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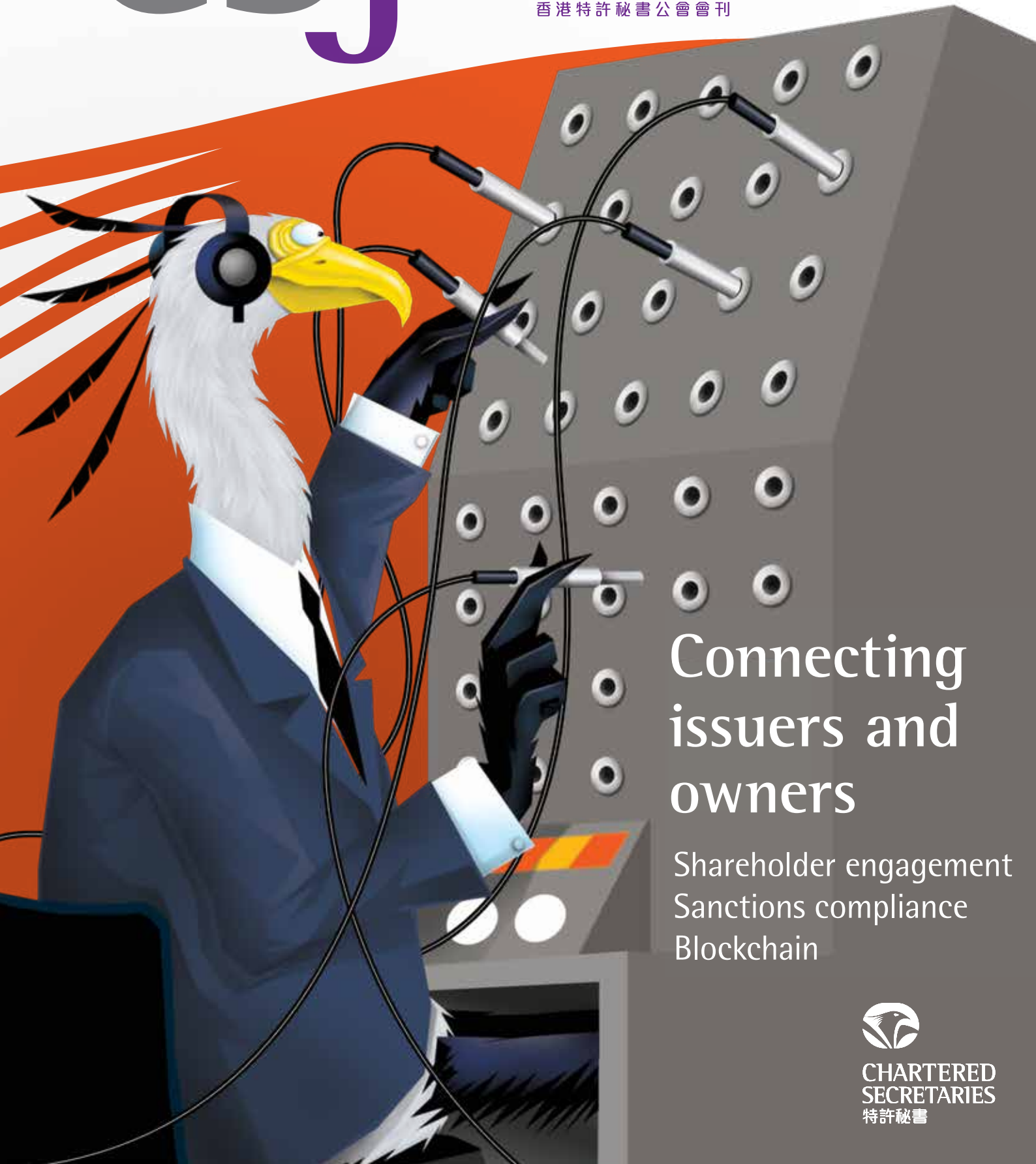
November 2016

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The journal of The Hong Kong
Institute of Chartered Secretaries

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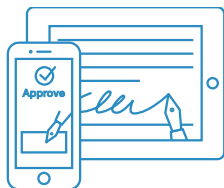


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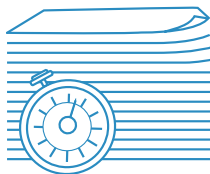
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The Hong Kong Institute of Chartered Secretaries (HKICS) is an independent professional body dedicated to the promotion of its members' role in the formulation and effective implementation of good governance policies, as well as the development of the profession of the Chartered Secretary in Hong Kong and throughout Mainland China. HKICS was first established in 1949 as an association of Hong Kong members of the Institute of Chartered Secretaries and Administrators (ICSA) of London. It became a branch of ICSA in 1990 before gaining local status in 1994. HKICS is a founder member of the Corporate Secretaries International Association (CSIA) which was established in March 2010 in Geneva, Switzerland to give a global voice to corporate secretaries and governance professionals. HKICS has over 5,800 members and 3,200 students.

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Students: 3,273
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November 2016

CSj, the journal of The Hong Kong Institute of Chartered Secretaries, is published 12 times a year by Ninehills Media and is sent to members and students of The Hong Kong Institute of Chartered Secretaries and to certain senior executives in the public and private sectors.

Views expressed are not necessarily the views of The Hong Kong Institute of Chartered Secretaries or Ninehills Media. Any views or comments are for reference only and do not constitute investment or legal advice. No part of this magazine may be reproduced without the permission of the publisher or The Hong Kong Institute of Chartered Secretaries.

Circulation: 8,200
 Annual subscription: HK\$2600 (US\$340)
 To subscribe call: (852) 3796 3060 or
 email: enquiries@ninehillsmedia.com

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 ISSN 1023-4128

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The company secretary challenge

Welcome to another action-packed edition of *CSj*. Before turning to the content of this month's journal, I would like to mention a couple of Institute events which deserve your attention. The first is the celebration of the 20th anniversary of our Beijing Representative Office (BRO), which will be held on 18 November in Beijing. The launch of our BRO in 1996 was a very significant milestone in the progress of our Mainland China work. We will be celebrating 20 years of deepening ties with our Mainland counterparts, as well as looking forward to further helping to develop the Chartered Secretarial and corporate governance profession in the Mainland.

The second event I would like to highlight is our upcoming annual general meeting on 14 December. I urge all members who can attend to come and participate in the meeting, and in the all-important voting, to establish a strong basis for another year's work.

Turning to this month's edition of our journal, the variety of practice areas which company secretaries need to address in their daily work is on display in this edition of *CSj*. Our cover stories this month look at how we can add value to companies' shareholder communications practices, while our In Focus article looks at how we can help companies navigate

the risks and exploit the opportunities presented by advances in technology. We also have articles on the implications of blockchain technology and on sanctions compliance.

To students and fresh recruits to our profession, this diverse curriculum might seem quite daunting, but in my President's Message this month I would like to reassure those at the beginning of the Chartered Secretarial journey that you don't need to be a savant to take on this role.

I don't mean to underestimate the 'company secretary challenge' – dealing with such a wide scope of practice areas certainly means a substantial amount of homework. South African Attorney Loren Wulfsohn, in her article for the International Finance Corporation titled: 'The company secretary as polymath', points out that 'the varied expertise required from a company secretary is daunting. A real challenge presents itself in finding individuals who are being properly trained, as well as receiving on-the-job mentoring'. In this context, our initial training and our ongoing CPD training are critical to ensure that we have the knowledge to add value in the many different practice areas of our remit.

Company secretaries do not, however, need to be experts in every topic they encounter in their working lives. The company secretary addresses such issues as technology-related risk or shareholder communications – and bear in mind that often there will be specific teams within the company, or external consultants,

dedicated to these areas – as the officer responsible for the company's governance agenda. As the company's governance and strategy watchdog our remit is very wide, but in areas outside our core duties we generally play a coordinating role, bringing together those within, and sometimes those outside the company, who have the expertise needed to ensure that governance standards are upheld.

Far more important, then, than an encyclopedic knowledge of the business curriculum, is the confidence needed to work in areas as diverse as governance itself and at all levels in the organisation. I would therefore like to add my voice to that of Peter Greenwood, the Event Chair at this year's HKICS Corporate Governance Conference, who concluded the conference with an appeal to the younger members of our profession not to underestimate their abilities to make a difference in their work. 'You might think that challenges such as promoting board diversity, shareholder engagement and better board interaction with senior management at major listed companies are irrelevant to you,' he said, '... but do not underestimate yourselves. Do not underestimate your own ability to make a difference. Do what needs to be done.'

A stylized, handwritten signature in black ink, appearing to read 'Ivan Tam'.

Ivan Tam FCIS FCS

公司秘书面对的挑战

新一期内容精彩的CSj又和大家见面。在讨论今期的内容之前，这里先一提公会两项值得注意的盛事。首先，北京代表处庆祝成立20周年的庆典，将于11月18日在北京举行。公会北京代表处在1996年成立，是公会中国内地工作的重要里程碑。20年来，公会与内地合作伙伴的关系日渐紧密；在未来的岁月里，我们将继续协助发展内地的特许秘书及公司治理专业。

第二项盛事，是即将于12月14日举行的周年会员大会。我鼓励大家尽可能出席，参与重要的投票，为新一年的工作奠定稳固的基础。

本刊的内容方面，今期的文章呈现公司秘书日常工作所涉及的广阔范畴。今期的封面故事会探讨我们可如何为公司的股东沟通工作增值；「焦点」文章则说明我们可如何协助公司驾驭科技发展带来的风险，同时掌握新科技带来的机会。另亦有文章讨论区块链技术的影响，以及制裁之合规事宜。

对于公会学员和刚加入特许秘书行业的从业员来说，这样广阔的工作范畴或会令人望而生怯，但我想请刚踏上特许秘书之路的同业放心，不一定是博学多闻的专家才可担当特许秘书之职。

我这并非想低估公司秘书面对的挑战。要应对范畴这样广泛的工作，固然需要做大量准备功夫。南非律师Loren Wulfsohn 在其为International Finance Corporation撰写的《博学多才的公司秘书》一文中指出，「公司秘书需要具备的专业知识之广，教人却步。真正的挑战在于物色经过恰当培训的人员，以及提供在职指导。」在这方面，公会的初期培训及持续专业发展计划十分重要，有助确保特许秘书具备所需知识，在多个不同的工作范畴为所服务的机构增值。

然而，公司秘书并不需要是在工作上遇到的所有课题的专家。公司秘书以公司治理事宜负责人员的身分，处理与科技相关的风险、股东沟通等课题，而且不要忘记，公司内部往往有专门负责这些范畴的团队，又或会外聘顾问处理这些工作。作为公司治理和战略的监督者，我们的职责很广泛，但在核心职责以外的范畴，我们通常担当协调的角色，结合机构内部的相关人员，有时也兼及具备所需专长的外界人士，以确保公司符合治理标准。

因此，特许秘书不必像百科全书那样具备丰富的商业知识，更重要的是有

信心应对范围广阔的治理职责，以及在机构的各层面工作。因此，我很同意林英伟的一番话。林英伟是公会今年公司治理研讨会的主席，他在研讨会结束的时候，勉励年轻从业员不要低估自己在工作上可作的贡献。他说：「你也许认为在大型上市公司提倡董事会的多样性、促进股东参与、提升董事会与高管的互动性等挑战与你无关，但不要低估自己，不要低估自己在工作上可作的贡献，做一切需要做的事。」



谭国荣先生 FCIS FCS

Beyond the disconnect

Shareholder communications in Hong Kong

CSj takes a look at a new HKICS research report which promotes five imperatives listed companies should consider to improve their shareholder communications practices in Hong Kong.



The theory is relatively simple – the owners of a business appoint directors to manage the undertaking on their behalf and the directors report to the owners regularly based on their stewardship. That, according to Professor Bob Tricker, author of a new HKICS research report on shareholder communications in Hong Kong, was the way things were originally conceived at the time the first limited liability companies opened for business back in the mid-19th century.

Of course, things have become somewhat more complicated over the intervening 160 years. Large corporate groups bear little resemblance to those early limited liability companies, with their management and operations in a single jurisdiction and answering to cohesive and stable group of shareholders. Public listed companies are typically large, complex groups with several layers of subsidiaries and associated companies around the world, and owned by a diverse group of shareholders encompassing a range from long-term investors to short-term speculators – often with conflicting expectations of the dialogue they would like to have with the company.

These trends did and do not favour the maintenance of that close and regular dialogue between companies and shareholders envisaged at the birth of limited liability company. Up until the last decade, companies increasingly lost touch with their shareholders and often lacked a comprehensive knowledge of who those shareholders were, and what concerns they may have about the governance and other aspects of the company.

Was that such a bad thing? In recent years, increasing numbers of market participants are answering that question

with a resounding yes. For starters, there are some fairly obvious advantages to having a loyal and long-term shareholder base – this translates into a lower cost of capital and less share price volatility, for example. On the risk side, in this social media age, discontent among shareholders can very rapidly escalate into a reputational apocalypse for the company.

There is, however, another reason which reaches back to the original concept of how the dialogue between companies and their owners would work – well-informed and actively engaged shareholders can provide a constructive challenge to the way companies are run. Shareholders are supposed to be an integral part of the system of independent checks and balances which form the basis of corporate governance. Indeed, they have been written into many disclosure-based regulatory regimes around the world, such as the one in Hong Kong, since such a regime only works if investors read, understand and act on the mandatory disclosures.

The new HKICS report

In recent years, there has been a movement to recapture that original

“shareholders are supposed to be an integral part of the system of independent checks and balances which form the basis of corporate governance”

concept of the company/shareholder relationship. Shareholder engagement has risen up the agenda for listed issuers, shareholders and regulators over the last decade, focusing on the need for companies to be responsive to investors' concerns and to facilitate the engagement process, and for investors to take their ownership responsibilities seriously.

In this context, HKICS has published a new research report: *Shareholder communications for listed issuers – five imperatives to break the monologue*. The report, available on the HKICS website: www.hkics.org.hk, highlights

Highlights

- the new HKICS report will be of interest to all parties hoping to understand the level of importance given to shareholder communications by both listed companies and investors in Hong Kong
- the report finds that shareholder communications tend to be reactively driven by rules and regulation, rather than proactively driven by a choice to communicate and engage with shareholders
- the report argues in favour of a switch of emphasis away from ever increasing disclosure requirements and towards the need for an effective dialogue with investors

the strategic advantages of better shareholder communications. 'Effective communication leads to satisfied investors, interested potential investors,

Online resources

The Hong Kong Institute of Chartered Secretaries (www.hkics.org.hk)

In addition to the newly published *Shareholder communications* research report reviewed in this article, HKICS published two guidance notes – *Investor Relations Part I and Investor Relations Part II* – in March 2009 and June 2009 respectively. Readers can also consult the '10-point guide to the company secretary's role in shareholder engagement' authored by Philip Armstrong, Senior Advisor, Corporate Governance, International Finance Corporation, published in the June 2015 edition of *CSj* (see pages 18-19).

The Corporate Secretaries International Association (www.csia.org)

In 2015, CSIA published its guidance on international best practice in shareholder engagement for corporate secretaries – *Shareholder Engagement: Practical Steps for Corporate Secretaries*.

The Hong Kong Securities and Futures Commission (www.sfc.org)

The SFC recently published Hong Kong's first investor's stewardship code – *Principles of Responsible Ownership*.

and enhanced corporate value. But if investor relations are not handled well, the market knows, a company's reputation suffers, and corporate value is lost,' the report states.

The report also highlights the greater opportunities for a close and interactive dialogue with shareholders provided by technology. 'Historically, communication with shareholders has used print. However in recent years, opportunities for communication have, clearly, expanded dramatically. No longer reliant on the printed word alone, companies have access to the internet, using corporate websites, dedicated investor relations websites, the stock exchange website, email, and social media, such as Facebook and Twitter,' the report states.

Given the benefits of good shareholder relations and the greater technological opportunities for an interactive dialogue with shareholders, why does the disconnect between companies and their owners persist? The survey on which the new *Shareholder communications* report is based, for example, found that a third of respondent companies did not know who their shareholders were and did not regularly or routinely monitor their shareholder base. As the report points out – 'if you do not know your audience or what they want, how can you frame your message?'

As mentioned at the beginning of this article, changes in the business environment have resulted in some significant obstacles to a better dialogue – the diversity of shareholder groups with potentially conflicting agendas and the difficulty of identifying beneficial shareholders, for example. The HKICS report points to another reason, however,

for the disconnect. The survey results indicate that, for many listed companies, shareholder communications is treated as a matter of compliance rather than a strategic advantage. 'It is reactively driven by rules and regulation, rather than proactively driven by a choice to communicate and engage with shareholders,' the report states.

The report assesses the implications of these results, but also attempts to provide a way forward for improving shareholder communications in Hong Kong. The good news is that the obstacles to better engagement are not insurmountable, and the report makes specific recommendations on the way forward for listed issuers and shareholders – the two parties to the dialogue – but also for regulators whose role can have a significant influence on achieving better outcomes.

Recommendations

For listed issuers

The message for the main audience of the HKICS report – listed companies in Hong Kong – is the need to address 'five imperatives' as a way to improve shareholder communications. These are to:

1. develop an investor relations strategy within the corporate strategy
2. know and regularly review your shareholder base
3. formulate and regularly review shareholder communications policies
4. formulate and regularly review shareholder engagement policies, and
5. review the responsibility and accountability for investor relations.

Performance evaluation

- Excellent
- Good
- Average
- Fair
- Poor

“
the growing presence of institutional investors in the Hong Kong market has meant a growing investor lobby with the incentives and resources to monitor their investee companies’ performance, decisions and corporate actions
”

For shareholders

The new HKICS report makes it clear that a shareholder relationship, like any relationship, can only function through the efforts of both sides. ‘Thus, shareholders need to express their needs and expectations regarding investor relations to listed companies, and to provide feedback, positive and negative, on the information they receive,’ the report states. The report also makes the point that investors should have access to a sufficiently senior level in the company. These approaches are consistent with the Securities and Futures Commission’s (SFC) voluntary *Principles of Responsible Ownership*.

The *Principles*, published in March 2016, seek to promote greater understanding among investors of their share ownership responsibilities. The growing presence of institutional investors in the Hong Kong

market has meant a growing investor lobby with the incentives and resources to monitor their investee companies’ performance, decisions and corporate actions. The SFC sees its new investor code as complementary to the existing legal framework for promoting corporate governance, which has historically been focused on corporate and directors’ obligations.

For regulators

The new HKICS report has been well received by regulators in Hong Kong. The benefits for the market as a whole of improving shareholder communications has not been lost on both the SFC and the stock exchange. The survey findings on which the report is based will therefore be of interest to all parties hoping to understand the level of importance given to shareholder communications by both listed

companies and investors. Moreover, given the apparent shortcomings in the underlying commitment by a sizeable proportion of listed companies to shareholder communications, the report argues in favour of a switch of emphasis away from ever-increasing disclosure requirements and towards the need for an effective dialogue with investors.

‘[Regulators] might consider less emphasis, perhaps a pause, on regulating the volume and scope of reporting, and place greater weight on quality, requiring listed companies to explain how they realise their commitment to shareholder communications. This would include listed companies specifically reporting on their performance and progress in regards to the five imperatives suggested above,’ the report states.

Kieran Colvert, Editor, CSj

Shareholder communications and the company secretary

There is typically an investor relations function dedicated to shareholder communications in listed companies – so where does the company secretary fit in? Do company secretaries have a role to play in shareholder communications and, if so, how can they add most value to companies' practices and performance in this area?



The fact that investor relations (IR) teams have become a lot more common within listed companies has been a positive development, but company secretaries, even where there is an IR team, have a role to play in shareholder communications.

Firstly, company secretaries need to keep close tabs on shareholder communications issues to fulfil their role as adviser to the board. According to Section E.1 of the Corporate Governance Code, the board should be responsible for maintaining an ongoing dialogue with shareholders. The recent HKICS research report, *Shareholder communications for listed issuers – five imperatives to break the monologue*, notes that company secretaries are expected to advise boards on governance matters, including the board's responsibility to maintain an ongoing dialogue with shareholders.

More broadly, communications (whether between the company and shareholders or between management and the board) remain a core part of the company secretarial function. Moreover, many company secretarial tasks (such as, management of the AGM and the annual report process, and maintenance of the company's share register) mean that the company secretary needs to work closely with the IR team in many different aspects of shareholder communications.

How can the company secretary add value?

Having effective shareholder communications is part of good corporate governance practice, and, as the guardian of good governance within the company, the company secretary

should be promoting best practice in this area. The bar has been rising in recent years regarding best practice in shareholder communications. AGMs are, of course, an important opportunity to enhance the relationship and interaction with shareholders, but calendar activities such as AGMs are far from enough these days. Maintaining an effective dialogue and communications with shareholders requires a holistic shareholder communications policy, which guides how different programmes are executed with clear objectives and principles. Institutional investors, in particular, will expect best practice in shareholder engagement to include roadshows, investor conferences, private meetings, tours to company premises and facilities, and constant communications with the company in order to facilitate their analysis of the company's performance.

Another aspect of best practice is the need for listed companies to make their shareholder communications policies available on their websites (and on the Hong Kong Stock Exchange website), as well as providing feedback channels so that shareholders can contact the company through the company secretary or IR team.

This has been facilitated by electronic communications. Nowadays it is common for listed companies to have a dedicated IR section on their corporate websites, which includes IR contacts, annual reports, stock exchange disclosures, announcements, and even supplementary reports such as CSR, sustainability, etc. Interactive content is also increasingly used, such as slides, webinars, or even live casts or chats, to draw the attention of investors.

In addition to accessing information on the company's website, shareholders and potential investors now expect the company to respond to their inquiries or requests for information at any time by email, phone or in writing. Therefore, the company secretary and the IR team are expected to answer any enquiry within a certain time-frame. All inquiries, whether answered or not, should also be logged and documented internally.

'The increased sophistication of shareholders and their demand for more transparency is a result of the more internationalised stock market,' says Dr Eva Chan FCIS FCS(PE), Head of IR at C C Land Holdings Ltd, who is also a veteran company secretary. 'Some 20 years ago

Highlights

- increasing numbers of listed companies recognise investor relations (IR) as an important part of their stakeholder management strategy, and have formed separate IR teams to handle shareholder communications
- as the guardian of good governance within the company, the company secretary should be promoting best practice in shareholder communications
- as well as informing investors about developments in the company, the company secretary also needs to inform the company about developments relating to investors

when I was the CFO of another listed company, the market cap of an average IPO was about HK\$1-2 billion. Local retail investors were able to snap up most shares in the public offer tranche.'

Things have changed. Nowadays Hong Kong is regarded by fund managers as an important market in their asset allocation strategy for China and Asia. That compares with years ago when Hong Kong was a relatively insignificant market in some emerging Asia equity funds. 'As global investors, mutual funds and foreign institutional investors are now heavily involved in Hong Kong's mega IPOs, a professional IR team is much needed to maintain an effective dialogue and interaction with these discerning investors, while keeping the company's financial position as transparent as possible.'

Compared with 10 years ago, Dr Chan says that listed companies have devoted more effort and resources to IR in recent years. When she founded the Hong Kong Investor Relations Association in 2008, there were less than 100 listed companies with an independent IR position.

'Eight years on, I have seen a tremendous change in attitudes towards shareholder communications, in part due to an increased presence of institutional investors, and in part because of improved corporate governance practices,' Dr Chan says. She observes that companies listed in recent years, including state-owned companies from the Mainland, recognise IR as an important part of their stakeholder management strategy and have therefore formed a separate IR team to handle shareholder communications.

'After publishing an annual report or making an important announcement,

the job of the company secretary may be temporarily over, but it's just the beginning for the IR team as they will soon handle a huge volume of shareholder inquiries down the line,' Dr Chan says.

The compliance factor

Another area where the company secretarial role overlaps with shareholder communications is in the area of regulatory compliance, in particular the need to, as soon as reasonable, disclose information which could affect the company's share price in compliance with Hong Kong's inside information regime, subject only to limited safe harbours. The principle to be maintained is that disclosures cannot give undue advantage to a particular individual or group of individuals, and extra care must be taken to handle 'inside information' in accordance with Part XIVA of the Securities and Futures Ordinance (SFO).

Two HKICS guidance notes (published in March and June 2009) address this challenge in some detail, explaining how to conduct meetings with analysts, how to respond to questions from analysts about future earnings, and reacting to analysts' draft reports, correcting any forecasts they might have made about the company and its prospects. Part II of the HKICS guidance notes provides a series of short case studies of potentially price-sensitive situations, the way they were handled, and the reaction of the stock exchange and the market, albeit that these now need to be read in light of the new disclosure regime under Part XIVA of the SFO and supplemented by the SFC's related guideline.

The guidance notes make it clear that provision of information to all shareholders must be consistent. This is as important

for companies as it is shareholders, points out Stella Lo FCIS FCS, Group Company Secretary, Guoco Group, who also oversees the group's IR function. Consistency of disclosures ensures that the information given to any party is in line with the information released by the company.

'As a good corporate governance practice, we strive to be as transparent as possible in our financial disclosures. In fact, most fund managers and analysts are already well informed before they come to us. Our role is to draw their attention to the relevant facts and figures in the published reports and information, thereby helping them to get a clearer picture of the company's financial situation. This is to facilitate their analysis of the company's financial performance more accurately without compromising the principle of equal communication,' Ms Lo says.

Looking ahead, it is likely that disclosure of non-financial information will increasingly be a compliance issue for companies. Ms Lo believes that it makes sense for listed companies to share non-financial information, for example relating to the operating environment; market factors affecting the results; a narrative explanation of business performance; corporate policy; sustainability actions; etc. Better information is essential to enhance investors' understanding and helps maintain their confidence in the company.

'Apart from reporting past financial information, investors increasingly demand companies to provide more information on future business strategy and development plans, and to link to KPIs wherever possible. This enables shareholders to have a more realistic expectation of the company's business

performance and in turn helps stabilise the company's stock price,' Ms Lo says.

In addition to institutional investors, effective communications with retail investors should not be overlooked, but the way to interact with them can be, and should be, carried out differently. A more user-friendly, visually appealing corporate website with all the information they require is the basic requirement.

'The AGM is also an important occasion to meet and chat with retail investors. Bigger blue-chip companies also organise activities, like visits to their facilities for loyal retail investors. There could also be other social gatherings, meetings or informal opportunities to keep an ongoing relationship with small investors to ensure a thorough understanding of the company and its business strategies,' Ms Lo notes. 'This demonstrates management's efforts to maintain an open dialogue with the investing public, and would be effective in winning shareholders' trust and long-term support.'

As well as informing investors about developments in the company, the company secretary also needs to inform management about investors, including providing the investor profile (current and potential); shareholding distribution; as well as their expectations, opinions and concerns, etc. Such information is essential for a company to formulate an appropriate shareholder communications policy, and to carry out appropriate actions to communicate and engage with their shareholders,' Ms Lo says.

When the company secretary hears some false information being spread among the investing public, the issue has to be escalated to the board for discussion and

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Dr Eva Chan, Head of Investor Relations, C C Land Holdings Ltd

a decision on whether it is necessary to issue a clarification or announcement to debunk the rumours that may result in unusual trading movements.

Know your shareholders

One of the more startling revelations of the recent *Shareholder communications* research report from HKICS was that a third of respondent companies to the HKICS survey did not know who their shareholders were and did not regularly or routinely monitor their shareholder base.

It is important for any listed company to identify its shareholders regularly as part of good corporate governance and investor relations best practice. Such intelligence can help companies prioritise resources and create a strategic IR programme to assist in the building of strong investor relationships, says Vivek Aranha, CEO at Orient Capital (Asia).

Mr Aranha also mentions that listed companies in Hong Kong can undertake a process to identify their investors accurately, comprehensively and in a timely manner. 'This is achieved by


utilising the provisions of Section 329 of the SFO. While this process may not seem straightforward if a company undertakes it themselves, using the expertise of a specialist ownership analytics provider to identify and monitor their shareholders on an ongoing basis is easy and very cost effective', says Mr Aranha.

He adds that Orient Capital has developed an investor relations database, which contains global institutional investors' contacts, their profiles and coverage. This could be a cost-effective channel for listed companies to broadcast their announcements or messages to exactly the right group of institutional shareholders and potential investors.

Jimmy Chow
Journalist

The HKICS guidance notes – 'Investor Relations Part I' (published in March 2009) and 'Investor Relations Part II' (published in June 2009) – are available from the publications section of the Institute's website: www.hkics.org.hk.

Technology and the company secretary



Companies face heightened risks, as well as increased opportunities, as a result of the rapid advance of technological innovation, but what is the role of the company secretary in assisting companies to navigate these risks and exploit these opportunities? A new HKICS guidance note provides an introduction to this increasingly important area of company secretarial practice.

Earlier this year, the Institute set up seven new Interest Groups (see 'The HKICS Interest Groups' below) under the Technical Consultation Panel to look into key areas of corporate governance and company secretarial practice with a view to producing guidance to HKICS members and the wider profession and community. The first guidance note, produced by the Public Governance Interest Group was published in August this year. This month sees the publication of the second Interest Group guidance note, produced by the Technology Interest Group and looking at a range of technological issues that company secretaries need to be aware of.

Under the title 'Technology and the company secretary', the guidance note first tackles the question of the degree of responsibility company secretaries have for technological issues. There is, of course, significant diversity in the way companies set up their company secretarial function, and technological issues may not be considered part of the core duties and responsibilities of company secretaries. Moreover, larger companies will usually have a number of other executives specialising in IT issues.

The guidance note emphasises, however, that technology is not an area company secretaries can afford to

ignore. Technology is transforming the environment within which we live and work and no company can be immune from the disruptive power of the new technological innovations surfacing at an ever increasing rate. Put simply, technology is a game changer for companies across all industries and it therefore needs to be continually assessed and reviewed by the board.

Issues which are critical for the board, the guidance note points out, will also be critical for company secretaries as trusted advisers to the board. 'There are all too many examples of what can happen if these risks are not managed properly,

with the consequences being operational, financial and, importantly, reputational,' the guidance note states.

Issues of concern

The new guidance, being the first of a series of guidance notes on technology-related issues, provides an overview of the main issues that company secretaries need to consider. As mentioned above, the degree of responsibility which company secretaries will have for these issues will depend on how the company secretarial function has been established in particular companies, but some awareness of these issues will be expected of company secretaries, particularly in their role as trusted advisers to the board. It is no coincidence that the first three items in the list below focus on company secretaries' board support function in technology-related areas.

Board composition

Hong Kong companies' boards have traditionally not been strong on technology expertise. While today discussions are gradually shifting from IT enhancements to include issues such as cybersecurity, data protection and technology more generally, board members may need training or assistance to fully understand and be able to provide oversight in these areas.

Board agendas

Company secretaries need to consider whether technology should be a regular agenda item for board or board committee discussions – the answer to this will probably depend on how important technology is to a particular business, or what personal data a business regularly manages. For example, for those companies where IT infrastructures are linked to the outside world or key services

are outsourced, cybersecurity risks may need to be assessed at board level.

Board oversight

Company secretaries should work with IT security executives, compliance and/or risk officers and IT auditors as necessary, to raise the board's awareness and knowledge of the subject matter, and to keep the board abreast of evolving legal and regulatory developments and aware of its ultimate responsibility for overseeing technology-related issues.

Technology-related internal controls

Company secretaries, who are generally responsible for facilitating oversight of internal controls, should undertake a holistic review of the effectiveness of their company's technology-related controls and ensure, in conjunction with relevant professionals, that an appropriate system of technology-related controls is in place. This can then be reported to the board as part of the annual confirmation on appropriate and effective internal controls and risk management.

Classified information

Company secretaries deal with a large amount of sensitive and confidential information, much of which may be

stored or transferred electronically. In any business it is important to have a system in place to define what kind of information or documentation is confidential or classified and therefore needs extra care in terms of handling and security protection. The related IT controls should then be assessed to determine if they are adequate to protect the information or documentation.

Personal data

Any data held by a company may be the subject of an inadvertent or a deliberate breach, but sensitive data, such as personal data is particularly vulnerable. Company secretaries should therefore ensure that their company's system of internal controls and risk management encompasses the risk of data breach, and also be aware of the personal data collected and held by them, such as that relating to board members (which could be particularly sensitive) and their members of staff.

Audit plan

Company secretaries have a role to play in ensuring that technology risks are formally integrated into their company's internal audit plan and reported to the board or audit committee or risk management committee, as appropriate.

Highlights

- no company can be immune from the disruptive power of the new technological innovations surfacing at an ever increasing rate
- the HKICS Technology Interest Group guidance note gives an introduction to the role of the company secretary in assisting companies to navigate the risks and opportunities associated with technological innovation
- company secretaries should work with IT executives to raise the board's awareness and knowledge of technology-related issues

The HKICS Interest Groups

The members of the Technology Interest Group are:

Chair

Gillian Meller FCIS FCS, Member of Company Secretaries Panel, HKICS, and Legal Director & Secretary, MTR Corporation Ltd

Members

Effie Tang, Senior Manager, BDO Ltd

Ricky Cheng, Director – Risk Advisory Services, BDO Ltd

Philip Miller ACIS, Member of Technical Consultation Panel, HKICS, and Assistant Company Secretary, The Hongkong and Shanghai Banking Corporation Ltd

Mark Johnson, Partner, Debevoise & Plimpton LLP.

The other Interest Groups, set up earlier this year by the Institute, cover the following areas:

company law

competition law

ethics, bribery and corruption

public governance

securities law and regulation, and

takeovers, mergers and acquisitions.

Look out for a review of the next HKICS Interest Group guidance note on Hong Kong's new competition law in next month's journal.

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technology is a game changer for companies across all industries and it therefore needs to be continually assessed and reviewed by the board

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Incident response

Companies need to have incident response plans for all incident scenarios, including cyber attacks or data breaches, which may require immediate action in order to contain the incident and limit the damage. The steps taken during the first 24 hours after the attack or the breach can often be crucial in controlling the resulting operational, financial and reputational damage, and company secretaries will no doubt have a key role to play in any incident or crisis management committee.

Disclosure obligations

A cyber attack or a data breach may require disclosure to the affected individuals, to the public and/or to shareholders, depending on the nature and scale of the attack or breach and its actual or potential impact on a company. Company secretaries should be aware of when such issues might require disclosure and what form this disclosure should take so that they can respond quickly to try to contain the damage to their company.

Use of new technology

As well as being an area of risk, technology provides opportunities – many boards are now using or considering the use of board portal technology, enabling board members to carry their board papers with them wherever they may be in the world.

The Hong Kong Companies Registry now encourages e-filings and artificial intelligence is being billed as the key to unlocking innovation in the legal sector.

Social media

Among certain sectors of society, such as the younger generation, social media is taking over from traditional media and social media amplifies many of the risk areas described above. It makes it easier for classified or confidential information or documentation to be leaked and the speed at which news can travel on social media means that the need for immediate responses to incidents is only heightened. This is another area for company secretaries to watch out for.

What's next?

As mentioned above, the new Technology Interest Group guidance note will be the first of a series of guidance notes on technology-related issues. In its follow-up guidance notes, the Technology Interest Group will address some of the above issues in more detail and provide practical guidance to company secretaries to try and ensure that they have the confidence to raise and deal with whatever technology and innovation related issues may arise. 📄

The new guidance note is available on the Institute's website (www.hkics.org.hk).



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Board secretary— gatekeeper of compliance of listed companies

Xie Jilong, Board Secretary, CRRC Corporation Ltd, discusses the role of the board secretary. He stresses that board secretaries must fulfil their roles, be accountable and be able to communicate well to protect the interests of various parties.

It is said that the board secretary is a labourer who survives between the cracks, a chivalrous swordsman dancing on the edge of a sword, a diplomat who has to please various parties, and a lubricant that maintains good relations on various fronts. Having been a board secretary for eight years, I have mixed feelings about this role. In my opinion, the ultimate status of the board secretary should start with the recognition of the roles of the board secretary in the laws of China.

The board secretary was first legally recognised in China by the *Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies* (1994) made by the State Council pursuant to Articles 85 and 155 of the Company Law. Article 15 of the *Provisions* makes it clear that the senior management personnel of a company includes the board secretary. It was not until the promulgation of the *Guidelines for Articles of Association of*

Listed Companies by the China Securities Regulatory Commission on 16 December 1997, with a special chapter on the 'board secretary' requiring the setting up of a board secretary position in all listed companies, that the status and function of the board secretary in a listed company was established. Subsequently, stock exchanges formulated and amended rules on the specific duties of the board secretary. I believe the purpose of specifying the duties and roles of board secretaries in rules and regulations is to affirm their position in listed companies and allow them to perform their duties smoothly, adhere to professional standards and ensure compliance of listed companies. From this perspective, the board secretary should be the gatekeeper of compliance of listed companies.

Know your role and duties

The board secretary is in the midst of a host of relationships among the

regulators, the board of directors, the management team and shareholders. As a gatekeeper, board secretaries should stick to their principles and uphold rules and regulations. To do this well, not only do board secretaries need the support of the law, rules and regulations, they should also be able to balance various types of relationships. They should provide good support to at least three bridges of relationships.

1. Bridging the company and management

This bridge is between the three bodies of the company (that is the shareholders, the board of directors and the board of supervisors) and the management team. A properly functioning governance structure of a listed company is made up of the body of company power, the decision-making body and the supervisory body with clear delineation of powers and responsibilities, each performing their respective duties, resulting in effective checks and balances, rational decisions and well-coordinated operations. The decisions of the three bodies have to be executed by the management team ultimately, while matters beyond the scope of decision of the management





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team that come up during daily operations have to be duly submitted to the three bodies for discussion and decision. This forms an execution lane and a reporting lane. To ensure that these lanes on the bridge between the three bodies and the management team are unobstructed, the board secretary should function well as support to this bridge. In the first place, board secretaries should participate in important meetings of the management team and keep abreast of major issues. They should monitor the execution and progress of implementation of board decisions, and keep an eye on major emerging issues that require decisions by the three bodies. Good communication should be maintained by reporting problems and difficulties faced by the management team to the board of directors in a timely manner.

2. Bridging the company and regulators

From the point of view of the regulators, board secretaries are responsible for monitoring a listed company's compliance with the law and regulations. They help publicise the policies, rules and regulations in relation to listed companies promulgated by regulators, and have the duty to explain laws, rules and

regulations relevant to the operations of the company to the board of directors, the board of supervisors, the management team and controlling shareholders, educating them on the legal basis of decisions. In this way, they will enhance the knowledge of the decision making and executing departments about relevant law, standardise individual actions in the operations of the company, and raise individuals' awareness of the need and their ability to conform to standards. In respect of major undertakings of the company such as financing, share incentives, mergers, acquisitions and reorganisations, the board secretary should ensure good communication with

the regulators and solicit regulators' recognition of and support for the company's development.

3. Bridging the company and investors

Board secretaries of an A+H company have to tell general investors a good story about the company, and tell overseas investors a good story about China. They should explain to investors the operations, developments and strategies of the company, and solicit investors' support and facilitate a long-lasting, stable and interactive relationship between investors and the company.

Be steadfast and accountable

As the gatekeeper of compliance, the board secretary should focus on three basic areas of work.

1. Ensuring due process as the basis of rational decisions

A clear and fair decision-making process must be backed by a proper system. A sound system ensures the lawful operations of a listed company. With the development of the capital market, regulatory policies are continuously refined and the mode of regulation is changing. This places new demands on listed companies to adapt changes in

Highlights

As the gatekeeper of compliance, the board secretary should focus on three basic areas of work:

1. to ensure due process as the basis of rational decisions
2. to ensure the true, accurate and complete disclosure of information as the basis of compliance, and
3. to ensure proper connected transactions as the basis of fair treatment to large, medium-sized and small shareholders.

regulatory policies in order to raise the governance standards of the companies and adapt to the development of the capital market. Rational and efficient decisions can only come about through the establishment of comprehensive systems and procedures in the company, continuous improvement to the systems in compliance with relevant laws, rules and regulations, and monitoring by the board secretary of the implementation of the company's decisions.

2. Ensuring true, accurate and complete disclosure of information as the basis of compliance

Information disclosure is a window of the company to the capital market, a platform to showcase the company's governance standards, as well as a risky area for compliance. The breach cases attracting penalties imposed by regulators in recent years are mostly related to delayed disclosure or leakage of inside information. In this regard, the board secretary must be prudent in his words and actions when speaking to investors or the media, and remind directors, supervisors and senior management to keep inside information confidential and prevent its leakage. In this media age where information thrives, the role of board secretaries as diplomats is highly challenging. They must be ready to be accountable before they can handle information disclosure well. The internal management of the company should be transparent, and disclosure of information should be timely and accurate and compliant with the law, rules and regulations. When facing investors, the board secretary should be open while having a clear understanding of the limit to disclosure, tactfully declining the release of information that is not disclosable.

3. Ensuring proper connected transactions as the basis of fair treatment of all shareholders

Connected transactions should be a fair and normal market activity between equal legal entities. Owing to the special relation between connected parties, however, one party to the transaction may influence or control the other party and render the transaction unfair. In recent years, some listed companies made use of connected transactions to boost their results and channel profits to specific parties, seriously undermining the interests of medium-sized and small shareholders. So connected transactions have been the focus of attention in the securities market and are the target of enhanced supervision by regulators. As the compliance gatekeeper of listed companies, the board secretary should ensure that connected transactions are conducted properly and at arm's length. This forms the basis of protection for medium-sized and small shareholders, and is the root of compliance of listed companies. In the daily operations of the company, the board secretary should constantly remind the company to reduce and avoid connected transactions through various means and, where connected transactions cannot be avoided, to follow a stringent decision and approval process and to make proper disclosure.

Communicate well and frequently

Communication is an art that requires knowledge and skills. It is important that the board secretary, as a link and a bridge among various parties, possesses good communication skills. The board of directors makes decisions on major issues, and the management team is tasked with implementing these important decisions. If there are difficulties in implementation, the board

secretary must facilitate communication between the board of directors and the management team. Sometimes there appears to be conflicts between the operations of the company and the law, rules and regulations. This may be due to different interpretations of the rules, and sometimes it is out of an intention to protect the interests of the company. To tactfully communicate with the directors on the relevant legal provisions and rules and convince the directors requires very strong communication skills on the part of the board secretary. In the dialogue between the management team and the shareholders and investors, the board secretary has to communicate frequently and communicate well. Investors and the management team share common interests and do not have fundamental conflicts. Timely communication serves to enhance investors' trust in the management. Meanwhile, collecting and collating the views of investors and reporting regularly to the management is conducive to the healthy development of the company.

The role of the board secretary seems to be more diverse than that of other positions. While board secretaries may have broad functions, the key is to ensure that the company complies with and follows relevant laws, rules, regulations and requirements. It is only when the listed company is compliant, that the interests of various parties are not impaired, whether they be the interests of the regulators, board of directors, board of supervisors, senior management or those of the shareholders. Therefore, every board secretary should become the gatekeeper of compliance of listed companies.

Xie Jilong

*Board Secretary
CRRC Corporation Ltd*

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中国中车股份有限公司董事会秘书谢纪龙谈论董事会秘书的定位，强调董事会秘书必须坚守职责，敢于担当，善于沟通，才可保障各方利益。

有人说，董秘是在夹缝里生存的劳动者，刀尖上起舞的侠剑客，需要左右逢源的外交官，也是维系各种关系的润滑剂。本人担任董秘8年来，对董秘工作的体会也是五味杂陈，酸甜苦辣。本人认为董秘的最终定位，应该从董秘职位在中国法律认可说起。

董事会秘书在中国得到有关法律、法规上的认同，最早起源于国务院根据《公司法》第85条及155条而制定的《关于股份有限公司境外募集股份及上市的特别规定》（1994），该规定第15条明确了董事会秘书为公司的高级管理人员。直到1997年12月16日，证监会发布《上市公司章程指引》，专门列出一章“董事会秘书”条款，要求所有上市公司都必须配备董秘，这才真正确立了董秘在上市公司中的地位和作用，其后交易所又陆续颁布和修

订了董秘的具体职责。本人认为，之所以把董秘的职责和定位写进法律、法规，就是要保证董秘在上市公司中的地位，确保董秘能顺利履职，坚守职业要求，保证上市公司依法运作，从这个角度讲，董秘应该是上市公司合规运作的坚守者。

定位准确、坚守职责

董秘介于监管机构、董事会、管理层、股东等一系列关系之中，身为坚守者，就应坚持原则，守护法规，这不仅需要法律法规的支持，也需要在错综复杂的关系中寻找平衡点。董秘至少要做好三座关系桥梁的支点：

1. 公司三会（注：股东大会、董事会和监事会）运作和管理层的支点

上市公司中的三会如果能够真正发挥作用，就可以形成公司中权力机构、

决策机构、监督机构之间权责分明、各司其职、有效制衡、合理决策、协调运作的法人治理结构。三会运作最终形成的决议需要管理层去落实和执行，同样，管理层在日常经营中碰到的超越管理层决策的事项，也要按程序提交三会讨论决定，这就形成了执行和上报的两条通道，如何保证三会运作和管理层之间的这两条桥梁通道畅通无阻，就需要董秘做好桥梁的支点。董秘首先要参与公司管理层的重大会议和重大事项，一方面关注董事会决策的执行进展和落实情况，同时也关注是否出现新的重大事项需要提交三会决策。对于管理层遇到的问题和困难及时向董事会报送，做好信息的传递工作。

2. 公司日常运作与监管机构的支点

从监管机构的角度，董秘是保证上市公司合法、合规运作的监管员，负责宣传监管部门下发的相关制度、政策和上市公司规章制度，有义务向董事会、监事会，经营层及控股股东的成员进行公司运作相关法律、法规的介绍，为其提供完整的法律依据，以此来加强决策层、执行层对相关法律法规的深入认识，对公司运作的个人行为进行规范，提高其规范运作意识和能力。公司发展过程中，在重大融资、股权激励、并购重组等重大事项上，



摘要

董秘作为公司合规运作的坚守者，应该紧密围绕三大基础开展工作：

1. 确保程序公正是合理决策的基础；
2. 确保信息披露真实准确完整是合规运作的基础；
3. 理清关联交易是大中小股东公平对待的基础。



“
董秘职位的多元定位，其根本就是要维护上市公司的合规运作。只有上市公司的合规运作，才能确保监管机构、董监高、股东等各方利益都不受侵害
”

董秘也必须做好监管机构的沟通，上下通达，确保公司的发展得到监管机构的认可和支持。

3. 公司日常经营与投资者关系的支点
作为一个A+H公司的董秘，既要向广大投资者讲好公司的故事，又要向境外的投资者讲好中国的故事。既要把公司的经营发展开诚布公地介绍给投资者，传播公司战略，又要争取投资者的支持、促进投资者与公司之间建立长期稳定的良性互动关系。

勇于坚守，敢于担当

董秘作为公司合规运作的坚守者，应该紧密围绕三大基础开展工作：

1. 确保程序公正是合理决策的基础

决策程序的清晰公正离不开制度的支持，完备的制度建设保证了上市公司依法运作。随着资本市场的发展，监管层不断深化、细化监管政策，监管方式也在发生变化，这对上市公司就提出新的要求，要不断适应监管政策的变化，才能不断提高公司治理水平，适应资本市场的发展。建立好全面细致的制度流程，同时结合相关方面的法律、法规内容的规定对公司的制度进行不断的完善，董秘在公司日常决策程序中做好监督落实，才能获得合理、高效的决策结果。

2. 确保信息披露真实准确完整是合规运作的基础

信息披露是公司对本市场的一个窗口，是展示公司治理水平的一个平台，同时也是上市公司触发违规事件的“雷区”。从近几年监管机构对上市公司的处罚来看，多数情况是信息披露不及时或者内幕信息泄露等违规行为。在这方面董秘自身要谨言慎行，在接待投资者或者媒体采访中，要掌握好分寸，同时要提醒董监高注意内幕信息的保密，防止信息泄露。在资讯如此发达的全媒体时代，董秘的外交官身份充满了挑战，要勇于担当才能做好信息披露工作。公司内部透明管理，信息披露及时准确，依法合规，面对投资者坦承布公，明确信息披露的底线，无法告知投资者的信息婉言谢绝。

3. 理清关联交易是大小股东公平对待的基础

关联交易原本是平等法律主体进行的平等的正常市场行为的交易，但是由于关连方之间的特殊关系，交易的一方可能会影响或者控制另一方从而使交易不平等。近年有些上市公司通过关联交易粉饰业绩和输送利润，严重危害了中小股东利益，因此关联交易一直以来是证券市场的焦点，也是监管机构加强管理的重中之重。所以作为上市公司合规运作的坚守者，董秘

必须理清关联交易，确保交易的公允性，是保护中小股东利益的基础，也是上市公司合规运作的根本。董秘在参与公司日常经营的过程中，要不断的提示公司通过各种途径减少和避免关联交易，同时在无法避免的关联交易中做好严格的决策审批流程以及信息披露工作。

善于沟通，勤于沟通

沟通是一门学问，董秘作为各种关系之间的接口、纽带以及桥梁，沟通的艺术和技巧，是董秘素质的重要体现。董事会是重大事项的决策机构，管理层要落实这些重大决策，面对管理层的落实困难或者落实不到位，董秘必须做好上传下达的沟通角色。当出现公司经营和法律法规冲突的时候，由于理解不一样，有的甚至是保护公司利益，但是如何艺术地把有关条文、规则和公司领导沟通，说服领导，让他们信服，这要求董秘具备非常强的沟通技巧。在公司管理层和股东投资者之间相互传递诉求，董秘需要勤于沟通和善于沟通，投资者和管理层是利益的共同体，不存在根本的冲突，及时的沟通交流，传递信息，能增加投资者对管理层的信任，同时董秘把投资者的诉求收集汇总定期汇报给管理层，也是促进公司健康发展的一种途径。

关于董秘的定位似乎比其他职位更加多元，相比于其他职位更加小众，但是董秘面对的世界却更加宽广。董秘职位的多元定位，其根本就是要维护上市公司的合规运作，合，遵从，依从，遵守，坚守；规，法律，规章，制度，规定。无论从监管机构、董监高、股东等多方来说，只有上市公司合规运作，才能确保各方利益都不受侵害，因此，我们每一名董秘都应成为上市公司合规运作的坚守者。

谢纪龙

中国中车股份有限公司董事会秘书



What you need to know about blockchain

Ken Lo, CEO, ANX International, gives an introduction to blockchain technology, its implications for the business environment and how organisations can harness its advantages.

Financial technology (FinTech), which emerged in the mid-2000s, is the industry that merges financial services with technology to make those services more efficient. Finance is seen as one of the industries that is most susceptible to disruption by technology, in particular blockchain, because privacy, timing and accuracy are very important in financial services.

Blockchain is a relatively new technology that in simple terms is a secure and distributed ledger – a digital database which can be accessed by a distributed network of individuals. According to the PricewaterhouseCoopers (PwC) *Global FinTech Report*, published in March 2016, while FinTech disrupts banks, blockchain disrupts FinTech. 'Blockchain represents the next evolutionary jump in business process optimisation technology,' the report states.

As a key trend in the FinTech scene, blockchain technology and the disruption it is causing have been getting a lot of attention from businesses, governments, major institutions, investors, media and academia. Recognising its importance, the Financial Secretary of Hong Kong, John Tsang, made the need to develop blockchain one of the themes in his 2016-2017 budget speech.

According to Coindesk, as of Q1 2016, total venture capital investment in bitcoin and blockchain startups now exceeds US\$1.1 billion. Global institutions and politicians have also started to explore the potential of blockchain technology. Visa Europe is working to leverage bitcoin blockchain for its remittance services. MasterCard and American Express have invested in Digital Currency Group (DCG) and Abra, a cash money transfer app.

PayPal also added the CEO of Xapo, a Switzerland-based FinTech company that provides a bitcoin wallet, to its board of directors. The US Presidential candidate, Hillary Clinton, has included blockchain development in her campaign agenda to position American innovators to lead the world in the next stage of the technology revolution.

Blockchain and bitcoin

Blockchain is a secure, permissionless distributed ledger database for transactions which is shared by all parties in a distributed network; it does not rely on a central authority for verification and validation. The technology provides an indisputable, verifiable, transparent and ineradicable transaction-based solution. It records and stores every transaction that occurs in the network, creating an irrevocable and auditable transaction history.

The best known adoption of blockchain technology is bitcoin, which was introduced in October 2008. Bitcoin is a type of encrypted digital asset that is transferable electronically without requiring any central party, such as a bank, to validate transactions. Blockchain applications are wide ranging, however, and are no longer limited to bitcoin; this

technology is transforming the way data is handled and stored. Blockchain can be used to record the transfer of any digital assets, ownership of physical and intellectual property, and establish rights through smart contracts, among a wide range of other possible applications.

Who is adopting blockchain?

Financial services

A blockchain-based solution can bring security, integrity, stability, and distributed-consensus to financial markets. It enables real-time settlement which can simplify middle and back-office processes, and can minimise the possibility of fraud. Some early adopters in the financial services industry are listed below.

Bank of Canada – has announced it will be using blockchain to test interbank payments. It will be using technology being developed by R3, a blockchain technology company that leads a consortium of over 50 financial companies in research and development of blockchain usage in the financial system.

Bank of Tokyo-Mitsubishi – has announced it is experimenting with a digital currency that will be underpinned by blockchain.

Highlights

- blockchain has a wide range of possible applications – it can be used to record the transfer of digital assets, the ownership of physical and intellectual property, and establish rights through smart contracts
- blockchain can simplify back-office processes such as settlement and clearing, lowering the infrastructure costs in these processes
- the Hong Kong government and the SFC are keen to make use of blockchain technology in Hong Kong

“ just as the internet revolutionised the sharing of information, blockchain will revolutionise the way we share and store value ”



Nasdaq – in December 2015, Nasdaq used its Nasdaq Linq blockchain ledger technology to successfully complete and record a private securities transaction between Chain.com and an unnamed investor, removing the need for a middleman such as a clearing house. This disintermediation is thought to have the potential to shorten the process and reduce settlement risk by over 99%.

The Bank of England – has announced a plan to launch its own digital asset called RSCoin which will function on blockchain technology.

People's Bank of China – has stated its intention to launch its own digital currency in January 2016, hoping to give greater control to the bank over the circulation of money and improve the efficiency of its payment system.

AXA – launched a laboratory of innovation on blockchain technology with 11 European partners for an initial period of six months in 2016.

Consumer and industrial products
Blockchain simplifies settlement processes and allows micropayment settlement without the need for verification by third parties. It can also support loyalty points programmes and transaction records for organisations. Some early adopters in the consumer and industrial products industries are listed below.

Expedia – will accept bitcoin for hotel booking alongside traditional payment methods such as credit cards or PayPal.

ANX International – recently launched ANX Blockchain Services (ABS) which allows companies to create customised digital assets that can be used to represent loyalty points which are recorded in real-time.

Technology and telecommunications
Blockchain supports the 'internet of things' (IoT) – consumer products embedded with network connectivity that enables them to collect and exchange data online. Some early adopters in the

Benefits of adopting blockchain for businesses

Transparency	All transaction data is stored in the decentralised and shared database which can be accessed by the distributed network.
Cybersecurity	Blockchain makes transactions irrevocable and increases the accuracy of records. The risk of fraud is significantly reduced.
Efficiency	Documents or assets can be converted into encrypted hashes and then expressed in a ledger entry in the world of blockchain. This speeds up the digitisation process for businesses and increases your company's competence in the increasingly connected world without concerns about physical or time differences.
Cost reduction	Blockchain simplifies back-office processes such as settlement and clearing, lowering the infrastructure costs in these processes. In addition, trading costs are also greatly lowered.

technology and telecommunications industries are listed below.

Telstra – The Australian telecommunications giant is doing its research on blockchain, trying to find potential future partners to develop a blockchain solution.

IBM – has unveiled its proof of concept for Autonomous Decentralised Peer to Peer Telemetry (ADEPT), a system developed in partnership with Samsung using blockchain to build a distributed network of devices in January 2015.

21 Inc – launched Ping21, which uses blockchain to track websites globally in March 2016.

Factom – in June 2016 Factom signed a US\$199,000 deal with the US Department of Homeland Security to carry out a project named 'Blockchain Software to Prove Integrity of Captured Data from Border Devices', relating to verifying the identity of IoT devices.

Healthcare

Blockchain enhances the security of confidential medical records and the irrevocable and immutable nature of transactions makes claims processing more efficient. Some early adopters in the healthcare industry are listed below.

Philips – is going to join Gem Health, a network for developing applications and shared infrastructure for healthcare, as the first major healthcare operator to use blockchain technology.

The US Department of Health and Human Services (HHS) – together with the Office of the National Coordinator of Health IT, the HHS announced a contest

Government and regulatory approaches to blockchain globally

Hong Kong	The Financial Secretary, John Tsang, has encouraged the application of blockchain technology in his latest budget speech for 2016-2017. Benedicte Nolens, the Head of Risk and Strategy for the Hong Kong Securities and Futures Commission, also pinpointed the potential application of blockchain technology in anti-money laundering and corporate action processing in June 2016.
The UK	The UK Government Office of Science released a report recommending the use of blockchain technology in the UK public sector. A government select committee was established to discuss the potential for using blockchain in and outside of the UK government with industry experts.
Netherlands	Secretary of Finance and Minister of Social Affairs in Netherlands, Willem Vermeend, announced that a blockchain-centric campus will be opened in September 2016. Banks, financial and FinTech companies will jointly work toward the development of blockchain applications and solutions.
Singapore	Some of the most recognisable leaders in the blockchain industry have agreed to participate in a newly launched advisory panel organised by the Monetary Authority of Singapore to discuss a wide range of applications of blockchain. Collaborating with the government, IBM planned to establish the first centre for Blockchain Innovation in Singapore.
Australia	Australia Post Accelerator has joined firms around the world that are experimenting with the application of blockchain in identity, registries, and e-voting. The Australian Securities Exchange is attempting to implement blockchain technology by replacing its clearing and settlement system with a blockchain solution.
The US	The US House of Representatives urged the government to adopt a national policy to promote citizens' access to new financial innovation including blockchain and digital assets.
Ukraine	The Finance Minister of Ukraine, Oleksandr Danilyuk, hopes that the country can be the first in the world to implement blockchain fully in order to fight corruption and improve government efficiency and transparency.

“
blockchain applications are wide ranging and are no longer limited to bitcoin; this technology is transforming the way data is handled and stored
”



to explore how blockchain technology can enhance the healthcare system with effective solutions.

Republic of Estonia – the Estonian eHealth Foundation has announced a partnership with Guardtime to deploy a system to store patient records using blockchain technology, thus providing real-time visibility and authenticity.

Public Sector

Blockchain can improve the efficiency and accuracy of record-keeping in the public sector (for example in land registry). It could also help to prove a piece of work's provenance and attribution, as well as securing intellectual property in creative digital products like music and images. In addition, with blockchain, the voting mechanism for elections can be more secure and efficient.

Swedish Land Registry – became the first country to have a blockchain-based land registry using digital contracts, minimising the risk of disputes over land ownership.

The US Postal Service – has released a report to show its interest in using blockchain for its financial services, logistics and keeping track of mail.

Flux – this Australian political party is planning to use a mobile app that allows registered voters to tell elected proxy senators how to vote in parliament.

The Government Office for Science in the UK – has highlighted the potential for assuring ownership and protect intellectual property by using blockchain.

Recommendations

As the CEO of a FinTech company specialising in blockchain solutions, I often

meet decision-makers who recognise the potential of blockchain and the tremendous benefits of blockchain for their business. 'Digital-first' is the strategy we recommend – everything we do nowadays is digital and hence business strategies should have that as their first priority.

Blockchain has become a hot topic in corporate strategy meetings. First, companies should assess the benefits of blockchain. Second, they need to understand the developments of blockchain and its capabilities. Third, they need to ensure the technology is well-integrated into business operations.

Just as the internet revolutionised the sharing of information, blockchain will revolutionise the way we share and store value. Investors, global institutions, governments, media and industry leaders have shown huge interest in exploring how companies can make use of blockchain technology. Blockchain can transform a wide range of industries by increasing transparency, cybersecurity and efficiency while reducing costs and overheads. Companies across different industries have been proactively adopting or initiating blockchain applications. Governments around the globe also encourage blockchain developments and innovations. Now is the right time to take a look at what blockchain can do for you.

Ken Lo

CEO, ANX International (ANX)

Ken Lo co-founded ANX – a FinTech startup based in Hong Kong that specialises in blockchain solutions – with Dave Chapman and Hugh Madden in 2013.



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Export control and sanctions compliance

Zoe Chan So Yuen FCIS FCS, discusses the impact of export controls and sanctions laws on international contracts.



International sanctions law has emerged as an important compliance topic for corporations or individuals engaged in international trade and supply chain management, the procurement of goods and services, or even corporate finance related directly and indirectly to sanctioned activities. Multinational corporations, local corporations and company officers may violate rules of international sanctions through their shipment of goods via sanctioned territories, thus triggering a breach of underlying international contracts, financing agreements, insurance and reinsurance contracts with concerned stakeholders. Since an ignorance of law is not a good defence, compliance professionals are recommended to be familiar with the international sanctions/export control requirements. This article examines the impacts of international sanctions law on international contracts and the importance of sanctions compliance programmes for Chartered Secretaries.

Countries and individuals can be subject to international sanctions due to political and economic reasons. They can be regulated either unilaterally or multilaterally. The United Nations Security Council, the European Union (EU) and individual countries, can impose different types of sanctions against countries, individual nationals and corporations, usually imposing bans or restrictions on making assets or services available, directly or indirectly, to the sanctions targets. The sanctioned measures can be broadly defined as so wide in scope that they can affect all supply chains and management decisions with countries, corporations or individuals subject to sanctions.

These risks are very real. During a listing vetting in 2013, Hong Kong's Securities

and Futures Commission found that PRC incorporated subsidiaries of a local applicant had engineering and construction contracts connected to a sanctioned country. As a result, legal opinions needed to be secured for compliance with the rules before formal vetting of the listing.

The regulatory framework in Hong Kong and globally

The Hong Kong government has given effect to United Nations (UN) resolutions and treaties relating to sanctioned activities. The UN (Anti-Terrorism Measures) Ordinance (Cap 575), and UN Sanctions Ordinance (Cap 537), target anti-money laundering (AML) and counter-financing of terrorism, human rights abuses and the proliferation of weapons of mass destruction by terrorists and sanctioned countries.

The Hong Kong Commerce and Economic Development Bureau maintains the most up-to-date list of sanctioned countries and individuals ready for inspection online. Such regulators as the Hong Kong Monetary Authority monitor sanctions compliance for all authorised financial institutions (FIs) to maintain a database

of sanctioned targets, and particulars of terrorist suspects and designated parties for clients and transactional screening purposes. Any non-compliance by companies, FIs or individuals may subject them to a fine of not exceeding HK\$0.5 million and/or imprisonment of responsible officers. So there are lessons to be learnt with criminal consequences and economic liabilities.

On a global level, the US Office of Foreign Assets Control (OFAC) of the Treasury Department rigorously administers and enforces economic and trade sanctions based on the US foreign policy and national security goals. The US government has implemented various financial restrictions on persons and entities as part of its domestic counter-terrorism regime, as well as those persons prohibited by the UN and/or EU. For example, some PRC telecommunication giants were found to be targets for investigations by OFAC for alleged import of telecommunication networks and technology transfers to sanctioned countries. Afghanistan, Cote d'Ivoire, DR Congo, Iran, Iraq, DPR Korea, Lebanon, Liberia, Sierra Leone, Somalia, Sudan and Burma, as well as their political leaders

Highlights

- companies may breach international sanctions law where they ship equipment through sanctioned areas, thus potentially triggering a breach of underlying international contracts, bank financing agreements, insurance and reinsurance contracts
- a recent UK survey revealed that more than 45% of international companies had not developed effective international sanctions compliance programmes or due diligence checks
- compliance professionals are recommended to sharpen their skills relating to international sanctions requirements

and affected individuals, are also common targets subject to sanctions.

Meanwhile, the UK Office of Financial Sanctions Implementation (OFSI) was established in early 2016 to focus on increasing criminal penalties for financial sanctions breaches. Like OFAC, OFSI is expected to adopt a tougher enforcement of financial sanctions in the UK.

Notably, OFAC applies to the US persons and US businesses around the globe. OFAC has also designated individuals and other entities as 'specially designated nationals' (SDNs) of target countries, subjecting them to the same sanctions as

the relevant country itself. The economic consequences for non-compliance can be severe as FIs can be ordered not to provide any economic or financial support to individuals and corporations that appear on the SDN list, or to sanctioned countries. A Hong Kong registered company that is a subsidiary of a US company, or is owned by a US citizen, will be treated as a US person. Contracts made by those Hong Kong companies will be subject to the same restrictions as are imposed against the related US companies.

The EU, Australia and New Zealand basically implement similar regulatory approaches to sanctions law compliance.

Priority is also put on human rights violation issues by those parties on the SDN list.

Given the wide range of sanctioned persons and entities, and the frequency with which sanctions targets are constantly updated, it is not sufficient to simply check the nationalities/registration of the corporations or country of residence of your clients and your corporate trading partners as a one-off due diligence check. Interestingly, many strategies (for example, setting up companies in tax havens and overseas companies) can be used to circumvent the rules by individuals and corporations so that their origins and identities cannot be easily identified by regulators.

These issues are particularly relevant in Hong Kong, given Hong Kong's position as a leading international trading centre and import/export hub for global business. A Hong Kong registered company that exports US-origin goods or services to a country subject to the US sanctions, for example, may violate those US sanctions even if it has no other US connection. Caution is needed to avoid any transactions, or even indirect trading or financing, with sanctioned countries, companies and parties. For example, the UN has identified certain companies which breached sanctions against Iraq under the Oil-for-Food Programme and imposed heavy fines. Numerous oil and gas producers, infrastructure and engineering companies were subsequently prosecuted and convicted for sanctions breaches. In March 2016, economic sanctions were implemented to prevent anyone helping the Iranian Revolutionary Guard to develop ballistic missiles. Two British companies were found to have business relations with the Iranian Aviation Company of Mahan. Worse still, huge penalties were

International sanctions factfile

The most common types of international sanctions are listed below.

Diplomatic sanctions – can include a reduction or removal of diplomatic ties, travel and visa restrictions or visa bans. For example, there used to be a ban on Iranian politicians and military leaders travelling to the US and the EU. Similar sanctions are implemented against the leaders of the Assad regime in Syria and Ali Abdallah Saleh and his sons in Yemen.

Economic sanctions – can include a ban on trade, possibly limited to certain sectors such as armaments, or technology transfers. Typically, additional permits are required for the import or export of sensitive goods, software and technology, which could be used in arms programmes. Sanctions can prohibit financial credits, assistance and may prohibit the carriage of goods. There may be restrictions on providing finance, loans and letters of credit for targetted individuals or companies by FIs. The Hong Kong government can also freeze the assets and cash of sanctioned targets and companies.

Military sanctions – can include military intervention and arms embargoes (a ban on weapons, military vehicles, etc). Embargoes can also cover goods that generate money for a country's leaders, like trading weapons oil or timber.

Sport sanctions – can include preventing the targetted country's sports teams from competing in international competitions and sports events. For instance, some athletes from Russia were banned from the recent Olympics Games in Brazil.

“
 these issues are particularly relevant in Hong Kong, given Hong Kong’s position as a leading international trading centre and import/export hub for global business
 ”

put in place on any company that dealt with the sanctioned entities like the Iranian government, together with a ban on investment in the oil sector, the sale of goods and services (for example, food and telecommunication supplies) to Iran. Similar sanctions were imposed by the US on Iraq, the regime of Saddam Hussein and political leaders, with heavy fines and penalties. Those financial and economic losses should not be underestimated.

Non-compliance with sanctions law can result in huge losses for construction companies, clients, insurers and banks, including reputational damage, regulatory sanctions, litigation and fines. Many insurance and reinsurance contracts relating to the transport of goods may be breached and terminated with no remedy where the transport crosses high-risk countries. Moreover, insurers and insured may be prosecuted for facilitating and financing prohibited transactions with sanctioned countries. Reliance upon overseas compliance procedures is not likely to be considered sufficient due diligence to insulate the brokers and investors from liability of whatsoever nature.

Sadly, a recent UK survey revealed that more than 45% of international companies had not developed effective international sanctions compliance programmes or due diligence checks. Many companies had not continuously vetted their clients or business partners against sanctions lists and SDNs.

Sanctions compliance programmes

Many of the risks outlined above can be mitigated with an effective sanctions compliance programme. The frontline staff or corporate officer from sales and marketing should be in charge of a global sanction compliance programme. Like other risk management compliance programmes, such a programme should include:

- detailed customer and transactional due diligence and screening against applicable sanctions target lists and SDNs, including the UN, UK, Australia’s consolidated sanctions list and OFAC’s SDN list
- assessment of whether equipment, services, finance facilities and products are on export/import control lists, such as the UK’s Strategic Export Control List. If so, all necessary prior approval, export permits/licences need to be obtained in the connected jurisdictions
- detailed legal advice on local exports, international sanctions contractual controls, including export sanctions exclusions and warranties in product/servicers liability risks, finance and insurance
- educating and training of frontline staff in implementing sanctions compliance policies and procedures, and

- regular monitoring/audit of transactions to ensure sanctions compliance.

Sanctions risk audits

It is important to have a vigorous assessment of your or your clients’ sanctions risk profile. Companies need to assess their AML, anti-bribery risk and sanctions risk profiles, they should also vet their likely risk exposure from their clients or related stakeholders.

Take Iran as an example. Although Iran used to be treated as an ‘ultra high risk country’, the lifting of some of the sanctions programme has been witnessed since January 2016. Most international banks, MNCs and professional investors are still reluctant to adjust to this new reality, however, and insurances currently purchased for the shipment of goods still generally exclude cover when shipments are to or via Iran.

With the increasing trend towards globalisation, construction companies and professionals should be alert to screen their sanction risks in international trade and operations. They should escalate and report potentially suspicious transactions to regulators in accordance with applicable local and international sanctions laws.

Meanwhile, they should engage in sanctions audits, compliance assessments and risk mitigation. Detailed professional advice with regular contract review should be sought updating sanctions compliance requirements, financial and insurance coverage under the relevant overseas export trade laws.

Zoe Chan So Yuen

Solicitor, FCIS FCS, LLM, MCIArb, HKRFP

Professional Development

Seminars: September – October 2016

5 September

Practical approaches to successful joint venturing



Chair: Daniel Chow FCIS FCS, Senior Managing Director, Corporate Finance and Restructuring, FTI Consulting (Hong Kong) Ltd

Speakers: Richard Wilmot, Partner; and Andrew Carpenter, Senior Associate; Stephenson Harwood

6 September

Company secretarial practical training series: director induction/training and development



Chair: Stella Lo FCIS FCS, Institute Council Member, and Company Secretary, Guoco Group Ltd

Speakers: Paul Stafford FCIS FCS(PE), Institute Vice-President, and Corporation Secretary and Regional Company Secretary Asia-Pacific, HSBC; and Philip Miller ACIS, Institute Education Committee Member, and Assistant Company Secretary, HSBC

12 September

How to detect fraud – warning signs and investigation approach



Chair: Jenny Choi FCIS FCS(PE), Institute Professional Services Panel Member, and Senior Manager, Global Compliance & Reporting – Corporate Secretarial Services, Ernst & Young Company Secretarial Services Ltd

Speaker: Daniel Chow FCIS FCS, Senior Managing Director, Corporate Finance and Restructuring, FTI Consulting (Hong Kong) Ltd

13 September

Cyber-security and prevalent technology crime in Hong Kong



Chair: Terry Wan FCIS FCS(PE), Institute Membership Committee Member, and Group Company Secretary, Li & Fung Ltd

Speaker: Dicky Wong, Inspector of Police Collaboration 3, Cyber Security Division, Cyber Security and Technology Crime Bureau, Hong Kong Police Force

27 September

Recent legal and regulatory updates in the offshore world



Chair: Dr Davy Lee FCIS FCS(PE), Institute Past President, and Group Company Secretary, Lippo Group

Speakers: Ian Mann, Partner; and Ellie Crespi, Counsel, Corporate; Harneys

29 September

Recent developments in executive compensation and long-term incentives



Chair: Richard Law FCIS FCS, Principal Consultant – Corporate Governance, Robinson's Legal Training Ltd

Speaker: Robert Li, Head of Talent Consulting, Mercer Hong Kong

5 October

Brexit: what is the tax implication?



Chair: Eric Chan FCIS FCS(PE), Chief Consultant, Reachtop Consulting Ltd

Speakers: Yee Man Tang, Senior Manager – Dutch/Europe Tax Desk, Asia Pacific Tax Centre; and Billy Thorne, Senior Manager – UK Tax Desk, Asia-Pacific Tax Centre; EY

6 October

Company secretarial practical training series: the M & M & M of company secretaries – directors' meetings



Chair: Samantha Suen FCIS FCS(PE), Institute Chief Executive
Speaker: Edith Shih, Solicitor, FCIS FCS(PE), Institute Past President; Senior Vice-President, ICSA; Head Group General Counsel & Company Secretary, CK Hutchison Holdings Ltd



19 September

Joint seminar with the Security Bureau – anti-money laundering seminar for designated non-financial businesses and professions (Cantonese & English)

Chair: Mohan Datwani FCIS FCS(PE), Senior Director and Head of Technical & Research, HKICS (Cantonese & English)

Speakers (Cantonese): Natalia Seng FCIS FCS(PE), Institute Past President, and Chief Executive Officer – China & Hong Kong, Tricor Group/Tricor Services Ltd; Admen Ngai, Assistant Secretary for Security, Narcotics Division, Security Bureau; and Ruby Lo, Senior Inspector, Joint Financial Intelligence Unit

Speakers (English): Paul Moyes FCIS FCS(PE), Institute Council Member, and Executive Director, Head of Practice Development – Marketing & Communications, Director – Corporate Services, Tricor Services Ltd; Kevin Lai, Assistant Secretary for Security, Narcotics Division, Security Bureau; and Christine Hui, Senior Inspector, Joint Financial Intelligence Unit

Professional Development (continued)

New online CPD seminars

HKICS has launched an online series of CPD seminars in collaboration with The Open University of Hong Kong (OUHK). Through the online learning platform of OUHK, members, graduates and students will be able to easily access selected video-recorded seminars with any smart devices anytime, anywhere. The launch of online CPD seminars will enable members, graduates and students to schedule their professional learning more flexibly.

Details and registration is available at the CPD courses section of the OUHK website: <http://ecentre.ouhk.edu.hk>. For enquiries, please contact the Professional Development Department at: 2830 6011, or email: ecpd@hkics.org.hk.

MCPD requirements

Members are reminded to observe the MCPD deadlines set out below. Failing to comply with the MCPD requirements may constitute grounds for disciplinary action by the Institute's Disciplinary Tribunal as specified in Article 27 of the Institute's Articles of Association.

CPD year	Members who qualified between	MCPD or ECPD points required	Point accumulation deadline	Declaration deadline
2016/2017	1 January 1995 - 31 July 2016	13.5 (at least 2.5 ECPD points)	30 June 2017	31 July 2017
2017/2018	On or before 30 June 2017	15 (at least 3 ECPD points)	30 June 2018	31 July 2018

Key update on the revised MCPD policy (effective from 1 August 2016)

Revised MCPD Policy (effective from 2016/2017 CPD year)	
Extended coverage of CPD activities	<ol style="list-style-type: none"> participation in Institute activities as a mentor/coach for the Institute or other professional associations or institutions being an external examiner/assessor for the Institute or other professional associations or institutions for the promotion of education or professionalism in the key areas of learning participation in committees of the Institute other than technical committees of the Institute or committees of other professional associations or institutions for the promotion of education or professionalism in the key areas of learning <p>A maximum of five CPD points in each CPD year can be earned in each category under (a)-(c), excluding activities of members/graduates' own occupation.</p>
Full exemption from MCPD compliance	<p>Full exemption from the MCPD requirements would be granted for the following reasons:</p> <ul style="list-style-type: none"> long-term illness pregnancy period of unemployment for over six months, or retirement. <p>Applications, with proof, should be submitted to the Institute by 31 July each year.</p>

ECPD forthcoming seminars

Date	Time	Topic	ECPD points
17 Nov 2016	6.45pm – 8.15pm	Challenges faced by taxpayers in resolving tax disputes over offshore claims	1.5
21 Nov 2016	6.45pm – 8.15pm	Managing data in the big data era	1.5
22 Nov 2016	6.45pm – 8.15pm	Latest update and developments in setting up businesses in China	1.5
23 Nov 2016	4.30pm – 6.00pm	ESG reporting - turning questions into answers	1.5
30 Nov 2016	6.45pm – 8.15pm	Hong Kong incorporated NGOs – public governance standards/business review as limited or guarantee companies under NCO	1.5
1 Dec 2016	6.45pm – 8.15pm	2016 AGM season review	1.5
6 Dec 2016	6.45pm – 8.15pm	Shareholder rights and remedies	1.5
13 Dec 2016	4.30pm – 6.00pm	The role of the board and the company secretary in tackling cybersecurity issues	1.5

For details of forthcoming seminars, please visit the ECPD section of the Institute's website: www.hkics.org.hk.

Advocacy

Meeting with the Commissioner for Belt and Road

On 27 September 2016, Institute President Ivan Tam FCIS FCS joined the Hong Kong Coalition of Professional Services (HKCPS) to meet with Yvonne Choi Ying-pik, the Commissioner for Belt and Road. The commissioner is appointed by the Hong Kong Chief Executive to make good use of the new development opportunities for Hong Kong under the Belt and Road Initiative through the Belt & Road Steering Committee and Office.



Yvonne Choi (front middle) meeting with the HKCPS Chairman PC Lau, Ivan Tam and other representatives of HKCPS

Advocacy (continued)

ASEAN Corporate Secretaries Associations Network visits Hong Kong

The ASEAN Corporate Secretaries Associations Network (ACSAN), which brings together HKICS and four professional and industry bodies from Indonesia, Malaysia, Singapore and Thailand, held its second meeting in Hong Kong on 12 October 2016. The representatives of ACSAN shared updates on their local legislations and corporate governance developments, and made plans for a joint research project and a conference in the coming year.

A networking dinner was held on 13 October 2016 for the ACSAN key representatives to meet with HKICS President Ivan Tam, Council and Committee members, as well as representatives of the HKSAR government and regulators.

On 14 October 2016, ACSAN organised a roundtable on 'Shareholder communications for listed issuers' with 80 participants from its member countries. The roundtable explored

the differences and similarities in perspectives on shareholder communications and practical references around the region.

The roundtable featured the following speakers: April Chan FCIS FCS, HKICS Past President and Chairman, Technical Consultation Panel; Michael Ling, Deputy Company Secretary, CLP Holdings Ltd; Vincent Tan Choong Khiang FCS, Council member of The Malaysian Institute of Chartered Secretaries and Administrators; Dr Tan Wee Liang FCS from Chartered Secretaries Institute of Singapore; Pensri Suteerasarn, President of Thai Listed Companies Association; and Nurmaria Wijaya Putri Sarosa, Vice-Chairman Education & Certification of the Indonesian Company Secretary Association.

The Institute thanks Tricor Services Ltd and ICSA Boardpad for sponsoring the meeting venue and the lunch for the roundtable, respectively.



At ACSAN networking dinner



At 'Shareholder communications for listed issuers' roundtable



Delegates of the Professional Exchange Programme

Professional Exchange Programme

From 13 to 15 October 2016, 35 corporate secretaries from Indonesia, Malaysia, Singapore and Thailand joined the Professional Exchange Programme visit to Hong Kong. Participants visited Companies Registry; Hong Kong Business Ethics Development Centre, ICAC; Hong Kong Exchanges and Clearing Ltd; InvestHK; and the container terminal of Hongkong International Terminals Ltd.

The Institute thanks the above government and regulatory bodies and HIT for receiving these overseas corporate secretaries.



At Companies Registry



At Hong Kong Business Ethics Development Centre, ICAC



At Hong Kong Exchanges and Clearing Ltd



At InvestHK



At Hongkong International Terminals Ltd

Membership

Members' discipline

The Institute requires its members to comply with the highest standards of professional conduct and its regulations. The Investigation Group, Disciplinary Tribunal and Appeal Tribunal are the Institute's disciplinary bodies, as stipulated in the ICSA Byelaws and HKICS Articles of Association. As of 30 September 2016, the Institute's membership disciplinary statistics were as follows.

1. Mandatory Continuing Professional Development (MCPD) non-compliance

The total number of MCPD non-compliance cases under disciplinary proceedings was 34:

- nine members were fined (fine of HK\$3,000: one member; fine of HK\$6,000: eight members)
- three members were suspended from membership, and
- no appeal against the Disciplinary Tribunal decisions was made to the Appeal Tribunal.

A total of 18 members were removed from the membership registers due to repeated non-compliance with Disciplinary Tribunal orders and decisions. Four cases were closed: one member was allowed to resign and the other three members then complied with the MCPD requirements.

2. Other complaint cases under disciplinary proceedings

A total number of seven complaint cases are under disciplinary proceedings:

- three cases are still under investigation
- one case was closed at the Investigation Group as no *prima facie* case was established
- three cases are under Disciplinary Tribunal review with two decisions set out as follows, and
- no appeal against the Disciplinary Tribunal decisions was made to the Appeal Tribunal.

Notice of Disciplinary Tribunal decisions: the Institute reprimands two members for professional misconduct

1. Ip Wing Lun ACIS ACS (the Respondent)

Disciplinary Tribunal (DT) hearing date: 16 August 2016 Findings and order handed down

Pursuant to ICSA Bye-law 24.1 and HKICS Article 25.2, the Investigation Group (IG) of both ICSA China Division and HKICS, by its report dated 15 March 2016, recommended to the DT for consideration of the Respondent having been found to have committed professional misconduct by the Disciplinary Committee (HKICPA-DC) of the Hong Kong Institute of Certified Public Accountants (HKICPA) on 6 October 2015.

The Respondent provided documents and explanations to HKICS. He, by his letter dated 29 January 2016, enclosed a copy of the reasons for the decision dated 10 June 2015 on the proceedings between the Registrar of the HKICPA and Ip Wing Lun Allan (a.k.a. Ip Wing Lun) (HKICPA Proceedings No. D-12-0758C).

The Respondent was advised of the hearing by a letter dated 27 June 2016 from the Chairman of the DT. The Respondent submitted in writing to the DT on 4 August 2016 and he informed the DT that he would be absent from the hearing on 16 August 2016.

Having reviewed the order and reasons for decision of the HKICPA-DC and the explanations given by the Respondent, the DT has found and decided the following:

1. The Respondent was an executive director and the company secretary of a Hong Kong listed company and he had failed to obtain the shareholders' prior approval for making a deposit payment for a proposed acquisition. The Listing Committee of the Stock Exchange of Hong Kong Ltd found that the Respondent was in breach of his director's undertakings for failing to use his best endeavours to procure the company to comply with the listing rules.

2. The HKICPA-DC had found that the complaint against the Respondent was proved, including the Respondent's failure or neglect to observe, maintain or otherwise apply a professional standard.
3. The Respondent was reprimanded, fined a penalty of HK\$1,000 and ordered to jointly and severally with two other respondents in the same proceedings pay costs of HK\$79,000 of the disciplinary proceedings by HKICPA-DC.
4. The breach committed by the Respondent was not the core responsibilities of accountants or other professionals, but within the scope of the core responsibilities of members of HKICS being governance professionals.
5. The Respondent, as an executive director and the company secretary of the company concerned, owed duties to its shareholders. The mistake committed by the Respondent was also a fundamental one.
6. The Respondent is in breach of ICSA Bye-law 24.8(c) in that he has failed to uphold the code of professional conduct and ethics.
7. The Respondent is also in breach of ICSA Bye-law 24.8(d) in that he has behaved, by doing something or not doing something, in a way considered by the DT to bring ICSA or the profession into disrepute.
8. The Respondent is in breach of HKICS Article 25.1(c) that he has conducted himself, whether by act or default, in a manner that might or is likely to be discreditable to HKICS.
9. The Respondent is also in breach of HKICS Article 25.1(d) in that he has acted in breach of the Memorandum and Articles of Association of HKICS or any rules, regulations, codes of practice or conduct, directions or instructions made or established by or under the authority of the Council of HKICS.
10. Having taken into account of the admission of the Respondent and the circumstances of the case, pursuant to ICSA Bye-law 25.1 and HKICS Article 27 the DT ORDERED that:
 - a. the Respondent's membership shall be suspended for 12 months and shall take effect after his release from prison;
 - b. the Respondent shall pay a fine of HK\$25,000; and
 - c. the Respondent shall be publicly reprimanded, and this Decision shall be published publicly via the Institute's journal, website and/or other official channels.

2. Wong Po Ling Pauline, ACIS ACS (the Respondent)

Disciplinary Tribunal (DT) hearing date: 16 August 2016 Findings and Order handed down

Pursuant to ICSA Bye-law 24.1 and HKICS Article 25.2, the Investigation Group (IG) of both ICSA China Division and HKICS, by its report dated 15 March 2016, recommended to the DT for consideration of the Respondent having been found to have committed professional misconduct by the Disciplinary Committee (HKICPA-DC) of the Hong Kong Institute of Certified Public Accountants (HKICPA) on 6 October 2015.

The Respondent provided documents and explanations to HKICS. She, by her letter dated 29 January 2016, enclosed a copy of the reasons for the decision dated 10 June 2015 on the proceedings between the Registrar of the HKICPA and Wong Po Ling, Pauline (HKICPA Proceedings No. D-12-0758C).

The Respondent was advised of the hearing by a letter dated 27 June 2016 from the Chairman of the DT. The Respondent submitted in writing with documentary proof to the DT on 4 August 2016 and she informed the DT that she would be absent from the hearing on 16 August 2016.

Having reviewed the order and reasons for decision of the HKICPA-DC and the explanations given by the Respondent, the DT has found and decided the following:

1. The Respondent was an executive director of a Hong Kong listed company and she had failed to obtain the shareholders' prior approval for making a deposit payment for a proposed acquisition. The Listing Committee of the Stock Exchange

Membership (continued)

- of Hong Kong Ltd found that the Respondent was in breach of her director's undertakings for failing to use her best endeavours to procure the company to comply with the listing rules.
2. The HKICPA-DC had found that the complaint against the Respondent was proved including the Respondent's failure or neglect to observe, maintain or otherwise apply a professional standard.
 3. The Respondent was reprimanded, fined a penalty of HK\$1,000 and ordered to jointly and severally with two other respondents in the same proceedings pay costs of HK\$79,000 of the disciplinary proceedings by HKICPA-DC.
 4. The breach committed by the Respondent was not the core responsibilities of accountants or other professionals, but within the scope of the core responsibilities of members of HKICS being governance professionals.
 5. The Respondent as an executive director of the company concerned owed duties to its shareholders. The mistake committed by the Respondent was also a fundamental one.
 6. The Respondent is in breach of ICSA Bye-law 24.8(c) in that she has failed to uphold the code of professional conduct and ethics.
 7. The Respondent is also in breach of ICSA Bye-law 24.8(d) in that she has behaved, by doing something or not doing something, in a way considered by the DT to bring ICSA or the profession into disrepute.
 8. The Respondent is in breach of HKICS Article 25.1(c) in that she has conducted herself whether by act or default in a manner that might or is likely to be discreditable to HKICS.
 9. The Respondent is also in breach of HKICS Article 25.1(d) in that she has acted in breach of the Memorandum and Articles of Association of HKICS or any rules, regulations, codes of practice or conduct, directions or instructions made or established by or under the authority of the Council of HKICS.
 10. Having taken into account of the admission of the

Respondent and the circumstances of the case, pursuant to ICSA Bye-law 25.1 and HKICS Article 27 the DT ORDERED that:

- a. the Respondent's membership shall be suspended for 12 months from the date of this Order;
- b. the Respondent shall pay a fine of HK\$25,000; and
- c. the Respondent shall be publicly reprimanded, and this Decision shall be published publicly via the

New graduates

Congratulations to our new graduates listed below.

Chan Chi Wai	Leung Sin Ying	Sit Man Pan
Cheng Ching Fu	Leung Tsun Ip	Wai Tsui Yee
Choi Pui Man	Lui Wai Fung	Yeung Tsz Man
Chow Ho Yan	Pak Wing	Yim Lok Kwan

New fellows

The Institute would like to congratulate the following fellows elected in September 2016.

Chen Si Ying, Cynthia FCIS FCS

Ms Chen is the Company Secretary of Dan Form Holdings Company Ltd (Stock Code 0271). She has over 19 years of experience in enterprise management. She also worked in Singapore for three years. She has extensive experience in the company secretarial practice for over 13 years. Ms Chen holds a bachelor's degree in business administration and a master's degree in corporate governance.

Chow Chiu Mei, Loletta FCIS FCS

Ms Chow is a Partner, Assurance and Global Leader of the China Overseas Investment Network at Ernst & Young. She manages the global network of China desks in over 65 countries to serve Chinese clients across all service lines and sectors when they make outbound investments. She has over 25 years

of experience in providing assurance and advisory business services. Ms Chow obtained her master's degree in business administration from The Chinese University of Hong Kong. She is a CPA, a member of the Hong Kong Institute of Certified Public Accountants and also a fellow member of the Association of Chartered Certified Accountants.

Fong Ching Kong FCIS FCS

Mr Fong has been the Financial Controller of Topsearch International (Holdings) Ltd (HKSE Code: 2323) since 2004. He is responsible for financial management and reporting for the company's printed circuit board manufacturing segment. He graduated from Hong Kong Lingnan College (later known as the Lingnan University) with a diploma in accountancy in 1987, and completed a master's degree in business administration in University of Manchester and University of Wales in 2000. He is an associate member of the Hong Kong Institute of Certified Public Accountants, and a fellow member of both the Taxation Institute of Hong Kong and Chartered Association of Certified Accountants.

Ho Yiu Leung FCIS FCS

Mr Ho is the Financial Controller and Company Secretary of Casablanca Group Ltd (Stock Code: 2223) and is responsible for financial reporting, corporate finance, investor relations, corporate governance and company secretarial matters. He has over 20 years of experience in auditing, accounting and financial management. He is also a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants respectively. He holds a master's degree in business administration from the University of Strathclyde.

Lai Yick Fung FCIS FCS

Mr Lai is currently an Executive Director and the Company Secretary of China Eco-Farming Ltd (Stock Code: 8166). He has over 20 years of experience in auditing, accounting and company secretarial fields. Prior to joining his current company, he worked for an international accounting firm and worked as a senior manager in a number of listed companies in Hong Kong and in the US. Mr Lai holds a master's degree in financial management from the University of London and a bachelor's degree in accountancy from the Hong Kong Polytechnic University. He is also an associate member of The Hong Kong Institute of Certified Public Accountants and The Taxation Institute of Hong Kong.

Lam Yee Wah, Eva FCIS FCS(PE)

Ms Lam is the Company Secretary of Brilliance China Automotive Holdings Ltd (Stock Code: 1114), where she is responsible for company secretarial, compliance and corporate governance matters. She is also actively involved in listing, group restructuring and fund raising projects of the company. Prior to joining Brilliance China, she worked at an international accounting firm and several sizeable companies whose shares are listed on the main board and GEM board of The Stock Exchange of Hong Kong. Ms Lam holds a bachelor's degree in public and social administration and a postgraduate diploma in corporate administration from The City University of Hong Kong.

Lau Wing Yee FCIS FCS

Ms Lau is currently the Assistant Company Secretary of CITIC Resources Holdings Ltd (Stock Code: 1205). She is responsible for company secretarial, compliance and corporate governance matters of the company. Ms Lau has about 20 years of experience in the company secretarial field and holds a master's degree in business administration.

Leung Mee Ying FCIS FCS

Ms Leung is the Manager of Nam Pei Hong Group, where she is involved in the management and company secretarial affairs of the Group. She has been working in retail institutions for more than 25 years. She holds a master's degree in corporate governance from The Open University of Hong Kong and has been an associate member of the Institute of Chartered Accountants of Hong Kong since 2011. Ms Leung is an active Area 04 Director (year 2015-2016) of Toastmasters International Club and was awarded the Outstanding Service and Leadership to her division under a toastmaster district.

Poon Wai Chung FCIS FCS

Mr Poon is the Assistant General Manager of Public Finance Ltd (PFL), a subsidiary group company of Public Financial Holdings Ltd which is listed in Hong Kong. PFL is an Authorised Institution regulated by Hong Kong Monetary Authority. Being appointed as an Alternate Chief Executive, he is a member of the management team who has served the company for over 30 years. Mr Poon holds a master's degree in professional accounting and postgraduate diploma in corporate administration.

Membership (continued)

Professor Wang Fu Lee FCIS FCS

Professor Wang is the Vice-President (Research and Advancement) of Caritas Institute of Higher Education, where he oversees research, fund raising, public affairs and information technology services. Prior to joining Caritas, he was a faculty member at City University of Hong Kong. Professor Wang received his bachelor's degree in engineering and master's degree in philosophy from The University of Hong Kong. He also received his doctor's degree in philosophy from The Chinese University of Hong Kong, and his master's degree in business administration from Imperial College London. He is a Past Chairman of the Association of Computing Machinery (ACM), Hong Kong Chapter, and the Institute of Electrical and Electronic Engineers (IEEE), Hong Kong Section, Computer Society Chapter.

Wong Yuen Fan, Alison FCIS FCS

Ms Wong is the General Manager – Human Resources, MTR Corporation (Stock Code: 66), overseeing the human resources management operations of the company, which supports a 17,000-strong workforce in Hong Kong. She has experience in strategising, manpower planning and resourcing, employee relations and engagement, compensation and benefit management, leadership development, organisation development and HR governance. She holds a bachelor's degree in psychology, and master's degree in business administration and information systems. She is also a fellow member of the Hong Kong Institute of Human Resources Management.

Wong Yung, Cindy FCIS FCS

Ms Wong is currently the Senior Board Secretarial Manager of Hang Seng Bank Ltd (Stock Code: 11). She joined the bank in 2004 and is responsible for corporate governance matters. She has over 20 years of experience in the company secretarial field, in particular in the banking and finance sectors. Prior to joining Hang Seng Bank, she worked in several Mainland listed banks in Hong Kong and a global investment bank. Ms Wong holds a higher diploma in public administration from the City University of Hong Kong.

Yu Chun Kau FCIS FCS

Mr Yu is the Vice-President, Chief Financial Officer and Company Secretary of Cosmo Lady (China) Holdings Company Ltd (Stock Code: 2298). He is responsible for overall financial management and reporting, internal control and compliance, corporate finance, legal and company secretarial matters. Mr Yu has extensive

experience in finance and auditing for over 20 years, and holds a master's degree in corporate governance and a bachelor's degree in business administration. Mr Yu is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Institute of Chartered Accountants in England & Wales and the Association of Chartered Certified Accountants and a Senior Finance Manager of the International Financial Management Association.

Kan Shiu Mui, May FCIS FCS

Head of Corporate Secretarial and Administrative Services, Hong Kong Housing Society

Ho Yuen Fan FCIS FCS

Company Secretary, Wong's International Holdings Ltd (Stock Code: 99)

Obituary – Douglas Charles Oxley

We are deeply saddened by the loss of Douglas Charles Oxley, Former Council member and fellow of the Institute. The Institute and Council extend our deepest condolences to his family.



Mr Oxley became a member of the Institute of Chartered Secretaries and Administrators in 1961 and a member of The Hong Kong Institute of Chartered Secretaries in 1974. He was a Hong Kong Committee member from 1979 to 1984 and contributed significantly to the Institute and the Chartered Secretarial profession. He was elected as a Council member between 2003 and 2009, during which time he had acted as the Treasurer and a member of the Professional Development Committee. He was re-elected to Council in 2010 until his passing. In 2016, he was also appointed as a member of the Education and Professional Development Committees.

Mr Oxley arrived Hong Kong in 1963. From 1963 to 1976 he was the Senior Accountant/Chief Internal Auditor of Cathay Pacific Airways. From 1978 to 1997 he taught at The Hong Kong Polytechnic University and was the Founding Course Leader of Bachelor of Arts (Honours) Degree in Accountancy. He operated his own consulting firm from 1994. He also served as a Council

member of the Hong Kong Society of Accountants (now Hong Kong Institute of Certified Public Accountants), holding the position of Vice-President in 1995 and 1996 and Council member for many years.

He also actively served at other institutes including the Australia Society of CPAs, the Accountancy Training Board of the Vocational Training Council, the Confederation of Asian Pacific Accountants, and recreation committees such as the YMCA Hong Kong and Apostleship of the Sea. From 1990, he was a member of the Inland Revenue Board of Review, Hong Kong.

In 2009, Mr Oxley was awarded the Medal of Honour by the Chief Executive of the Hong Kong SAR in the 2009 Honours List for his distinguished contributions to the community.

Forthcoming membership activities

Date	Time	Event
17 November 2016	6.30pm – 8.30pm	Members' Networking – 处身大时代, 如何策划个人投资 (主讲人: 胡孟清小姐) (1 MCPD point)
23 October 2016	6.45pm – 8.30pm	Young Group – wine tasting
26 November 2016	11.00am – 1.00pm	Young Group – bowling with coach
6 December 2016	6.30pm – 8.30pm	Chartered Secretary Mentorship Programme – closing ceremony for 2016 (by invitation only)

For details of forthcoming membership activities, please visit the Events section of the Institute's website: www.hkics.org.hk.

HKICS Convocation 2016

The annual HKICS Convocation was held on 4 October 2016, with HKICS Prize 2015 awardee Anthony Rogers FCIS FCS GBS QC JP as the Guest of Honour. In the year of 2015/2016, 36 fellows and 231 associates were elected, while 94 graduates were admitted to the Institute.

The Institute's International Qualifying Scheme (IQS) subject prize winners and merit certificate awardees received their award certificates at the convocation. Two HKICS Teaching Awards were presented to Dr Stephen Chan and Philip Chan at the convocation. The Teaching Awards were offered in collaboration with the School of Accounting and Finance of The Hong Kong Polytechnic University to recognise outstanding teaching performance in subjects relevant to the IQS.

Certificates were presented by Anthony Rogers; Institute President Ivan Tam FCIS FCS; Vice-President Paul Stafford FCIS FCS(PE); Treasurer and Membership Committee Chairman Dr Eva Chan FCIS FCS(PE); Immediate Past President Dr Maurice Ngai FCIS FCS(PE); Past President Edith Shih FCIS FCS(PE); and Council Member Ernest Lee FCIS FCS(PE). Before the convocation, Council and Committee members, awardees and guests celebrated at a cocktail reception.

For more photos, please visit the Gallery section of the Institute's website: www.hkics.org.hk.



International Qualifying Scheme (IQS) examinations

December 2016 diet reminders

Examination timetable

	Tuesday 6 December 2016	Wednesday 7 December 2016	Thursday 8 December 2016	Friday 9 December 2016
9.30am – 12.30pm	Hong Kong Financial Accounting	Hong Kong Corporate Law	Strategic and Operations Management	Corporate Financial Management
2.00pm – 5.00pm	Hong Kong Taxation	Corporate Governance	Corporate Administration	Corporate Secretaryship

Admission slips

Admission slips, together with 'instructions to candidates', will be posted to candidates in the second week of November 2016. The slip specifies the date, time and venue of the examination. Candidates should read through the instructions before taking the examination.

For enquiries, please contact Ruby Ng at: 2830 6006, or Mandy So at: 2830 6068.

Study packs

In support of environmental protection, the Institute is planning to switch to online versions of the four IQS study packs. The hard copy of the study packs will not be available for purchase once the online version is available. The Institute will make further announcements about the detailed arrangements.

Student orientation

Nearly 70 newly registered students joined the New Students Orientation on 14 September 2016 to learn about the IQS examinations, exemption details, and the student support services provided by the Institute. Institute Education Committee Vice-Chairman Polly Wong FCIS FCS(PE) also presented certificates to the subject prize winners and merit certificate awardees for the June 2016 examination diet. Two subject prize winners – Stephanie Siu and Edward Ng – shared their experience of preparing for the examinations.



At the event



Polly Wong and the awardees

Studentship

Student Ambassadors Programme 2016

To kick-off the Student Ambassadors Programme (SAP) for the new academic year, a tea reception was held on 8 October 2016, a new group of mentors (members of the Institute) and mentees (local university undergraduates) met at the event.

It was an occasion to acknowledge the contributions made by mentors in the previous year. The Institute Education Committee Chairman David Fu FCIS FCS(PE) presented souvenirs and participation certificates to the mentors and mentees of 2015/2016. Three student ambassadors, Fransisca Cheung, City University of Hong Kong, Bethany Chow, Hong Kong Shue Yan University, and Matthew Suen, Caritas Institute of Higher Education, also shared their summer internship experiences and what they learned from the programme.

The Institute would like to thank the following members (in alphabetical order of surname) for their valuable contributions as mentors of the programme in 2015-2016.

Caroline Chan ACIS ACS	Eddy Ko ACIS ACS	Anna Leung ACIS ACS
Douglas Chanson ACIS ACS	Wellman Kwan FCIS FCS	Bruce Li FCIS FCS
Elly Chan FCIS FCS	Ricky Lai FCIS FCS	Kitty Liu FCIS FCS
Eric Chan FCIS FCS	Carmen Lam ACIS ACS	Patrick Sung FCIS FCS
Kevin Chan ACIS ACS	Louisa Lau FCIS FCS(PE)	Jerry Tong FCIS FCS
Irene Cheng ACIS ACS	Ruby Lau ACIS ACS	Bernard Wu FCIS FCS
Cavan Cheung ACIS ACS	Alan Lee ACIS ACS	Sandy Yan ACIS ACS
Daniel Chow FCIS FCS	Allan Lee FCIS FCS	Rebecca Yu FCIS FCS(PE)
Ho Tak Wing ACIS ACS	Simon Lee ACIS ACS	



At the tea reception

HKICS professional seminar

The Institute organised a professional seminar with The Hong Kong University of Science and Technology (HKUST) to introduce the Chartered Secretarial profession to undergraduates on 12 October 2016. Institute member Louisa Yuen FCIS FCS(PE) gave a presentation on her career development in the company secretarial profession in Hong Kong.



Louisa Yuen and David Lai, Lecturer, Department of Accounting, HKUST

Studentship (continued)

IQS information session

The Institute's IQS information session provides information on the IQS examination and career prospects for Chartered Secretaries. At the upcoming session in November, Edmond Chiu FCIS FCS will talk about his work experience. Members and students are encouraged to recommend friends or colleagues who are interested in the Chartered Secretarial profession to attend this IQS information session.

Date:	Wednesday, 30 November 2016
Time:	7.00pm – 8.30pm
Venue:	Joint Professional Centre, Unit 1, G/F, The Center, 99 Queen's Road Central, Hong Kong
Speaker:	Edmond Chiu FCIS FCS, Head of Corporate Services, Hong Kong Vistra Corporate Services (HK) Ltd

HKICS/HKU SPACE programme series: Corporate Administration in PRC (new modules)

The HKICS/HKU SPACE programme series in PRC corporate practices offers a new module – 'Corporate Administration in PRC'. Up to 18 HKICS ECPD points will be awarded to participants who attain 75% or more attendance.

For more information, please contact HKU SPACE at: 2867 8317, or email: prcprogramme@hkuspace.hku.hk.

Date and Time:	Saturdays, 3, 10 and 17 December 2016 2.00pm – 5.00pm and 6.00pm – 9.00pm Sunday, 11 December 2016 10.00am – 1.00pm and 2.00pm – 5.00pm
Venue:	HKU SPACE Learning Centre on Hong Kong Island (to be confirmed)
Speaker:	Professor Yang Jian Associate Professor, Law School of Shenzhen University

Policy – payment reminder

Studentship renewal

Students whose studentship expired in September 2016 are reminded to settle the renewal payment by Saturday 26 November 2016.

Exemption fees

Students whose exemption approved via confirmation letter on August 2016 are reminded to settle the exemption fee by Friday 25 November 2016.



CHARTERED
SECRETARIES
特許秘書

HKICS Annual Dinner 2017

Eye on the future

Guest of Honour

Carlson Tong, SBS, JP

Chairman

Securities and Futures Commission

Thursday,
19 January 2017

6.30pm Cocktail reception
7.30pm Dinner

Ballroom,
JW Marriott Hotel
Hong Kong

Fees: HK\$600 per student ■ HK\$890 per member/graduate ■ HK\$980 per non-member
HK\$10,680 per table of 12 seats

Attire: Lounge suit

More than meets the eye.
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For enquiries, please contact Vicky Lui at 2830 6088 or Vincy Wong at 2830 6048 or member@hkics.org.hk.

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