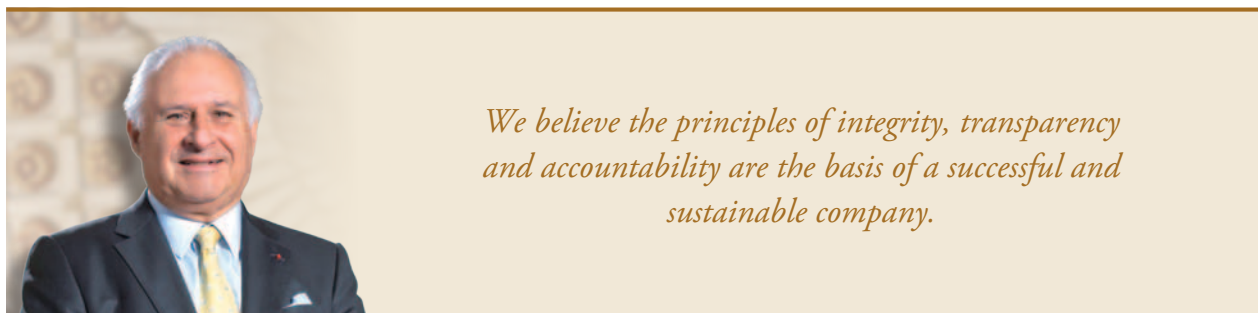


Chairman's Overview



DEAR SHAREHOLDERS,

As Chairman of the Board, I am committed to ensuring that HSH operates to the highest standards of corporate governance. We believe the principles of integrity, transparency and accountability are the basis of a successful and sustainable company. We recognise good corporate governance promotes and safeguards the interests of our shareholders and other stakeholders, and our goal is to operate within a well-established framework of policies, processes and management systems.

We continuously aspire to improve our governance practices: in 2014 we continued to review and refresh our risk management and internal control systems, financial management and reporting. In particular, during the year, a thorough Group-wide review of our risk management structure and processes was conducted. The outcome is a more regular and structured review of Group risks at management and Board level. We increased the accountability and transparency of risk ownership and management, and strengthened our monitoring of the Group's principal and emerging risks. Our objective was to ensure that the Group's risk management framework is robust and capable of responding to the ever-changing business environment in which we operate.

Details of these initiatives and activities, as well as an outline of our approach to governance, are set out in the following pages.

My role as Chairman is to ensure that HSH has a dynamic Board which works effectively and constructively in challenging the Executive Directors and management.

It is critical to have leadership with a diverse range and balance of skills, expertise, experience and perspectives on the Board. In March 2014, Mr Alan Clark joined our Board as an Executive Director and the Chief Financial Officer. Mr Ian Boyce stepped down as a Non-Executive Director and the Deputy Chairman of the Company. In Mr Boyce's place, Mr Andrew Brandler was elected as

Non-Executive Director by the Shareholders at the Annual General Meeting and also appointed by the Board as the Deputy Chairman. On behalf of our Board, I would like to thank Mr Boyce for his 14 years of service to the Company.

It is critical to have leadership with a diverse range and balance of skills, expertise, experience and perspectives on the Board.

As with our usual practice, we are reporting against the Stock Exchange's Corporate Governance Code and Corporate Governance Report in Appendix 14 of the Listing Rules. This Report sets out our approach to corporate governance, how we have applied the main principles and whether we have complied with the relevant provisions. It also shows the structure of our Board and Board Committees, the roles that they play, how they operate, and our risk management structure and processes.

It is pleasing to see the progress we have made this year in the governance area. We seek to continually improve and enhance our efforts in this area.



The Hon. Sir Michael Kadoorie

20 March 2015