Asian Corporate Director Recognition Award 2014 ................. 03
The Best of Asia 2014 on Corporate Governance ................. 33
Asia’s Icon 2014 on Corporate Governance ................. 35
Asia’s Outstanding 2014 on Corporate Governance ................. 61
Asia’s Most Promising on Corporate Governance ................. 74

Aldrin Monsod
Publisher and
Managing Director
Professor Simon Ho
Editor at large
Frank Santiago
Professor Gregg Li
Editorial Consultant
Nicole Webb
Media Consultant
Love Monsod
Research and Event Executive
E Dos Passos
Special Events
Louis Maniquiz
Creative Director
Damo Peralta
H Jeremiah
Photographers

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, 23th Floor, WorldWise House, 19 Des Voeux Road, Central, Hong Kong • Tel: (852) 3118 2902 • email: editor@corporategovernanceasia.com • www.corporategovernanceasia.com • www.corporategovernancephilippines.com

The BEST OF ASIA
2014

Asian Corporate Director Recognition Award 2014
The Best of Asia 2014 on Corporate Governance
Asia’s Icon 2014 on Corporate Governance
Asia’s Outstanding 2014 on Corporate Governance
Asia’s Most Promising on Corporate Governance

www.corporategovernanceAsia.com
www.thebestofasia.org
www.asianexcellenceaward.com
www.corporategovernancephilippines.com

Your Trust Fuels Our Excellence!
Thank You!

www.chinatelecom-h.com

Corporate Governance Asia 01 September/October 2014
China Resources Enterprise, Limited is listed on the Stock Exchange of Hong Kong and is one of the constituent stocks Hang Seng Index. Building on the strategy of “market leadership with outstanding brands, operational excellence and synergies among its businesses”, the Group focuses on its retail, beer, food and beverage businesses – with the vision of becoming a world renowned retail and consumer goods company. We are committed to maintaining the highest standard of corporate governance and ensuring the transparent and timely information disclosure with the investment community.

Behind a well-managed and a transparent company is a group of men and women that made it happen. It is not by accident that our awardees this year met our criteria to be considered for this prestigious award. These men and women have spent considerable time and effort to promote high standards of business ethics, while meeting the expectations of their shareholders in growing their business.

In the aftermath of the Asian financial crisis in 1997, the boards of directors have experienced growing pressure and scrutiny from their shareholders following the high profile bankruptcies and collapses of several companies. This was again highlighted in the recent global financial turmoil as the actual time spent in the boardroom has increased significantly to look into every detail of the company operations.

One of the changes we are seeing in the boardroom is the premium being placed in the quality of their composition amid the changing marketplace. While directors ideally would like to spend more time on strategic planning, now an equally significant portion of their time is being spent, among others, on reviewing risk management and compliance to ensure that they conform with the highest standards of corporate governance. They have to work harder than ever to keep abreast of the new regulatory requirements and new expectations.

These are the men and women we are honouring as the recipients of the 5th Asian Corporate Director Recognition Awards 2014. The awards recognize the outstanding corporate directors from boards of public and private companies in Asia and have been leaders in guiding their boards and executive management in growing their companies, and maintaining the ethics and conscience of their boards.

This industry leadership award is a fundamental part of our continuing mission to enhance the corporate governance standards in Asia. We salute our winners recognize by their peers, investors, academicians as outstanding leaders and contributors in a public or private company boardroom. They help in steering a company through a period of extraordinary growth, financial/economic crisis and other events. In doing so, they have significantly protected and enhanced shareholder value and guide their companies in pursuing significant business opportunities.

Congratulations to our winners.
Wang Xiaochu
Chairman and CEO
China Telecom Corporation Ltd
CHINA

During the first half of 2014, China Telecom persistently maintained its position amidst tough competition by implementing appropriate controls over investments and costs, resulting in solid growth in both revenues and net profit. Through these efforts spearheaded by its Chairman and CEO Wang Xiaochu, the firm recorded operating revenues amounting to RMB166 billion, representing an increase of 3.3% as compared to the same period in the previous year. Excluding its mobile terminal sales, the operating revenues were RMB149.4 billion, representing an even higher increase of 7.3% year-on-year, with the growth rate exceeding the industry average. Meanwhile, its EBITDA stood at RMB50.5 billion, and profit attributable to the equity holders of the firm came in at RMB11.4 billion, representing an increase of 11.8% over the same period in 2013.

In particular, the proportion of revenues from China Telecom’s emerging businesses accounted for 28% of total revenues excluding the mobile terminal sales. This was due to the company’s increased focus on innovation and cooperation, leveraging on its strengths as a telecommunications operator to foster the rapid development of emerging businesses.

Hong Jie
CEO and Executive Director
China Resources Enterprise, Ltd
CHINA

Following its strategy of ‘market leadership with outstanding brands, operational excellence and synergies among its businesses’ reinforced by its CEO and Executive Director Hong Jie, China Resources Enterprise made great strides in its journey to becoming a world-renowned retail and consumer goods company. The opening half of 2014 proved to be another period of slow economic growth, presenting a challenging environment for businesses in the country.

Nevertheless, China Resources Enterprise faced adversity head on and buckled down to focus on its core services such as 3G and wireline broadband service revenues amounted to RMB36.4 billion, representing an increase of 11.8% over the same period last year. It was able to maintain its overall growth momentum in sales and profit, and attributable profit of HK$18,475 million and HK$417 million, respectively throughout the first half of 2014, representing increases of 14.9% and 16.5% year-on-year. It was able to maintain its overall growth momentum in sales and profit, and attributable profit of HK$18,475 million and HK$417 million, respectively over the first half of 2014, representing increases of 14.9% and 16.5% year-on-year.

In rounding up the second half of the year, China Telecom has been keen on seizing development opportunities in the 4G space, fully leveraging the competitive strengths of its hybrid network and ensuring capable leadership in network quality to further foster its outstanding reputation amongst subscribers. At the same time, the company also continued to focus on its core services such as 4G and wireline broadband service revenues amounted to RMB36.4 billion, representing an increase of 3.4% over the same period last year.

The Group has already established a presence. In addition, by leveraging on Tesco’s worldwide experience, the firm’s retail business has created ample synergies and ensured the sound development of its e-commerce and global sourcing. By actively pushing forward integration with Tesco, China Resources Enterprise continued to expand into new markets and review its product mix and operational strategy to further enhance its market share and to reinforce its national influence.

Elsewhere, the Group’s beer division reported turnover and attributable profit of HK$18,475 million and HK$417 million, respectively over the first half of 2014, representing increases of 14.9% and 16.5% year-on-year. It was able to maintain its overall growth momentum in sales and profit, and attributable profit of HK$18,475 million and HK$417 million, respectively over the first half of 2014, representing increases of 14.9% and 16.5% year-on-year.

E-commerce is one of the Company’s strategic businesses. In the first six months of 2014, the Group recorded consolidated turnover and attributable profit of HK$3,052 million and HK$117 million, respectively over the first half of 2014, representing increases of 26% and 12% year-on-year.

A change in regulatory policies in the wireline broadband market observed in 2014, leading to further intensified market competition. Nevertheless, China Telecom achieved a steady and healthy growth by leveraging the competitive strengths of its hybrid network and ensuring capable leadership in network quality to further foster its outstanding reputation amongst subscribers. At the same time, the company also continued to focus on its core services such as 4G and wireline broadband service revenues amounted to RMB36.4 billion, representing an increase of 3.4% over the same period last year.

In rounding up the second half of the year, China Telecom has been keen on seizing development opportunities in the 4G space, fully leveraging the competitive strengths of its hybrid network and ensuring capable leadership in network quality to further foster its outstanding reputation amongst subscribers. At the same time, the company also continued to focus on its core services such as 4G and wireline broadband service revenues amounted to RMB36.4 billion, representing an increase of 3.4% over the same period last year.
Ma Minghe
Chairman and CEO
Ping An Insurance (Group) Company of China Ltd
China
Chairman and CEO Ma Minghe has been instrumental as a driving force behind Ping An Insurance’s dedication to becoming a world-leading personal financial services provider. As a testament to this commitment, the bank has achieved consistent stable and healthy growth in terms of its overall performance. The firm’s net profit attributable to shareholders during the first half of 2014 reached RMB23,362 million, marking an increase of 19.3% over the same period last year. As at end June 2014, equity attributable to shareholders stood at RMB312,488 million, which was up by 13% from the beginning of the year. In parallel, the firm’s total assets surpassed RMB3,801 billion, representing a 13% growth over the start of 2014.

As the core of its operations, the company’s life insurance business enjoyed consistent growth. During the first half of the year, written premiums of the life insurance business reached RMB148,381 million, up by 17% over the same period in 2013. Meanwhile, Ping An Property & Casualty continued to focus on business quality and optimizing the customer experience, resulting in premium income of RMB68,705 million, up by 27.8% year-on-year.

In addition, net investment yield grew steadily, as a result of its persistent drive to optimize the assets portfolio of its insurance funds; maintain a high proportion of fixed income assets; allocate more investments to quality debt schemes; and enhance risk identification and evaluation. As at end June 2014, the scale of its insurance funds reached RMB3,356 billion, and its annualized net investment yield for the first half of the year was 5%, up by 0.2 percentage points year-on-year. Over at Ping An Bank, the bank achieved significant results by adjusting its assets and liabilities structure, and transforming its growth strategies leading to a net profit of RMB10,072 million. Its four engines of growth, namely corporate banking, retail banking, interbank banking and investment banking helped drive its rapid development.

Throughout the year, Ping An Insurance focused on running stable operations and maintained the sustainable growth of its three pillars of traditional businesses, banking and investment. The firm also ramped up its efforts in strategic planning, closely monitored international technological development trends, seized valuable opportunities arising from traditional business model shifts driven by mobile internet technology and actively explored the internet finance model.

Moving forward, Ma notes that Ping An Insurance will keep its focus squarely on its established strategic direction, maintain stable operations and utilize modern technology in a more thorough and effective manner to promote innovation and development in relevant areas.

Yi Huiyuan
Vice Chairman, President and Executive Director
ICBC
China
Amidst complex changes in the prevailing business environment to start the year, ICBC kept enhancing its financial services, continued to propel reform and innovation as well as business transformation, and strengthened its risk prevention and control in response to the growing demands of the real economy. In this light, ICBC’s results for the first half of 2014 are all the more remarkable. The bank generated a net profit of RMB148,311 million, representing an increase of 7.2% of which a net profit of RMB141,500 million was derived from its overseas institutions, representing an increase of 41%. According to Yi Huiyuan, ICBC’s Vice Chairman, President and Executive Director, the bank’s steady growth in profit can be attributed to three key factors: the rise of its net interest margin by 5 basis points to 2.62% as a result of an improved capital structure and increased yield on bonds investment; growth in fee-based income with net fees and commission income increasing by 8.7% to RMB73,228 million; and its overseas institutions delivering higher profits with a 41% increase to RMB7,462 million in their net profit.

ICBC’s stellar showing in its business performance certainly benefited from the general growth trend and the huge potential of China’s economic fundamentals. Also to be counted as another factor is the bank’s unswerving commitment to reform and innovation as well as its continued efforts to enhance its innovation capacity in the ever-evolving market environment.

The bank’s progress was also manifested in its ongoing and entrenched innovation in the area of services, primarily by pursing fundamental reforms in its operations through building up the ICBC’s e-commerce platform. The bank’s ICBC E-Shopping B2C/e-commerce platform has only grown rapidly since its launch in early 2014, and more than 20 million customers are using its ‘ICBC e-Payment’ products. As a result, total transaction volume has soared 7.5 times compared to the same period last year.

Over the second half of 2014, Yi points out that the management of the bank will hold to the principle of ‘seeking growth while maintaining stability’, adopting all strategic approaches laid down by the Board of Directors, and pursue opportunities, innovation, restructuring and risk prevention while serving the needs of the real economy in order to continue to deliver results that match the expectations of its investors.

Zhang Jiaqian
Vice Chairman, President and Executive Director
CCB
China
In the first half of 2014, faced against the background of difficult economic situations at home and abroad, CCB persisted with its stable development, and maintained a good development momentum thanks to continuously pushing forward structural adjustment, strengthening risk prevention and control, and reinforcing efficient operating foundations.

Such initiatives paid off as the bank’s profit before tax reached RMB109,516 million, reflecting a year-on-year increase of 9.23%. In addition, its net profit rose by 9.17% year-on-year to RMB39,970 million, while operating income increased by 9.62% to RMB76,727 million. In this amount, net interest income increased by 12.59%, and net interest margin came in at 2.80%. The bank also was in sound financial position with steady growth in assets and liabilities. At the end of June 2014, the Group’s total assets reached RMB161,959,790 million, an increase of 6.75% over the end of last year.

With regards to expansion and reinforcing its fundamental structure, Zhang Jiaqian, Vice Chairman, Executive Director and President of CCB notes that the bank made steady progress in the expansion of its overseas network and collaboration between the parent company and its subsidiaries. For instance, in the first half of the year, CCB’s Macau branch officially opened while its Toronto branch got the green light on its license. A subsidiary bank was registered and established in New Zealand upon approval in July. In addition, active efforts were carried out for the establishment of its Chile branch, London branch and four other branches affiliated to CCEB Europe, while CCB London was designated as the London offshore RMB clearing bank.

CCB also actively promoted the implementation and application of advanced measurement approaches for its capital management. In April 2014, the bank was officially approved by the China Banking Regulatory Commission to implement the advanced measurement approach for capital management, being among the first batch of banks to implement such an approach. Through this opportunity, the bank will further upgrade the advanced measurement approach to meet required standards by optimizing capital model and parameters, and promote the use of measurement results in business management.

In continuing its solid showing towards the end of 2014, Zhang points out that the Group will adhere to its sound development strategy of “integration, multination and interstratification,” thus leading it to accelerate business transformation, as well as strengthen risk prevention and control to ensure sound business development.

Chen Xiaoping
CEO
China Everbright International Limited
China
China Everbright International was on the top of its game during the first half of 2014, reaping significant results as firmly entrenched in its growth path in terms of scale and efficiency. The Group’s construction projects were implemented smoothly which bolstered the substantial growth of its construction service revenue. During the period, the firm’s EBITDA on a recurring basis came in at HK$1,298 million, which marked an increase of 29% from HK$1,077 million in the first half of 2013, while profit attributable to equity shareholders was HK$23.610 billion, a growth of 23% as compared to the same period last year.

Over the past year, China Everbright International further developed its market development model comprising its four representative offices in Shenzhen, Beijing, Nanjing and Xian working seamlessly at its existing projects. It successfully secured 11 projects and commenced construction on the China-Chengdu and Zhangjiakou Wind Power Projects which commanded a total investment of approximately RMB130.6 million, further consolidating the firm’s leading position in the industry. The company actively explored business opportunities to stay atop with the rapid development of the environmental protection and alternative energy industries, and achieved remarkable results. As at end June 2014, the Group has secured 95 environmental protection projects with a total investment of around RMB23,610.0 million.

In the latter part of 2014, China Everbright International signed a joint venture agreement with Sichuan Energy Industry Investment Group to establish the Sichuan Everbright Energy Conservation and Environmental Protection in Chengdu City of Sichuan Province. The collaboration opens the door for both parties to expand and develop waste into energy and other projects in the low-carbon industry in Sichuan Province and surrounding areas. CEO Chen Xiaoping said: “The ICBC E-Shopping B2C/e-commerce platform has only grown rapidly since its launch in early 2014, and more than 20 million customers are using its ‘ICBC e-Payment’ products. As a result, total transaction volume has soared 7.5 times compared to the same period last year.

Over the second half of 2014, Yi points out that the management of the bank will hold to the principle of ‘seeking growth while maintaining stability’, adopting all strategic approaches laid down by the Board of Directors, and pursue opportunities, innovation, restructuring and risk prevention while serving the needs of the real economy in order to continue to deliver results that match the expectations of its investors.
Increased by 18.0% to HK$13.02 billion, of which HK$2.23 billion securing property contracted sales amounting to with its joint ventures and associates succeeded in discoveries and 20 successful appraisal wells were made in offshore foundation of the company’s “New Leap Forward” strategy. Eight new oil and natural gas producer made solid progress. On exploration, the production of oil and gas reached 211.6 million BOE.

In terms of its overall operation, China’s largest offshore crude oil and natural gas producer made solid progress. On exploration, the firm continued its success in offshore China and made several new medium- and large-scale discoveries, further solidifying the resource foundation of the company’s “New Leap Forward” strategy. Eight new discoveries and 20 successful appraisal wells were made in offshore China. Of these projects, Linghong 17-2, located in the Qiongling Basin in the Western South China Sea, was successfully tested and expected to be the first large-sized deep water gas field made by the firm’s independent exploration. The Lua-16-3 south structure, located in the southern Luoaolong Bay in Bohai, is poised to be a medium-sized discovery following further appraisons. Another discovery, Keik-16-1 structure, located in the Lashou Bay Sag in Bohai, reflects the promising exploration potential of the area for the firm in the coming years.

Meanwhile, one new discovery and three successful appraisal wells were obtained in its overseas exploration efforts, which will make solid contributions to the company’s reserve growth.

With the aim of closing out the year on a resounding note, President and CEO Li Fanrong indicates that CNOOC will continue adhering to its overarching theme of “Year of Quality and Efficiency”, with an even sharper focus on improving the quality of its development, increasing its efficiency and making efficient long-term efforts in cost control. In addition, CNOOC looks to speed up the appraisal of key exploration targets to ensure reserve additions, while also strengthening its exploration in new areas to pave the way for sustainable growth for the company. Furthermore, the firm will steadily carry forward the construction of new projects and stabilise its production of matured oil and gas fields, as well as work effectively to minimize any negative impacts such as typhoons on production and strive to meet its production targets for the year.

Wang Qunbin
President
Fosun International Ltd
CHINA

Fosun International’s President Wang Qunbin has played a prominent role in shaping the company’s vision of becoming a world-class investment group underpinned by the twin drivers of “insurance-oriented comprehensive financial capability” and “industrially rooted global investment capability”. The company stuck with its philosophy of “value investment, actively optimising its asset allocation and continued to implement its investment mode of combining China’s growth momentum with global resources to build an investment portfolio benefiting from China’s growth momentum.”

Such a commitment has been instrumental in the firm’s strong showing in 2014 thus far. As of end June 2014, net assets attributable to owners of the parent of the Group reached RMB159.901 billion, representing an increase of 11% from the end of 2013, while net profit attributable to owners of the parent of the Group amounted to RMB135.9 million, which marked an increase of 8.4% over the same period of 2013. Over the years, Fosun International has been putting tremendous effort in the development of its insurance business. In May 2014, the firm completed the acquisition of an 18% equity interest in Fosun International Insurance, which maintained its leading position in the domestic market, with total direct insurance premiums of Euro693 million. The international business of Fosun Insurance Portugal continued to reveal stability in more mature markets such as Spain and France, as well as solid growth in Africa, reaching overall Euro60 million in direct insurance premiums, an increase of 103% when compared with the corresponding period of last year. This was due mainly to the strong performance of its subsidiary in Senegal, and the completion of the acquisition of Garantia-Companhia de Seguros de Cabo Verde, S.A., the leading insurer in Cape Verde, in the first half of 2014. In addition, Fosun Insurance Portugal is now proceeding with the setup of two new branches, both life and non-life insurance, in Mozambique.

In the first half of the year, Fosun International also succeeded in investing into one of the largest independent private banks in Europe, BHF-BANK of Germany, and also successfully completed the acquisition of a Japanese real estate capital management company IDERA in May 2014, and thus significantly enhancing Fosun International’s comprehensive financial capabilities. The investment represents a critical step of Fosun International’s pursuit of “insurance plus investment” strategy to build its global investment capability, becoming its real estate investment platform in the Japanese market to provide outstanding real estate fund and asset management services for investors in Europe, the US and Japan.

Hao Jian Min
Executive Director, Chairman &
Chief Executive Officer
China Overseas Land and Investment Ltd
CHINA

In true China Overseas Land and Investment fashion, the company as usual reacted rapidly and positively to the various market changes prevalent in the top half of 2014 and continued to take steps to enhance actively its overall management capability. Banking on this approach and displaying astute judgment and major customers to enhance its profitability and the development of investment banking, as well as cross-selling between corporate and private banking.

To ensure sustainable rapid growth moving forward, the Group continues to expand sources in getting quality land reserve through various means. On the first half of the year, China Overseas Land and Investment incurred HK$39.97 billion and acquired ten land parcels in Dalian, Jinan, Foshan, Qingdao, Zhengzhou, Guangzhou, Harbin, Tianjin and Anqing, adding a GFA of 6.83 million sqm to its land reserve.

Encouraged by its positive performance, the Group will firmly push ahead with its branding strategy and continue to pursue its goal of development, sale and cash collection in a speedy manner to ensure healthy growth in operation scale and profit, as well as to enhance the return on its shareholders’ funds.

To round up the year, Hao indicates that the company will continue to seize opportunities to expand its land bank at low costs. Furthermore, China Overseas Land and Investment strives to attain new corporate mission “Sustainability, value-adding, harmony and win-win” with its strategy of continuous strengthening of corporate governance, practicing a high level of corporate citizenship, thus attaining a win-win outcome for the company, its shareholders, business associates, staff members and the community.
Lawrence Ho
Chairman and CEO
Melco International Development Ltd
HONG KONG

Melco International Development enjoyed yet another successful year in 2013, underscored by record operating and financial results combined with the combined progress of its exciting development pipeline, all under the highly capable leadership of its CEO Lawrence Ho. This year, the results of the company for the first half of 2014 reveal that net income attributable to Melco International Development increased from US$234.8 million to US$383.2 million. Over the same period, its net revenues reached US$2.56 billion, marking a 40% increase, while a robust 61% rise was recorded in its net income which stood at US$312.8 million from the previous year’s figure of US$241.8 million. The company’s marked improvement in profitability was primarily attributable to improved group-wide mass market table games revenues.

Macao continues to benefit from the Mainland China and Macau governments’ development plans for the region, including improved infrastructure, immigration policies and development of Hengqin Island. This wide-reaching development plan is expected to strengthen infrastructure, immigration policies and development of Hengqin Island aiming to expand its exposure to the mass-market. The company announced that the development of the project that costs US$2.3 billion remains on track to open in 2015. The company is also aiming to expand its capacity for the premium end of the market with the fifth tower of the City of Dreams which remains on track for operations during the first half of 2017. Meanwhile in August, the City of Dreams officially opened SOHO, a lifestyle food and beverage entertainment area which is designed to further broaden the appeal of the property to a wider range of visitors ranging beyond Macau, the firm is investing in an integrated resort, City of Dreams Manila in the Philippines, which is scheduled to raise its curtain by the fourth quarter of 2014.

While Melco International Development remains focused on its current operations and future projects in both Macau and the Philippines, under Ho’s leadership, the company continues its pursuit of becoming one of the leading gaming and entertainment companies in the region, positioning itself to participate in the new and exciting gaming markets across Asia, most notably Japan.

Lawrence Choi
Vice Chairman and Managing Director
Socam Development Ltd
HONG KONG

The first half of 2014 was a period of on-going restructuring for Socam Development. Its monetisation plan to unlock the asset value of its property portfolio remains a strategic priority of the firm, but the plan has somewhat been impacted by unprecedented challenges in the operating environment and the group’s restructurings. However, the firm was still able to successfully complete two real-estate sales of properties in Shenzhen Project Phase II and its Tianjin Project Phase II, which led to gross proceeds of approximately HK$1.7 billion.

With regards to the firm’s construction business, this area recorded a profit of HK$475 million during the first half of the year. In addition, turnover stood at HK$4.787 million which marked an increase compared to the same period last year, while new contracts amounting to HK$2.3 billion were secured. Helping guide Socam Development in difficult times is Lawrence Choi, who assumed the position of Vice Chairman in 2004 and later took on the dual role of Managing Director in 2013. Having graduated from the University of California, Berkeley with a Bachelor of Science degree in Engineering, he eventually found his way to joining the Shiu On Group in 1973, and has amassed over 35 years in the construction industry. As of June 2014, Socam Development owned 11 special situation property projects, with a total developable gross floor area attributable to the company of approximately 1.6 million square meters in nine Mainland cities. The portfolio offers well-located residential and office developments across various types of properties, including apartments, offices, hotels, and retail. The Group continued to make progress for its property projects, despite a challenging environment, selling about 90% of the luxury units of the Beijing Centum Residence since their sales launch, and over 90% of the residential and service apartment units of Guangzhou Park Oasis. It also stepped up sales of Shanghai branded residence, Four Seasons Place, with currently around 35% for the unit price.

Unquestionably, Socam Development’s commitment to maintaining a high standard of corporate governance within a sensible framework, and its emphasis on integrity, transparency, accountability and independence has played a key role behind its success amidst external challenges.

Throughout the year, Choi has been instrumental in ensuring that such compliance with all relevant laws and regulations have been enforced.

Philip Chen
Managing Director
Hang Lung Properties Ltd
HONG KONG

“We Do It Right” continued to be the guiding principle of Hang Lung Properties in 2013, as it delivered its commitment to building quality properties in the right locations, and creating mixed development projects with world-class designs despite numerous challenges that arose in the property market. Under the leadership of the company’s Managing Director Philip Chan, who has orchestrated its steady development and overall success, moulding into one of the leading property developers in Hang Kong, the firm saw an extension of steady rental turnover and operating profit, respectively. Compared to 2012, Hang Kong investment properties generated a 10% growth in rental turnover to HK$3.322 billion and produced an 11% growth in operating profit to HK$2.786 billion on a comparable basis. The growth was primarily driven by the sound strategy of optimizing the tenant mix in the commercial and office segments – occupancy rates of the commercial segment increased two points to 98.8%, while the office segment went up one point to 94%.

Another chapter of Hang Lung Properties healthy growth continued to be written during the first six months of 2014. Compared to the corresponding period during 2013, the firm saw considerably more completed apartments. Consequently, turnover increased 53% to HK$4.375 billion. Net profit attributable to shareholders rose 14% to HK$2,317 million and earnings per share similarly to HK$2.72 cents. When excluding the effects of revaluation gains, the underlying net profit attributable to shareholders grew 29% to HK$2,451 million and earnings per share increased by 33% to HK$2.95 cents.

Looking ahead, Hang Lung Properties’ strong financial position has provided it with ample capacity to fund not only its current development projects, but has also placed it in a prime position to capture any future expansion opportunities on the horizon.

William Fung
Group Chairman
Li & Fung Ltd
HONG KONG

2014 ushered in the first year of Li & Fung’s current Three-Year Plan for its next phase of growth, in line with the company’s original vision of being the world’s leading global supply chain manager for consumer goods. Implementation of the plan commenced with the successful spin-off of its brands and licensing business, Global Brands, as a standalone entity. The separation of Global Brands now enables the newly listed company to focus on growing its brand business with the support of Li & Fung’s global sourcing network, while enabling Li & Fung to continue to be the world’s largest global sourcing company as the world’s leading global supply chain manager for consumer goods.

During the first half of 2014, the Group maintained credit ratings at investment-grade credit ratings. During the first half of 2014, the Group maintained credit ratings at investment-grade with Standard & Poor’s Baa1 and BBB+, respectively. Moving forward, the new and simplified Li & Fung Group under William Fung’s stewardship will build on its core competencies to poised to build on its core competencies to maintain a prominent market position in consumer product sourcing and operating a complementary portfolio of the global supply chain with the complementary capabilities of an expanded logistics business, to provide comprehensive sourcing and logistics solutions to its customers.
average monthly retail gross sales per square foot continued to improve March 2014, while the value of its retail properties increased 13.9% from investment properties increased 15.2% to HK$109,899 million as of founder Tony Ip, who was re-designated as its Chairman and Non-exec use of funds reaped solid results as its gearing ratio further dropping to financial position remained in good health which showed that the prudent use of funds respel solid results as its earning ratio further dropping to 54% from 50.3% year-on-year. Credit to the continued development of Yip’s Chemical Holdings as a premier petrochemicals product company goes in large part to co-founder Tony Ip, who was re-designated as its Chairman and Non-executive Director in 2012. Ip has put together an illustrious career over the years, focusing on the company’s long-term business strategy and human resources planning. Proving to be not only proficient at managing business operations, Ip has shown a big hand in establishing the Ip Chi Shing Charitable Foundation Limited that has fostered education in China and provided great care for underprivileged groups in Hong Kong. This year, while in-depth work on the consoli- dation of the lubricants business was completed, a bigger consolidation project – the establishment of a Grouping Committee was carried out on course, and it is expected that this new group will be completed according to schedule and will be operational by next year. In line with these initiatives, the Group is determined to appropriately step up investment in its coings business so as to raise its market share and its contribution to the Group’s profit in the shortest time possible.

In the eyes of the Yip’s, the firm’s various core business lines are all expedi- ing their capabilities step by step while continuing to strengthen its cost control measures and maintain its prominent position in the industry. On another front, the company will continue to optimize operational efficiency through internal business and plant consolidation. Looking ahead to the year-end of the era, as the economy of Mainland China shows signs of warming up and sales entering the traditional peak season, the aforementioned measures will effectively drive the overall business to grow further.

Cementing its status as Hong Kong’s largest real estate investment trust (REIT) and one of the top three in the Asian Pacific region, The Link REIT recorded its eighth consecutive year of robust growth in the year ended March 2014, as evidenced by its revenue and net property income increasing by 10.0% and 12.7% year-on-year to HK$7,155 million and HK$5,202 million, respectively. The strength of The Link REIT’s property portfolio is a result of a robust and proven track record of identifying and acquiring prime deliverables under CEO George Hongchoy’s leadership, which has significantly added value to its portfo- lio through asset enhancement programmes ranging from minor works to complete reno- vations. Up to March 2014, its asset enhance- ment programmes provided satisfactory return on investment across 35 completed projects, anchored on investments amounting to HK$3.4 billion since the firm was floated in 2006. In the past year, 56 asset enhancement projects were completed which achieved returns on invest- ment exceeding its targets, and the further upgrade to Chung Fu Plaza, the portfolio’s second largest asset. Meanwhile, seven projects are in full swing, while seven additional projects are pending necessary statutory approvals before construction is given the green light.

In December 2013, The Link REIT signed a non-binding memo- randum of understanding with property developer China Vanke to jointly find suitable investment opportunities in China retail properties. This was subsequently followed by a change in the firm’s investment mandate allowing it to invest in properties outside of Hong Kong and adding beneficial opportunities for the company in the years ahead.

Cementing its status as Hong Kong’s largest real estate investment trust (REIT) and one of the top three in the Asian Pacific region, The Link REIT recorded its eighth consecutive year of robust growth in the year ended March 2014, as evidenced by its revenue and net property income increasing by 10.0% and 12.7% year-on-year to HK$7,155 million and HK$5,202 million, respectively. The strength of The Link REIT’s property portfolio is a result of a robust and proven track record of identifying and acquiring prime deliverables under CEO George Hongchoy’s leadership, which has significantly added value to its portfolio through asset enhancement programmes ranging from minor works to complete renovations. Up to March 2014, its asset enhancement programmes provided satisfactory return on investment across 35 completed projects, anchored on investments amounting to HK$3.4 billion since the firm was floated in 2006. In the past year, 56 asset enhancement projects were completed which achieved returns on investment exceeding its targets, and the further upgrade to Chung Fu Plaza, the portfolio’s second largest asset. Meanwhile, seven projects are in full swing, while seven additional projects are pending necessary statutory approvals before construction is given the green light.

In December 2013, The Link REIT signed a non-binding memo- randum of understanding with property developer China Vanke to jointly find suitable investment opportunities in China retail properties. This was subsequently followed by a change in the firm’s investment mandate allowing it to invest in properties outside of Hong Kong and adding beneficial opportunities for the company in the years ahead.

Donning two caps as Managing Director and CEO, Manuel V. Pangilinan has been an exemplary leader in guiding First Pacific Company towards the right direction over the years. The Hong Kong-based investment management and holding company covers a wide range of businesses spanning from telecommunications and infrastructure to consumer food products and natural resources.

Supported by its strong corporate fundamentals, most of First Pacific Company’s investor companies sustained their earnings growth during the past year. Guam was led by MPIC, increasing its contribution by 12% to US$9.1 million from US$8.3 million as all its businesses reported strong growth. In particular, Pacific Basin Shipping Ltd, which posted contributions exceeding 94% to US$8.2 million from US$3.2 million, while Indofood increased its contribution to US$92.8 million from US$90.5 million owing to the contribution from its Cultivation & Processed Vegetables group and increased sales at all other businesses. First Pacific Company also benefited from a first-ever contribution of US$1.9 million from FPM Infra- structure Holdings Limited, the holding vehicle for a 25.9% interest in Thailand’s Don Muang Tollway
Adrian Cheng
Essential Director and Joint General Manager
New World Development Company Limited
HONG KONG

New World Development Company Executive Director and Joint General Manager Adrian Cheng has overseen a period of exciting positive growth in the property development firm. For the fiscal year 2013, New World Development posted revenue of HK$46,779.9 million, while profit attributable to shareholders of the company amounted to HK$31,167.9 million, marking an increase of 31.3% and 39.9% year-on-year, respectively. Meanwhile, its underlying profit stood at HK$32,375.5 million, representing 36.1% year-on-year growth. Over the same period, the firm’s revenue increased 31.7% to HK$46,779.9 million from HK$35,705.1 million, mainly due to the significant growth from property development segment. In addition, property investment, infrastructure and department stores maintained a healthy growth in terms of revenue, up 15.6%, 35.4% and 12.4% respectively.

The firm’s total revenues from property sales in Hong Kong and Mainland China amounted to HK$24,210.9 million, which marked an outstanding increase of 92.6% year-on-year. In particular, revenue from property sales in Hong Kong was primarily attributable to the sale of residential units among its various projects completed within this financial year. Forming another key component of its business operations, the firm’s gross rental income in Hong Kong amounted to HK$31,516.9 million, which translates to an increase of 103.5% year-on-year, with all major properties of the company’s investment properties portfolio attaining satisfactory occupancy.

Apart from the sale of residential properties and rental income, the firm also proactively reviewed its asset portfolio and disposed certain retail shops and car parks in residential properties. During the period, the firm realized its effective share of sales proceeds from disposal of non-core assets amounted to approximately HK$12,674.4 million.

This year, the property developer capitalized on improving sentiment prevailing in the property market by way of launching new projects, with its contracted sales reaching a record HK$38,090 million for the year ended June 2014, which is four times more than HK$9,425 million in the same period last year, translating to more than double. During the same period, New World Development Company posted healthy revenues of 20.7% to HK$29,333 million which included sales of its projects Woodside and Park Signature in Tuen Mun, while delivering an underlying profit of HK$35.3 million. Heading towards the end of the year, New World Property Development is gearing up to launch its new project, Mantra Homes at Cityscape Dubai. Mantra Homes is part of the firm’s €600 million investment in a portfolio of projects in Meydan, Dubai including Mantra Heights and Marwa Views, which remain on schedule for completion in the next two years.

Richard Lancaster
CEO
CLP Holdings Ltd
HONG KONG

CLP Holdings is off to a solid start through the first six months of 2014, as evidenced by its operating profit increase of 22.4% to HK$47.4 billion. The one-off net gain on the acquisitions of Castle Peak Power Company and Hong Kong Pumped Storage Development Company led to an increase of 74.0% in the energy sector’s total earnings which stood at HK$67.9 billion. The electricity business in Hong Kong remained the firm’s largest earnings contributor which generated operating earnings of HK$63.674 million during the first half of the year, reflecting an increase of over 7% as compared to the same period in 2013. A notable factor in producing this result was the successful placement of the company’s first-ever US$750 million hybrid securities at a coupon rate of 4.22% during the second quarter which represented a vote of confidence from the capital market.

Indeed, a major milestone for the company in the first half of 2014 was the completion and opening of a majority interest in CAPOCO in May, which further reaffirmed its commitment and determination to continue to serve Hong Kong. Completion of the acquisition was slightly ahead of its expectations, which has contributed to the healthy growth in the Hong Kong business and paved the way for an even stronger start in forging a new partnership with China Northern Power Grid Company. In its operations beyond Hong Kong’s borders, CLP Holdings’ business in India returned to the positive side with earnings of HK$37 million, while operating earnings from Southeast Asia and Taiwan similarly increased 79% to HK$13.5 million. Meanwhile, its operating earnings in Australia showed bright, improving significantly to top HK$305 million as compared to a loss during the previous year.

In Mainland China, CLP Holdings has chosen to invest selectively in projects with the latest and most efficient power generation technologies, and in renewable projects such as solar and wind, as well as monitor evolutions in the nuclear field. Looking ahead, the firm sees excellent investment opportunities in Guangdong’s Guandong Economic Zone, in particular, which is why it has established a firm presence in Fangchenggang. The Fangchenggang Power Station already accounts for 6% of Guangdong’s electricity demand.

Such resounding results is a shining testament to the vision and leadership of its CEO Richard Lancaster, who spearheaded the firm’s ‘focused strategy’ undermined by its two strongest commitments implementing its long-term strategy to grow its business in Asia Pacific and its dedication to operational excellence, supply reliability and professionalism.

Daniel I. Wu
President and CEO
CTBC Financial Holding Co., Ltd
TAIWAN

CTBC Financial Holding managed to forge ahead amidst a still fragile global economy over the past year. Key acquisitions, expansion of the insurance business, and breakthroughs in its businesses across China has enabled it to offer more services to its customers and enabled it to maintain its trusted brand name around the world.

With Daniel Wu at the helm as its President and CEO, CTBC Financial Holding topped its peers in Taiwan in August 2014, primarily driven by an increase in its interest income as its banking unit benefited from the acquisition of a Japanese lender. The bank-oriented conglomerate recorded NT$2,455 billion in net income during the aforementioned month, lifting its cumulative profits to NT$31.28 billion for the first eight months of the year translating into earnings per share of NT$3.26. As of August, net interest income at the company rose 28% from the same period last year, while fee income saw a healthy increase of 15%.

Meanwhile, its insurance arm, CTBC Life Insurance also posted a strong 20% increase in its operating income during the same month. The proposed acquisition will mark another milestone for the finance holding company as part of its focus in the booming Chinese insurance market. Wu has pointed out there is still tremendous room for growth in the Chinese insurance market despite its rapid development over the past years. As such, CTBC Financial Holding is looking to take advantage of its ties with ABC Life and the Agricultural Bank of China to benefit from a vibrant upturn in the Mainland market. CTBC Financial Holding has also revealed that it has NT$10 billion in funds available which have been allocated to raise its investments in ABC Life over the next few years, as the firm aims to expand its operations further in the huge Chinese market.

While CTBC Financial Holding has excelled in its financial operations, it has also worked wonders in helping out communities. For instance, three elementary schools in the Philippines recently reopened following reconstruction work carried out with financial aid from the company. A fund-raising drive initiated by the firm raised NT$10 million which was designated for reconstruction efforts on damaged schools and for increasing education resources.

Apart from the school reconstruction efforts in the country, CTBC Financial Holding has been working on the ‘Better Reader, Brighter Future’ program since 2011, which has successfully increased the book collections of 17 schools in the Philippines.

Daniel Tsai
Chairman
Fubon Financial Holding Co. Ltd
TAIWAN

Time and again, Fubon Financial has generated outstanding results, and a large part of that has to do with its outstandingChairmen Daniel Tsai. In steering the company in the right direction, Fubon Financial Holding posted NT$3.71 billion in net income for August 2014, boasting its accumulated profit to NT$43.79 billion for the first eight months of the year, translating to NT$4.49 earnings per share.

Beyond setting a new high for earnings, Fubon Financial Holding also took a major stride by effectuating Daniel Tsai’s vision to solidify a foothold in China’s market and stay ahead of competition in developing business there. Despite the challenging business environment, Fubon Financial Holding’s investment units nevertheless benefited from Fubon Life’s diversified investment portfolio to generate strong investment returns and recurring revenues, while Taipei Fubon Bank’s operations were steady across-the-board, and Fubon Insurance delivered outstanding underwriting results. As a result, the company’s after-tax income of NT$32.1 billion shattered the previous high of NT$30.54 billion set in 2011, marking the highest in its 12-year presence in the domestic financial services sector for the fifth consecutive year. Meanwhile, returns on assets and return on equity were 0.72% and 10.5%, respectively.

All of Fubon Financial Holding’s operations and success are significantly driven by its longstanding commitment to optimizing core, cope and governance, spearheaded by Tsai. It is not only Taiwan’s first publicly listed company to introduce an independent board director mechanism, but also has four of its five members with board memberships to at least one-third of its board composed of independent directors. Over 30% of the Board Members are independent while a majority are outside directors, helping it stand out as a benchmark for corporate governance in Taiwan.
Budi Gunadi Sadikin
President Director
PT Bank Mandiri (Persero) Tbk
INDONESIA

Amid unfavourable business conditions, PT Bank Mandiri recorded a laudable performance in 2013, guided by the strategy of its CEO Gunadi Sadikin. Profit before tax in 2013 reached Rp24.06 trillion or an increase of 17.35% from 2012, while profit after tax amounted to Rp13.50 trillion, up 17.41% from 2012. The increase in profit was primarily due to a rise in fee-based income, which reached Rp14.50 trillion and the fact that other operating expenses came in under budget.

Looking forward to the future, the company will aim to maximise the best value for shareholders and continue to pursue its three-pillar model so as to stably construct the profit-making momentum, create competitiveness for sustainable operations and provide customers with a wealth of financial services, supported by its asset quality and risk control capabilities.

Karen Agustiawan
Executive President Director and CEO
PT Pertamina (Persero)
INDONESIA

Since taking the reins in 2009, Karen Agustiawan has deftly handled her twin roles of CEO and President Director of state-owned energy corporation PT Pertamina. The past year has seen her company’s success in posting overall improvement in its performance buoyed by a number of achievements. In 2013, Pertamina Energy Tower will mark its transformation into a world-class energy company.

Looking ahead, growing fee-based revenue remains a key strategic focus of Public Bank with emphasis on our unit trust business, bancassurance and various fee-generating products and services. Its wholly-owned subsidiary, Public Mutual, accounts for a significant proportion of the non interest income of Public Bank, acting as a major player in the private sector fund management industry in the country with total assets under management of RM62.50 billion, commanding a leading market share of 26.5%.

Karen Agustiawan
Executive President Director and CEO
PT Pertamina (Persero)

Since taking the reins in 2009, Karen Agustiawan has deftly handled her twin roles of CEO and President Director of state-owned energy corporation PT Pertamina. The past year has seen her company’s success in posting overall improvement in its performance buoyed by a number of achievements. In 2013, Pertamina Energy Tower will mark its transformation into a world-class energy company.

Looking ahead, growing fee-based revenue remains a key strategic focus of Public Bank with emphasis on our unit trust business, bancassurance and various fee-generating products and services. Its wholly-owned subsidiary, Public Mutual, accounts for a significant proportion of the non interest income of Public Bank, acting as a major player in the private sector fund management industry in the country with total assets under management of RM62.50 billion, commanding a leading market share of 26.5%.
Hans T. Sy
President and Director
SM Prime Holdings
PHILIPPINES

It was another breakthrough year for SM Prime Holdings which followed in the footsteps of 2013 in which the firm consolidated the property companies and real estate assets of the SM Group. With President and Director Hans T. Sy anchoring the firm’s business strategy, the firm undertook a fundamental shift in its business and successfully transitioned from being primarily a mall developer to an integrated property company. So noted by the transformation represents the firm’s bold steps towards its aspiration to become a world-class Filipino brand. On the financial side, it has allowed the company to strengthen its balance sheet while sparking investor confidence.

The sound strategy resonated in 2014, as SM Prime Holdings recorded a 12% increase in net profit to Php9.8 billion during the first half of the year on the strength of double-digit growth in rental revenues as it cashed in on the opening of various new malls and the expansion of SM Megamall. Rental revenues, which accounted for half of consolidated revenues, increased by 13% to Php7.1 billion in the six months compared to the previous year, while during the first six months, rental revenues rose by 12% to Php17.67 billion.

Joseph M. Lim
President and CEO
Metro Pacific Investments Corporation
PHILIPPINES

Metro Pacific Investments Corporation’s strong results for the first half of 2014 was primarily attributed to robust earnings growth at Metro Pacific Tollways Corporation arising from strong traffic growth and increased shareholding in Manila North Tollways Corporation; growth at Maynilad Water Services and Metrooil due to moderately higher water and energy volumes sold; and strong organic growth and the benefit from new investments in the Hospital Group.

Overall, the firm reported an increase of 18% over the Php5.66 billion recorded in the first half of 2013, on the strength of each of its four main businesses delivering solid growth.

Meanwhile, Maynilad’s total revenues for the first half of 2014 rose 6% to Php9 billion from Php8.5 billion, while its reported net income was up 21% to Php1.56 billion from Php1.3 billion in the first half of 2013.

Josef Sy
President and CEO
GIC

Meralco sustained its operational excellence to open the year, posting Php23.485 billion of revenues in the first quarter as compared to the previous year, while during the first quarter, the company’s net income rose by 12% to Php3.2 billion.

During the second quarter alone, the property development unit also rose by 12% year-on-year to Php3.9 billion on the back of an 11% upswing in consolidated revenues to Php13.08 billion, which was higher than the first quarter growth of 5%. Meanwhile, its six-month consolidated revenues showed a 7% increase year-on-year to Php3.12 billion.

In terms of SM Prime Holdings’ real estate sales which accounted for 38% of consolidated revenue, rose by 9% year-on-year over the second quarter to Php6.19 billion. The result was welcome news and marked a strong turnaround from the 17% decline in the previous quarter, in turn attributed to more projects that were almost completed during the period most notably the Grand and Breeze Residences.

This year, SM Prime Holdings is also spending Php5.2 billion for the development of a fourth commercial building under its Ecorn Centers project at the Mall of Asia Complex in Pasay City, which is expected to be in Bponi’s rental revenue annually when it opens in 2017. The Three E-Corn Center is part of the planned six E-Corn buildings in the development, which will cater to the demand for office space from the business process outsourcing (BPO), shipping, and logistics industries, as well as the four gaming companies at the nearby state-run Entertainment City.

The Group’s record performance was underscored by the diversified contributions across its core businesses. In Retail Banking profit after tax rose 9.2% to Rs46.2 million its Business Banking grew 18.6% year-on-year to Rs49.2 million underpinned by increased net interest income from higher loan growth and lower provisions. Meanwhile, its Corporate & Institutional Banking division delivered double-digit growth and profit after tax of Rs105.7 million, supported by healthy fee income growth and lower expenses. The Investment Banking division also achieved a 9.8% year-on-year profit before provision growth driven by notable deals and stock backing business in Malaysia which had a higher trading volume.

Needless to say, it has been an eventful year for the company. In April 2014, AmBank Group sealed a strategic partnership with MetLife International Holdings, Inc. in the US, which entails MetLife owning 50% plus one share in AmBank Insurance Berhad, as well as owning 50% less one share in AmFamily Takaful Berhad. Such a strategic partnership is expected to spur the future growth of AmBank and AmTakaful spearheaded by MetLife’s vision and commitment to build a leading insurer in Malaysia through enhancing its products and services, as well as strengthening its brand presence amongst target customers.

Internally, AmBank Group also implemented a new core banking system, eBankCS, as part of its transformation efforts to drive continued revenue from its core businesses. The successful implementation of AmBank CS paid dividends for the bank’s continued investment in its network infrastructure to improve bandwidth and connectivity. In this light, the Group looks forward to leveraging on these improvements and capabilities to improve its products and services, as well as strengthening its brand presence amongst target customers.

Meanwhile, the Group also seeks to further expand in the Turam Expansion from strong traffic growth and increased shareholding in Manila North Tollways Corporation; growth at Maynilad Water Services and Metrooil due to moderately higher water and energy volumes sold, and strong organic growth and the benefit from new investments in the Hospital Group. Meanwhile, Maynilad’s total revenues for the first half of 2014 rose 6% to Php9 billion from Php8.5 billion, while its reported net income was up 21% to Php1.56 billion from Php1.3 billion in the first half of 2013.

Meanwhile, Maynilad’s total revenues for the first half of 2014 rose 6% to Php9 billion from Php8.5 billion, while its reported net income was up 21% to Php1.56 billion from Php1.3 billion in the first half of 2013.

Meanwhile, Maynilad’s total revenues for the first half of 2014 rose 6% to Php9 billion from Php8.5 billion, while its reported net income was up 21% to Php1.56 billion from Php1.3 billion in the first half of 2013.
The Philippines’ largest bank in total assets showed no signs of slowing down as it closed out 2013 on a resounding note. Through it all, Chairperson Teresita T. Sy-Coson’s exemplary stewardship of the bank’s direction led to a robust 26% growth in net income to Php22.6 billion from Php17.1 billion recorded during the previous year. In particular, the record profit far surpassed the Php21.4 billion earnings guidance it had set earlier for the year. The solid showing was primarily driven by the continued strong growth across all its businesses, enabling the bank to maintain its leadership position amidst the challenges brought about by the prevailing market environment.

In particular, BDO Unibank’s remittance business through BDO Remit continued to ride on the wave of solid growth of OFW remittances which broke through the UNR22.0 billion threshold in the past year. Its remittance volume outpaced industry growth by registering a 17% despite a highly competitive environment locally and internationally. To address this, strategic partnerships have also been instrumental in improving the bank’s remittance services, and through BDO Remit’s continuous relationship-building initiatives, the remittance business continued to grow in 2013.

Dr. Andrew L. Tan
Chairman and CEO
Megaworld Corporation
PHILIPPINES

Robust growth marked the year 2013 for Megaworld in the eyes of Chairman and CEO Dr. Andrew L. Tan, noting that the company diversified its markets and locations, as well as capitalized on the opportunities presented by the positive economic environment. Over the past year, the firm was particularly focused on undertaking real estate activities that further cemented its position as the largest township developer, residential condominium developer and BPO office developer and landlord in the country.

Demand for Megaworld Corporation’s real estate offerings in the past year proved stronger than ever, as reflected by its consolidated net income rising by 22% from Php7.41 billion to Php8.84 billion, which includes a Php7.03 billion non-recurring gain from the acquisition of Traders Security Bank. Consolidated total revenues, made up of real estate sales, rental income, hotel income, and other revenues, similarly grew by 20%. The lion’s share of the firm’s earnings was generated from the sale of its luxury condominium units, which amounted to Php21.25 billion, a notable 17% increase from Php18.7 billion in 2012. Heading into this year, Megaworld Corporation opened the first six months of 2014 in grand style, posting a remarkable 20% jump in net income to Php6.44 billion for the first half of 2014, which far exceeded the Php5.23 billion it earned over the same period in the previous year. The outstanding result was bolstered by the Php1.62 billion non-recurring gain from the swap of its stake in Travellers Security Bank.

Teresita T. Sy-Coson
Chairperson
BDO Unibank Inc
PHILIPPINES

The Philippines’ largest bank in total assets showed no signs of slowing down as it closed out 2013 on a resounding note. Through it all, Chairperson Teresita T. Sy-Coson’s exemplary stewardship of the bank’s direction led to a robust 26% growth in net income to Php22.6 billion from Php17.1 billion recorded during the previous year. In particular, the record profit far surpassed the Php21.4 billion earnings guidance it had set earlier for the year. The solid showing was primarily driven by the continued strong growth across all its businesses, enabling the bank to maintain its leadership position amidst the challenges brought about by the prevailing market environment.

In particular, BDO Unibank’s remittance business through BDO Remit continued to ride on the wave of solid growth of OFW remittances which broke through the UNR22.0 billion threshold in the past year. Its remittance volume outpaced industry growth by registering a 17% despite a highly competitive environment locally and internationally. To address this, strategic partnerships have also been instrumental in improving the bank’s remittance services, and through BDO Remit’s continuous relationship-building initiatives, the remittance business continued to grow in 2013.

Dr. Andrew L. Tan
Chairman and CEO
Megaworld Corporation
PHILIPPINES

Robust growth marked the year 2013 for Megaworld in the eyes of Chairman and CEO Dr. Andrew L. Tan, noting that the company diversified its markets and locations, as well as capitalized on the opportunities presented by the positive economic environment. Over the past year, the firm was particularly focused on undertaking real estate activities that further cemented its position as the largest township developer, residential condominium developer and BPO office developer and landlord in the country.

Demand for Megaworld Corporation’s real estate offerings in the past year proved stronger than ever, as reflected by its consolidated net income rising by 22% from Php7.41 billion to Php8.84 billion, which includes a Php7.03 billion non-recurring gain from the acquisition of Traders Security Bank. Consolidated total revenues, made up of real estate sales, rental income, hotel income, and other revenues, similarly grew by 20%. The lion’s share of the firm’s earnings was generated from the sale of its luxury condominium units, which amounted to Php21.25 billion, a notable 17% increase from Php18.7 billion in 2012. Heading into this year, Megaworld Corporation opened the first six months of 2014 in grand style, posting a remarkable 20% jump in net income to Php6.44 billion for the first half of 2014, which far exceeded the Php5.23 billion it earned over the same period in the previous year. The outstanding result was bolstered by the Php1.62 billion non-recurring gain from the swap of its stake in Travellers Security Bank.

Teresita T. Sy-Coson
Chairperson
BDO Unibank Inc
PHILIPPINES

The Philippines’ largest bank in total assets showed no signs of slowing down as it closed out 2013 on a resounding note. Through it all, Chairperson Teresita T. Sy-Coson’s exemplary stewardship of the bank’s direction led to a robust 26% growth in net income to Php22.6 billion from Php17.1 billion recorded during the previous year. In particular, the record profit far surpassed the Php21.4 billion earnings guidance it had set earlier for the year. The solid showing was primarily driven by the continued strong growth across all its businesses, enabling the bank to maintain its leadership position amidst the challenges brought about by the prevailing market environment.

In particular, BDO Unibank’s remittance business through BDO Remit continued to ride on the wave of solid growth of OFW remittances which broke through the UNR22.0 billion threshold in the past year. Its remittance volume outpaced industry growth by registering a 17% despite a highly competitive environment locally and internationally. To address this, strategic partnerships have also been instrumental in improving the bank’s remittance services, and through BDO Remit’s continuous relationship-building initiatives, the remittance business continued to grow in 2013.

Dr. Andrew L. Tan
Chairman and CEO
Megaworld Corporation
PHILIPPINES

Robust growth marked the year 2013 for Megaworld in the eyes of Chairman and CEO Dr. Andrew L. Tan, noting that the company diversified its markets and locations, as well as capitalized on the opportunities presented by the positive economic environment. Over the past year, the firm was particularly focused on undertaking real estate activities that further cemented its position as the largest township developer, residential condominium developer and BPO office developer and landlord in the country.

Demand for Megaworld Corporation’s real estate offerings in the past year proved stronger than ever, as reflected by its consolidated net income rising by 22% from Php7.41 billion to Php8.84 billion, which includes a Php7.03 billion non-recurring gain from the acquisition of Traders Security Bank. Consolidated total revenues, made up of real estate sales, rental income, hotel income, and other revenues, similarly grew by 20%. The lion’s share of the firm’s earnings was generated from the sale of its luxury condominium units, which amounted to Php21.25 billion, a notable 17% increase from Php18.7 billion in 2012. Heading into this year, Megaworld Corporation opened the first six months of 2014 in grand style, posting a remarkable 20% jump in net income to Php6.44 billion for the first half of 2014, which far exceeded the Php5.23 billion it earned over the same period in the previous year. The outstanding result was bolstered by the Php1.62 billion non-recurring gain from the swap of its stake in Travellers Security Bank.

Teresita T. Sy-Coson
Chairperson
BDO Unibank Inc
PHILIPPINES

The Philippines’ largest bank in total assets showed no signs of slowing down as it closed out 2013 on a resounding note. Through it all, Chairperson Teresita T. Sy-Coson’s exemplary stewardship of the bank’s direction led to a robust 26% growth in net income to Php22.6 billion from Php17.1 billion recorded during the previous year. In particular, the record profit far surpassed the Php21.4 billion earnings guidance it had set earlier for the year. The solid showing was primarily driven by the continued strong growth across all its businesses, enabling the bank to maintain its leadership position amidst the challenges brought about by the prevailing market environment.

In particular, BDO Unibank’s remittance business through BDO Remit continued to ride on the wave of solid growth of OFW remittances which broke through the UNR22.0 billion threshold in the past year. Its remittance volume outpaced industry growth by registering a 17% despite a highly competitive environment locally and internationally. To address this, strategic partnerships have also been instrumental in improving the bank’s remittance services, and through BDO Remit’s continuous relationship-building initiatives, the remittance business continued to grow in 2013.

Dr. Andrew L. Tan
Chairman and CEO
Megaworld Corporation
PHILIPPINES

Robust growth marked the year 2013 for Megaworld in the eyes of Chairman and CEO Dr. Andrew L. Tan, noting that the company diversified its markets and locations, as well as capitalized on the opportunities presented by the positive economic environment. Over the past year, the firm was particularly focused on undertaking real estate activities that further cemented its position as the largest township developer, residential condominium developer and BPO office developer and landlord in the country.

Demand for Megaworld Corporation’s real estate offerings in the past year proved stronger than ever, as reflected by its consolidated net income rising by 22% from Php7.41 billion to Php8.84 billion, which includes a Php7.03 billion non-recurring gain from the acquisition of Traders Security Bank. Consolidated total revenues, made up of real estate sales, rental income, hotel income, and other revenues, similarly grew by 20%. The lion’s share of the firm’s earnings was generated from the sale of its luxury condominium units, which amounted to Php21.25 billion, a notable 17% increase from Php18.7 billion in 2012. Heading into this year, Megaworld Corporation opened the first six months of 2014 in grand style, posting a remarkable 20% jump in net income to Php6.44 billion for the first half of 2014, which far exceeded the Php5.23 billion it earned over the same period in the previous year. The outstanding result was bolstered by the Php1.62 billion non-recurring gain from the swap of its stake in Travellers Security Bank.
Oscar S. Reyes
President and CEO
Meralco
PHILIPPINES

Net profit of Meralco rose 2% to Php6.6 billion from Php6.5 billion a year earlier on the heels of greater sales volume and better performance of its subsidiaries during the period to set the tone for another positive year for the firm. In addition, its core net income rose 3% to reach Php9.9 billion from Php9.7 billion during the same comparable period. The sound financial results can be credited to a 3% increase in consolidated electricity sales volume primarily from industrial customers, as well as various contributions from its operating subsidiaries. Commercial accounts also contributed to the growth, mainly from new connections and increased consumption. Industrial and commercial customers’ volume rose by 3% and 3%, respectively, with energy sales to industrial accounts being led by the food and beverage, non-mineral and steel manufacturing sectors, while commercial volumes continued to be buoyed by the brisk real estate and trade activities.

2014 proved a busy year for Meralco in terms of its expansions. A significant milestone was achieved when its joint venture between Meralco PowerGen Corporation and Electricity Generating Public Company of Thailand struck a PSA for the 455MW steam-driven power plant at Laem Chabang, Chonburi. The highly fuel-efficient and reliable addition to the Laung Group generating capacity is expected to commence full operations by 2018.

In May 2014, Meralco PowerGen increased its 20% stake in GBBP at an additional 2% and injected further investments through an extra capital fund to fuel the 130MW expansion project of Pinoy Energy Development Corporation of GBBP, which is expected to be in commercial operation by 2016.

Meralco PowerGen Corporation remains keen on including liquefied natural gas in its extensive portfolio of power projects over the coming years. Meralco PowerGen is looking at an efficient mix in its power generation portfolios which includes the 600-MW coal-fired power plant at the Subic Freeport, an arm’s-length combined cycle power plant in Calamba, Laguna, other coal-fired power plants with a capacity of 390 MW to 600 MW each and the LNG plants.

Despite numerous challenges that lie ahead, Meralco President and CEO Oscar S. Reyes remains committed to delivering on the firm’s obligation of adequate, reliable, cost-competitive power to its customers and meeting their high service expectations. In this light, the firm will do so continuing to invest heavily for a more robust distribution and a more responsive customer-facing infrastructure.

Ramón S. Ang
Eire Chaifee, President and CEO
San Miguel Corporation
PHILIPPINES

As one of the country’s largest conglomerates, San Miguel Corporation continues to show steady momentum in its efforts in realizing its ambitious goal of producing spectacular results. The company followed up on a pivotal year in 2013 that saw a number of its investments in infrastructure, energy, as well as food and beverage come into fruition.

This year, San Miguel Corporation’s net profit over the first six months of 2014 soared more than six-fold to Php18.4 billion, climbing in on gains across all its businesses. The company brought in Php55 billion in total revenues during the first half, marking a 13% jump from 2013 as its power and fuels trade activities.

Among its other projects underway are the advanced infrastructure projects remain on track. Construction as power, airlines, mining, telecoms, oil refining and the LNG plants. will also continue to invest heavily for a more robust distribution and a more responsive customer-facing infrastructure.

Enrique K. Razon Jr
Chairman and CEO
ICTSI
PHILIPPINES

ICTSI was the port of call for a positive performance to start the year, as the port management company rode from crest to crest to record a 23% increase in net income during the first six months of the year. The firm’s net income attributable to equity holders stood at US$101.7 million from January to June, which was up 23% year-on-year. ICTSI attributed the higher net income attributable to equity held for the first half to strong operating income from its three geographic segments and gains recognized on the sale of a non-operating subsidiary in Caloocan, Philippines, the termination of management contract in Katnipal, India, and the settlement of insurance claims in Guayaquil, Ecuador.

The glittering result was also driven by its overseas port operations which registered strong revenues of US$310.3 million, reflecting a jump of 27% from US$113.7 million over the same period in 2013.

Meanwhile, ICTSI handled consolidated volume of 5,566,023 twenty-foot equivalent units for the January to June period, 18% higher than the 4,690,002 units in the same period in 2013. In addition, ICTSI’s net revenue rose 23% to Php447.7 million from Php366.4 million in the first half of 2013 as the firm continued to invest heavily for a more robust distribution and a more responsive customer-facing infrastructure.

Hans B. Sicat
President and CEO
PSE
PHILIPPINES

Over the years, Hans B. Sicat has exerted tremendous efforts in ensuring that the Philippine Stock Exchange continues to attain its vision of being a premier exchange with world-class standards for trading securities and raising capital that serves as a strong engine for a robust economy. In 2013, it made huge strides once more towards down this road with numerous milestones along the way.

For the year, net income rose 35.1% to Php447.7 million from Php335.4 million in 2012 driven by strong revenue growth and managed expenses. For the full-year, revenues rose 33.8% to Php1.53 billion, marking the first step in the consolidation of the PSE and the PSE’s PS10 billion threshold.

This year, the PSE continued to add to its list of notable achievements. In October 2014, the PSE signed a deal to buy the 25.91% stake held by the Bankers Association of the Philippines and various members-banks in Philrider Display Systems Holdings Corp., which raised its stake in the capital market infrastructure provider to almost 50%. The deal is valued at Php860 million out of which the proportionate interests held or represented by BAP amounted to about Php650 million. It marked the first step in the consolidation of the PSE and the PSE which could possibly unite the country’s bond and equity markets under a single platform.
Piyush Gupta
CEO
DBS Group
Singapore

DBS Group closed out 2013 with another record breaking year, with robust growth in total income by 11% to top SGD3.5 billion for the first time in its rich history. The exceptional result was primarily driven by higher loan volumes and robust growth in its broad-based non-interest income growth. In similar fashion, full-year earnings hit an all-time high of SGD3.5 billion, while net profit for the Group including one-time items reached a record SGD3.5 billion.

The record performance of DBS Group amidst a climate of continuing low interest rates attests to the soundness of its strategy. Over the years, the bank has progressively established its leadership in Singapore, repositioned its Hong Kong operations and diversified its earnings base. It has also built leading regional customer franchises in wealth management, SME banking, transaction banking and treasury activities, all of which reflected record income.

Since taking on the reins as CEO of DBS Group, Piyush Gupta has placed an emphasis on driving innovation to deliver greater productivity and customer efficiencies. Under Gupta’s direction, the Group is well positioned to continue this strategic focus as it endeavors to reinforce its standing as one of the most innovative and productive banks.

Dr. Pailin Chuchottaworn
President and CEO
PTT Public Co Ltd
Thailand

Another successful year was in the books for PTT Public Company in 2013, despite the relentless challenges posed by the economic volatility and a series of uncontrollable events. Nevertheless, the oil company’s distinctive business capabilities combined with the continued improvement in its operations under the “Technologically Advanced and Green National Oil Company” directions and strategies has led to it posting a net income of THB94,652 million. Such a result has enabled PTT Public Company to deliver THB93,311 million to the Treasury, which will go a long way to helping develop the country and improve the quality of life for the Thai people.

Over the past year, PTT Public Company rewrites the local history books by becoming the first Thai firm to launch a “Zero Coupon Bond” or the 10-year debenture with single interest payment upon redemption with a total value as high as THB10 billion. The Zero Coupon Bond is Thailand’s highest valued debenture and resonates the confidence poured into the company by its investors. During the proficient tenure of its President and CEO Dr. Pailin Chuchottaworn, PTT Public Company has introduced numerous innovations to its businesses such as PTT Smart Fuel-up Technology, PTT Energy Europe, PTT HyForce Premium Diesel, PTT Composite Plus gas cylinder, PTT Diesel CNG kit development which enables natural gas to be used with the PTT HyForce Premium Diesel in response to the energy Ministry policy in reducing energy consumption. On top of these, it also introduced the 100% degradable Amazum Biocup to be used at every branch of Amazon Café, which has helped in reducing 200 tons of plastic waste per year.

To enhance its business competitiveness, the company increased trading volumes of crude oil, fuel oil, and petroleum product and deployed more suitable and efficient risk management tools. It also diligently expanded its investment opportunities in both domestic and overseas to exceed the competitiveness of PTT Group. As a result, 2013 saw investment restructuring that added business value and drove plans and projects, and expanded its petrochemical business to cover the entire value chain, Restructuring of PTT Group’s undertaking assets to add business value such as the founding of Global Power Synergy Company which is the main electricity business of PTT Group. Apart from its mission as the national oil company to ensure energy security by supplying energy to cater to the country’s demand, PTT Public Company has also been determined to conduct its business in line with its responsibility for the society, community and the environment.

Tevin Vongvich
President and CEO
PTT Exploration and Production Public Company Limited
Thailand

Standing tall amidst a challenging year for Thai land, PTT Exploration and Petroleum remained steadfast in its commitment to providing energy security, as well as sustainable value to all of its stakeholders.

In 2013, PTTPEP attained numerous operational achievements through continuous volume growth and return on equity at above the industry average, such as its sales volume increasing to 292,925 BOPD which marked a 5% increase from the previous year. As a result of focusing on reducing operating costs of its exploration projects throughout the country between 2014 and 2018, marking a 20% portion of the US$16 billion that the company has earmarked for its projects around the world. According to its President and CEO Tevin Vongvich, the firm has continually incurred in Myanmar in pursuit of its dedicated goal to combating the country’s energy security deficit, and to help develop the country’s oil and gas resources to the benefit of both Myanmar and PTTPEP. PTTPEP’s cumulative production of natural gas and condensate from Myanmar averaged as of August 2014 reached 1.26 million cubic feet and 9 million stock tank barrels, respectively.

Elsewhere, PTTPEP has also laid out plans to fund nearly US$1 billion to develop a gas-fired natural gas and production terminal in Mozambique’s offshore gas block in Rosena Ar 1, which aims to produce 10 million tons of LNG by 2018. Currently, PTTPEP has an 8.5% share in the Mozambique field through its US$1.9 billion acquisition of Cove Energy in 2012.

Tan Tong Hai
CEO
StarHub
Singapore

StarHub continued to shine brightly in 2013, with the company posting total revenues of SGD3.5 billion, while the group’s EBITDA was 2% higher year-on-year to come in at SGD732.7 million. In 2013, the company’s total revenues of SGD2.36 billion, while the group’s EBITDA was 2% higher year-on-year to come in at SGD732.7 million.

Under Gupta’s direction, the Group is well positioned to continue this strategic focus as it endeavors to reinforce its standing as one of the most innovative and productive banks. StarHub continued to shine brightly in 2013, with the company posting total revenues of SGD3.5 billion, while the group’s EBITDA was 2% higher year-on-year to come in at SGD732.7 million.

In September this year, StarHub joined hands with Parallels, a platform provider for cloud services. The group also remained in solid financial position at the end of 2013, with the Group’s total non-current assets increasing SGD47.4 million higher at SGD3.238 million compared when a year ago, which was primarily due to the SGD66.3 million higher net book value for its property, plant and equipment.

Over the years, Tan Tong Hai has shown his deft touch in helping the company reinforce its standing as one of the most innovative and productive banks.

CorporateGovernanceAsia 24 September/October 2014

CorporateGovernanceAsia 25 September/October 2014
This year, Saman Commercial Bank has been active in pursuit of selling a 25% stake in its life insurance business, SCB Life Assurance PCL, which could fetch in the neighbourhood of US$600 million based on SCB Life’s market value of US$2.53 trillion, an increase of THB264 billion, or 11.6%, from the previous year in 2013, posting a net profit of THB50.2 billion which was 28% higher as compared to the previous year. The result marked the fourth successive year that the bank notched a record-high in terms of net profit. The substantial increase in net profit was attributable to higher net interest income from continued broad-based loan growth, as well as the changing mix of the lending portfolio, solid growth in net fee and insurance-premium income, exceptional gains in dividend and investment income, and higher income from trading and FX activities. Alongside this strong result, earnings per share climbed to THB1.78 from THB1.13 in 2012. In addition, return on equity soared to 21.3% in 2013 from 19.2% the year before, while return on average assets rose to 2.1% from 1.9% the year preceding. To maintain profitability, the Bank maintained a strong focus on expense control and productivity improvements, resulting in a lower cost-income ratio of 58.3%, falling from 41.2% in 2012. The bank also reported total assets of THB7.53 trillion, an increase of THB284 billion, or 11.6%, from the end of 2012.

Vichien Usanachote
President
Bangchak Petroleum
THAILAND

Bangchak Petroleum President Vichien Usanachote has overseen the remarkable blossoming of the company over the years into a leading Thai petrochemical downstream player, operating in excess of 1,000 service stations. In 2013, the firm’s revenue from sale of goods and rendering of services totalled THB136.14 billion, which saw an increase from the THB133.29 billion figure that was recorded during the previous year. This amount consisted of THB132.87 billion from the company and the following from its subsidiaries: THB 3.53 billion from PTT PCL, THB 1.01 billion from BSE and THB 0.27 billion from MSE. Of this income, THB32.21 million was accounted for by connected transaction items, most of which came from selling refined products to Bangchak Green Net. Further attracting to its sound performance in the year, Bangchak Petroleum posted a gross profit of THB104.01 million which is up from the THB97.163 million recorded in 2012, while the firm’s EBITDA soared from THB770 million to THB809 million. Finally, its net profit for 2013 came in at THB41.35 million, surpassing in result from the previous year of THB4.273 million.

In mapping out the strategy for Bangchak Petroleum, Usanachote has played an instrumental role in implementing the PRJ (Plant Reliability Improvement) Plan to enhance its refining reliability and prevent refining shutdowns, which subsequently helps boost its revenue and financial strength. The company has also closely monitored the world oil price to manage refineries’ margins by leveraging financial tools to conduct hedging and manage refining-margin exchange rate risk by entering into forward purchases of crude oil and selling contracts.

The firm has sought to diversify its income risks, by expanding its alternative-energy businesses such as its biodiesel plant, Sunny Bangchak solar farms project or refined project, in harmony with its greenenergy excellence vision of conducting its business in parallel with social and environmental responsibility. The Sunny Bangchak solar power learning center also entered into a 25-year power purchase agreement with the Electricity Generating Authority of Thailand and the Provincial Electricity Authority. In addition, its long-term investment plans have been well-defined, in particular a plan to accommodate the ASIAN Economic Community in 2015 – including the expansion of the customer base and investments made to launch markets in neighboring countries’ service stations and lubricating oil markets.

In September this year, Bangchak acquired a majority stake in Nido Petroleum, marking the company’s first move outside Thailand’s borders. The expansion provides the firm’s access to Nido Petroleum’s interest in the Otto-Energy-run Gaius oil field in the Philippines, and average elsewhere in Southeast Asia.

Noriaki Goto
CEO
Bank of Ayudhya
THAILAND

The Krungsri Group, which comprises Bank of Ayudhya and its business units, continued its strong run in the past year despite the tougher external environment challenges that prevailed. In 2013, the unit of THB 71.381 million which was higher than the THB64.640 million amount registered during the year before, along with a total registered capital of THB753,741 million and THB609,741 million in paid-up capital. In addition, it remained in solid financial position with assets standing at THB1,178 billion, surpassing the previous year’s figure of THB1,071 billion, while also lifting shareholders’ equity from THB113,450 million to THB121,648 in 2013.

Of course, 2013 marked a key milestone in Krungsri Group’s history when it became a subsidiary of The Bank of Tokyo-Mitsubishi UFJ (BTMU), when the latter acquired a 72% stake in Thailand’s fifth-largest bank by assets. Krungsri’s partnership with BTMU, and the added financial strength they bring, has tremendously helped deliver accelerat growth in the Corporate Banking Group’s loan portfolio in 2013. In addition, BTMU’s relationships and networks has enabled Krungsri to be more effective in approaching Japan-based businesses operating in Thailand and offering them and their supply chains financing facilities and new international products and services. The bank has also been engaged in exploring opportunities to increase its regional presence by servicing Thai corporations that are setting up production facilities in ASEAN. This direction will include coordinating with BTMU’s well-established overseas network to support Thai customers who are entering such new markets.

In this instance, the Krungsri Group will continue playing a role in providing consumer finance in Thailand and the Cambodian, Laos, Myanmar and Vietnam (CLMV) markets while supporting Thai corporates wishing to invest in ASEAN through the network of Mitsubishi UFJ Financial Group and BTMU.

In the view of Krungsri Group CEO Noriaki Goto who has capably stepped into the role early this year, BTMU can utilize the consumer finance model applied by Krungthai in Thailand to deal with consumers in neighbouring countries, particularly focusing on the CLMV markets. According to Goto, Krungsri will completely integrate with BTMU by the end of this year following successful integration, it has in place a medium-term plan which will cover from 2015-2017, focusing on maintaining its market leadership in consumer finance. Furthermore, it will also aim to draw more Japanese companies to BTMU the BTMU customer base, and third, Krungsri will build deep relationships with Thai employers of Japanese companies.

Veerasak Kostipaisal
CEO
ThaiPEL
THAILAND

During the first half of 2014, Thaipex showed it was further upbeat in terms of revenue and reported net profit of THB163.5 billion, up from THB161.8 billion recorded during the same period of last year, while its EBITDA increased from THB5.63 billion to THB5.72 billion during the same period. Thaipex has been in the forefront of incumbent CEO and President Veerasak Kostipaisal, who has helped drive the company’s overall performance and profitability. The bank has been a driving force in helping achieve its vision of becoming a regional leader in refining and petrochemical businesses, and maintaining its leadership position as PTT’s flagship refiner.

The outstanding results have been driven by its ongoing projects in full swing over the past year, such as a project on gas quality improvement undertaken through a joint venture between PTT and the Singaporean firm Keppel. In September this year, the bank undertook an environmental permitting process on 50 million tons per year of 830,000 barrels per day . The firm is also looking to upgrade the Thanlyin oil refinery near Yangon with its parent company PTE. As part of its further expansion in the Southeast Asian region, Thaipex has additionally expressed interest in linking up with state oil firm PT Pertamina to invest in paraxylene production in Indonesia.

Meanwhile, Thaipex’s THB12.6 billion liquefied project became operational in May, delivering its first liquefied gas (LNG) payload. The project, which was under construction since 2011, has been in the proficient hands of incumbent CEO and President Veeprasuk Kostipaisal, who in her role as head of the Retail Banking Group, has overseen the remarkable blossoming of the company team in 2003. In her role as head of the Retail Banking Group, she brought a fresh perspective to the bank’s retail business, and is widely recognised as the architect behind the successful transformation of the bank’s retail franchise. Under her leadership, the Bank has grown steadily to become Thailand’s second-largest commercial bank in terms of total assets and loans, and the largest in market capitalisation.

As for its power business, Global Power Synergy Co. raised THB6 billion worth of recapitalization shares to buy out transco in seven power companies owned by PTT International Co., Ltd. and PTT International Holdings Limited worth a combined THB 7.39 billion. In addition, the company founded TOP SPP Co., Ltd., to efficiently manage its own SPP with a total capacity of 235 mega watts, and its commissioning and sale are projected for 2016.

In the first half of 2014, Thaipex laid out additional expansion plans outside of Thailand’s borders, particularly to build a new oil refinery in Myanmar which would see an investment of 150,000 barrels per day. The firm is also looking to upgrade the Thanlyin oil refinery near Yangon with its parent company PTE. As part of its further expansion in the Southeast Asian region, Thaipex has additionally expressed interest in linking up with state oil firm PT Pertamina to invest in paraxylene production in Indonesia.

Meanwhile, Thaipex’s THB12.6 billion liquefied project became operational in May, delivering its first liquefied gas (LNG) payload. The project, which was under construction since 2011, has been in the proficient hands of incumbent CEO and President Veeprasuk Kostipaisal, who in her role as head of the Retail Banking Group, has overseen the remarkable blossoming of the company team in 2003. In her role as head of the Retail Banking Group, she brought a fresh perspective to the bank’s retail business, and is widely recognised as the architect behind the successful transformation of the bank’s retail franchise. Under her leadership, the Bank has grown steadily to become Thailand’s second-largest commercial bank in terms of total assets and loans, and the largest in market capitalisation.

As for its power business, Global Power Synergy Co. raised THB6 billion worth of recapitalization shares to buy out transco in seven power companies owned by PTT International Co., Ltd. and PTT International Holdings Limited worth a combined THB 7.39 billion. In addition, the company founded TOP SPP Co., Ltd., to efficiently manage its own SPP with a total capacity of 235 mega watts, and its commissioning and sale are projected for 2016.

In the first half of 2014, Thaipex laid out additional expansion plans outside of Thailand’s borders, particularly to build a new oil refinery in Myanmar which would see an investment of 150,000 barrels per day. The firm is also looking to upgrade the Thanlyin oil refinery near Yangon with its parent company PTE. As part of its further expansion in the Southeast Asian region, Thaipex has additionally expressed interest in linking up with state oil firm PT Pertamina to invest in paraxylene production in Indonesia.

Meanwhile, Thaipex’s THB12.6 billion liquefied project became operational in May, delivering its first liquefied gas (LNG) payload. The project, which was under construction since 2011, has been in the proficient hands of incumbent CEO and President Veeprasuk Kostipaisal, who in her role as head of the Retail Banking Group, has overseen the remarkable blossoming of the company team in 2003. In her role as head of the Retail Banking Group, she brought a fresh perspective to the bank’s retail business, and is widely recognised as the architect behind the successful transformation of the bank’s retail franchise. Under her leadership, the Bank has grown steadily to become Thailand’s second-largest commercial bank in terms of total assets and loans, and the largest in market capitalisation.
Intouch Holdings continued to hum like a well-oiled machine in 2013, as the company ticked all the boxes in attaining its business targets for both performance and key investment projects. Last year’s outstanding performance produced a net profit of THB1,305 million, representing an increase of 3.7% from the previous year, while the firm handed out annual dividends of THB1.23 per share, reflecting an increase of 12.4%. Consolidated revenue at year end stood at THB1,662.2 billion, reflecting a 6.3% jump from the previous year due to an increase in sales and revenue from its satellite business along with an increase in the share of net results from the Aris Group, as well as its media and advertising business. Meanwhile, consolidated profit attributable to owners of the company came in at THB1,560.0 million, soaring 3.7% from 2012. In addition, the firm’s total assets rose to THB30,019 million from THB31,003 million recorded during the previous year.

Throughout the year, the company continued to invest in new business opportunities, particularly in media and digital content along with venture capital projects. Intouch Holdings injected new investments into its venture capital project, InVent, which are Medrich Solution Co., Ltd., a manufacturer and vendor of eye blink communication aids for paralytics and other disabled people, by taking a 30% stake with a total investment of THB490 million, and Computero Co., Ltd., a software development company specializing in social media management tools, by claiming a 25% stake with a total investment worth THB291 million.

Leaving his fingerprints in molding the company towards realizing its vision of being the leading and sustainable value creation company in telecom, media, IT and digital content is Somprasong Boonyachai, Intouch Holdings’ Group CEO and Chairman of the Executive Committee. Somprasong graduated with a Master’s Degree in Engineering from the Asian Institute of Technology.

In early 2014, its satellite operating subsidiary THACOM successfully launched the Thaicom 6 satellite into orbit which will support the emergence of new technologies in the satellite TV broadcasting segment. By expanding its satellite fleet, it enables THACOM to enter new markets covering Southeast Asia and Africa. Later in the year, Intouch Holdings ventured into new frontiers by diversifying into the broadcasting business by teaming up with the Kautama Group worth THB40 billion. With this move, the telecom firm is seeking to use the new joint venture to explore opportunities in the television industry with the advent of terrestrial-based digital TV.

Banthoon Lamsam
CEO
KASIKORNBANK
THAILAND
Kasikornbank’s resolute commitment to service excellence in its business operations shone through in 2013, which led it to recording another banner year. In striving to serve all its customers, the bank achieved consistent growth in earnings before tax by 14.0% as compared to the previous year to THB63,305 million, along with posting a net profit of THB13,323 million which was up from the THB3,260 million from a year ago. Furthermore, the bank’s non-interest income flourished by 10.21%, and its net fees and service income soared by 20.34%, thus enabling it to maintain a solid capital base in line with the Basel III criteria.

Kasikornbank remained on solid financial footing to close out the year, as evidenced by its consolidated assets totaling THB2,298 billion, reflecting a 10.21% increase year-on-year. This was primarily driven by higher net investments rising 29.94% to THB1,144.04 billion, and loans increasing across the board by 8.46% to THB1,122,486 million. Meanwhile, consolidated deposits stood at THB1,329 billion, soaring 9.95% year-on-year with the largest increase seen in fixed-term and saving deposits.

The glowing results resonate CEO Banthoon Lamsam’s tremendous efforts in directing the bank towards an even brighter future.
A toast to the Class of 2011  

reforms continue  

confidence as governance  

Regulatory challenges  

The next stage of globalization: 

governance practices  

Shipping and its 

Board should set tone for healthy 

governance practices  

A new financial landscape: 

Tomorrow's Corporate Governance  

Sustainability, Social and 

for the books  

Why 'by the book' is good  

Forum to help Philippine 

CFO Survey  

companies with higher corporate 

gender diversity  

1st Asian Excellence 

Excellence 

2nd Asian 

Awards 2011  

Corporate governance 

driving BDO success  

Governance 

KASIKORNBANK: 

Asian Values of 

Governance in Thailand  

9 Years of 

9 Years of 

8 

8 

January-March 2012  

Discussion on the proposed review – 

What exactly is "good"?  

Asia 

Governance Progress ...................  

Corporate 

Corporate 

Corporate 

The Best of Asia  

J o u r n a l  o n  c o r p o r a t e  g o v e r n a n c e  i n  a s i a
and are continuing on their mission to bring their governance standards into the next level and one day join their illustrious standing as far as corporate governance is concerned. These are the corporates that have made our list in the past few years for their business model, growth prospects, financial performance and relative position in their industries.

Indeed, Asian corporates are benefiting from this development, exemplified by buoyant stock market activity and stronger domestic currencies as they capture the attention of the global investors. But there is no room for complacency. Asian corporates should maintain the trust of the investors and this could only be done through their continuing adherence to the highest standards of corporate governance.

In the case of China, the country’s robust economic growth during the past decade has made it a favoured destination for global investors who are looking to cash in on the enormous opportunities that this market continued to offer. Similarly, Chinese assets have gained worldwide attention as Chinese companies have burst into the international limelight.

As Asia becomes the centre of the economic growth universe following the global financial crisis and the Eurozone sovereign debt crunch, we are continuing to see heavy inflows of capital into the region. These funds are looking for yields amid the low interest rates environment and the sluggish economic prospects in the developed countries. Investors continue to see value in both the equity and the debt capital markets, and several issuers and borrowers are tapping into the Asian debt investor base to raise their funding requirements—taking advantage of the large pool of liquidity.

In the meantime, Corporate Governance Asia is seeking to recognize these companies that have consistently made the honour rolls in our annual awards in the past 10 years—bestowing to them the highest accolade of Icons in Corporate Governance. This esteemed recognition belongs to the best of the best in corporate governance in Asia—they continue to uphold the best practices whatever the business cycle is. There are no excuses for them to lag behind.

In this regard, Corporate Governance Asia will continue to acknowledge and honour corporates that remain in good standing as far as corporate governance is concerned. These are the corporates that have made our list in the past few years and are continuing on their mission to bring their governance standards into the next level and one day join their illustrious counterparts and achieve the Icon status.
Aboitiz Equity Ventures is committed to good governance, convinced that it is a sensible, appropriate and the only sustainable way to move forward as a business enterprise. It believes that good corporate governance practices create value for the company and its business. The company adheres to 11 core principles and practices of corporate governance, namely:

* the independence of the company’s personality from that of its board of directors, officers and employees
* the view that the company has its own distinct rights and duties
* the board of directors has the original power to decide the company’s policies
* the company can demand loyalty from its board of directors, officers and employees
* that the company business must be pursued through a long-term sustainability strategy
* the shareholders and stakeholders must be treated equitably and with fairness
* a system of accountability
* transparency in corporate operations and company reports
* an ethical business
* corporate social responsibility
* sustainability and environmental compliance

The company believes that compliance with the principles of good governance begins with the board of directors, who conducts itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities. The board sets the standards for the company’s corporate governance practices and is committed to the adoption and observance of best practices in corporate governance as well as compliance with all relevant laws, regulations and codes of business practice.

Aboitiz’s corporate governance practices ensure a board culture fostering collegiality, promoting independent-mindedness of directors, creating an environment of candidness and free flow of ideas and feedback from directors to management and down to the company’s team members. They also support fully functioning board committees, with open and robust lines of communication on all levels within the corporate structure and the professional management team with the goal of addressing stakeholder rights in mind.

Aboitiz has a manual on corporate governance, which states that corporate governance is a necessary component of what constitutes sound strategic business management. The company recognizes and upholds the importance of a genuine exercise of shareholder’s rights and foremost among the corporate governance practices followed by Aboitiz is an assurance that the shareholders enjoy all the rights granted by the Corporation Code of the Philippines.

Aboitiz believes that a strong disclosure system promotes real transparency and is therefore committed to elevating its standards of disclosure and transparency, as well as the quality and depth of its corporate governance practices to enable the investing community to understand the true financial condition of the company.
AirAsia Berhad

MALAYSIA

AirAsia adheres to stringent regulatory requirements, placing high emphasis on transparency and practicing good corporate governance. Its vision is to provide a consistent communication platform to its stakeholders globally. AirAsia has set out the standards and the requirements in relation to communicating with its shareholders. It believes that an effective policy for communication with the shareholders enhances its strong culture of disclosure to keep the shareholders and the relevant markets informed. This policy reflects the board’s requirement that the shareholders should be fully informed about the company and that the shareholders should have access to the latest information available utilizing, where practicable, electronic communications to keep the shareholders and the relevant markets informed of relevant information from the company in a timely manner.

AirAsia’s whistle blowing policy is to enable genuine and legitimate concerns to be raised by the employees, director and others. The policy provides an opportunity for those concerns to be investigated and for appropriate actions to be taken to ensure that the matter is resolved effectively and within the company whenever possible. All whistleblower information will be kept confidential by AirAsia and the company will not tolerate any harassment or victimization and will take appropriate action to protect the person when he/she raises a concern in good faith. Any party that retaliates against someone who has reported wrong doing in good faith may be subject to appropriate action, up to and including legal action, where applicable.

The company respects the rights of the shareholders, who are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings. Appropriate arrangements for the annual general meetings shall be in place to encourage shareholders’ participation.

AmBank Group

MALAYSIA

The board of directors of AmBank Group is fully committed to ensuring that the company continues to maintain the highest standards in corporate governance with a view to continuously enhance the value of the bank’s business. AmBank considers the materiality of relevant risks, the likelihood of losses being incurred and the cost control. Accordingly, for the purpose of the risk management and internal control system, AmBank is highly values communication practices that are open, complete, accurate, timely and regular for past information and future value addition without bias against positive or negative information.

The sections revised in 2013 include those dealing with the bank’s board of directors, shareholders’ rights and their equitable treatment, business engagement philosophy and the bank’s role to stakeholders.

The company adopts a policy on disclosure of information, which forms a part of its good corporate governance practices. It is committed to the fair disclosure of information to the shareholders, financial institutions, securities companies, investors - those needing financial information and the general public. The company realizes that its information, both financial and non-financial, affect the decision-making process for investors and stakeholders. The company performs its operations with efficiency, transparency and accountability toward all its stakeholders. The board of directors had written the corporate governance policy since 2003 for its executives and employees to adhere to accountability for all decision made and actions taken.

Bangchak Petroleum PCL

THAILAND

Bangchak Petroleum is fully committed to conducting its business under the principles of good corporate governance to ensure that the company performs its operations with efficiency, transparency and accountability toward all its stakeholders. The board of directors had written the corporate governance policy since 2003 for its executives and employees to adhere to accountability for all decision made and actions taken.

To date, the company has focused on cultivating an understanding of good corporate governance as well as awareness of how to apply such principles in their daily life. This has turned into a company culture in line with its “To be virtuous, knowledgeable and contribute to society” em- phase culture. To further develop its corporate governance practices, the board in 2013 undertook the 10th revision by adding an anti-corruption policy to align with the anti-corruption measures of Thailand’s corporate governance principles prescribed by the Office of the Securities and Exchange Commission of Thailand and compliance with the ASEAN corporate governance scoreboard principles as part of RAY’s preparation for the ASEAN Economic Community in 2015.

The bank takes into account the importance of disclosure of its information concerning financial and other issues via channels that are easy to access, in both Thai and English, to its shareholders, investors and the public correctly, completely, equally, transparently and in a timely manner in compliance with the relevant laws and regulations.

For Bank of Ayudhya (BAV), good corporate governance principles form a significant foundation for an organization’s sustainable growth. The bank’s board of directors is aware of the impor- tance of corporate governance. These principles are factors that contribute to the bank’s effective performance based on righteousness, transparency, equality and verifiability.

Bank of Ayudhya PCL

THAILAND

BAV believes that following these principles builds confidence among the shareholders, investors and other stakeholders as well as increases the bank’s long-term value with regard to managing risk, while promoting accountability to stakeholders and every party concerned equitably. Together with these practices, the bank supports sustainable economic, social and environmental development.

The bank has set out the standards and the requirements in relation to disclosing and transparency, accountability of the bank’s board of directors and sub-committees, internal control and audit systems, and philosophy for business engagement. The principles state the bank’s role to stakeholders, its vision and core values, morality and ethics of its employees and social responsibility. In 2013, the bank reviewed the good corporate governance principles to ensure optimum appropriateness based on the good corporate governance principles prescribed by the Office of the Securities and Exchange Commission of Thailand and compliance with the ASEAN corporate governance scoreboard principles as part of RAY’s preparation for the ASEAN Economic Community in 2015.

The company realizes that its information, both financial and non-financial, affect the decision-making process for investors and stakeholders. Therefore, the management values accurate and full disclosure in a regular and timely manner in accordance with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. The investor relations department acts as a centre for giving important information to investors and ensuring that financial reports as well as important information which affect the value of the company’s shares are distributed in a timely and regular manner, and complying with the regulations. It is for the benefit of investors both in Thailand and overseas.

Ashok Ramamurthy, Group MD

BAY stipulates that each department appoints a compliance champion responsible for providing knowledge and understanding of the bank’s corporate governance, and communicating with em- ployee so that they acknowledge and understand the bank’s policy. It organizes training and activities to promote and create clarity understanding so that the principles are understood and practi- cised correctly. The activities are intended to ensure awareness and understanding on the part of the directors, executives and employees alike. As well, they are intended to assure that the policies and practices are upheld and in compliance with the good corporate governance principles.

The board continued to focus on cultivating an understanding so that the principles are implemented and practised.
China Communications Services Corporation Limited

China Communications Services Corporation (CCSC) adopts sound corporate governance standards and procedures to ensure the completeness, transparency and quality of its information disclosure. It strives to achieve more standardized operational procedures, effective management and rational operation in order to safeguard the shareholder rights.

The company compiles with the relevant provisions of the rules governing the listing of securities on the Hong Kong stock exchange and also abides by the PRC Company Law and other applicable laws, regulations and regulatory requirements in both jurisdictions as fundamental guidelines for its corporate governance. While strictly complying with relevant laws and regulations, CCSC is continually striving to further strengthen its internal control and risk management procedures in order to improve its corporate governance standards.

The board of directors is responsible for performing corporate governance duties, including developing and reviewing the company’s policies and practices on corporate governance; reviewing and monitoring the training and continuous professional development of directors and senior management; reviewing and monitoring the policies and practices in compliance with the legal and regulatory requirements; developing, reviewing and monitoring the code of conduct and compliance manual applicable to employees and directors; and reviewing the compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

The board is granted full authority to maintain the soundness and effectiveness of the internal control system of the group to secure the investment of the shareholders and the group assets. CCSC has established internal control system and risk management system, which conform to the relevant COCO standard, including setting management structure and its terms of reference. The purpose is to ensure efficient and effective use of the group’s resources to assist in achieving its operation objectives, safeguarding the group’s assets against any unauthorized use or disposal, ensuring an appropriate maintenance of accounting records and the availability of reliable financial information for internal use or external release, and ensuring compliance of all operating activities with the relevant laws and regulations.

China Minsheng Banking Corporation Limited

China Minsheng Banking Corporation follows the business model in compliance with relevant laws and regulations. The board of directors is responsible for ensuring that the bank’s operation and management status are well-informed. They shall also ensure that periodic reports have been signed with a written confirmation and shall ensure verity, accuracy and integrity of information disclosed by the bank. In addition, they shall ensure that related information and materials have been provided faithfully to the supervisory board according to the facts and shall not hinder the supervisory board from exercising its duties and powers.

China Minsheng has set up special committees, including strategic committee, development and investment management committee, risk management committee, audit committee, related party transactions supervision committee, nomination and governance committee and assessment committee to enhance the transparency in running the bank.
China Resources Enterprise, Ltd

China Resources Enterprise is China Resources Enterprises Limited’s subsidiary. It is the firm belief of China Resources Enterprise that a good and solid corporate governance framework is essential to the successful growth of the company and the enhancement of shareholder value. The company has established a board and supervisory committee that is committed to attaining and maintaining high standards of corporate governance and adopting principles of corporate governance emphasizing a quality board of directors, accountability to all shareholders, open communication and fair disclosure.

The board of directors is responsible for performing the corporate governance duties. It is tasked with developing and reviewing the company’s policies and practices on corporate governance, as well as to review and monitor the company’s policies and practices on compliance with legal and regulatory requirements. The board also assumes the overall responsibility to establish and maintain sound systems in risk management, internal control and governance to ensure the effective and efficient accomplishment of corporate goals and objectives, safeguard the group’s interests and the shareholders’ interest, as well as ensure the reliability of financial and corporate reporting. The company upholds the rights of the shareholders. The directors are required to call a general meeting if the company has received requests to do so from members of the company representing at least 5% of the total voting rights of all the members having a right to vote at general meeting.

China Resources is committed to a policy of open and regular communication and fair disclosure of information to its shareholders. Accurate and fair disclosure is necessary for the shareholders to form their own judgment on the operation and performance of the group. The company has established a shareholder’s communication policy and the said policy is available on the company website. The board has the overall responsibility to ensure that the company maintains ongoing dialogue with the shareholders to provide them with the information necessary to evaluate the operation and performance of the company. It meets the effective and timely dissemination of information to shareholders and the investment community through several channels, including annual and interim reports of the company, quarterly financial highlights and operational review and company announcements released to the Hong Kong stock exchange.

The investor relations department is responsible for managing investor relations and will respond to such shareholders’ and analysts’ enquiries. The company’s website provides the shareholders, investors, existing and prospective partners and counterparties with information on the company’s corporate governance practices.

China Telecom Corporation Ltd

China Telecom Corporation strives to maintain a high level of corporate governance and has inherited an excellent, prudent and efficient corporate governance style. It 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 its long-term interests and those of its shareholders as a whole. In 2013, the company further optimized its internal control and integrated risk management into its operational practice. The sustained enhancement of its corporate governance ensured alignment of the long-term best interests of the shareholders and firmly protected their interests.

China Telecom adopts a double-layer structure as the overall framework for corporate governance: the board and the supervisory committee are established under the shareholders’ general meeting. The audit, remunera- tion and nomination committee were established under the board which is authorized by the articles of association to make major decisions on the company’s operation and to oversee the daily management and operations of the senior management. The supervisory committee, on the other hand, is responsible for the supervision of the performance of duties by the board and the senior management.

The board attaches great importance to the independent risk management of the internal control system, and takes effective approaches to supervise the implementation of related control measures, while enhancing operating efficiency and effectiveness, and enhancing corporate governance, risk assessment, risk management and internal control in order to protect the shareholders’ investment and ensure the safety of the company’s assets.

China Telecom establishes an investor relations with responsibility for providing the shareholders and investors with the necessary information, data and services in a timely manner. It also maintains proactive communications with shareholders, investors and the capital market participants in order to allow them to fully understand the operation and development of the company. The company has always maintained a good information disclosure mechanism.

While keeping highly transparent communications with media, analysts and investors, it attaches great importance to the board and the said committee of the board and the supervisory committee to disclose the company’s quarterly disclosure of revenue, operating expenses, Ebitda, net profit figures and other key operational data.

The board of directors is responsible for performing the corporate governance duties. It is tasked with developing and reviewing the company’s policies and practices on corporate governance, as well as ensure the reliability of financial and corporate reporting. The company upholds the rights of the shareholders. The directors are required to call a general meeting if the company has received requests to do so from members of the company representing at least 5% of the total voting rights of all the members having a right to vote at general meeting.

China Resources is committed to a policy of open and regular communication and fair disclosure of information to its shareholders. Accurate and fair disclosure is necessary for the shareholders to form their own judgment on the operation and performance of the group. The company has established a shareholder’s communication policy and the said policy is available on the company website. The board has the overall responsibility to ensure that the company maintains ongoing dialogue with the shareholders to provide them with the information necessary to evaluate the operation and performance of the company. It meets the effective and timely dissemination of information to shareholders and the investment community through several channels, including annual and interim reports of the company, quarterly financial highlights and operational review and company announcements released to the Hong Kong stock exchange.

The investor relations department is responsible for managing investor relations and will respond to such shareholders’ and analysts’ enquiries. The company’s website provides the shareholders, investors, existing and prospective partners and counterparties with information on the company’s corporate governance practices.

CLP Holdings Limited

CLP Holdings Limited Hong Kong

CLP Holdings recognizes that good corporate governance enhances credibility and improves shareholders’ and other stakeholders’ interests. Maintaining a solid, sound and sensible framework of corporate governance has been and remains one of CLP’s top priorities. The company is firmly committed to a set of ethics and principles that cover every aspect of its business. They begin with how it treats its own people and move through its relations with investors, business partners and governments to the wider community in which it operates.

CLP’s code on corporate governance creates the framework and principles for how it sets up company and procedures. The code covers every aspect of its business to ensure its business is consistent with its vision, mission and values. Sound corporate governance is an evolving process, the company’s code serves as a constant guide - it will review its principles and practices in light of experience, regulatory changes and international developments. Corporate governance evolves with each business and its operating environment and CLP is committed to learning and adopting global best practices. Its code reflects its existing principles and practices and embraces the tenets set within the Hong Kong Stock Exchange’s code on corporate governance practices.

CNOOC Ltd

CNOOC has always upheld and attained high standard of business ethics, for which the public and its shareholders have recognized its transparency and standard governance. High and strict standard of corporate governance enables the company to operate steadily and efficiently and is in the long-term interests of the company and its shareholders. The management by the board of directors and its committees further enhances the corporate governance standards.

The board adopted the current code of ethics in 2012 to provide guidelines for directors and senior officers to act as the constant guide - it will review its principles and practices in light of experience, regulatory changes and international developments. Corporate governance evolves with each business and its operating environment and CLP is committed to learning and adopting global best practices. Its code reflects its existing principles and practices and embraces the tenets set within the Hong Kong Stock Exchange’s code on corporate governance practices.

Richard Kendall Lancaster
Chief Executive Officer

CNOOC Ltd

CNOOC has always upheld and attained high standard of business ethics, for which the public and its shareholders have recognized its transparency and standard governance. High and strict standard of corporate governance enables the company to operate steadily and efficiently and is in the long-term interests of the company and its shareholders. The management by the board of directors and its committees further enhances the corporate governance standards.

The board adopted the current code of ethics in 2012 to provide guidelines for directors and senior officers to act as the constant guide - it will review its principles and practices in light of experience, regulatory changes and international developments. Corporate governance evolves with each business and its operating environment and CLP is committed to learning and adopting global best practices. Its code reflects its existing principles and practices and embraces the tenets set within the Hong Kong Stock Exchange’s code on corporate governance practices.

Richard Kendall Lancaster
Chief Executive Officer

CNOOC has always upheld and attained high standard of business ethics, for which the public and its shareholders have recognized its transparency and standard governance. High and strict standard of corporate governance enables the company to operate steadily and efficiently and is in the long-term interests of the company and its shareholders. The management by the board of directors and its committees further enhances the corporate governance standards.

The board adopted the current code of ethics in 2012 to provide guidelines for directors and senior officers to act as the constant guide - it will review its principles and practices in light of experience, regulatory changes and international developments. Corporate governance evolves with each business and its operating environment and CLP is committed to learning and adopting global best practices. Its code reflects its existing principles and practices and embraces the tenets set within the Hong Kong Stock Exchange’s code on corporate governance practices.

Richard Kendall Lancaster
Chief Executive Officer

CNOOC has always upheld and attained high standard of business ethics, for which the public and its shareholders have recognized its transparency and standard governance. High and strict standard of corporate governance enables the company to operate steadily and efficiently and is in the long-term interests of the company and its shareholders. The management by the board of directors and its committees further enhances the corporate governance standards.

The board adopted the current code of ethics in 2012 to provide guidelines for directors and senior officers to act as the constant guide - it will review its principles and practices in light of experience, regulatory changes and international developments. Corporate governance evolves with each business and its operating environment and CLP is committed to learning and adopting global best practices. Its code reflects its existing principles and practices and embraces the tenets set within the Hong Kong Stock Exchange’s code on corporate governance practices.

Richard Kendall Lancaster
Chief Executive Officer

CNOOC has always upheld and attained high standard of business ethics, for which the public and its shareholders have recognized its transparency and standard governance. High and strict standard of corporate governance enables the company to operate steadily and efficiently and is in the long-term interests of the company and its shareholders. The management by the board of directors and its committees further enhances the corporate governance standards.

The board adopted the current code of ethics in 2012 to provide guidelines for directors and senior officers to act as the constant guide - it will review its principles and practices in light of experience, regulatory changes and international developments. Corporate governance evolves with each business and its operating environment and CLP is committed to learning and adopting global best practices. Its code reflects its existing principles and practices and embraces the tenets set within the Hong Kong Stock Exchange’s code on corporate governance practices.