



Dear Assignment/News/Business Assignment Editor
(For Immediate Release)

Best Corporate Governance Disclosure Awards 2007

Overall standard improved as bar raised on corporate governance rules Rules & practices are moving up together

(HONG KONG, 22 November 2007) — The judges of this year’s “Best Corporate Governance Disclosure Awards” from the Hong Kong Institute of CPAs say there is an improving corporate governance culture among Hong Kong listed companies.

The awards, organised by the Hong Kong Institute of CPAs since 2000, examine the scope and depth of corporate governance information disclosed to shareholders in annual reports and what this says about underlying practices.

The judges say disclosure is clearly improving and more companies appreciate the positive benefits of adopting best practices instead of treating corporate governance requirements as an unavoidable regulatory burden. The new requirements mandated by the Hong Kong stock exchange were fully in force during this past reporting year.

The best annual reports reviewed showed companies that were not just transparent and accountable to shareholders, but also answerable to a wider group of stakeholders and keen to be good corporate citizens.

This year’s awards found new winners, indicating that some companies have ratcheted up their overall corporate governance performance. New awardees include Transport International Holdings Ltd., and Agile Property Holdings in the Non-Hang Seng Index category, and China Shenhua Energy Company from the H-share category. Huaneng Power International and Global Digital Creations Holdings also earned the judges’ recognition in the H-share and GEM categories.

In the Hang Seng Index category, CLP Holdings won the Diamond Award for the fifth successive year. Two other winners in this category were HSBC Holdings (Platinum) and Hong Kong Exchanges and Clearing (Gold). MTR Corporation was given a Special Mention in this category. The judges applauded CLP Holdings for its continuing high standards including a detailed corporate governance code and a corporate social responsibility report. .

In the Non-Hang Seng Index category, Standard Chartered PLC, Hysan Development and Transport International Holdings won the Diamond, Platinum and Gold Awards respectively. Agile Property Holdings was given a Significant Improvement Award in recognition of clear advances made by the developer. Judges say they were particularly impressed by Standard Chartered’s risk review section and a detailed directors’ remuneration report.

Shenzhen Expressway, Jiangsu Expressway, and China Shenhua Energy were named winners of the Diamond, Platinum and Gold awards respectively in the H-share category, and Huaneng Power International was given a Special Mention for its annual report that is regarded as a worthy effort. These companies were praised by the judges for the transparency of their financial reports, and Shenzhen Expressway and Jiangsu Expressway, who also competed for the top H-share slots last year, managed to continue to impress the judges while switching places.

The annual reports of the Airport Authority Hong Kong and the Securities and Futures Commission stood out in the public sector and not-for-profit category and were the Diamond and Platinum Award winners respectively.

Global Digital Creations Holdings meanwhile stood out amongst the GEM companies and was presented with a Commendation in the GEM category.

Announcing the winners of the “Best Corporate Governance Disclosure Awards” 2007, Mark Fong, the Institute’s president and chairman of the judging panel, said the judges saw marked improvements this year, which he attributes to changes in regulations, full implementation of the Code of Corporate Governance Practices and the disclosure requirements of the Corporate Governance Report under the listing rules. He noted more evidence of best practices such as information being provided on the division of responsibility between the board and management, and disclosure of the remuneration of senior management, in addition to directors, on a named basis.

Mr. Fong said more companies disclosed information about directors’ participation in continuous development programmes, which is a recommended best practice under the code. “A visible area of additional disclosure is corporate social responsibility and environmental reporting,” says Mr. Fong. “A number of companies this year devoted separate cover for this and even got independent reviews.”

The judges found several of areas where performance could still improve, which pointed to the need for continuing efforts by regulators, professional bodies, such as the Institute, and others, to promote good governance. “While there were many positive findings this year, there is room for improvement,” observes Chew Fook Aun, chairman of the Institute’s corporate governance committee. The judges’ decision to withhold the main awards in the GEM category and one of the awards in the public sector was a reflection of this.

The judges’ report points to specific areas where organizations can strengthen accountability to shareholders. These include providing more details on internal controls and risk management, related party and connected transactions, emolument policies, and discussing the impact of negative news.

“We reviewed over 160 annual reports this year. Any reports that failed to achieve a minimum threshold were screened out early,” says Daniel Lin, chairman of the organising committee. “The integrity of the process and the calibre of the reviewers and judges is one reason the Institute’s Best Corporate Governance Disclosure Awards have prestige and why the business elite seek it.”

This year’s Awards is supported by four media partners – dailies *Hong Kong Economic Journal* and *The Standard*; the monthly business magazine *Capital*, and regional broadcaster CNBC.

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Editor's Note

About the Hong Kong Institute of CPAs

The Hong Kong Institute of CPAs is the only body authorized by law to register and grant practising certificates to Certified Public Accountants in Hong Kong. The Institute has close to 27,000 members and more than 12,000 registered students. Members of the Institute are entitled to the description *certified public accountant* and to the designatory letters *CPA*.

The Hong Kong Institute of CPAs evolved from the Hong Kong Society of Accountants, which was established on 1 January 1973.

The Institute operates under the Professional Accountants Ordinance and works in the public interest. The Institute has wide-ranging responsibilities, including assuring the quality of entry into the profession through its postgraduate CPA qualification programme and promulgating financial reporting, auditing and ethical standards in Hong Kong. The Institute has responsibility for regulating and promoting efficient accounting practices in Hong Kong to safeguard its leadership as an international financial centre.

About the Best Corporate Governance Disclosure Awards

First introduced in 2000, the “Best Corporate Governance Disclosure Awards” are Hong Kong’s most prestigious awards for corporate governance. Pioneered by the Hong Kong Institute of CPAs, one of the first organizations to chart corporate governance standards in Hong Kong, the awards raise awareness of the benefits of greater transparency and accountability to stakeholders. The awards have strong support from the government, regulators and the business and professional communities.

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