

## 董事會

本公司董事會（「董事會」）肩負向本公司整體提供有效率和負責任的領導。董事會各成員，無論個別或共同地，都必須真誠地以公司及股東的整體利益為前提行事。

董事會由四名獨立非執行董事及三名執行董事組成。此外，董事會亦委聘獨立董事會顧問向彼等提出意見。董事會已設立董事委員會，監察本公司不同範疇之事務。本公司之董事會及各董事委員會成員之組成如下，而各委員會的職責於本報告內有進一步之描述。

## BOARD

The board of directors (the "Board") is charged with providing effective and responsible leadership for the Company. The directors, individually and collectively, must act in good faith in the best interests of the Company and its shareholders.

The Board comprises four Independent Non-executive Directors and three Executive Directors. The Board is advised by an Independent Board Advisor. The Board has appointed Board Committees to oversee different areas of the Company's affairs. The composition of the Board and the Board Committees are given below and their respective responsibilities are discussed later in this report.

董事會	Board of Directors	審核委員會 Audit Committee	補償委員會 Compensation Committee
<b>獨立非執行董事</b>	<b>Independent Non-executive Directors</b>		
歐文柱先生	Mr. Au Man Chu, Milton	✓	
畢滌凡先生	Mr. Barry John Buttifant	✓	✓
鄺其志先生	Mr. Kwong Ki Chi	✓	
李鵬飛先生	Mr. Lee Peng Fei, Allen	✓	✓
<b>執行董事</b>	<b>Executive Directors</b>		
劉國權先生 (主席及行政總裁)	Mr. Lau Kwok Kuen, Peter (Chairman and Chief Executive)		✓
馮永昌先生	Mr. Fung Wing Cheong, Charles		
馬灼安先生	Mr. Mah Chuck On, Bernard		
<b>獨立董事會顧問</b>	<b>Independent Board Advisor</b>		
梁覺教授	Professor Leung Kwok		✓

董事會訂立本集團之策略和方向，以及監管本集團之表現，同時亦須決定公司事宜，其中包括年度及中期業績、重大交易、董事聘任、股息分派及會計政策。本集團日常運作之管理和監察工作是由本公司三位執行董事組成之管理委員會進行。

The Board sets the Group's objectives and strategies and monitors its performance. The Board also decides on matters such as annual and interim results, major transactions, director appointments, and dividend and accounting policies. The Board has delegated the authority and responsibility of managing and overseeing the Group's day to day operations to a management committee comprising the three Executive Directors.

公司秘書協助主席擬訂董事會會議議程及每位董事均獲邀提出任何擬在會議中討論和動議的事項。所有董事均可及時地獲得一切有關會議之資料及在有需要時尋求專業意見。於二零零四年，本公司共舉行三次全體董事會會議；而有關會議之出席紀錄如下：

The Company Secretary assists the Chairman in setting the agenda of Board meetings and each Director is invited to present any businesses that they wish to discuss or propose at the meetings. All Directors have timely access to all relevant information of the meetings and may take professional advice if necessary. The Company held three full Board meetings in 2004. Attendance of the full Board meetings are as follows:

出席紀錄	Attendance	出席會議次數 No. of meetings attended
歐文柱先生	Mr. Au Man Chu, Milton	3/3
畢滌凡先生	Mr. Barry John Buttifant	2/3
鄭其志先生 (於二零零四年四月獲委任)	Mr. Kwong Ki Chi ( <i>appointed in April, 2004</i> )	2/2
李鵬飛先生	Mr. Lee Peng Fei, Allen	3/3
劉國權先生 (主席)	Mr. Lau Kwok Kuen, Peter ( <i>Chairman</i> )	3/3
馮永昌先生	Mr. Fung Wing Cheong, Charles	3/3
馬灼安先生	Mr. Mah Chuck On, Bernard	3/3

畢滌凡先生、鄭先生及劉先生在其他香港上市公司亦同時出任董事之職位。畢滌凡先生及鄭先生分別為新昌營造集團有限公司(「新昌」)及新昌管理集團有限公司之替代董事及非執行董事，而劉先生同時亦為新昌之獨立非執行董事。董事會認為，上述之關係不會影響該等董事在執行職責時之獨立判斷及個人誠信。

Mr. Buttifant, Mr. Kwong and Mr. Lau have common directorship in other listed companies in Hong Kong. Mr. Buttifant and Mr. Kwong serve on the boards of Hsin Chong Construction Group Ltd. ("Hsin Chong") and Synergis Holdings Limited as alternate director and non-executive director respectively. Meanwhile, Mr. Lau serves as an independent non-executive director of Hsin Chong. In the Board's opinion, these relationships do not affect the Directors' independent judgment and integrity in executing their roles and responsibilities.

董事會全體成員可參與挑選及委任新董事，惟本公司沒有成立提名委員會。雖然每位獨立非執行董事的委任，均沒有訂明任期，但根據本公司細則，除董事會主席外，所有董事現時均需最少每三年輪選一次。在提名委任新董事時，董事會會進行多方面之考慮，例如彼等之專業知識、經驗、誠信及承擔等。於二零零四年，鄭先生經全體董事一致批准獲委任為本公司獨立非執行董事。

The full Board participates in the selection and approval of new directors and has not established a Nomination Committee. None of the Independent Non-executive Directors is appointed for a specific term. Instead, under the Bye-Laws of the Company, with the exception of the Chairman, all the Directors are currently required to offer themselves for re-election by rotation at least once every three years. The Board takes into consideration criteria such as expertise, experience, integrity and commitment when selecting new directors. In 2004, Mr. Kwong was appointed as an Independent Non-executive Director with the unanimous approval of the Directors.

### 主席及行政總裁

本公司主席及行政總裁的角色沒有分開，現時由劉先生同時出任此兩個職位。董事會認為由同一人擔任主席及行政總裁之職位能為本集團提供強勢及貫徹之領導，及更有效策劃及推行長期商業策略。董事會同時相信本公司已擁有健全企業管治架構以確保有效地監管本公司之管理層，而該架構帶來許多與分開主席及行政總裁角色相若之效益。該架構包括：

- 董事會之成員大部份為獨立非執行董事；
- 審核委員會之成員全部為獨立非執行董事；
- 補償委員會之成員大部份為獨立非執行董事和獨立董事會顧問；
- 確保獨立非執行董事可自由及直接地接觸本公司之外聘核數師及內部審計師，並在有需要時尋求獨立專業意見；
- 設立「密函檢舉」機制，允許員工以匿名和機密形式舉報高級管理人員包括主席及行政總裁的欺詐及不當的行為。

董事會相信上述之設定和安排能確保獨立非執行董事繼續有效地指導本集團之管理層和提供有關策略、危機和誠信的重要事項之積極監管。董事會會不斷地檢討本集團企業管治架構的成效，用以評估是否需要作任何修改，包括分開主席及行政總裁的角色。

### 審核委員會

審核委員會由四名獨立非執行董事組成，負責本集團之會計準則及實務、審計、內部監控及遵守法規等事宜。審核委員會在評核本集團中期及末期業績後才向董事會作出建議是否批准有關業績。審核委員會定期舉行會議，審閱財務報告及內部監控等事宜，並可不受限制地與本公司之外聘核數師及內部審計師接觸。該委員會由畢滌凡先生出任主席，彼為一位在處理財務報表及監控方面具資深經驗的合資格會計師。審核委員會於二零零四年舉行了兩次會議，出席率達百分之一百。

### Chairman and Chief Executive

The Company does not have a separate Chairman and Chief Executive and Mr. Lau currently holds both positions. The Board believes that vesting the roles of both Chairman and Chief Executive in the same person provides the Group with strong and consistent leadership and allows for more effective planning and execution of long term business strategies. The Board also believes that the Company already has a strong corporate governance structure in place to ensure effective supervision of management. Such a structure provides many of the benefits of having a separate chairman and chief executive. The structure includes:

- Having Independent Non-executive Directors comprising a majority of the Board;
- Having the Audit Committee composed exclusively of Independent Non-executive Directors;
- Having Independent Non-executive Directors and an independent Board Advisor comprising a majority of the Compensation Committee;
- Ensuring that Independent Non-executive Directors have free and direct access to both the Company's external and internal auditors and independent professional advice where considered necessary;
- Having a "whistle-blowing" mechanism in place to allow our staff to anonymously and confidentially report any suspected acts of fraud or gross misconduct by top management, including that of the Chairman and Chief Executive.

The Board believes that these measures will ensure that our Independent Non-executive Directors continue to effectively supervise the Group's Management and to provide vigorous control of key issues relating to strategy, risk and integrity. The Board continually reviews the effectiveness of the Group's corporate governance structure to assess whether any changes, including the separation of the positions of Chairman and Chief Executive, are necessary.

### Audit Committee

The Audit Committee comprises all four Independent Non-executive Directors. It is responsible for accounting principles and practices, auditing, internal controls and legal and regulatory compliance of the Group. It also reviewed the interim and final results of the Group prior to recommending them to the Board for approval. It meets regularly to review financial reporting and internal control matters and to this end has unrestricted access to both the Company's external and internal auditors. The Committee is chaired by Mr. Buttifant, a qualified accountant with extensive experience in financial reporting and control. In 2004, the Audit Committee held two meetings and had 100 percent attendance.

本集團設立「密函檢舉」機制，鼓勵及方便員工監管高級行政人員包括主席及行政總裁之不當行為。據此機制，員工可透過一個機密電郵戶口，以匿名形式舉報欺詐及不當的行為。內部審計部主管會將所有密函作絕對機密處理，在作出調查並有理據支持下轉介該等密函予本公司之獨立董事作進一步行動。

#### 補償委員會

補償委員會負責檢討及批准董事之酬金。委員會成員不可參與釐訂本身之酬金。於二零零四年，補償委員會已檢討及以書面決議形式批准主席之服務合約及兩名獨立非執行董事之酬金。為避免任何利益衝突，任何在動議中擁有利益的委員會成員均須在有關投票時放棄投票權。

#### 內部審計

內部審計部共有三名員工，部門主管為合資格會計師。該部門直接向董事會主席匯報，並在監管本集團的內部管治事宜上擔當重要角色。該部門不受限制地檢討本集團各方面的事務及內部監控事宜，並就管理層或審核委員會關注的範疇進行特別審核。審核委員會可與內部審計部主管直接和自由地接觸而毋須知會主席或管理層。

The Group also has a “whistle-blowing” mechanism in place to encourage and facilitate our staff members to police the conduct of top management, including that of the office of the Chairman and Chief Executive. Under the mechanism, staff members are invited to report suspected acts of fraud or gross misconduct anonymously to a confidential e-mail account. All such reports are treated with the strictest confidence by the Head of Internal Audit, who is responsible for investigating the reports. The Head of Internal Audit would refer the reports to the Company's Independent Directors for further action should sufficient grounds exist for such referral.

#### Compensation Committee

The Compensation Committee reviews and approves the remunerations of Directors. No member can determine his own remuneration. In 2004, the Committee reviewed the service agreement and contracts of the Chairman and the remuneration of two Independent Non-executive Directors and approved the same by circulating resolutions in writing. To minimize any conflict of interest, any member who is interested in any given proposed motion is required to abstain from voting on such motion.

#### Internal Audit

Internal Audit Department of the Company has a staff of three and is headed by a qualified accountant. The Department, reporting directly to the Chairman, plays a major role in monitoring the internal governance of the Group. The Department has unrestricted access to review all aspects of the Group's activities and internal controls. It also conducts special audits of areas of concern identified by Management or the Audit Committee. The Audit Committee has direct access to the Head of the Internal Audit Department freely without reference to the Chairman or Management.

### 核數師之酬金

本集團付予與法定審核有關的核數師酬金為港幣三百萬元(二零零三年：港幣三百萬元)。

本集團付予主要核數師羅兵咸永道會計師事務所和其關連機構之酬金如下：

(以港幣百萬元為單位)

法定審核  
稅務服務  
其他諮詢服務

合計

### Auditors' remuneration

Auditors' remuneration in relation to statutory audit amounted to HK\$3 million (2003: HK\$3 million).

The following remuneration was paid by the Group to its principal auditor, PricewaterhouseCoopers, and its affiliated firms:

(In HK\$ millions)

Statutory audit  
Taxation services  
Other advisory services

Total

2004

2003

\$2

1

-

\$3

\$2

1

1

\$4

### 遵守最佳應用守則

董事會認為，本公司於本年度內一直遵守於二零零四年沿用之香港聯合交易所有限公司證券上市規則附錄十四所載之最佳應用守則，除：

指引七訂明委任非執行董事，應有指定任期。在這方面，按本公司細則，本公司非執行董事之任期於該等董事輪值告退時屆滿；及

指引十一訂明如董事會將予考慮的事項涉及主要股東或董事的利益衝突，則應舉行全體董事會議，而不應通過傳閱文件或由董事會屬下的委員會處理有關事項。在這方面，本公司政策規定，董事會委任補償委員會負責檢討及批准所有董事的酬金，補償委員會由兩名獨立非執行董事、一名獨立董事會顧問及一名執行董事組成。為避免任何利益衝突，任何在動議中擁有利益的委員會成員在投票表決時須放棄其投票權。

### Compliance with Code of Best Practice

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Rules Governing The Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited throughout the year 2004 save in respect to the following:

Guideline 7 states that the Non-executive Directors should be appointed for a specific term. In this instance, the Company's Bye-Laws require Non-executive Directors of the Company to be appointed for a term expiring upon their retirement by rotation; and

Guideline 11 states that if a matter to be considered by the Board involves a conflict of interest for a substantial shareholder or a director, then a full board meeting should be held and that such matter should not be dealt with by circulation or by committee. In this instance, the Company's policy is to have the Board appoint a Compensation Committee to review and approve the remuneration of the directors. The Compensation Committee is made up of two Independent Non-executive Directors, an independent Board Advisor and an Executive Director. To minimize any conflict of interest, any member who is interested in any given proposed motion is required to abstain from voting on such motion.

### 董事進行證券交易的標準守則

有關董事進行之證券交易，本公司已採納一套與「上市發行人董事進行證券交易的標準守則」所訂標準同樣嚴格之行為守則。經具體查詢後，每位董事均確認於本年度內已遵守進行本公司證券交易的行為守則。

### 社會責任

本集團致力成為成功及負責任之企業公民。因此，我們除了竭力為我們的顧客提供優質的產品及服務，及為我們的股東提交持續優良的業績外，我們亦致力替我們營業的社區營造一個正面的影響。為了達成此目標，本集團積極支持各慈善機構及其活動；確保為我們生產製成品的勞工得到公平的對待及尊重；以及在任何時候透過為環境設想的方式達成我們的目標。

### Model Code for Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules. Following a specific enquiry, each of the Directors confirmed he complied with the code of conduct for transactions in the Company's securities throughout the year.

### Social Responsibility

The Group is committed to being a successful and responsible corporate citizen. As such, we are committed not only to delivering quality products and service to our customers and strong and sustained financial performance to our shareholders. We are also committed to creating a positive impact in the communities where we conduct business. We aim to achieve this by, amongst others, supporting charitable organizations and causes; by ensuring that the workers producing our products are treated with fairness and respect; and at all times achieving our goals through environmentally friendly means.