

# DIRECTORS AND SENIOR EXECUTIVES PROFILE AND EMPLOYEE AND REMUNERATION POLICY

## DIRECTORS

**WU Jiesi**, aged 49, was appointed director of the Company in March 2000 and had acted as Chairman of the Company since March 2000 till March 2001 when he was appointed Honorary President of the Company. He holds a Doctorate degree in Economics and was President of the Industrial and Commercial Bank of China, Shenzhen from 1992 to 1995, Deputy Mayor of Shenzhen Municipal Government (responsible for finance, taxation, public revenue, securities, banking and education) from 1995 to 1998 and Assistant to the Governor of Guangdong Province from 1998 to February 2000 when he became the Chairman of Guangdong Enterprises (Holdings) Limited ("GDE"). He is also Chairman of GDH Limited.

**LI Wenyue**, aged 50, was appointed director and Managing Director of the Company in March 2000 and was subsequently appointed Chairman of the Company in March 2001. He is also director and General Manager of both 廣東粵港投資控股有限公司 (Guangdong Yue Gang Investment Holdings Company Limited) ("Yue Gang Investment") and GDH Limited. Before joining the Company, Mr. LI was with Guangdong Power Group in a number of positions including director and Deputy General Manager from 1977 to 1994, when he became Deputy Secretary-General of the Guangdong Provincial Government with responsibilities in relation to transport, industry, energy, communications, labour and, most recently, the restructuring of GDE. He has a Master's degree in business administration.

**ZHANG Yaping**, aged 48, was appointed a director and Managing Director of the Company in March 2001. He was appointed a director of GDH Limited and Deputy General Manager of the Company in September 2000 and June 2000 respectively. Mr. ZHANG graduated from the Professional Finance Program in Jilin College of Finance and Trading and the Senior Management Program in the Economic Management College of Tianjin Nankai University. He has more than 20 years working experience in the banking and securities industries. Between 1990 and 1997, he had worked in the Bank of China Group. Prior to joining the Company, he was Deputy Commissioner in the Shenzhen Regulatory Commissioner's Office of the China Securities Regulatory Commission. He is now a Senior Economist in the PRC.

# DIRECTORS AND SENIOR EXECUTIVES PROFILE AND EMPLOYEE AND REMUNERATION POLICY (CONT'D)

## DIRECTORS (CONT'D)

**CHAN Cho Chak, John**, GBS, JP, aged 58, was appointed an independent non-executive director of the Company in June 1998. Mr. CHAN has been Managing Director of The Kowloon Motor Bus Company (1933) Limited ("KMB") since 1 November 1993. KMB is one of the largest privately owned and operated bus companies in the world.

Mr. CHAN is also an independent non-executive director of Hang Seng Bank Limited, a non-executive director of Amway Asia Pacific Limited, a Steward of The Hong Kong Jockey Club, a member of the Council of the University of Hong Kong, a director of Hong Kong Exchange and Clearing Limited and Second Vice President and Campaign Committee Chairman of The Community Chest.

Mr. CHAN was educated in Hong Kong and graduated from the University of Hong Kong in 1964 with an Honours Degree in English Literature. He later obtained a Diploma in Management Studies from the same University following the completion of evening studies. He was awarded the degree of Doctor of Business Administration (honoris causa) by the International Management Centres in October 1997.

Prior to joining KMB, Mr. CHAN served in the Hong Kong Government for two periods: from 1964 to 1978 and from 1980 to 1993. Initially appointed as an Executive Officer Class II, he rose through the ranks of the civil service to become one of the few Cabinet-level Policy Secretaries of the Government. Among the key posts he held over the years were those of Private Secretary to the Governor, Deputy Secretary (General Duties), Director of Information Services, Deputy Chief Secretary, Secretary for Trade and Industry and Secretary for Education and Manpower. He also served as a Member of the Executive Council from October 1992 to May 1993.

In the middle of his civil service career, Mr. CHAN left the Government temporarily and joined Sun Hung Kai Finance Company Limited as Executive Director and General Manager from 1978 and 1980.

Mr. CHAN was appointed as a Justice of the Peace (JP) in 1994 and was awarded the Gold Bauhinia Star (GBS) in 1999.

# DIRECTORS AND SENIOR EXECUTIVES PROFILE AND EMPLOYEE AND REMUNERATION POLICY (CONT'D)

## DIRECTORS (CONT'D)

**Dr. The Honourable LI Kwok Po, David, JP**, aged 62, was appointed an independent non-executive director of the Company in June 1998. Dr. LI is Chairman and Chief Executive of The Bank of East Asia, Limited which was established in Hong Kong in 1918. He is also Chairman of the Chinese Banks' Association, Limited, a Member of the Exchange Fund Advisory Committee, Banking Advisory Committee and the Committee of Hong Kong Association of Banks and a director of Mandatory Provident Fund Schemes Authority.

Dr. LI is a member of the Legislative Council of Hong Kong. He was a member of the Preparatory Committee for the Hong Kong Special Administrative Region, a Hong Kong Affairs Adviser to The People's Republic of China, and Vice-Chairman of the Basic Law Drafting Committee.

Dr. LI is Chairman of the Council and Executive Committee of the Hong Kong Management Association, Chairman of the Executive Committee of St. James' Settlement, Patron of The Oxford and Cambridge Society of Hong Kong, Vice Patron of The Community Chest, a Fellow of the McKinsey Global Institute, and a member of the board of directors of the Pacific Bankers Management Institute.

Dr. LI serves on the international advisory boards of DaimlerChrysler AG and Lafarge, the Federal Reserve Bank of New York International Capital Markets Advisory Committee.

He is also a director of Altas Air, Inc., Dow Jones & Company, Sime Darby Berhad, Campbell Soup Company, Jones Lang LaSalle Incorporated, COSCO Pacific Limited, The Hong Kong and China Gas Company Limited, The Hong Kong Mortgage Corporation Limited, Pacific Century CyberWorks Limited, The Hongkong and Shanghai Hotels, Limited, Munichre Service Limited (Chairman), San Miguel Brewery Hong Kong Limited and South China Morning Post (Holdings) Limited.

Dr. LI attended the University of Cambridge, and has the degree of Master of Arts in Economics and Law and an Honorary Degree of Doctor of Law conferred by the University in June 1993. The University of Warwick conferred the Honorary Degree of Doctor of Laws on Dr. LI in July 1994. In March 1996, the University of Hong Kong conferred on Dr. LI the Honorary Degree of Doctor of Laws, and in November 1996, Lingnan College conferred on Dr. LI the Honorary Degree of Doctor of Social Sciences.

He is a Fellow of each of The Chartered Institute of Bankers, the Institute of Chartered Accountants in England and Wales, the Australian Society of Certified Practising Accountants, and the British Computer Society.

# DIRECTORS AND SENIOR EXECUTIVES PROFILE AND EMPLOYEE AND REMUNERATION POLICY (CONT'D)

## DIRECTORS (CONT'D)

**CHENG Mo Chi, Moses, JP**, aged 51, was appointed an independent non-executive director of the Company in November 1999.

Mr. CHENG is also an independent non-executive director of Guangdong Brewery Holdings Limited (“GD Brewery”), subsidiary of the Company, since 1997. GD Brewery is listed on the Hong Kong Stock Exchange. Mr. CHENG is a senior partner of Messrs. P.C. Woo & Co., a firm of solicitors and notaries in Hong Kong. Mr. CHENG was a member of the Legislative Council of Hong Kong between 1991 and 1995. He is currently the Chairman of the Hong Kong Institute of Directors, the Board of Education and the Committee on the Promotion of Civic Education. He also serves on the boards of many other listed companies as independent non-executive director.

**FUNG Daniel R.**, QC, SC, aged 47, was appointed an independent non-executive director of the Company in January 2000.

Mr. FUNG is Senior Counsel of the Hong Kong Bar specializing in commercial, corporate and public and human rights law and in commercial litigation. Called to the English Bar in Middle Temple in 1975 and to the Hong Kong Bar in 1977, Mr. FUNG has been in continuous practice for over two decades, achieving in 1990 his appointment as Queen’s Counsel, being the youngest member of the Hong Kong Bar ever to be so appointed.

In 1994, Mr. FUNG became the first person of Chinese extraction to serve as Solicitor General of Hong Kong, a position he occupied for three years followed by his further appointment in 1997 as the first Solicitor General of the Hong Kong Special Administrative Region of the People’s Republic of China.

In 1998, Mr. FUNG left public office to take up successive appointments as Visiting Scholar at Harvard Law School and Senior Visiting Fellow at Yale Law School, prior to becoming in mid-1999 the founding President of the China Law Council. Mr. FUNG served on respectively the Basic Law Consultative Committee and the Central Policy Unit and currently serves as, amongst other positions, non-executive director of the Hong Kong Securities and Futures Commission, board member of the Hong Kong Airport Authority and director of the Aviation Security Company Limited.

# DIRECTORS AND SENIOR EXECUTIVES PROFILE AND EMPLOYEE AND REMUNERATION POLICY (CONT'D)

## DIRECTORS (CONT'D)

**ZHONG Guangchao**, aged 60, was appointed a director of the Company in June 1997. He had been Chairman of the Company from November 1997 to March 2000. He was appointed director and General Manager of GDE in April 1997 and was further appointed as Chairman in November 1997 until February 2000 when he resigned as a director and from all other positions of GDE. Prior to joining GDE, he had acted as Secretary of Foshan Municipal Party Committee, Mayor of Foshan City in Guangdong Province, the PRC, and a member of the Seventh Guangdong Provincial Party Committee. He has also been a deputy to the Eighth and the Ninth National People's Congress. Having graduated from Xi'an Jiaotong University in 1963, Mr. ZHONG is now a senior engineer in the PRC, and a visiting professor of Xi'an Jiaotong University and two other universities in the PRC.

**YE Xuquan**, aged 45, was appointed a director of the Company in May 2000. Mr. YE graduated from the Department of Chinese Language and Literature and the Institute of Economy Research, South China Normal University and obtained a Master's degree of Economics from South China Normal University. Mr. YE has 22 years' experience in the management of water supply infrastructures. He joined the Dongshen Water Bureau in 1978. In 1984, he was a section chief of the Dongshen Water Bureau. In 1987, Mr. YE was promoted as vice director of the Dongshen Water Bureau. He has acted as director of the Dongshen Water Bureau since 1997. He is director and Deputy General Manager of both Yue Gang Investment and GDH Limited and director and Chairman of 廣東粵港供水有限公司 (Guangdong Yue Gang Water Supply Company Limited) ("WaterCo").

**LI Wai Keung**, aged 44, was appointed a non-executive director of the Company in May 2000. Mr. LI graduated from Hong Kong Polytechnic. Mr. LI holds a Master's degree in Business Administration from the University of East Asia. He is a Fellow member of The Association of Chartered Certified Accountants and Hong Kong Society of Accountants. Mr. LI has held a number of positions with companies including Sino Land Company Limited and Henderson Land Development Company Limited. Mr. LI joined GDE in March 2000 and is currently the Financial Controller of GDE. Since August 2000, Mr. LI has been appointed as director and Financial Controller of GDH Limited.



# DIRECTORS AND SENIOR EXECUTIVES PROFILE AND EMPLOYEE AND REMUNERATION POLICY (CONT'D)

## DIRECTORS (CONT'D)

**WANG Man Kwan, Paul**, aged 44, was appointed a director of the Company in May 2000. Mr. WANG graduated from Hong Kong Polytechnic. Mr. WANG is a Certified Public Accountant in Hong Kong, a Fellow member of The Association of Chartered Certified Accountants and Hong Kong Society of Accountants. He is also an Associate member of Certified General Accountants of Canada, The Institute of Chartered Secretaries and Administrators, The Hong Kong Institute of Company Secretaries and The Taxation Institute of Hong Kong. Mr. WANG's previous experience includes working for three years in the Hong Kong Inland Revenue Department, five years in Jardine Matheson (Company Secretary's Department and JMS Finance), three years in a "Big Five" accounting firm (in Hong Kong and Toronto) and as a director and Chief Operating Officer of a South East Asian Group in charge of operations in China, the Philippines, Indonesia, Singapore, Dubai and Germany. Prior to joining the Company, Mr. WANG had his own practice in Hong Kong specialising in corporate restructuring and corporate financial services. He is the Chief Financial Officer of the Company and is responsible for all financial and treasury matters of the Company and its subsidiaries. He is also a director of WaterCo.

**SU Qun**, aged 60, was appointed a non-executive director of the Company in May 2000. Mr. SU graduated from the Metallurgy Department of Qinghua University, specialised in corporate management and trading. Mr. SU had worked in the Metal Institute of the Chinese Academy of Sciences and New China Shipyard. Mr. SU joined GDE in April 1988 and acted as the Deputy General Manager of Guangdong Industry Material Limited ("GDIM"). In 1992, he was appointed General Manager and in 1998 he was appointed Chairman of GDIM until June 2000 when he resigned from holding all positions of GDIM. Mr. SU had involved in the establishment of Zhong Yue Tin Plate Industrial Company Limited, Guangdong Petrochemical (Oil Depot) project, Guangzhou Iron and Steel Corporation Limited and Shaoguan Iron and Steel Corporation Limited. In March 2000, he was appointed the leader of the industrial management group of GDE and from April 2000, he was appointed as Chief Strategic Development Officer and General Manager of the Strategic Development Department of GDE. He is also a director and the Chief Strategic Development Officer and General Manager of the Strategic Development Department of GDH Limited.

**GU Shunan**, aged 56, was appointed a non-executive director of the Company in May 2000. Mr. GU graduated from the Education Department of South China Normal University. Mr. GU has 27 years' experience in personnel management. He was the deputy section chief of the Ministry of Organisation of the Guangdong Provincial Party Committee, responsible for the appraisal, job relocation and personnel management of local government officials. Mr. GU was the Deputy General Manager of the Personnel Department of GDE in November 1997. He has been the General Manager of the Personnel and Appraisal Department of GDE since April 2000, responsible for GDE group's human resources management, staff appraisal and management of employees. Mr. GU is also the General Manager of the Personnel Department of GDH Limited.

# DIRECTORS AND SENIOR EXECUTIVES PROFILE AND EMPLOYEE AND REMUNERATION POLICY (CONT'D)

## DIRECTORS (CONT'D)

**XIAO Zhaoyi**, aged 37, was appointed a non-executive director of the Company in May 2000. Mr. XIAO graduated from the Southwest University of Political Science and Law with a Bachelor of Laws degree. He obtained his Master's degree in Business Administration from Murdoch University of Australia in 1999. Mr. XIAO had worked as Judicial Officer and Deputy Director of the Office of High People's Court of Guangdong. He acted as the Assistant General Manager of Guangnan (Holdings) Limited and the General Manager of the Office of Guangnan (Holdings) Limited, a director of Guangnan Hong (Group) Limited, Deputy General Manager of the Office of, and Secretary to the board of directors of, GDE. Since April 2000, he has worked as the General Manager in the Administration Department of GDE. He is also the Company Secretary and General Manager of the Administration Department of GDH Limited.

## SENIOR EXECUTIVES

During the year, Messrs. WU Jiesi, LI Wenyue, YE Xuquan, WANG Man Kwan, Paul, ZHANG Yaping, HOU Bojian, OU Zhushuo, ZHUANG Zhuning, TANG Zhen, WU, Michael and MAI Zhanliang and Mrs. HO LAM Lai Ping, Theresa were members of the Company's senior executives.

**HOU Bojian**, aged 41, was appointed a director of the Company from September 1992 to May 2000. Mr. HOU graduated from Jinan University in the PRC and obtained a Master's degree in Economics. He is a certified accountant and a member of the Guangdong Accounting Association and a council member of the Guangdong Provincial Accounting Society. He was Deputy General Manager of the Finance Department of GDE prior to his appointment as Deputy General Manager of the Company in 1993. He was the Financial Controller and Head of Internal Audit Department of the Company from 1993 to 2000 and from May 2000 to February 2001 respectively.

**OU Zhushuo**, aged 54, is currently Deputy General Manager of the Company and was director of the Company from September 1995 to May 2000. After graduating from Jinan University in the PRC in 1969, he worked for the Personnel and Education Office (the "Office") of the Department of Machine Building Industry of Guangdong Province and became Vice Director of the Office in 1983. From 1988 to 1992, he worked as Deputy General Manager of Guangdong Lingnan Import and Export Corporation. Thereafter, he acted as Director of the Office until he joined the Company in 1995.

**ZHUANG Zhuning**, aged 48, is Deputy General Manager of the Company. He is also the Chairman of Guangdong (H.K.) Tours Company Limited ("Guangdong Tours"). Mr. Zhuang was graduated from high school in the PRC in 1970 and obtained the Higher Certificate in Tourist Management in Hong Kong on 1986. Mr. Zhuang worked with the Overseas Chinese Affairs Office of Guangzhou Municipal People's Government in 1971 before he joined Guangdong Tours. He joined Guangdong Tours in 1984 and was promoted to officer, manager, deputy general manager, general manager and director.

# DIRECTORS AND SENIOR EXECUTIVES PROFILE AND EMPLOYEE AND REMUNERATION POLICY (CONT'D)

## SENIOR EXECUTIVES (CONT'D)

**TANG Zhen**, aged 48, is currently Deputy General Manager of the Company and was director of the Company from September 1992 to May 2000. Mr. TANG graduated from Jinan University in the PRC and subsequently obtained his Master's degree in Business Administration from the University of North Texas in the United States in 1991. In 1998, he graduated from the Advanced Management Program at the Harvard University Graduate School of Business Administration. He joined GDE in 1981 and was Deputy General Manager of Guangdong Yuehai Import & Export Corporation from 1985 to 1988. Mr. TANG joined the Company in 1992.

**WU, Michael**, aged 49, was Deputy General Manager of the Company from July 1996 to February 2001. He was appointed Chairman of GD Brewery from March 2000 to March 2001. He graduated from Zhongshan University and obtained a Bachelor's degree in Arts. In 1982, he joined Guangdong Yuehai Import and Export Corporation. In 1987, he obtained his Master's degree in Business Administration from the University of Texas in the United States. From 1989 to 1991, he worked in the Bank of Nova Scotia, Canada as Branch Assistant Manager. In 1992, he joined the Company.

**MAI Zhanliang**, aged 52, is Deputy General Manager of the Company. Mr. MAI joined the Group in September 1991. He had acted as director and General Manager of 廣州市番禺粵海房地產有限公司 (Guangzhou Panyu Yue Hai Real Estate Limited) ("GPY") since October 1991 and ceased to act as the General Manager in May 2000 when he was appointed Chairman of GPY. He worked with Guangzhou Nanyang Electric Appliance Factory from January 1969 to March 1984. During this period, he graduated from Guangzhou Mechanical Engineering Workers' University. Mr. MAI was transferred to Guangdong Province Economic Affairs Department in April 1984 and later promoted to Deputy Section Head. On March 1988, he worked with Guangdong Province Economic Commission, Education Division, as Deputy Section Head and later as Secretary until he joined the Group. He attended the course of Land Development and Real Estate Management organised by the Research Department of Nanjing University in July 1993 and completed the course in July 1995.

**HO LAM Lai Ping, Theresa**, aged 45, has been Company Secretary of the Company since December 1992. She was appointed a director of the Company from July 1996 to May 2000. She graduated from Hong Kong Polytechnic and is an associate of both The Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Company Secretaries ("HKICS"). She is also a member of the HKICS Company Secretaries Panel.



# DIRECTORS AND SENIOR EXECUTIVES PROFILE AND EMPLOYEE AND REMUNERATION POLICY (CONT'D)

## EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2000, the Group had a total of 7,875 employees. Among the employees, 6,837 were employed by subsidiaries in Mainland China, 1,038 were employed by the head office and subsidiaries in Hong Kong, of which 385 were managerial employees of the head office and its subsidiaries. The Group recruits and promotes individuals based on merit and their development potentials for the positions offered. Performance of staff is reviewed at least annually and employees compensation is performance driven. The Group's remuneration and benefit policies are based on pay for performance on the business result of the relevant company. Year-end bonuses will be granted to those outstanding performance employees. People is our key assets and key to our success. The Group encourages employees to participate in external training programmes to develop themselves on a continuous basis. For existing employees' career development, the Group provides opportunities through on-job training by regular job rotation, so as to improve staff quality to meet future challenges and gain our competitive edge.

The Group advocates the corporate culture which seeks to excel in terms of financial performance and economic benefit and to effectively deploy its human resources strictly on merits; continuously streamlining the organizational structure leading to further cost deduction; managing and equipping staff through the performance appraisal system and incentive/penalty system on key positions in order to enhance staff motivation for achieving various goals.