external communications.

**BDO Unibank, Inc**

As an industry leader, BDO Unibank is of the firm view that implementing sound corporate governance practices, particularly in its corporate communications function, is pivotal to attaining and maintaining a strong corporate reputation. The bank’s corporate communications team has been a key player in this regard, with a focus on both internal and external communications.

**BDO Unibank’s corporate communications team** has been active in promoting the bank’s corporate governance practices, particularly in its stakeholder engagement and investor relations efforts. The team has been instrumental in enhancing the bank’s transparency by providing accurate and timely information to stakeholders. This includes the bank’s annual reports, quarterly earnings releases, and other key disclosures.

**BDO Unibank’s corporate communications team** has also been proactive in engaging with the media and analysts, ensuring that the bank’s messages are conveyed in a timely and effective manner. The team has been instrumental in establishing the bank as a transparent and accountable player in the financial sector, particularly in the Philippines.

**As a leading telecommunications firm in the country, PT Telekomunikasi Indonesia has** been recognized for its commitment to corporate governance and stakeholder engagement. The company’s corporate communications team has been instrumental in promoting transparency and accountability, ensuring that information is disseminated in a timely and effective manner.

**PT Telekomunikasi Indonesia**

PT Telekomunikasi Indonesia has been a key player in the Indonesian telecommunications industry, with a focus on promoting transparency and accountability in its corporate governance practices. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, particularly in its stakeholder engagement and investor relations efforts.

**As a leading financial services provider in Singapore, DBS Group has** been recognized for its commitment to corporate governance and stakeholder engagement. The company’s corporate communications team has been instrumental in promoting transparency and accountability, ensuring that information is disseminated in a timely and effective manner.

**DBS Group**

DBS Group is a leading financial services provider in Singapore, with a focus on promoting transparency and accountability in its corporate governance practices. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, particularly in its stakeholder engagement and investor relations efforts.

**By promoting transparency and accountability in its corporate governance practices, DBS Group has** been able to establish itself as a trusted player in the financial services industry. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, ensuring that information is disseminated in a timely and effective manner.

**As a leading financial services provider in Singapore, DBS Group has** been recognized for its commitment to corporate governance and stakeholder engagement. The company’s corporate communications team has been instrumental in promoting transparency and accountability, ensuring that information is disseminated in a timely and effective manner.

**DBS Group**

DBS Group is a leading financial services provider in Singapore, with a focus on promoting transparency and accountability in its corporate governance practices. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, particularly in its stakeholder engagement and investor relations efforts.

**By promoting transparency and accountability in its corporate governance practices, DBS Group has** been able to establish itself as a trusted player in the financial services industry. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, ensuring that information is disseminated in a timely and effective manner.

**As a leading financial services provider in Singapore, DBS Group has** been recognized for its commitment to corporate governance and stakeholder engagement. The company’s corporate communications team has been instrumental in promoting transparency and accountability, ensuring that information is disseminated in a timely and effective manner.

**DBS Group**

DBS Group is a leading financial services provider in Singapore, with a focus on promoting transparency and accountability in its corporate governance practices. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, particularly in its stakeholder engagement and investor relations efforts.

**By promoting transparency and accountability in its corporate governance practices, DBS Group has** been able to establish itself as a trusted player in the financial services industry. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, ensuring that information is disseminated in a timely and effective manner.

**As a leading financial services provider in Singapore, DBS Group has** been recognized for its commitment to corporate governance and stakeholder engagement. The company’s corporate communications team has been instrumental in promoting transparency and accountability, ensuring that information is disseminated in a timely and effective manner.

**DBS Group**

DBS Group is a leading financial services provider in Singapore, with a focus on promoting transparency and accountability in its corporate governance practices. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, particularly in its stakeholder engagement and investor relations efforts.

**By promoting transparency and accountability in its corporate governance practices, DBS Group has** been able to establish itself as a trusted player in the financial services industry. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, ensuring that information is disseminated in a timely and effective manner.

**As a leading financial services provider in Singapore, DBS Group has** been recognized for its commitment to corporate governance and stakeholder engagement. The company’s corporate communications team has been instrumental in promoting transparency and accountability, ensuring that information is disseminated in a timely and effective manner.

**DBS Group**

DBS Group is a leading financial services provider in Singapore, with a focus on promoting transparency and accountability in its corporate governance practices. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, particularly in its stakeholder engagement and investor relations efforts.

**By promoting transparency and accountability in its corporate governance practices, DBS Group has** been able to establish itself as a trusted player in the financial services industry. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, ensuring that information is disseminated in a timely and effective manner.

**As a leading financial services provider in Singapore, DBS Group has** been recognized for its commitment to corporate governance and stakeholder engagement. The company’s corporate communications team has been instrumental in promoting transparency and accountability, ensuring that information is disseminated in a timely and effective manner.

**DBS Group**

DBS Group is a leading financial services provider in Singapore, with a focus on promoting transparency and accountability in its corporate governance practices. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, particularly in its stakeholder engagement and investor relations efforts.

**By promoting transparency and accountability in its corporate governance practices, DBS Group has** been able to establish itself as a trusted player in the financial services industry. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, ensuring that information is disseminated in a timely and effective manner.

**As a leading financial services provider in Singapore, DBS Group has** been recognized for its commitment to corporate governance and stakeholder engagement. The company’s corporate communications team has been instrumental in promoting transparency and accountability, ensuring that information is disseminated in a timely and effective manner.

**DBS Group**

DBS Group is a leading financial services provider in Singapore, with a focus on promoting transparency and accountability in its corporate governance practices. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, particularly in its stakeholder engagement and investor relations efforts.

**By promoting transparency and accountability in its corporate governance practices, DBS Group has** been able to establish itself as a trusted player in the financial services industry. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, ensuring that information is disseminated in a timely and effective manner.

**As a leading financial services provider in Singapore, DBS Group has** been recognized for its commitment to corporate governance and stakeholder engagement. The company’s corporate communications team has been instrumental in promoting transparency and accountability, ensuring that information is disseminated in a timely and effective manner.

**DBS Group**

DBS Group is a leading financial services provider in Singapore, with a focus on promoting transparency and accountability in its corporate governance practices. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, particularly in its stakeholder engagement and investor relations efforts.

**By promoting transparency and accountability in its corporate governance practices, DBS Group has** been able to establish itself as a trusted player in the financial services industry. The company’s corporate communications team has been instrumental in promoting the company’s commitment to corporate governance, ensuring that information is disseminated in a timely and effective manner.
Richard Tsang only had a five-member team and a handful of clients when he started Strategic Public Relations Group (SPRG) – a specialist in financial PR, in 1995. In the ensuing years, SPRG has quickly grown and secured a market-leading position in investor relations and financial communications. It has also become one of the largest PR networks in Asia and the largest PR consultancy in Hong Kong; offering integrated PR services through the efforts of 310 professionals employed at its 15 offices located in seven Asian markets – Hong Kong, Beijing, Shanghai, Guangzhou, Taiwan, Singapore and Malaysia.

Behind the 300 retainer clients that SPRG serves from across the region today is a stable workforce comprising men and women who are experienced and knowledgeable, and understand exactly what their clients’ needs are, hence are able to help facilitate their business growth. The Group offers a wide range of PR services, covering investor relations, corporate and marketing communications, public affairs and government relations, consultancy and event management, digital marketing solutions, media skills and presentation training, issues and crisis management, design and content creation, media relations, editorial support and translations – ALL UNDER ONE ROOF.

SPRG’s portfolio consists of clients from a broad swath of sectors, spanning automobile, banking and finance, IT, healthcare and pharmaceutical, travel and hospitality, luxury, sports, lifestyle and entertainment. When it comes to IR and financial communications, SPRG has the edge in IPO PR, with more than 360 new listings completed to date – far outperforming its peers. And they involve many first-of-its-kind IPO campaigns in Hong Kong, including new entrants from such countries as Russia, Brazil, Canada, Republic of Mongolia and Korea.

Over the years, SPRG has strategised and delivered innumerable top-notch communication programmes that have not only exceeded clients’ expectations, but have also captured virtually all major regional industry awards – its client campaigns have in fact garnered 120 accolades from respected publications and organisations. SPRG’s leadership over its peers has also been recognised by many distinguished awards, including Asia Pacific Network of the Year and Greater China Independent Agency of the Year by Campaign/PRWeek Awards; The Holmes Report’s Asia-Pacific Financial Consultancy of the Year and Hong Kong Consultancy of the Year; Grand Stevie® Award Winner, Public Relations Agency of the Year in Asia-Pacific and Public Relations Agency of the Year in Asia by The Stevie® Awards; Local Hero – PR Agency, Best Crisis Management Team and Best of Show – Agency by Marketing Magazine; and Asia Pacific Agency of the Year by APAC Excellence Awards.

SPRG is a partner of PROI Worldwide, the world’s oldest and largest independent PR affiliation network, representing the Greater China region. Together with its member companies and other partners, SPRG has coverage of more than 140 cities around the world. In addition to helping clients from Asia reach out to the world, it also works closely with partners to offer overseas clients with professional services, thus enabling them to be in touch with Asia. —
There’s never been a better time to ride.

The Philippine economy is booming and nobody knows its pulse better than BDO. If you’re looking at investing, turn to BDO — your guide at the heart of Philippine business.

We find ways®