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Prudential plc  
保誠有限公司\*

*(Incorporated and registered in England and Wales with limited liability, registered number 01397169)  
(Stock Code: 2378)*

### COMPANY INFORMATION SHEET

This information sheet is published pursuant to Rule 19.60 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and is provided for the purpose of giving information to the public about Prudential plc (the “**Company**”) as at the date of this information sheet. The information does not purport to be a complete summary about the Company and/or its securities.

Date of this information sheet: 25 May 2023

As at the date of this information sheet, the Board of Directors of Prudential plc comprises:

*Chair*

Shriti Vinodkant Vadera

*Executive Director*

Anil Wadhvani (*Chief Executive Officer*)

*Independent Non-executive Directors*

Jeremy David Bruce Anderson CBE, Arijit Basu, Chua Sock Koong, David John Alexander Law ACA, Ming Lu, George David Sartorel, Claudia Ricarda Rita Suessmuth Dyckerhoff, Jeanette Kai Yuan Wong and Yok Tak Amy Yip

\* *For identification purposes*

## Definitions

<b>“2023 Agency LTIP”</b>	the Prudential Agency Long Term Incentive Plan
<b>“2023 ISSOSNE”</b>	the Prudential International Savings-Related Share Option Scheme for Non-Employees
<b>“2023 PLTIP”</b>	the Prudential Long Term Incentive Plan 2023
<b>“2023 Sharesave”</b>	the Prudential Sharesave Plan 2023
<b>“2023 Share Schemes”</b>	the 2023 Agency LTIP, 2023 ISSOSNE, 2023 PLTIP and 2023 Sharesave
<b>“ADR”</b>	American Depository Receipt
<b>“AGM”</b>	annual general meeting
<b>“Board”</b>	The Directors or any duly authorised committee of the Directors
<b>“Core Standards”</b>	the core shareholder protection standards set out in Appendix 3 of the Listing Rules
<b>“Directors”</b>	the directors of the board of the Company
<b>“DTR”</b>	the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority for the purposes of Part VI of the FSMA 2000
<b>“FSMA 2000”</b>	Financial Services and Markets Act 2000
<b>“Group”</b>	the Company and its subsidiaries
<b>“IA”</b>	the UK’s Investment Association
<b>“Listing”</b>	the listing of the Prudential Shares on the Main Board of the Stock Exchange
<b>“Listing Prospectus”</b>	the Company’s prospectus dated 17 May 2010 for its listing by way of introduction on the Main Board of the Stock Exchange
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
<b>“MAR”</b>	the UK Market Abuse Regulation
<b>“Principal Subsidiaries”</b>	the principal subsidiaries of Prudential, being: <ul style="list-style-type: none"><li>• Prudential Group Holdings Limited; and</li><li>• Prudential Corporation Asia Limited</li></ul>
<b>“SFC”</b>	the Securities and Futures Commission of Hong Kong
<b>“SFO”</b>	the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong)
<b>“Shareholder(s)”</b>	holder(s) of Share(s)

<b>“Shares”</b>	ordinary shares of the Company
<b>“SIP”</b>	the Prudential Group Share Incentive Plan
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Treasury Shares”</b>	Shares held by the Company in treasury
<b>“UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“UK Listing Rules”</b>	the listing rules of the Financial Conduct Authority of the UK made under section 73A(1) of the Financial Markets Conduct Act 2013
<b>“US”</b>	the United States of America
<b>“US Tax Code”</b>	the U.S. Internal Revenue Code of 1986

## Novel Waivers

The following are the novel waivers granted to the Company by the Stock Exchange and/or the SFC which are in use as at the date of this information sheet. Subject to subsequent modification or renewal, these waivers have remained in force since their respective dates of grant.

### 1. Waiver in respect of treasury shares

According to Rule 10.06(5) of the Listing Rules, an issuer must ensure that the documents of title of purchased shares are cancelled and destroyed as soon as reasonably practicable following settlement of any such purchase. The Company is incorporated in England and Wales and listed on the London Stock Exchange, and thus has the ability to hold any Shares it repurchases in treasury pursuant to English law. The inability to do so will adversely affect the Company's normal arrangements for Share repurchases and put the Company at a disadvantage compared to other London listed English companies.

A waiver from strict compliance with Rule 10.06(5) was granted by the Stock Exchange on 4 May 2010 (and updated on 24 February 2016, 29 April 2021, 21 March 2022 and 18 April 2023). As a consequence of this waiver, Rule 10.06(5) has been amended such that shares purchased by the Company to hold as Treasury Shares will remain listed and the listing will not be suspended or cancelled and any subsequent sale of such Treasury Shares or transfer of such Treasury Shares pursuant to an employees' share scheme shall not, for the purposes of the Listing Rules, constitute a new issue of shares and shall not require a new listing application to be made.

The waiver has been granted subject to the following conditions:

- (i) the Company complies with the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 and the UK Listing Rules in relation to Treasury Shares and informs the Stock Exchange as soon as practicable in the event of any failure to comply or any waiver to be granted;
- (ii) the Company shall inform the Stock Exchange as soon as reasonably practicable in the event of any change being made to the English regime on Treasury Shares;
- (iii) the Company shall disclose in its Listing Prospectus the grant of the waiver setting out relevant details including the circumstances and the conditions imposed;
- (iv) the Company shall confirm compliance with the waiver conditions in its annual reports and circulars seeking Shareholder approval of the repurchase mandate; and
- (v) in the event that the Company is no longer listed on the London Stock Exchange, the Company shall comply, subject to statutory and regulatory provisions applicable to the Company in the UK, with the relevant provisions of the Listing Rules applicable to Treasury Shares.

Under the UK Companies Act 2006 (as amended) a company incorporated in England that holds treasury shares is entitled to (i) sell such treasury shares for cash, (ii) transfer such treasury shares for the purposes of, or pursuant to, an employees' share scheme, or (iii) cancel such treasury shares. A sale of treasury shares for cash will be subject to the pre-emption rights of the existing holders of that class of shares (other than the company by virtue of it holding treasury shares). This is subject to the extent that, amongst others, (i) the sale of such treasury shares falls within the limit of the general authority to disapply pre-emption rights, or (ii) the company is selling treasury shares for cash to an employees' share scheme. The UK Listing Rules require that the price at which the company sells such shares must not be at a discount of more than 10% to the middle market quotation of those listed shares (as derived from the daily official list of the London Stock Exchange) at the time of announcing the relevant offer or agreeing the placing of such shares unless the sale of such treasury shares is pursuant to a pre-existing general authority to disapply pre-emption rights or the sale at a discount is specifically approved by the company's shareholders. If a company cancels any of its treasury shares it must also diminish the amount of its issued share capital by the nominal amount of the shares cancelled.

Chapter 12 of the UK Listing Rules provides additional regulatory controls in respect of treasury shares. These

include, amongst others, the requirement to make a notification to a Regulatory Information Service for dissemination to the UK market if (i) by virtue of it holding treasury shares, a company is allotted bonus shares (as described below) and (ii) a company sells for cash, transfers for the purposes of, or pursuant to, an employees' share scheme or cancels any treasury shares it holds. The UK Market Abuse Regulation provides that a company must not sell or transfer treasury shares if it is in possession of inside information (as defined therein), or if such disposal is likely to give a false or misleading impression to the market as to the supply of, demand for or price of its shares. When any repurchase of its shares is made, a company must also state in its notification relating to the repurchase the number of shares which will be or have been cancelled and the number of shares which will be or are held in treasury following any such repurchase. Pursuant to the Company's obligations under the UK Listing Rules, notifications will also be made by the Company to the London Stock Exchange. In addition, the Company must disclose in its annual report and accounts sales of treasury shares for cash made otherwise than through the market, or in connection with an employees' share scheme, or otherwise than pursuant to an opportunity which was made available to all holders of the Company's listed shares on the same terms.

Shares held in treasury by a company incorporated in England remain part of such company's existing issued share capital. However, a company cannot exercise any right in respect of the treasury shares it holds; in particular, the company does not have any right to attend and vote at meetings of the company, nor does it have a right to any dividend or other distribution of the company's assets in respect of the treasury shares it holds. However, in the event of a capitalisation issue, the company is entitled to receive fully paid bonus shares in respect of the treasury shares it holds. The company can elect either to cancel or to hold in treasury such bonus shares after their allotment and there is no limit on the number of treasury shares a company may hold.

As a consequence of the grant of Rule 10.06(5) waiver to the Company, certain Listing Rules have been modified to show how the relevant Listing Rules will be changed. These modifications were last updated in April 2023 and posted on the Stock Exchange's website for reference.

## **2. Waiver in respect of residency and professional qualifications of company secretary**

Under Rule 8.17 of the Listing Rules, the secretary of a company listed on the Stock Exchange must be a person who "is ordinarily resident in Hong Kong" and who has the requisite knowledge and experience to discharge the functions of secretary of the issuer and who:

- (i) is an ordinary member of The Hong Kong Institute of Chartered Secretaries, a solicitor or barrister as defined in the Legal Practitioners Ordinance or a professional accountant; or
- (ii) is an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging those functions.

A waiver from strict compliance with Rule 8.17 was granted by the Stock Exchange Listing Committee on 19 March 2010 and by the Stock Exchange on 4 May 2010 (and renewed on 11 October 2010, 16 August 2012 and 16 August 2019) on the grounds that the Company's company secretary is not ordinarily resident in Hong Kong and that the Company's company secretary is being assisted by the Company's assistant company secretary (currently titled "Deputy Group Secretary") who, by virtue of her qualifications and experience, is capable of discharging the functions required of a company secretary under the requirements of the Listing Rules.

The waiver was granted subject to the requirement that the Company ensures that the assistant company secretary satisfies Rule 8.17 and that the Company ensures that he/she:

- (i) appreciates the nature of his/her responsibilities;
- (ii) understands requirements of the Listing Rules and applicable laws and regulations in Hong Kong; and
- (iii) is able to honour his/her obligations under the Listing Rules and applicable laws and regulations in Hong Kong.

The waiver is to be revoked immediately when the current assistant company secretary ceases to be an assistant company secretary of the Company. Therefore, the Company would need to put in a fresh waiver application upon the ending of the assistant company secretary's term.

### **3. Partial exemption from strict compliance with Part XV of the SFO**

Part XV of the SFO imposes duties of disclosure of interests in Shares. Division 5 of Part XV of the SFO relates to a listed corporation's powers to investigate the ownership of its share capital. Division 11 of Part XV of the SFO relates to the power of the Financial Secretary of Hong Kong to investigate the ownership of the share capital of listed corporations. Division 12 of Part XV of the SFO allows for applications for a court order to impose restrictions on shares the subject of investigations by a listed corporation or the Financial Secretary pursuant to the exercise of powers under Divisions 5 and 11 of Part XV of the SFO.

The Company is presently subject to requirements to disclose the interests of its (i) Directors under the MAR and (ii) Shareholders who hold 3% or more of the Shares under the DTR and for every subsequent 1% increment thereafter. The Company had applied for, and the SFC granted, a partial exemption on 21 April 2010 under section 309(2) from all of the provisions of Part XV of the SFO (other than Divisions 5, 11 and 12) for Shareholders, Directors and the chief executive to notify their interests in securities of the Company and for the Company to prepare registers and maintain records.

The partial exemption was granted subject to the following conditions:

- (i) the Company will include in the Company's listing document and its relevant shareholder communications after Listing such interests as are notified to it under the DTR in lieu of information disclosed under Part XV of the SFO;
- (ii) the Company will file with the Stock Exchange any disclosures of interests made in the UK as soon as is practicable on the basis that the Stock Exchange will publish these disclosures the same way as it would for other listed issuers pursuant to Part XV;
- (iii) the Company will report to the SFC within 10 business days after the end of each calendar month what percentage of that month's average daily worldwide share turnover took place on the HKSE. Such requirement was waived by the SFC on 6 October 2010 given that the daily average volumes of the Shares traded on the Stock Exchange remained minimal; and
- (iv) the Company will advise the SFC of any material changes in any of the information which the Company has given to the SFC, including any significant changes in the UK disclosure regime and any exemption or waiver from the disclosure of interests requirements in the UK.

### **4. Waiver in respect of sufficient management presence in Hong Kong**

Rule 8.12 of the Listing Rules requires that a new applicant applying for a primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. The Company's headquarters are in the UK and Hong Kong and its major business operations are spread across Asia. As at the date of this information sheet, the executive Directors of the Company reside in either the UK or Hong Kong, as the Company believed it would be more effective and efficient for its executive Directors to be based in a location where the Company's headquarters are based. As such, the Company has historically been unable to comply with the requirements of Rule 8.12.

A waiver from the requirement that there be any executive Directors ordinarily resident in Hong Kong was granted by the Stock Exchange on 4 May 2010, subject to the following conditions:

- (i) the assistant company secretary who will be based in Hong Kong will act as an alternate authorised representative and a principal channel of communication with the Stock Exchange;

- (ii) the authorised representatives and the assistant company secretary should have means for contacting all Directors promptly at all times as and when the Stock Exchange wishes to contact the Directors on any matters;
- (iii) its Directors who are not ordinarily resident in Hong Kong possess or will apply for valid travel documents to visit Hong Kong so as to be able to meet with the Stock Exchange when required, within a reasonable period;
- (iv) the compliance adviser appointed for the Listing would act as an additional channel of communication with the Stock Exchange; and
- (v) each Director will provide their respective mobile phone numbers, office phone numbers, e-mail addresses and fax numbers to the Stock Exchange.

## **5. Waivers in respect of the 2023 Share Schemes**

### (a) Rule 17.03B(1)

Rule 17.03B(1) of the Listing Rules provides that the mandate limit of a share scheme must not exceed 10% of the shares in issue as at the date of approval of the scheme.

The Company has a dual-listing on the Stock Exchange and the London Stock Exchange. Under the 2023 Share Schemes, the number of Shares which may be issued to satisfy options or awards granted in any ten-year rolling period under the 2023 Share Schemes and any other share plan adopted by the Company may not exceed 10 per cent of the issued ordinary share capital of the Company from time to time. It is usual for the mandate limits of share schemes of UK listed companies to be determined by reference to the issued share capital of the Company from time to time. If the Company were to depart from such market practice, this would put the Company at a competitive disadvantage vis-a-vis the Company's peers in the UK.

A waiver from strict compliance with the above requirement of Rule 17.03(B)(1) of the Listing Rules was granted on 11 April 2023 such that the mandate limits under the 2023 Share Schemes are determined by reference to the issued share capital of the Company from time to time rather than the issued share capital as at the date of approval of the schemes. The waiver was granted subject to the following conditions:

- (i) the terms of the 2023 Share Schemes continue to be in compliance with the UK Listing Rules and other applicable UK laws; and
- (ii) the total number of Shares that may be issued under the 2023 Share Schemes in any ten-year rolling period and any other share schemes of the Company will not exceed 10% of the total number of Shares in issue from time to time.

### (b) Rule 17.03E

Rule 17.03E of the Listing Rules requires that the exercise price of options under a share scheme to be at least the higher of (a) the closing price of the Shares on the date of grant and (b) the average closing price of the Shares for the five business days preceding the date of grant.

Under the 2023 ISSOSNE and 2023 Sharesave, the option exercise price is to be determined by the Board with a limit on such price being not less than 80% of the "market value" of the Shares. Although the "market value" for the purposes of the 2023 ISSOSNE and 2023 Sharesave is different to the reference market price under Rule 17.03E, the scheme rules still refer to the market value of the Shares in determining exercise prices, whilst also providing the Board with sufficient flexibility to prevent short-term volatility from unreasonably impacting the determination of the exercise price.

A waiver from strict compliance with the above requirement of Rule 17.03E of the Listing Rules was granted on 11 April 2023, subject to the following conditions:

- (i) For the 2023 ISSOSNE, the exercise price of the options will be the average market price of the Shares on the London Stock Exchange or the Stock Exchange for the three consecutive days determined by the Board which fall within the period of 30 days immediately preceding the day on which the relevant options are granted, with a discount of no more than 20% of the market price of the Shares; and
- (ii) for the 2023 Sharesave, the exercise price of the options will be the closing middle-market quotation of the Shares on the London Stock Exchange or the Stock Exchange for the business day before the date on which invitations are issued under the 2023 Sharesave or if the Board so determines, the arithmetic average of the middle-market quotations or closing prices of the Shares on the London Stock Exchange or the Stock Exchange for the three business days before the date on which invitations are issued under the 2023 Sharesave, with a discount of no more than 20% of the market price of the Shares.

(b) Rule 17.03F

Rule 17.03F of the Listing Rules requires that the vesting period for Share options or awards shall not be less than 12 months, except for those options or awards granted to employee participants under specific circumstances as set out in the scheme document.

The 2023 ISSOSNE and 2023 Agency LTIP are designed to incentivise and retain individuals, such as insurance agents, who are not employees of the Company's group. Both the 2023 ISSOSNE and 2023 Agency LTIP provide for scenarios where the vesting period for options or awards can be less than 12 months, as it is usual for the rules of share schemes of listed companies in Hong Kong and the UK to allow for accelerated vesting upon prescribed events. To require the Company to depart from such market practice would put the Company at a competitive disadvantage vis-a-vis the Company's peers in Hong Kong and the UK. In the case of the 2023 Agency LTIP, where some participants are US taxpayers, it is also usual for share scheme awards (which are subject to the US Tax Code) to provide for accelerated vesting for such participants to ensure compliance with Section 409A of the US Tax Code.

A waiver from strict compliance with the above requirement of Rule 17.03F of the Listing Rules was granted on 11 April 2023 such that the Company may grant options or awards to insurance agents under 2023 ISSOSNE and 2023 Agency LTIP with a vesting period of less than 12 months under certain specific circumstances as described in the Company's AGM notice dated 20 April 2023.

**6. Waiver in respect of compliance with Appendix 10 to the Listing Rules in relation to purchase of Shares under the SIP**

The SIP is an employee share plan approved by Her Majesty's Revenue and Customs in the United Kingdom which allows UK based executive Directors and employees of the Group to purchase up to £150 per month of Shares from their gross salary. Participants are then awarded an additional Share (bought by the Company in the open market) for every four Shares they buy. Additional "Dividend Shares" are also automatically bought with any dividends paid on any Shares held in the SIP while UK based executive Directors or employee participates in the SIP. All employees of the Group are eligible to join the SIP. The Company has arrangements in place to purchase Shares automatically in the open market on the 8th day of each month on behalf of participants in the SIP. If the 8th day of the month falls on a weekend then the purchase occurs on the next business day. The monthly purchase may or may not therefore fall within a time in which a UK based executive Director participant is in possession of unpublished price-sensitive information in relation to those Shares.

Rules A.1 and A.3 of Appendix 10 (Model Code for Securities Transactions by Directors of Listed Issuers) to the Listing Rules provide that a director must not deal in any of the securities of the issuer at any time when he possesses inside information in relation to those securities or during prohibited periods preceding the publication date of the issuer's financial results. Since purchases under the SIP on behalf of a director are automatic and completely outside the control of the Directors, a waiver from compliance with Rules A.1 and A.3 of Appendix 10 was granted by the Stock Exchange on 28 February 2011 (and updated on 30 August 2016) to allow purchases under the SIP by the Company on behalf of UK based executive Directors during periods prohibited by Rules A.1 and A.3 of Appendix 10.

## **7. Waivers in respect of disclosures for subsequent listing documents required under Appendices 1A, 1B and 1F to the Listing Rules**

### *Commissions granted by and share capital changes for the Group*

Paragraph 8 of Appendix 1B and paragraph 8 of Appendix 1F to the Listing Rules require an issuer to include any particulars of any commissions, discounts, brokerages or other special terms granted since the date to which the latest published audited consolidated accounts of the issuer were made up in connection with the issue or sale of any capital of any member of the group, together with the names of any directors or proposed directors, promoters or experts (as named in the listing document) who received any such payment or benefit and the amount or rate of the payment or benefit. Paragraph 13 of Appendix 1A requires the issuer to include any such particulars from a period within the two years immediately preceding the issue of the listing document.

Paragraph 24 of Appendix 1B and paragraph 20 of Appendix 1F require a listing document to include particulars of any alterations in the capital of any member of the group since the date to which the latest published audited consolidated accounts of the issuer were made up, whilst paragraph 26 of Appendix 1A requires a listing document to include particulars of any such alterations from a period within the two years immediately preceding the issue of the listing document.

As the Company has many subsidiaries, it would be unduly burdensome for the Company to produce information relating to share changes and grants of commissions, discounts, brokerages or other special terms granted for such a large number of companies and such information is not material or meaningful to investors.

A waiver from strict compliance with paragraphs 13 and 26 of Appendix 1A, paragraphs 8 and 24 of Appendix 1B and paragraphs 8 and 20 of Appendix 1F was granted by the Stock Exchange on 4 May 2010 on the basis that information relating to share capital changes and commissions, discounts, brokerages or other special terms granted by the Company and the six principal subsidiaries of the Group at the time of Listing (which are now the Principal Subsidiaries) during the two year period immediately preceding the issue of the listing document would be disclosed in the Listing Prospectus and in subsequent listing documents.

### *Disclosures relating to share options*

Paragraph 27 of Appendix 1A, Paragraph 25 of Appendix 1B and paragraph 21 of Appendix 1F require a listing document to include particulars of any capital of any member of the group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee (the “**Options Disclosure Requirements**”).

A waiver from full compliance with the Options Disclosure Requirements was granted by the Stock Exchange on 4 May 2010 on the basis that it would be unduly burdensome for the Company in light of the large number of grantees under the Company’s share option schemes.

The waiver is granted on the condition that the Company discloses in each subsequent listing document the following information:

- (i) the total number of Shares to be issued pursuant to the exercise in full of all share options granted thereunder;
- (ii) the consideration or the range of consideration paid or payable for the grant of share options thereunder;
- (iii) the exercise period or range of exercise periods during which share options granted thereunder are exercisable;
- (iv) the exercise price or range of exercise price payable for the Shares under share options granted thereunder;
- (v) compliance with the requirements in respect of share options granted to Directors; and

- (vi) the potential dilution effect and impact on earnings per Share upon full exercise of options.

### *Disclosure of interests*

Paragraphs 41(4) and 45 of Appendix 1A and Practice Note 5 to the Listing Rules require the disclosure of interests information in respect of shareholders' and directors' interests in a listing document. Paragraph 34 of Appendix 1B requires a listing document to include disclosure, where any director or proposed director is a director or employee of a company which has an interest or short position in the shares and underlying shares of the issuer which would fall to be disclosed to the issuer under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Paragraph 38 of Appendix 1B requires a listing document to include:

- (i) a statement showing the interests and short positions of each director and chief executive of the issuer in the shares, underlying shares and debentures of the issuer of any associated corporation (within the meaning of Part XV of the SFO); and
- (ii) a statement showing the name, so far as is known to any director or chief executive of the issuer, of each person other than a director or chief executive of the issuer, who has an interest or short position in the shares and underlying shares of the issuer which would fall to be disclosed to the issuer under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the group and the amount of each of such person's interest in such securities, together with particulars of any options in respect of such capital.

Paragraph 30 of Appendix 1F and paragraph 12 of Appendix 16 to the Listing Rules require that a listed issuer provide biographical details of its directors and senior managers and a statement where any director or proposed director is a director or employee of a company which has an interest or short position in the shares and underlying shares of the issuer which would fall to be disclosed to the issuer under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Paragraph 34 of Appendix 1F requires a statement showing the interests and short positions of each director and chief executive of the issuer in the shares, underlying shares and debentures of the issuer or any associated corporation (within the meaning of Part XV of the SFO) which: (a) are required to be notified to the issuer and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of Securities and Futures Ordinance); (b) are required, pursuant to section 352 of the Securities and Futures Ordinance, to be entered in the register referred to therein; (c) are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the issuer and the Stock Exchange; or an appropriate negative statement.

Based on the partial exemption from strict compliance with Part XV of the SFO granted by the SFC on 21 April 2010, a waiver from strict compliance with the requirements of paragraphs 41(4) and 45 of Appendix 1A, paragraphs 34 and 38 of Appendix 1B, paragraphs 30 and 34 of Appendix 1F and paragraph 12 of Appendix 16 was granted by the Stock Exchange on 4 May 2010. The waiver was granted on the basis that the Company included in its Listing Prospectus and will include in its relevant shareholder communications after Listing, such interests as are notified to it under the DTR (now the MAR) in lieu of information disclosed in Part XV of the SFO.

## **8. Waiver in respect of simultaneous publication of announcement**

Under Rule 2.07C(4)(a) of the Listing Rules, announcements must not be submitted to the Stock Exchange between 8:30a.m. and 4:30p.m. on a normal business day unless they fall within certain exemptions contained in the that rule.

However, compliance with the DTR and MAR could require an announcement of inside information to be made by the Company outside the permitted periods for submitting announcements to the Stock Exchange under Rule 2.07C(4)(a). Under the DTR and MAR, an announcement on inside information is required to be

made as soon as possible regardless of whether such announcement is made during normal trading hours. No suspension of the trading of the Company's securities would generally be imposed by the London Stock Exchange or the Financial Conduct Authority for publication of such announcement.

The Stock Exchange granted a waiver in respect of Rule 2.07C(4)(a) on 4 May 2010 allowing the Company to issue announcements pursuant to Rule 13.09(1) of the Listing Rules between 8:30a.m. and 4:30p.m. simultaneously with the issue of the same announcement in accordance with Rule 2 of the DTR and Article 17 of the MAR in London without a subsequent suspension of dealings or trading halt in the Company's securities.

The waiver was granted subject to the following conditions:

- (i) the Company shall disclose in its Listing Prospectus the grant of this waiver setting out relevant details including a clear indication of the impact of the waiver on the Hong Kong investing public given that the waiver is not subject to a condition requiring there to be a trading halt immediately following any announcement under the waiver;
- (ii) the Company shall inform the Stock Exchange in the first instance in the event of any material change being made to the UK regime on disclosure of inside information as such information may be of material relevance to an assessment of the ongoing appropriateness of the waiver. The Stock Exchange will evaluate the impact of any of these changes and indicate to the Company whether or not it intends to amend or revoke the waiver;
- (iii) the Company shall comply with relevant provisions in the event of changes to the Hong Kong regulatory regime and the Listing Rules in relation to disclosure of price sensitive information and the applicable requirements for publication through the Stock Exchange's electronic publication system unless the Stock Exchange agrees to amend the waiver or grant a new waiver in the circumstances then prevailing; and
- (iv) the Company shall notify the Stock Exchange of the pending announcements and the expected time of release and submit the electronic copies of the English and Chinese versions of announcements at least 10 minutes in advance of the expected time of release.

As a consequence of the grant of Rule 2.07C(4)(a) waiver to the Company, the application of Rule 13.09(2) and Rules 13.10 and 14.37 to the Company were modified such that the Company may, in circumstances when a conflict with Rule 2 of the DTR and Article 17 of the MAR exists, publish announcements pursuant to Rule 13.09(2) during the 8:30 a.m. to 4:30 p.m. period on a business day, without recourse to a trading halt, and during the morning window of 6:00 a.m. to 8:30 a.m. of the Stock Exchange's electronic publication system without being subject to the requirement for suspension in the morning trading session. Under these circumstances, the Company's obligations under Rule 13.09(2) are considered discharged upon timely publication of the announcements and a suspension is not necessary.

The waiver is only intended to apply to announcements issued pursuant to Rule 13.09(2) in circumstances when a conflict with Rule 2 of the DTR and Article 17 of the MAR exists and is not intended to apply to announcements published in discharge of the disclosure obligations under the Listing Rules for notifiable transactions.

In addition, the waiver was granted based on the expectation that the Directors are alive to their obligations for the maintenance of an orderly market in the Company's securities and would be guided by Practice Note 11 to the Listing Rules if there was a leak, if price sensitive information could not be disclosed, or if it would be appropriate to issue a "warning" announcement. The modification was also given on the expectation that the Company will manage its affairs in a timely manner particularly with regard to the signing of agreements to ensure that there will be continuous trading of its securities save in exceptional circumstances.

## **9. Waiver in respect of Directors' authority to allot Shares**

Under Rule 7.19A of the Listing Rules, if a proposed rights issue would increase either the issued share capital or the market capitalisation of the issuer by more than 50% (on its own or when aggregated with any other

rights issues or open offers announced within the previous 12 months), then the issue must be made conditional on approval by shareholders in general meeting by a resolution on which the directors (excluding independent nonexecutive directors) and the chief executive and their respective associates must abstain from voting.

Under section 551 of the UK Companies Act 2006, the directors of a company may only allot shares, or grant rights to subscribe for or convert any securities into shares, if shareholders in general meeting have given them authority to do so (referred to as a “**Section 551 Mandate**”). This authority is renewed at each AGM, in line with guidance issued by the IA. The amount of shares that the Company may allot under the Section 551 Mandate is limited to a maximum of two-thirds of the total issued share capital of the Company. Within this two-thirds limit, the Company may allot up to 20% for all issues other than pre-emptive issues, up to one-third pre-emptively, including by rights issue, and up to an additional one-third by rights issue only. To note, the IA Share Capital Management Guidelines (February 2023) update the previous guidance to incorporate all fully pre-emptive offers, not just fully pre-emptive rights issues, in respect of the authority to allot the additional one-third of a company’s issued share capital. The Directors have decided to limit this authority to rights issues this year in line with past practice, while they keep emerging market practice in the UK under review.

The practical effect of Rule 7.19A for a dual UK-Hong Kong listed company would be to limit the maximum Section 551 Mandate that could be obtained to the lower threshold of 50% as opposed to the two-thirds headroom that may be sought in accordance with the IA guidelines, as well as guidelines of the Pre-Emption Group. This would put the Company at a potential disadvantage against other UK listed companies.

In order to place the Company on an equal footing with other listed companies in the UK, the Company proposed and was granted a waiver by the Stock Exchange on 4 May 2010. Under the terms of the waiver:

- (i) the Company shall seek Shareholders’ approval at the AGMs subsequent to the Listing on a rolling basis for the power to allot shares up to two-thirds of the existing issued share capital of the Company in line with the IA guidance explained above;
- (ii) the Directors (excluding the independent non-executive Directors) and their associates shall abstain from voting on the relevant resolution in their capacity as shareholders at the AGMs; and
- (iii) if the Company were to do a further rights issue, the Company would not need to obtain further shareholders approval under Rule 7.19A provided that:
  - (a) the market capitalisation of the Company would not increase by more than 50% as a result of the proposed rights issue; and
  - (b) the votes of any new Directors appointed to the Board since the relevant AGM would not have made a difference to the outcome of the relevant resolution at the relevant AGM if they had been shareholders at the time and they had in fact abstained from voting.

## **10. Waiver in respect of the record date for final dividend payments**

Under Rule 13.66(2) and Note (3) to Rule 13.66(2) of the Listing Rules, an issuer must ensure that the last day for trading in the securities with entitlements falls at least one business day after the general meeting approving the relevant entitlement and the record day (when there is no book closure) or last registration date (when there is a book closure) must be at least three business days after the general meeting.

The dividend payment timeline under the Listing Rules is inconsistent with the Company’s past practice (which is in line with the UK market practice) and would significantly delay the payment of the final dividend to shareholders on its UK and Hong Kong share registers, as well as its ADR holders. Since the Company believed this delay would prejudice its interests as an issuer and adversely affect the interests of Shareholders and investors, and put Shareholders at a disadvantage with respect to other UK listed companies which would not need to delay their dividend payments, the Company applied for, and the Stock Exchange granted, a waiver from the requirements in respect of the record date for final dividend payments under Rule 13.66(2) and Note (3) to Rule 13.66(2).

## **11. Waiver in respect of issuance of preference shares**

The Company obtained shareholder approval in May 2009 to allot preference shares. This approval lasted for five years and expired in May 2014. The Company therefore sought to renew this authority in May 2014. The renewal of this authority was primarily to preserve the Company's ability to structure hybrid capital issues, which it might decide to make based on future financing needs and market conditions.

However, upon the Company's listing by introduction in Hong Kong in May 2010, the Company became subject to Rule 13.36(2)(b) of the Listing Rules which provides that the Company may seek a general mandate from its shareholders to allot or issue securities subject to a restriction that the aggregate number of securities allotted must not exceed the aggregate of 20 per cent of the existing issued share capital of the Company.

The Company is a holding company, some of whose subsidiaries are authorised and regulated, as applicable, by the Hong Kong Insurance Authority and other regulatory authorities. From time to time, the Company is required to raise regulatory capital. One of the forms in which it may raise regulatory capital is preference shares. Such preference shares are different in nature to ordinary shares: they carry only limited rights to dividends and capital and either no, or very restricted, voting rights and therefore should not be regarded as equity capital. The Company believes it would be unduly restrictive on its ability to raise capital to impose limits on any general mandate relating to the issue of preference shares, particularly as the Company does not believe that it is subject to any constraint under the existing Investor Protection Committee guidelines in the UK.

The Company therefore sought, and the Stock Exchange granted, a waiver to the Company on 1 April 2014 from strict compliance with Rule 13.36(2)(b) such that the Company (a) was permitted to seek a five-year mandate from its shareholders for allotting preference shares in May 2014 and (b) is able to renew such five-year mandate periodically without being subject to Rule 13.36(2)(b). As such, the Company is not required to seek an equivalent waiver from the Stock Exchange in relation to the authorities sought in this resolution or any replacement authorities that may be sought in five years' time.

The five-year mandate to allot preference shares was last renewed at the AGM on 16 May 2019 and will expire in May 2024.