

Submitted via Qualtrics

(Anonymous)

Company/Organisation view

Listed Company

Question 1

Do you agree with our proposal to introduce a new Code Provision (CP) under the Corporate Governance Code (CG Code) requiring issuers without an independent board chair to designate one independent non-executive director (INED) as a Lead INED to enhance engagement with investors and shareholders?

Yes

Please provide reasons for your views.

- o The Company agrees with the proposal to introduce a new CP requiring issuers without an independent board chair to designate one INED as a Lead INED, as it believes that such role may be useful.
- o It should be noted that, although the designation of the Lead INED is not intended to create a separate or higher level of responsibility or liability relative to other INEDs there is the risk that it may be perceived that way, which should be avoided.
- o It is important that this new requirement is introduced as a CP, on a comply or explain basis, and that the listed issuers can opt not to comply for their own specific reasons.

Question 2(a)

Regarding continuous professional development for directors, do you agree with our proposal to make continuous professional development mandatory for all existing directors, without specifying a minimum number of training hours?

Yes

Please provide reasons for your views.

- The Company agrees with the proposal to make continuous professional development mandatory for all existing directors, and that no minimum number of training hours should be imposed. Issuers should be allowed to decide on the format of the training and providers that best fit their

own circumstances, for example, arranging training on specific areas relative to the issuer's industry.

Question 2(b)

Regarding continuous professional development for directors, do you agree with our proposal to require First-time Directors to complete a minimum of 24 hours of training within 18 months following their appointment?

No

Please provide reasons for your views.

- The Company considers that an initial "deeper dive" for new board members is a reasonable suggestion but does not agree with the specification of a minimum number of training hours or the enhanced disclosure requirements of the same. It should be noted that, in addition to the proposed initial training, First-time Directors will receive general induction training provided by the issuer and be subject to mandatory continuous professional development as all other directors of the issuer.

Question 2(c)

Regarding continuous professional development for directors, do you agree with our proposal to define "First-time Directors" to mean directors who (i) are appointed as a director of an issuer listed on the Exchange for the first time; or (ii) have not served as a director of an issuer listed on the Exchange for a period of three years or more prior to their appointment?

Yes

Please provide reasons for your views.

The Company agrees with the proposed definition of "First-time Directors"

Question 2(d)

Regarding continuous professional development for directors, do you agree with our proposal to specify the specific topics that must be covered under the continuous professional development requirement?

No

Please provide reasons for your views.

The continuous professional development should cover training in industry-specific matters of the issuer.

Question 3

Do you agree with the proposed consequential changes to Principle C.1 and CP C.1.1 of the CG Code?

Yes

Please provide reasons for your views.

Yes, the Company agrees with the proposed consequential changes to C.1 and CP C.1.1 of the CG Code, which reflect the views expressed above.

Question 4

Do you agree with our proposal to upgrade the current Recommended Best Practice (RBP) in the CG Code to a CP requiring issuers to conduct regular board performance reviews at least every two years and make disclosure as set out in CP B.1.4?

Yes

Please provide reasons for your views.

- o The Company support the proposal to upgrade the current RBP to a CP requiring issuers to conduct regular board performance review provided that the issuers are free to design the format and framework of such review.
- o With regards to the disclosures set out in CP B.1.4, if adopted, should necessarily be on a “comply or explain” basis. In particular, with regards to CP B.1.4(d), if adopted, issuers should have the option, on a comply or explain basis, not to disclose the findings of the board performance review.

Question 5

Do you agree with our proposal to introduce a new CP requiring issuers to maintain a board skills matrix and make disclosure set out in CP B.1.5?

Yes

Please give reasons for your views.

- o The Company agrees with the introduction of a new CP requiring issuers to maintain a board skills matrix provided that the issuers are not required to provide any forward-looking statements on the commitment to acquire new skills as set out in the proposed CP B.1.5(c).

Question 6(a)

In relation to our proposal to introduce a “hard cap” of six listed issuer directorships that INEDs may hold, do you agree with the hard cap to

ensure that INEDs are able to devote sufficient time to carry out the work of the listed issuers?

No

Please provide reasons for your views.

The Company is sympathetic with the principle that INEDs need to be able to devote sufficient time to carry out the work of the listed issuers, but any hard caps, if introduced, should be on a comply or explain basis, thus allowing deviations when the INEDs are able to demonstrate their ability to perform their duties and devote sufficient time and attention to the issuer's affairs, without being affected by other commitments they may have.

When appointing a new INED, issuers should consider the capacity of the candidate to carry out the role. When an INED retires by rotation, the board should consider the contributions, meetings attendance, participation levels, etc., of the retiring INED, before proposing his/her reelection to the shareholders.

Question 6(b)

In relation to our proposal to introduce a “hard cap” of six listed issuer directorships that INEDs may hold, do you agree with the proposed three-year transition period to implement the hard cap?

Yes

Please provide reasons for your views.

Yes, if implemented.

Question 7

Do you agree with the proposal to introduce a new Mandatory Disclosure Requirement (MDR) in the CG Code to require the nomination committee to annually assess and disclose its assessment of each director's time commitment and contribution to the board?

No

Please provide reasons for your views.

o The Company agrees with the proposal that the nomination committee must annually assess the contributions and commitment of each director to the board.

- o The Company does not agree with the introduction of a MDR regarding the disclosure of the conclusions of the annual assessment performed by the nomination committee on the contributions and commitment of each director to the board.

Question 8(a)

In relation to our proposal to introduce a “hard cap” of nine years on the tenure of INEDs, beyond which an INED will no longer be considered to be independent, do you agree with the proposed hard cap to strengthen board independence?

No

Please give reasons for your views.

- o The Company considers that hard caps on INEDs tenure are not required and fails to see how shareholders benefit from rules that force a high quality INED to retire from the board simply because he/she has served for 9 years.
- o It should be added that it is not always feasible for Long Serving INEDs to remain on the board in the capacity of NEDs in light of, e.g. existing shareholders agreements providing specific framework for the appointment of NEDs.
- o The last round of amendments to the CG Code introduced on 1 January 2022 regarding the re-election of Long Serving INEDs, provide adequate safeguards to independence.

Question 8(b)

In relation to our proposal to introduce a “hard cap” of nine years on the tenure of INEDs, beyond which an INED will no longer be considered to be independent, do you agree that a person can be re-considered as an INED of the same issuer after a two-year cooling-off period?

Yes

Please provide reasons for your views.

- o The Company does not agree with hard caps but, if implemented, the Company agrees with the two-year cooling off period for the individual to be re-considered as an INED of the same issuer.
- o However, it should be noted the fact that the retired Long Serving INED can be reappointed will create additional difficulties to find a suitable candidate to fill his/her vacancy, given the probability of reappointment of the retired Long Serving INED at the end of the two-year cooling-off period.

Question 8(c)

In relation to our proposal to introduce a “hard cap” of nine years on the tenure of INEDs, beyond which an INED will no longer be considered to be independent, do you agree with the proposed three-year transition period in respect of the implementation of the hard cap?

Yes

Please provide reasons for your views.

The Company does not agree with hard caps but if implemented, a three-year transition period is the minimum acceptable period for the transition.

Question 9

Do you agree with the proposal to require all issuers to disclose the length of tenure of each director in the CG Report?

Yes

Please provide reasons for your views.

The Company has no objections to the proposal of disclosing the length of tenure of each director in the CG Report. It should be noted that in many cases this information is already available in the directors' biographies.

Question 10

Do you agree with our proposal to introduce a CP requiring issuers to have at least one director of a different gender on the nomination committee?

No

Please provide reasons for your views.

- o The Company proudly represents that its Board is gender diversified since its listing in 2011, currently comprises 8 male directors and 4 female directors, including its Chairperson. The Company's nomination committee also comprises 3 female directors out of the 7 members.

- o The Company therefore considers that gender diversity can be achieved without the need to specify gender requirements, in particular, for specific committees.

Question 11

Do you agree with our proposal to introduce a Listing Rule to require issuers to have and disclose a diversity policy for their workforce (including senior management)?

Yes

Please provide reasons for your views.

The Company agrees with the proposal.

Question 12

Do you agree with our proposal to upgrade from a CP to a MDR the requirement on the annual review of the implementation of an issuer's board diversity policy?

Yes

Please provide reasons for your views.

- o The Company agrees with the proposal to upgrade the requirement of annual review of issuer's board diversity policy from CP to MDR, considering the full compliance with the CP observed on the annual review of the implementation of the board diversity policy during the CG Disclosure Analysis.

Question 13

Do you agree with our proposal to require as a revised MDR separate disclosure of the gender ratio of: (i) senior management; and (ii) the workforce (excluding senior management) in the CG Report?

Yes

Please provide reasons for your views.

- o The Company agrees with the disclosure of the gender ratio of senior management and the workforce (excluding senior management) in the CG Report.

Question 14

Do you agree with our proposal to codify the arrangements during temporary deviations from the requirement for issuers to have directors of different genders on the board as set out in draft Main Board Listing Rule 13.92(2) in Appendix I?

Yes

Please provide reasons for your views.

The Company agrees with this proposal.

Question 15(a)

Do you agree with our proposal to emphasise in Principle D.2 the board's responsibility for the issuer's risk management and internal controls and for the (at least) annual reviews of the effectiveness of the risk management and internal control systems?

Yes

Please provide reasons for your views.

The Company agrees with the proposal

Question 15(b)

Do you agree with our proposal to upgrade the requirement to conduct (at least) annual reviews of the effectiveness of the issuer's risk management and internal control systems to mandatory and require the disclosures set out in MDR paragraph H?

Yes

Please provide reasons for your views.

The Company agrees with the proposal.

Question 16

Do you agree with our proposal to refine the existing CPs in section D.2 of the CG Code setting out the scope of the (at least) annual reviews of the risk management and internal control systems?

Yes

Please provide reasons for your views.

Yes, the Company agrees that scope and frequency of the review is adequate.

Question 17

Do you agree with our proposal to introduce a new MDR requiring specific disclosure of the issuer's policy on payment of dividends and the board's dividend decisions during the reporting period?

Yes

Please provide reasons for your views.

The Company agrees with the proposed new MDR on dividends as it enhances transparency and allows Investors to understand the board's decision-making around dividends.

Question 18

Do you agree with our proposal to introduce a Listing Rule requirement for issuers to set a record date to determine the identity of security holders eligible to attend and vote at a general meeting or to receive entitlements?

Yes

Please provide reasons for your views.

The Company agrees with the proposal to introduce a Listing Rule requirement for issuers to set a record date as it is aligned and reflects the current market practice.

Question 19

Do you agree with our proposal to codify our recommended disclosures in respect of issuers' modified auditors' opinions into the Listing Rules?

Yes

Please provide reasons for your views.

The Company agrees with the proposal to codify our recommended disclosures in respect of issuers' modified auditors' opinions into the Listing Rules as the market is familiar with these recommended disclosures and their codification enhances transparency.

Question 20

Do you agree with our proposal to clarify our expectation of the provision of monthly updates in CP D.1.2 and the note thereto?

Yes

Please provide reasons for your views.

- The Company agrees with clarification in CP 1.2 that the monthly updates should give a balanced and understandable assessment of the

issuer's financial and operating performance, position and prospects in sufficient detail, but fails to see the need to specify in the Note the information that should be included in the monthly updates, in particular with regards to budgets, forecasts, as such monthly updates to the budgets and forecasts may be pointless and even deceptive. It should be for the Board to determine the information needed and excessive regulation in this matter should be avoided.

Question 21

Do you agree with our proposal to align requirements for the nomination committee, the audit committee and the remuneration committee on establishing written terms of reference for the committee and the arrangements during temporary deviations from requirements as set out in draft Main Board Listing Rules 3.23, 3.27, 3.27B, 3.27C and 8A.28A in Appendix I?

Yes

Please provide reasons for your views.

The Company supports the proposal to align requirements for the nomination committee, the audit committee and the remuneration committee, to ensure consistency of approach across these three mandatory board committees.

Question 22

Do you agree with the proposed implementation date of financial years commencing on or after 1 January 2025, with transitional arrangements as set out in paragraphs 182 to 183 of the Consultation Paper?

Yes

Please provide reasons for your views.

The Company agrees with the proposed implementation dates with the caveats mentioned in the previous answers.