

# NATURAL BEAUTY BIO-TECHNOLOGY LIMITED

## CORPORATE GOVERNANCE GUIDELINES

(Revised and adopted on 27 March 2012)

### Purpose of Guidelines

The board of directors (the “Board”) of Natural Beauty Bio-Technology Limited (the “Company”) believes that the adoption of corporate governance guidelines can assist the Board in fulfilling its responsibilities to the Company’s shareholders. The Board has adopted the following corporate governance guidelines (the “Guidelines”) to serve as a flexible framework within which the Board may conduct its business. The Board will review and, if appropriate, amend these Guidelines from time to time.

### A. DIRECTORS

#### A.1 The Board

1. The Company is headed by an effective Board which assumes responsibility for its leadership and control and is collectively responsible for promoting its success by directing and supervising its affairs. Directors should take decisions objectively in the best interests of the Company. LR A14\_A.1
2. The Board should regularly review the contribution required from a director to perform his responsibilities to the Company, and whether he is spending sufficient time performing them. LR A14\_A.1
3. The Board meets regularly and Board meetings are held at least four times a year at approximately quarterly intervals. Such regular Board meetings normally involve the active participation of a majority of directors entitled to be present, either in person or through electronic means of communication, including but not limited to telephone, tele-conferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants and participation in a meeting pursuant to this provision shall constitute presence in person at such meetings. Merely obtaining Board consent through circulation of written resolutions does not suffice to be such a regular meeting. LR A14\_A.1.1
4. All directors of the Board are given an opportunity to include matters in the agenda for regular Board meetings, by submitting to the company secretary of the Company. LR A14\_A.1.2
5. Generally, notice of at least 14 days is given of a regular Board meeting to give all directors an opportunity to attend. For all other Board meetings, reasonable notice will be given. LR A14\_A.1.3
6. Minutes of Board meetings and meetings of Board committees are kept by the company secretary and are open for inspection at any reasonable time on reasonable notice by any director. LR A14\_A.1.4
7. Minutes of Board meetings and meetings of Board committees are recorded in sufficient detail the matters considered and decisions reached, including any concerns raised by directors or dissenting views expressed. Draft and final versions of minutes will be sent to all directors for their comment and records respectively, within a reasonable time after the Board meeting is held. LR A14\_A.1.5

8. Any directors, upon reasonable request to the Board, shall be allowed to seek independent professional advice in appropriate circumstances, at the Company's expense. The Board shall resolve to provide separate independent professional advice to directors to assist them perform their duties to the Company. LR A14\_A.1.6
9. If a substantial shareholder or a director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter should be dealt with by a physical Board meeting rather than a written resolution. Independent non-executive directors who, and whose associates, have no material interest in the transaction should be present at that Board meeting. LR A14\_A.1.7
10. The Company should arrange appropriate insurance cover in respect of legal action against the directors. LR A14\_A.1.8

## **A.2 Chairperson and Chief Executive**

11. There are two key aspects of the management of the Company - the management of the Board and the day-to-day management of business. There should be a clear division of these responsibilities to ensure a balance of power and authority, so that power is not concentrated in any one individual. LR A14\_A.2
12. The roles of the Company's chairperson ("Chairperson") and chief executive ("Chief Executive") are separate and are performed by two individuals. The division of responsibilities between the Chairperson and Chief Executive should be clearly established and set out in writing. LR A14\_A.2.1
13. The Chairperson does not involve in the day-to-day operations of the Company, but focus on the strategic positioning of the Company, and to provide guidance to the Board.
14. The Chief Executive manages the day-to-day operations of the Company, and report directly to the Board. Chief Executive also executes the resolutions passed by the Board.
15. The Board elects the Chairperson of the Board. The Chairperson, may, but is not required to, also hold the office of Chief Executive. The Board shall have the flexibility to decide whether it is best for the Company at given point in time for the roles of the Chairperson and Chief Executive to be combined or separate. The combination of the roles of the Chief Executive and Chairperson will be regarded as a deviation from the code provision in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Company shall make disclosures if the deviation and the reasons therefor in accordance with Appendix 14 of the Listing Rules if these roles are combined. Currently the positions of Chairperson and Chief Executive are held by two individuals.
16. The Chairperson should ensure that all directors are properly briefed on issues arising at Board meetings. LR A14\_A.2.2
17. The Chairperson is responsible for ensuring that directors receive, in a timely manner, adequate information, which must be accurate, clear, complete and reliable. LR A14\_A.2.3
18. One of the important roles of the Chairperson is to provide leadership for the Board. The Chairperson should ensure that the Board works effectively and performs its responsibilities, and that all key and appropriate issues are discussed by it in a timely manner. The Chairperson is primarily responsible for drawing up and approving the agenda for each Board meeting. He/She should take into account, where appropriate, any matters proposed by the other directors for inclusion in the agenda. The Chairperson may delegate this responsibility to a designated director or the company secretary. LR A14\_A.2.4

LR A14\_A.2.5

19. The Chairperson takes primary responsibility for ensuring that good corporate governance practices and procedures are established.
20. The Chairperson should encourage all directors to make a full and active contribution to the Board's affairs and take the lead to ensure that it acts in the best interests of the Company. The Chairperson should encourage directors with different views to voice their concerns, allow sufficient time for discussion of issues and ensure that Board decisions fairly reflect Board consensus. LR A14\_A.2.6
21. The Chairperson should at least annually hold meetings with the non-executive directors (including independent non-executive directors) without the executive directors present. LR A14\_A.2.7
22. The Chairperson should ensure that appropriate steps are taken to provide effective communication with shareholders and their views are communicated to the Board as a whole. LR A14\_A.2.8
23. The Chairperson should promote a culture of openness and debate by facilitating the effective contribution of non-executive directors in particular and ensuring constructive relations between executive and non-executive directors. LR A14\_A.2.9

### **A.3 Board composition**

24. The board should have a balance of skills and experience appropriate for the requirements of the Company's business. It should ensure that changes to its composition can be managed without undue disruption. It should include a balanced composition of executive and non-executive directors (including independent non-executive directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement. Non-executive directors should be of sufficient calibre and number for their views to carry weight. LR A14\_A.3
25. The names of all directors, including those independent non-executive directors, shall be expressly identified as such in all corporate communications. LR A14\_A.3.1
26. The Company maintains on the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and its website at [www.nblife.com/ir](http://www.nblife.com/ir) an updated list of its directors identifying their role and function and whether they are independent non-executive directors. LR A14\_A.3.2

### **A.4 Appointments, re-election and removal of directors**

27. There should be a formal, considered and transparent procedure for the appointment of new directors. There should be plans in place for orderly succession for appointments. All directors should be subject to re-election at regular intervals. The Company must explain the reasons for the resignation or removal of any director. LR A14\_A.4
28. Non-executive directors should be appointed for a specific term, subject to re-election. LR A14\_A.4.1
29. All directors appointed to fill a casual vacancy will be subject to election by shareholders at the first general meeting after their appointment. LR A14\_A.4.2
30. According to the Articles of Association of the Company, at each annual general meeting, one-third of the directors (including executive and non-executive directors), or, if their number is not three or a multiple of three, a number not less than one-third, shall retire from office by rotation such that every director is subject to retirement by rotation at least once every three years. The directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became directors on the same day those to LR A14\_A.4.2

retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat.

31. Serving more than 9 years could be relevant to the determination of a non-executive director's independence. If an independent non-executive director serves more than 9 years, his further appointment should be subject to a separate resolution to be approved by shareholders. The papers to shareholders accompanying that resolution should include the reasons why the Board believes he/she is still independent and should be re-elected. LR A14\_A.4.3

#### **A.5 Nomination Committee**

32. The Company established a nomination committee which is chaired by the Chairperson or an independent non-executive director and comprises a majority of independent non-executive directors. LR A14\_A.5.1

33. The nomination committee is established with specific written terms of reference which deal clearly with its authority and duties. It should perform, among others, the following duties:- LR A14\_A.5.2

- (a) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) assess the independence of independent non-executive directors; and
- (d) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairperson and the Chief Executive.

34. The nomination committee should make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on the Stock Exchange's website and the Company's website at [www.nblife.com/jr](http://www.nblife.com/jr). LR A14\_A.5.3

35. The Company should provide the nomination committee sufficient resources to perform its duties. Where necessary, the nomination committee should seek independent professional advice, at the Company's expense, to perform its responsibilities. LR A14\_A.5.4

36. Where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe he should be elected and the reasons why they consider him to be independent. LR A14\_A.5.5

#### **A.6 Responsibilities of directors**

37. Every director must always know his responsibilities as a director of the Company and its conduct, business activities and development. Given the essential unitary nature of the Board, non-executive directors have the same duties of care and skill and fiduciary duties as executive directors. LR A14\_A.6

LR A14\_A.6.1

38. Every newly appointed director of the Company will receive a comprehensive and formal and tailored induction on appointment from the Company's legal counsel. Subsequently he will receive any briefing and professional development necessary, to ensure that he has a proper understanding of the Company's operations and business and is fully aware of his responsibilities under statute and common law, the Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.
39. The functions of non-executive directors include: LR A14\_A.6.2
- (a) participating in Board meetings to bring an independent judgement to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct;
  - (b) taking the lead where potential conflicts of interests arise;
  - (c) serving on the audit, remuneration, nomination and executive committees, if invited; and
  - (d) scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring performance reporting.
40. Every director should ensure that he can give sufficient time and attention to the Company's affairs and should not accept the appointment if he cannot do so. LR A14\_A.6.3
41. The Board should establish written guideline no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuer for relevant employees in respect of their dealings in the Company's securities. "Relevant employee" includes any employee or a director or employee of a subsidiary or holding company who, because of his office or employment, is likely to be in possession of unpublished price sensitive information in relation to the Company or its securities. LR A14\_A.6.4
42. All directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. The Company is responsible for arranging and funding suitable training, placing an appropriate emphasis on the roles, functions and duties of its directors. LR A14\_A.6.5
43. Directors should provide a record of the training they received to the Company. LR A14\_A.6.5
44. Each director should disclose to the Company at the time of his appointment, and in a timely manner for any change, the number and nature of offices held in public companies or organisations and other significant commitments. The identity of the public companies or organisations and an indication of the time involved should also be disclosed. The Board should determine for itself how frequently this disclosure should be made. LR A14\_A.6.6
45. Independent non-executive directors and other non-executive directors, as equal board members, should give the Board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings and develop a balanced understanding of the views of shareholders. LR A14\_A.6.7
46. Independent non-executive directors and other non-executive directors should make a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments. LR A14\_A.6.8
- A.7 Supply of and access to information**
47. Directors will be provided in a timely manner with appropriate information in the form and quality to enable them to make an informed decision and perform their duties and responsibilities. LR A14\_A.7

48. For regular Board meetings, and as far as practicable in all other cases, an agenda and accompanying Board papers will be sent in full to all directors. These should be sent in a timely manner and at least 3 days before the intended date of a Board or Board committee meeting (or other agreed period). LR A14\_A.7.1
49. Management has an obligation to supply the Board and its committees with adequate information, in a timely manner, to enable it to make informed decisions. The information supplied must be complete and reliable. To fulfil his duties properly, a director may not, in all circumstances, be able to rely purely on information provided voluntarily by management and he may need to make further enquiries. Where any director requires more information than is volunteered by management, he should make further enquiries where necessary. So, the Board and individual directors should have separate and independent access to the Company's senior management<sup>1</sup>. LR A14\_A.7.2
50. All directors are entitled to have access to Board papers and related materials. These papers and related materials should be in a form and quality sufficient to enable the Board to make informed decisions on matters placed before it. Queries raised by directors should receive a prompt and full response, if possible. LR A14\_A.7.3

## **B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT AND BOARD EVALUATION**

### **B.1 The level and make-up of remuneration and disclosure**

51. The Company should disclose its directors' remuneration policy and other remuneration related matters. The procedure for setting policy on executive directors' remuneration and all directors' remuneration packages should be formal and transparent. Level of remuneration of the directors is based on the director's experience in the industry which the Company is operating in or intend to operate in, as well as the market rate paid by comparable companies and should be sufficient to attract and retain directors to run the Company successfully without paying more than necessary. No director should be involved in deciding his own remuneration. LR A14\_B.1
52. The remuneration committee should consult the Chairperson and/or Chief Executive about their remuneration proposals for other executive directors. The remuneration committee should have access to independent professional advice if necessary. LR A14\_B.1.1
53. There is a remuneration committee established with a remuneration committee charter which deals with its membership, authority and duties. LR A14\_B.1.2
54. The terms of reference of the remuneration committee explaining its role and authority delegated to it by the Board is available on the Stock Exchange's website and the Company's website at [www.nblife.com/ir](http://www.nblife.com/ir). LR A14\_B.1.3
55. The remuneration committee shall be provided with sufficient resources to perform its duties. LR A14\_B.1.4
56. The Company shall disclose details of any remuneration payable to members of senior management by band in their annual reports. LR A14\_B.1.5

## **C. ACCOUNTABILITY AND AUDIT**

### **C.1 Financial reporting**

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<sup>1</sup> In these Guidelines, "senior management" refers to the same persons as referred to in the Company's annual report and required to be disclosed under paragraph 12 of Appendix 16 of the Listing Rules.

57. The Board should present a balanced, clear and comprehensible assessment of the Company's performance, position and prospects. LR A14\_C.1
58. Management should provide sufficient explanation and information to the Board to enable it to make an informed assessment of financial and other information put before it for approval. LR A14\_C.1.1
59. Management should provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules. The information provided may include background or explanatory information relating to matters to be brought before the Board, copies of disclosure documents, budgets, forecasts and monthly and other relevant internal financial statements such as monthly management accounts and management updates. For budgets, any material variance between the projections and actual results should also be disclosed and explained. LR A14\_C.1.2
60. The directors shall acknowledge in the Corporate Governance Report their responsibility for preparing the accounts. There should be a statement by the auditors about their reporting responsibilities in the auditors' report on the financial statements. Unless it is inappropriate to assume that the Company will continue in business, the directors should prepare the accounts on a going concern basis, with supporting assumptions or qualifications as necessary. Where the directors are aware of material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, they should be clearly and prominently disclosed and discussed at length in the Corporate Governance Report. The Corporate Governance Report should contain sufficient information for investors to understand the severity and significance of matters. To a reasonable and appropriate extent, the Company may refer to other parts of the annual report. These references should be clear and unambiguous and the Corporate Governance Report should not contain only a cross-reference without any discussion of the matter. LR A14\_C.1.3
61. The directors should include in the separate statement containing a discussion and analysis of the group's performance of the Company and its subsidiaries in the annual report, an explanation of the basis on which the Company generates or preserves value over the longer term (the business model) and the strategy for delivering the Company's objectives. The Company should have a corporate strategy and a long term business model. Long term financial performance as opposed to short term rewards should be a corporate governance objective. The Board should not take undue risks to make short term gains at the expense of long term objectives. LR A14\_C.1.4
62. The Board should present a balanced, clear and understandable assessment in annual and interim reports, other price-sensitive announcements and other financial disclosures required by the Listing Rules. It should also do so for reports to regulators and information disclosed under statutory requirements. LR A14\_C.1.5

## **C.2 Internal controls**

63. The Board should ensure that the Company maintains sound and effective internal controls to safeguard shareholders' investment and the Company's assets. LR A14\_C.2
64. The directors should at least annually conduct a review of the effectiveness of the Company's and its subsidiaries' internal control systems and report to shareholders that they have done so in the Corporate Governance Report. The review should cover all material controls, including financial, operational and compliance controls and risk management functions. LR A14\_C.2.1

65. The Board's annual review should, in particular, consider the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function. LR A14\_C.2.2

### **C.3 Audit Committee**

66. The Board should establish formal and transparent arrangements to consider how it will apply financial reporting and internal control principles and maintain an appropriate relationship with the Company's auditors. The audit committee established under the Listing Rules should have clear terms of reference. LR A14\_C.3
67. Full minutes of audit committee meetings shall be kept by the company secretary of the Company. Draft and final versions of minutes of the meetings should be sent to all committee members for their comment and records within a reasonable time after the meeting. LR A14\_C.3.1
68. A former partner of the Company's existing auditing firm should be prohibited from acting as a member of the audit committee of the Company for a period of 1 year from the date of his ceasing: (a) to be a partner of the firm; or (b) to have any financial interest in the firm, whichever is later. LR A14\_C.3.2
69. There is an audit committee established with an audit committee charter which deals clearly with its membership, authority and duties. LR A14\_C.3.3
70. The term of reference of the audit committee explaining its role and the authority delegated to it by the Board is available on the Stock Exchange's website and the Company's website at [www.nblife.com/ir](http://www.nblife.com/ir). LR A14\_C.3.4
71. Where the Board disagrees with the audit committee's view on the selection, appointment, resignation or dismissal of the external auditors, the Company should include in the Corporate Governance Report a statement from the audit committee explaining its recommendation and also the reason(s) why the Board has taken a different view. LR A14\_C.3.5
72. The audit committee shall be provided with sufficient resources to perform its duties. The audit committee also has the authority and responsibility to engage outside legal, accounting and other advisors, as it deems appropriate. Funding for any such outside advisors, for the compensation for any auditing firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, and for the ordinary administrative expenses of the audit committee shall be determined by the audit committee and paid by the Company. LR A14\_C.3.6
73. The terms of reference of the audit committee shall also require it: LR A14\_C.3.7
- (a) to review arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The audit committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action; and
  - (b) to act as the key representative body for overseeing the Company's relations with the external auditor.

## **D. DELEGATION BY THE BOARD**

### **D.1 Management functions**

74. The Company should have a formal schedule of matters specifically reserved for Board approval. The Board should give clear directions to management on the matters that must be approved by it before decisions are made on the Company's behalf. LR A14\_D.1
75. When the Board delegates aspects of its management and administration functions to management, it must, at the same time, give clear directions as to the management's powers, in particular, where management should report back and obtain prior Board approval before making decisions or entering into any commitments on the Company's behalf. The Board should not delegate matters to a Board committee, executive directors or management to an extent that would significantly hinder or reduce the ability of the Board as a whole to perform its functions. LR A14\_D.1.1
76. The Company should formalise the functions reserved to the Board and those delegated to management. It should review those arrangements periodically to ensure that they remain appropriate to the Company's needs. LR A14\_D.1.2
77. The Company should disclose the respective responsibilities, accountabilities and contributions of the Board and management. LR A14\_D.1.3
78. Directors should clearly understand delegation arrangements in place. The Company should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. LR A14\_D.1.4

## **D.2 Board Committees**

79. Board committees should be formed with specific written terms of reference which deal clearly with their authority and duties. LR A14\_D.2
80. The Board of Directors has four standing Committees: audit, remuneration, executive and nomination committees. The responsibilities of each committee are set forth in its respective charter, as established by the Board, which are available on the Stock Exchange's website and the Company's website at [www.nblife.com/jr](http://www.nblife.com/jr).
81. Where Board committees are established to deal with matters, the Board should give them sufficiently clear terms of reference to enable them to perform their functions properly. LR A14\_D.2.1
82. The terms of reference of Board committees should require them to report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements). LR A14\_D.2.2

## **D.3 Corporate Governance Functions**

83. The terms of reference of the Board (or a committee or committees performing this function) should include at least: LR A14\_D.3.1
- (a) to develop and review an Company's policies and practices on corporate governance and make recommendations to the Board;
  - (b) to review and monitor the training and continuous professional development of directors and senior management;
  - (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and

(e) to review the Company's compliance with the code and disclosure in the Corporate Governance Report.

84. The Board should be responsible for performing the corporate governance duties set out in paragraph 83 above or it may delegate the responsibility to a committee or committees.

LR A14\_D.3.2

## **E. COMMUNICATION WITH SHAREHOLDERS**

### **E.1 Effective communication**

85. The Board is responsible for maintaining an on-going dialogue with shareholders and in particular, use annual general meetings or other general meetings to communicate with them and encourage their participation.

LR A14\_E.1

86. For each substantially separate issue at a general meeting, a separate resolution should be proposed by the chairperson of that meeting. The Company should avoid "bundling" resolutions unless they are interdependent and linked forming one significant proposal. Where the resolutions are "bundled", the Company should explain the reasons and material implications in the notice of meeting. An example of a substantially separate issue is the nomination of persons as directors. Accordingly, each person should be nominated by means of a separate resolution.

LR A14\_E.1.1

87. The Chairperson should attend the annual general meeting. He/She should also invite the chairmen of the audit, remuneration, nomination, executive and any other committees (as appropriate) to attend. In their absence, he/she should invite another member of the committee or failing this his/her duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting. The chairperson of the independent Board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that requires independent shareholders' approval. The Company's management should ensure the external auditor attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditors' report, the accounting policies and auditor independence.

LR A14\_E.1.2

88. The Company should arrange for the notice to shareholders to be sent for annual general meetings at least 20 clear business days before the meeting and to be sent at least 10 clear business days for all other general meetings.

LR A14\_E.1.3

89. The Board should establish a shareholders' communication policy and review it on a regular basis to ensure its effectiveness.

LR A14\_E.1.4

### **E.2 Voting by Poll**

90. The Company should ensure that shareholders are familiar with the detailed procedures for conducting a poll. At any general meeting a resolution put to vote at the meeting must be decided by poll except for procedural or administrative matters as decided by the chairperson of the meeting in good faith. The chairperson of a meeting should ensure that an explanation is provided of the detailed procedures for conducting a poll and answer any questions from shareholders on voting by poll.

LR A14\_E.2.1  
LR13.39(4)

## **F. COMPANY SECRETARY**

91. The company secretary plays an important role in supporting the Board by ensuring good information flow within the Board and that Board policy and procedures are followed. The company secretary is responsible for advising the Board through the Chairperson and/or the Chief Executive on governance matters and should also facilitate induction and professional development of directors. LR A14\_F
92. The company secretary should be an employee of the Company and have day-to-day knowledge of the Company's affairs. Where the Company engages an external service provider as its company secretary, it should disclose the identity of a person with sufficient seniority (e.g. chief legal counsel or chief financial officer) at the Company whom the external provider can contact. LR A14\_F.1.1
93. The Board should approve the selection, appointment or dismissal of the company secretary. A Board meeting should be held to discuss the appointment and dismissal of the company secretary and the matter should be dealt with by a physical Board meeting rather than a written resolution. LR A14\_F.1.2
94. The company secretary should report to the Board Chairperson and/or the Chief Executive. LR A14\_F.1.3
95. All directors shall have access to the advice and services of the company secretary to ensure that Board procedures, and all applicable law, rules and regulations, are followed. LR A14\_F.1.4

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