

Corporate Governance

企業管治

本集團致力達至優良之企業管治，並已遵循香港金融管理局於二零零一年九月頒佈之監管政策手冊《本地註冊認可機構的企業管治》(CG-1)指引。

董事會及管理層

董事會負責為集團整體業務確定目標、制定長遠策略及進行管理。董事會現時由十位具備不同經驗及專業之人士組成。當中二位為執行董事，其餘八位為非執行董事。在八位非執行董事中，三位為獨立非執行董事，發揮不可或缺的獨立監督作用。董事會定期召開會議並於年內召開了四次會議，平均出席率達97.5%。以行政總裁為首的管理層負責按已審定的策略及政策，制定及執行具體落實方案，並定期向董事會提交集團表現之詳細報告，以便董事會能夠有效地履行其職責。為了能專注在對集團財務及長遠發展有重大影響之策略性及重要事宜上，董事會成立了三個委員會負責監督集團各主要範疇。各委員會之詳情如下：

行政委員會

行政委員會在董事會直接授權下，處理在董事會休會期間需要董事會審議之事宜。其職責包括：

- 審議為實現董事會已審定之集團整體發展策略及業務計劃之政策、實施計劃和管理辦法；
- 檢討策略及業務計劃之實施進度；
- 提出策略性之議案供董事會審定；及
- 按監管當局及控股公司制定之政策，審議集團之制度及執行細則。

年內，行政委員會成員包括許剛先生¹(主席)、何兆全先生、李繼文女士²及袁偉強先生³。彼等均為銀行之執行董事。

稽核委員會

稽核委員會監督集團之稽核工作及監察集團符合已審定之政策及程序，以確保集團之財務報告流程及內部控制系統之有效性。其職責包括：

- 審查及監督內部控制體系之有效性，控制財務風險以及財務報告及稽核之程序；
- 獨立評估財務彙報及其控制框架之效力及效率，經營政策及制度之充份性；及

The Group strives to achieve high standards of corporate governance and has followed the module on “Corporate Governance of Locally Incorporated Authorized Institutions” under the Supervisory Policy Manual (CG-1) issued by the Hong Kong Monetary Authority in September 2001.

BOARD OF DIRECTORS AND THE MANAGEMENT

The Board is responsible for setting objectives and formulating long-term strategies as well as managing the Group’s overall business. It currently comprises ten Directors with a variety of different experience and professionalism. Among them, two are Executive Directors, while the remaining eight are Non-executive Directors. Of the eight Non-executive Directors, three are Independent Non-executive Directors whose indispensable function is to provide independent scrutiny. The Board meets regularly and four board meetings were held in the year with an average attendance rate of 97.5%. The Management, led by the Chief Executive, is responsible for formulating and implementing detailed programmes to effect the approved strategies and policies, and to provide detailed reports on the Group’s performance to the Board on a regular basis to enable the Board to discharge its responsibilities effectively. In order to focus its attention on strategic and material issues that have significant impact on the Group’s finances and long-term development, the Board has set up three committees to oversee the major areas of the Group. The details of the committees are given below:

EXECUTIVE COMMITTEE

The Executive Committee has been delegated with power directly from the Board to handle matters which require the Board’s review during the adjournment of the Board. Its responsibilities include:-

- approving policies, implementing plans and management measures to effect the group-wide development strategies and business plans approved by the Board;
- reviewing the progress on implementation of the strategies and business plans;
- recommending strategic proposals to the Board for its consideration and approval; and
- approving the Group’s rules and regulations according to the policies imposed by the supervisory authorities and the holding company.

The members of Executive Committee during the year were Mr. Xu Gang¹ (Chairman), Mr. Ho Shiu Chuen, Ms. Li Jiwen² and Mr. Yuen Wai Keung³. All were Executive Directors of the Bank.

AUDIT COMMITTEE

The Audit Committee oversees the auditing activities of the Group and monitor compliance with approved policies and procedures, so that the effectiveness of financial reporting process and internal control systems of the Group can be assured. Its responsibilities include:-

- reviewing and monitoring the effectiveness of the internal control systems, the controls over financial risks and the procedures of financial reporting and auditing;
- assessing independently the effectiveness and efficiency of financial reporting system and its controlling mechanism, and the sufficiency of operating policies and system; and

Corporate Governance (continued)

企業管治(續)

稽核委員會(續)

- 監控集團實際操作，以確保集團合法合規經營。

年內，稽核委員會成員包括劉漢銓先生(主席)、藍鴻震先生、李永鴻先生⁴及羅文華先生⁵。彼等均為銀行之非執行董事。其中劉漢銓先生及藍鴻震先生均為獨立非執行董事。

風險管理委員會

風險管理委員會監督集團之風險管理，制定集團風險管理策略、政策及程序，以及監控其執行之情況。其職責包括：—

- 協助董事會掌握集團之風險承擔程度；
- 向董事會提交合適之風險管理策略建議；及
- 根據董事會之要求制定風險管理、授權和職責分工等有關風險管理之政策。

年內，風險管理委員會成員包括張祐成先生⁶(主席)、李永鴻先生⁴、許剛先生¹、何兆全先生、張信剛先生⁷、劉漢銓先生、李繼文女士²、毛小威先生⁸及羅文華先生⁵。彼等均為銀行之董事。其中張信剛先生⁷及劉漢銓先生均為獨立非執行董事。

註釋：

1. 於2007年1月26日起獲委任為行政委員會主席及風險管理委員會成員。
2. 於2007年2月1日起辭任銀行執行董事及離任行政委員會主席及風險管理委員會成員。
3. 於2007年4月28日起輪值告退為銀行執行董事及離任行政委員會成員。
4. 於2007年6月1日起獲委任為稽核委員會成員及風險管理委員會成員。
5. 於2007年4月28日起輪值告退為銀行非執行董事及離任稽核委員會及風險管理委員會成員。
6. 於2007年6月1日起獲委任為風險管理委員會主席。
7. 於2007年3月16日起獲委任為風險管理委員會成員。
8. 於2007年4月28日起輪值告退為銀行非執行董事及離任風險管理委員會主席。

AUDIT COMMITTEE (continued)

- monitoring the operation of the Group to ensure the Group is running in compliance with the relevant laws and regulations.

The members of Audit Committee during the year were Mr. Ambrose Lau Hon Chuen (Chairman), Mr. David Lan Hong Tsung, Mr. Lee Raymond Wing Hung⁴ and Mr. Law Man Wah⁵. All were Non-executive Directors of the Bank. Among them, Mr. Ambrose Lau Hon Chuen and Mr. David Lan Hong Tsung were Independent Non-executive Directors.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee oversees the risk management of the Group, to formulate the Group's risk management strategies, policies and procedures, and to monitor the implementation of those strategies, policies and procedures. Its responsibilities include:-

- assisting the Board to measure and monitor the risk exposures of the Group;
- recommending appropriate risk management strategies to the Board; and
- formulating risk management related policies such as the risk management policies and the authorities and duties delegation policy in accordance with the requirements set by the Board.

The members of the Risk Management Committee during the year were Mr. Cheung Yau Shing⁶ (Chairman), Mr. Lee Raymond Wing Hung⁴, Mr. Xu Gang¹, Mr. Ho Shiu Chuen, Mr. Chang Hsin Kang⁷, Mr. Ambrose Lau Hon Chuen, Ms. Li Jiwen², Mr. Mao Xiaowei⁸ and Mr. Law Man Wah⁵. All were Directors of the Bank. Among them, Mr. Chang Hsin Kang⁷ and Mr. Ambrose Lau Hon Chuen were Independent Non-executive Directors.

Notes:

1. Appointed as the Chairman of the Executive Committee and a member of the Risk Management Committee with effect from 26 January 2007.
2. Resigned as an Executive Director of the Bank and ceased to be the Chairman of the Executive Committee and a member of the Risk Management Committee with effect from 1 February 2007.
3. Retired by rotation as an Executive Director of the Bank and ceased to be a member of the Executive Committee with effect from 28 April 2007.
4. Appointed as a member of the Audit Committee and a member of the Risk Management Committee with effect from 1 June 2007.
5. Retired by rotation as a Non-executive Director of the Bank and ceased to be a member of the Audit Committee and the Risk Management Committee with effect from 28 April 2007.
6. Appointed as the Chairman of the Risk Management Committee with effect from 1 June 2007.
7. Appointed as a member of the Risk Management Committee with effect from 16 March 2007.
8. Retired by rotation as a Non-executive Director of the Bank and ceased to be the Chairman of the Risk Management Committee with effect from 28 April 2007.