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# Corporate Governance Report

The board of Directors of the Company (the “Board”) is committed to achieving high standards of corporate governance. It believes that high standards of corporate governance provide a framework and solid foundation for achieving, attracting and retaining quality executives and staff. The principles of corporate governance adopted by the Group emphasise a quality board, sound internal control, and transparency and accountability to all stakeholders.

The Company is fully compliant with the code provisions of the Code on Corporate Governance Practices of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) for the year ended 31 December 2006 save for the deviation from code provision E.1.2 as stated on page 39.

## THE BOARD

The Board is responsible for overseeing the management of the Company’s business and affairs with the objective of enhancing shareholder value.

The Board, led by the Chairman, is responsible for the approval and monitoring of Group wide strategies and policies, approval of annual budgets and business plans, evaluation of the performance of the Company, and supervision of the management of the Company (the “Management”). Management is responsible for the day-to-day operations of the Group under the leadership of the Managing Director.

As at 31 December 2006, the Board comprised fifteen Directors, including the Chairman, three Deputy Chairmen, the Managing Director, five Executive Directors, two Non-executive Directors and three Independent Non-executive Directors. On 1 January 2007, one Deputy Chairman and one Non-executive Director resigned. Accordingly, as at the date of this report, the Board comprised thirteen Directors, including the Chairman, two Deputy Chairmen, the Managing Director, five Executive Directors, one Non-executive Director and three Independent Non-executive Directors .

Biographical details of the Directors appear under the Directors and Senior Management Section on pages 8 to 10.

For a Director to be considered independent, the Board must be satisfied that the Director does not have any direct or indirect material relationship with the Group. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

The roles of the Chairman and the Deputy Chairmen are separate from that of the Managing Director. Such division of responsibilities helps to reinforce their independence and accountability.

The Chairman, assisted by the Deputy Chairmen, is responsible for providing leadership to, and overseeing the functioning of, the Board to ensure that it acts in the best interests of the Group and that Board meetings are planned and conducted effectively. The Chairman is responsible for approving the agenda for each Board meeting, taking into account, where appropriate, matters proposed by the Directors and the Company Secretary for inclusion in the agenda. With the support of Executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly informed of issues arising at Board meetings and provided with adequate and accurate information in a timely manner. The Chairman also actively encourages Directors to be fully engaged in the Board’s affairs and contribute to the Board’s functions. In addition to the regular Board meetings, the Chairman holds meetings with the Non-executive Directors at least annually without the presence of Executive Directors. The Board, under the Chairman’s leadership, has adopted good corporate governance practices and procedures and taken appropriate steps to provide effective communication with shareholders.

# Corporate Governance Report

The Managing Director is responsible for managing the businesses of the Group, attending to the formulation and successful implementation of Group policies and assuming full accountability to the Board for all group operations. Acting as the principal manager of the Group's businesses, the Managing Director attends to developing strategic operating plans that reflect the longer-term objectives and priorities established by the Board and is directly responsible for maintaining the operational performance of the Group. Working with the Finance Director, other Executive Directors and the executive management team of each core business division, the Managing Director presents annual budgets to the Board for consideration and approval and ensures that the Board is fully apprised of the funding requirements of the businesses of the Group. The Managing Director, with the assistance of the Finance Director, ensures that the funding requirements of the businesses are met and she closely monitors the operating and financial results against plans and budgets, taking remedial actions when necessary and advising the Board of significant developments and issues. She maintains an ongoing dialogue with the Chairman, the Deputy Chairmen and all Directors to keep them fully informed of all major business development and issues. She is also responsible for building and maintaining an effective executive team to support her in her role.

The Board meets regularly, and at least four times a year. Between scheduled meetings, senior management of the Group provides information to the Directors on a timely basis on the activities and development in the businesses of the Group and when required, additional Board meetings are held. In addition, Directors have full access to information on the Group and independent professional advice at all times whenever deemed necessary by the Directors.

With respect to regular meetings of the Board, Directors receive written notice of the meeting at least 14 days in advance and an agenda with supporting Board papers no less than 3 days prior to the meeting. With respect to other meetings, Directors are given as much notice as is reasonable and practicable in the circumstances.

The Board held four meetings in 2006 with an average attendance rate of 93%.

<b>Position</b>	<b>Name of Director</b>	<b>Attended/Eligible to attend</b>
Chairman	Fok Kin-ning, Canning	4/4
Executive Directors	Lai Kai Ming, Dominic (Deputy Chairman)	4/4
	Luk Tei, Lewis (Deputy Chairman)	4/4
	Chan Wen Mee, May (Michelle) (Managing Director)	4/4
	Chow Woo Mo Fong, Susan	2/4
	Chow Wai Kam, Raymond	4/4
	Edith Shih	4/4
	Endo Shigeru	4/4
	Kwok Siu Kai, Dennis <sup>(1)</sup>	1/1
Non-executive Directors	Ko Yuet Ming <sup>(2)</sup> (Deputy Chairman)	3/4
	Ronald Joseph Arculli	4/4
	Tam Yue Man <sup>(2), (3)</sup>	3/4
Independent Non-executive Directors	Kwan Kai Cheong <sup>(4)</sup>	4/4
	Lam Lee G.	4/4
	Lan Hong Tsung, David	4/4

Notes:

- (1) Appointed as Executive Director on 1 October 2006
- (2) Re-designated as Non-executive Director on 1 October 2006
- (3) Resigned as Non-executive Directors on 1 January 2007
- (4) Appointed as Alternate Director to Mr. Ronald Joseph Arculli on 10 May 2006

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## Corporate Governance Report

All Non-executive Directors are engaged on a service contract for a twelve-month period. All Directors are subject to re-election by shareholders at the annual general meeting following their appointment and at least about once every three years on a rotation basis. None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the Company within one year without payment of compensation (other than statutory compensation).

Where vacancies arise at the Board, candidates are proposed and put forward to the Board for consideration and approval, with the objective of appointing to the Board individuals with expertise in the businesses of the Group and leadership qualities so as to complement the capabilities of the existing Directors thereby enabling the Company to retain as well as improve its competitive position. In 2006, the Board considered and approved the nomination and appointment of Mr. Kwok Siu Kai, Dennis as an Executive Director of the Company.

Upon appointment to the Board, Directors receive a package of orientation materials on the Group and are provided with a comprehensive induction to the Group's businesses by senior executives. Continuing education and information are provided to Directors regularly to help ensure that Directors are apprised of the latest changes in the commercial, legal and regulatory environment in which the Group conducts its businesses.

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules (the "Model Code") as the Group's code of conduct regarding Directors' securities transactions. All Directors confirmed that they have complied with the Model Code in their securities transactions throughout the past year.

### **DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The following statements, which set out the responsibilities of Directors in relation to the financial statements, should be read in conjunction with, but distinguished from, the Independent Auditor's Report on page 41 which acknowledges the reporting responsibilities of the Group's Auditor.

#### **Annual Report and Accounts**

The Directors acknowledge their responsibility for the preparation of the Annual Report and financial statements of the Company and to ensure that these financial statements give a true and fair presentation in accordance with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable accounting standards.

#### **Accounting Policies**

The Directors consider that in preparing the financial statements, the Group applies appropriate accounting policies that are consistently adopted, makes judgements and estimates that are reasonable and prudent, in accordance with the applicable accounting standards.

#### **Accounting Records**

The Directors are responsible for ensuring that the Group keeps accounting records which disclose the financial position of the Group upon which financial statements of the Group can be prepared in accordance with the Group's accounting policies.

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# Corporate Governance Report

## Safeguarding Assets

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities within the Group.

## Going Concern

The Directors, having made appropriate enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the financial statements.

## COMPANY SECRETARY

The Company Secretary, Ms. Edith Shih, is responsible to the Board for ensuring that Board procedures are followed and that activities of the Board are efficiently and effectively conducted.

The Company Secretary assists the Chairman in the preparation of agendas for meetings and she is responsible for the preparation and dissemination of Board papers to Directors and Board Committees in a timely and comprehensive manner. In addition, the Company Secretary is responsible for ensuring that the Board is fully apprised of all legislative, regulatory and corporate governance developments relating to the Group and that it takes these into consideration when making decisions for the Group. The Company Secretary is also directly responsible for the Group's compliance with all obligations of the Listing Rules and Codes on Takeovers and Mergers and Share Repurchases, including publication and dissemination of annual reports and interim reports within the periods laid down in the Listing Rules, timely dissemination to shareholders and the market of announcements and information relating to the Group and assisting in the notification of Directors' dealings in securities of the Group.

The Company Secretary also advises the Directors on their obligations for disclosure of interests in securities, connected transactions and price-sensitive information and ensures that the standards and disclosures required by the Listing Rules are observed and, where required, reflected in the annual report.

With respect to the Group secretarial function within the Group, the Company Secretary leads a team of qualified secretarial officers that maintains formal minutes for Board and other meetings.

In relation to connected transactions, regular seminars are conducted for legal counsels and executives from core business divisions within the Group to ensure that such transactions are handled in compliance with the Listing Rules. Detailed analyses are performed on all potential connected transactions to ensure full compliance and for Directors' consideration.

## AUDIT COMMITTEE

The Audit Committee, comprises two Independent Non-executive Directors and one Non-executive Director who possess the appropriate business and financial management experience and skills to understand financial statements and internal controls. It is chaired by Mr. Kwan Kai Cheong and the other members of the Committee are Mr. Ronald Joseph Arculli and Dr. Lam Lee G.

Under the terms of reference of the Audit Committee, it is required to oversee the relationship between the Company and the external auditors, review the Group's preliminary results, interim results and annual financial statements, monitor compliance with statutory and listing requirements, review the scope, extent and effectiveness of the activities of the Internal Audit Department of the Group's holding company, engage independent legal and other advisers as it determines is necessary and perform investigations.

# Corporate Governance Report

The terms of reference of the Audit Committee adopted by the Board are published on the Group's website.

The Audit Committee held four meetings in 2006.

<b>Name of Member</b>	<b>Attended/Eligible to attend</b>
Kwan Kai Cheong ( <i>Chairman</i> )	4/4
Ronald Joseph Arculli	4/4
Lam Lee G.	4/4

## Financial Statements

The Audit Committee meets with the Finance Director and other senior management of the Group from time to time to review the interim and final results and the Interim Report and Annual Report of the Group. It considers the reports and presentations of the Management, and the Group's internal and external auditors, with a view to ensuring that the Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Hong Kong. It also considers reports from the Group's principal external auditor, PricewaterhouseCoopers ("PwC"), on the scope and outcome of their independent review of the interim results and their annual audit of the consolidated financial statements.

## External Auditors

The Audit Committee reviews and monitors the external auditors' independence, objectivity and effectiveness of the audit process. It receives each year a letter from PwC confirming their independence and objectivity and holds meetings with PwC to consider the scope of their audit, approve their fees, and the scope and appropriateness of non-audit services, if any, to be provided by them. The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors.

The Group's policy regarding the engagement of PwC for the various services listed below is as follows:

- Audit services - includes audit services provided in connection with the audit of the consolidated financial statements. All such services are to be provided by external auditors.
- Audit related services - includes services that would normally be provided by an external auditor but not generally included in audit fees, for example, audits of the Group's pension plans, due diligence and accounting advice related to mergers and acquisitions, internal control reviews of systems and/or processes, and issuance of special audit reports for tax or other purposes. The external auditors are to be invited to undertake these services that they must or are best placed to undertake in their capacity as auditors.
- Taxation related services - includes all tax compliance and tax planning services, except for those services which are provided in connection with the audit. The Group uses the services of the external auditors where they are best suited. All other significant taxation related work is undertaken by other parties as appropriate.
- Other services - includes, for example, audits or reviews of third parties to assess compliance with contracts, risk management diagnostics and assessments, and non-financial systems consultations. The external auditors are also permitted to assist Management and the internal auditors of the Group's holding company with internal investigations and fact-finding into alleged improprieties. These services are subject to specific approval by the Audit Committee.
- General consulting services - the external auditors are not eligible to provide services involving consulting work.

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# Corporate Governance Report

An analysis of the fees of PwC and other external auditors is shown in note 7 to the accounts. In the year ended 31 December 2006, the fees paid to PwC were primarily for audit services.

## Review of Risk Management and Internal Control

The Audit Committee assists the Board in meeting its responsibilities for maintaining an effective system of internal control. It reviews the process by which the Group evaluates its control environment and risk assessment process, and the way in which business and control risks are managed. It reviews with the internal auditors of the Group's holding company the work plan for their audits on the Group together with their resource requirements and considers the internal auditors' reports to the Audit Committee on the effectiveness of internal controls in the Group business operations. In addition, it also receives a report from the Company Secretary on the Group's compliance status on regulatory requirements.

These reviews and reports are taken into consideration by the Audit Committee when it makes its recommendation to the Board for approval of the consolidated financial statements for the year.

## REMUNERATION COMMITTEE

The Remuneration Committee comprises three members with expertise in human resources and personnel emoluments. The Committee is chaired by the Chairman, Mr. Fok Kin-ning, Canning with Mr. Kwan Kai Cheong and Dr. Lam Lee G., both Independent Non-executive Directors as members. The Committee meets towards the end of each year for the determination of the remuneration packages of Executive Directors and senior management of the Group. In addition, the Committee also meets as and when required to consider remuneration related matters.

The responsibilities of the Remuneration Committee are to assist the Board in achieving its objective of attracting, retaining and motivating people of the highest calibre and experience needed to shape and execute strategy across the Group's substantial, diverse and international business operations. It assists the Group in the administration of a fair and transparent procedure for setting remuneration policies including assessing the performance of Directors and senior management of the Group and determining their remuneration packages. Terms of reference of the Remuneration Committee which have been adopted by the Board are available on the Group's website.

The remuneration of Directors and senior executives is determined with reference to the performance and profitability of the Group as well as remuneration benchmarks from other local and international companies and the prevailing market conditions. Directors and employees also participate in bonus arrangements determined in accordance with the performance of the Group and the individual's performance.

In 2006, all members of the Remuneration Committee met in December 2006 to review background information on market data (including economic indicators, recommendation from Employers' Federation of Hong Kong and 2007 Remuneration Review Guidelines of the Group), the Group's business activities and human resources issues, and headcount and staff cost. At the meeting, the Remuneration Committee reviewed and approved the proposed 2006 directors' fees of Executive Directors and made recommendation to the Board on the directors' fees of Non-executive Directors. In February 2007, it also reviewed and approved the 2006 year end bonus and 2007 remuneration package of Executive Directors.

# Corporate Governance Report

The Remuneration Committee held one meeting in 2006.

Name of Member	Attended/Eligible to attend
Fok Kin-ning, Canning ( <i>Chairman</i> )	1/1
Kwan Kai Cheong	1/1
Lam Lee G.	1/1

Directors' emoluments comprise payments to Directors from the Company and its subsidiaries in connection with the management of the affairs of the Company and its subsidiaries. The amounts paid to each Director of the Company for 2006 are as below:

Name	Basic Salaries, Allowances and Benefits-		Discretionary Bonuses	Provident		Total Emoluments
	Fees	in-kind		Fund Contributions	Share Option Benefits <sup>(9)</sup>	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Fok Kin-ning, Canning <sup>(1)</sup>	90 <sup>(7)</sup>	—	—	—	—	90
Lai Kai Ming, Dominic	70 <sup>(7)</sup>	—	—	—	—	70
Ko Yuet Ming <sup>(2)</sup>	70	510	—	26	201	807
Luk Tei, Lewis	70	1,540	300	66	503	2,479
Chan Wen Mee, May (Michelle)	70 <sup>(7)</sup>	2,130	1,000	142	604	3,946
Chow Woo Mo Fong, Susan	70 <sup>(7)</sup>	—	—	—	—	70
Chow Wai Kam, Raymond	70 <sup>(8)</sup>	—	—	—	—	70
Edith Shih	70 <sup>(7)</sup>	—	—	—	—	70
Endo Shigeru	70 <sup>(7)</sup>	—	—	—	251	321
Kwok Siu Kai, Dennis <sup>(2)</sup>	18	406	500	19	201	1,144
Tam Yue Man <sup>(3)</sup>	70	1,614	852	76	—	2,612
Ronald Joseph Arculli <sup>(4),(5)</sup>	140	—	—	—	—	140
Kwan Kai Cheong <sup>(1),(5),(6)</sup>	160	—	—	—	—	160
Lam Lee G. <sup>(1),(5),(6)</sup>	160	—	—	—	—	160
Lan Hong Tsung, David <sup>(6)</sup>	70	—	—	—	—	70
Total:	1,268	6,200	2,652	329	1,760	12,209

Notes:

- (1) Members of the Remuneration Committee
- (2) Appointed as Executive Director on 1 October 2006
- (3) Re-designated as Non-executive Director on 1 October 2006
- (4) Non-executive Director
- (5) Members of the Audit Committee
- (6) Independent Non-executive Directors
- (7) Paid to Hutchison Whampoa Limited
- (8) Paid to Hutchison Whampoa Properties Limited
- (9) Share option benefits represent the fair value of share options granted under the Company's Share Option Scheme, which is calculated in accordance with the methodology disclosed in note 2(u) to the accounts. This methodology does not take into account of the actual share price at the date of exercise and whether the share options have been exercised. The significant inputs to the valuation model and details of the share options granted are disclosed in note 37 to the accounts.

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# Corporate Governance Report

## INTERNAL CONTROL AND GROUP RISK MANAGEMENT

### Introduction

The Board has overall responsibility for the Group's system of internal control and assessment and management of risk.

In meeting its responsibility, the Board seeks to increase risk awareness across the Group's business operations and has put in place policies and procedures, including the parameters of delegated authority, which provide a framework for the identification and management of risks. The Board also reviews and monitors the effectiveness of the system of internal control to ensure that the policies and procedures in place are adequate. Reporting and review activities include the review of Executive Directors and the Board and approval of detailed operational and financial reports, budgets and plans provided by the Management of the business operations, the review by the Board of actual results against the budgets, the reviews by the Audit Committee of the Board, the ongoing work of the Internal Audit and Risk Management Departments of the Group's holding company, as well as the regular business reviews by Executive Directors and the executive management team of each core business division.

Whilst these procedures are designed to identify and manage risks that could adversely impact the achievement of the Group's business objectives, they do not provide absolute assurance against material mis-statement or loss.

### Internal Control Environment

The Board is overall responsible for monitoring the operations of the businesses within the Group. Executive Directors are appointed to the boards of all material operating subsidiary and associated companies for monitoring those companies, including attendance at board meetings, review and approval of business strategies, budgets and plans, and the setting of key business performance targets. The executive management team of each core business division is accountable for the conduct and performance of each business in the division within the agreed strategies and similarly the management of each business is accountable for its conduct and performance.

The Group's internal control procedures include a comprehensive system for reporting information to the executive management teams of each core business and the Executive Directors.

Business plans and budgets are prepared annually by the management of individual businesses and subject to review and approval by both the executive management teams and the Executive Directors as part of the Group's five-year corporate planning cycle. Reforecasts for the current year are prepared on a quarterly basis, reviewed for differences to the budget and for approval. When setting budgets and forecasts, Management identifies, evaluates and reports on the likelihood and potential financial impact of significant business risks.

The Executive Directors review monthly management reports on the financial results and key operating statistics of each business and hold monthly meetings with the executive management team and senior management of business operations to review these reports, business performance against budgets, forecasts, significant business risk sensitivities and strategies. In addition, each month the finance managers of business operations attend meetings with the Finance Director and members of the Group Finance team to review monthly performance and to address accounting and finance related matters.

The Group maintains a centralised cash management system for its subsidiary operations and the Group's Finance Department oversees the Group's investment and lending activities. Treasury reports are distributed weekly to report on the Group's cash and liquid investments, borrowings and movements thereof.



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## Corporate Governance Report

The Finance Director has established guidelines and procedures for the approval and control of expenditures. Operating expenditures are subject to overall budget control and are controlled within each business with approval levels for such expenditures being set by reference to the level of responsibility of each executive and officer. Capital expenditures are subject to overall control within the annual budget review and approval process and, more specific control and approval prior to commitment by the Finance Director or other Executive Directors are required for unbudgeted expenditures and material expenditures within the approved budget. Quarterly reports of actual versus budgeted and approved expenditures are also reviewed.

The General Manager of the Internal Audit Department of the Group's holding company, reporting directly to the Audit Committee, provides independent assurance as to the existence and effectiveness of the risk management activities and controls in the Group's business operations worldwide. Using risk assessment methodology and taking into account the dynamics of the Group's activities, internal audit derives its yearly audit plan, which is reviewed by the Audit Committee, and reassessed during the year as needed to ensure that adequate resources are deployed and the plan's objectives are met. Internal Audit Department of the Group's holding company is responsible for assessing the Group's internal control system, formulating an impartial opinion on the system, and to report its findings to the Audit Committee, the Finance Director and the senior management concerned and also to follow up on all reports to ensure that all issues have been satisfactorily resolved. In addition, a regular dialogue is maintained with the Group's external auditors so that both are aware of the significant factors which may affect their respective scope of work.

Depending on the nature of business and risk exposure of individual business units, the scope of work performed by the internal audit function includes financial and operations reviews, recurring and surprise audits, fraud investigations and productivity efficiency reviews.

Reports from the external auditors on internal controls and relevant financial reporting matters, are presented to the General Manager of the Internal Audit Department of the Group's holding company, and, as appropriate to the Finance Director. These reports are reviewed and appropriate actions are taken.

### GROUP RISK MANAGEMENT

The Managing Director and the Group Risk Management Department of the Group's holding company have the responsibility of developing and implementing risk mitigation strategies including the use of insurance to transfer the financial impact of risk. The Group Risk Management Department of the Group's holding company, working with the business operations worldwide, is responsible for arranging appropriate insurance coverage and organising Group wide risk reporting.

### REVIEW OF INTERNAL CONTROL SYSTEMS

The Board, through the Audit Committee, has conducted a review of the effectiveness of the Group's internal control systems for the year ended 31 December 2006 covering all material financial, operational and compliance controls and risk management functions.

# Corporate Governance Report

## INVESTOR RELATIONS AND SHAREHOLDERS' RIGHTS

The Group actively promotes investor relations and communication by setting up regular briefing meetings with the investment community when the interim and year end financial results are announced. The Group, through the Deputy Chairmen, responds to request for information and queries from the investment community.

The Board is committed to providing clear and full information on the Group to shareholders through the publication of notices, announcements, circulars, interim and annual reports. Moreover, additional information is also available to shareholders on the Group's website ([www.hutchisonharbouring.com](http://www.hutchisonharbouring.com)).

Shareholders are encouraged to attend all general meetings of the Company for which at least 21 days' notice is given and at the Chairman and Directors are available to answer questions on the Group's businesses. All shareholders have statutory rights to call for special general meetings and put forward agenda items for consideration by shareholders by sending to the Company Secretary at the principal place of business a written request for such general meetings together with the proposed agenda items. All substantive resolutions at general meetings are decided on a poll. The poll is conducted by the Group's Registrars and the results of the poll are published on the Group's website. Financial and other information is made available on the Group's website, which is regularly updated.

The last shareholders' meeting of the Company was the 2006 Annual General Meeting which was held on 10 May 2006 at Harbour Plaza Hong Kong, 20 Tak Fung Street, Hung Hom, Kowloon, Hong Kong. Code provision E.1.2 requires, among others, the chairman of the board to attend the annual general meeting. Due to other business commitments overseas which the Chairman must attend to, he was not able to attend the 2006 Annual General Meeting of the Company. The resolutions proposed at that meeting and the percentage of votes cast in favour of such resolutions are set out below:-

- Consideration and approval of the Statement of audited accounts and reports of directors and auditors for the year ended 31 December 2005 (100%);
- Declaration of a final dividend (100%);
- Re-election of Messrs. Lai Kai Ming, Dominic, Chow Wai Kam, Raymond, Tam Yue Man and Lan Hong Tsung, David as directors of Company (100% in respect of each individual resolution);
- Authorisation of the Board of Directors to fix the Directors' remuneration (100%);
- Re-appointment of Auditors and authorisation of the Directors to fix the Auditors' remuneration (100%);
- Granting of a general mandate to Directors to allot and issue securities of the Company (99.62%), repurchase shares of the Company (100%), and approve the addition of the repurchased shares to the aggregate nominal share capital that can be allotted (99.93%); and

All resolutions put to shareholders were passed at the meeting. The results of the voting by poll were published on the Group's website, the website of The Stock Exchange of Hong Kong Limited and also by notice in local newspapers.

The Group values feedback from shareholders on its efforts to promote transparency and foster investor relationships. Comments and suggestions are welcome and can be addressed to the Deputy Chairmen by mail to the Group or by e-mail to the Group's website.

# Corporate Governance Report

## OTHER CORPORATE INFORMATION

### The Bye-Laws of the Company

There are no changes to the Bye-Laws of the Company during the year ended 31 December 2006.

### Key Corporate Events Dates

The following are dates for certain key corporate events:

Events	Dates
Announcement of audited results for the year ended 31 December 2006	7 March 2007
Closure of Register of Members	25 April 2007 - 3 May 2007
2007 Annual General Meeting	3 May 2007
Payment of 2006 final dividend	4 May 2007
Announcement of interim results for the six months ending 30 June 2007	August 2007

### Public Float Capitalisation

The public float capitalisation of the Company as at 31 December 2006 and the date of this report were approximately HK\$1,256,287,951 and HK\$1,323,589,092 respectively.

By Order of the Board

### Edith Shih

*Director and Company Secretary*

Hong Kong, 7 March 2007