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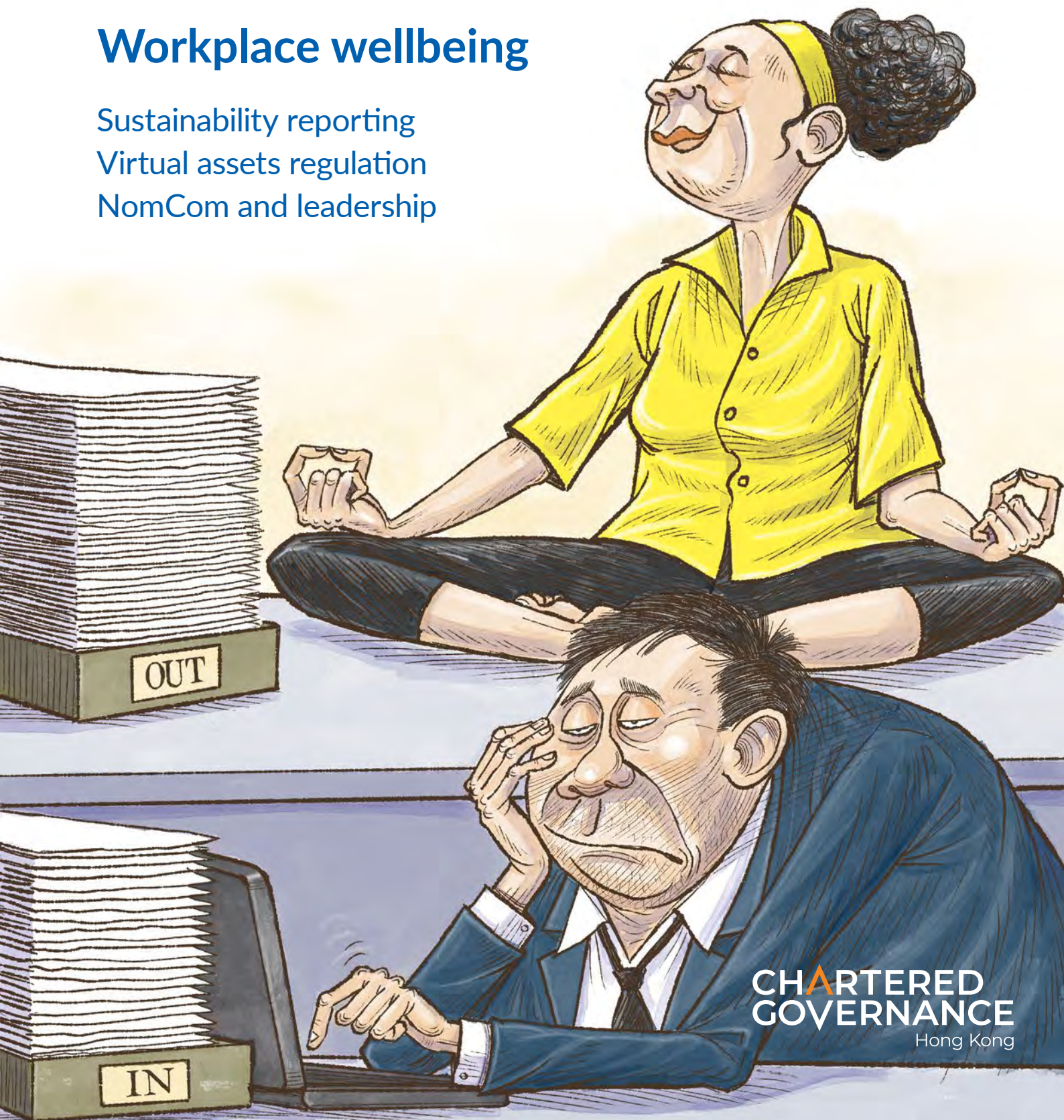
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The journal of the Hong Kong
Chartered Governance Institute

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Good governance comes with membership

About The Hong Kong Chartered Governance Institute

The Hong Kong Chartered Governance Institute (HKCGI, the Institute) 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 and Chartered Governance Professional in Hong Kong and the Chinese mainland.

The Institute was first established in 1949 as an association of Hong Kong members of The Chartered Governance Institute (CGI). In 1994 the Institute became CGI's Hong Kong Division and, since 2005, has been CGI's Hong Kong/China Division.

The Institute is a founder member of Corporate Secretaries International Association Ltd (CSIA), which was established in March 2010 in Geneva, Switzerland. Relocated to Hong Kong in 2017, where it operates as a company limited by guarantee, CSIA aims to give a global voice to corporate secretaries and governance professionals.

HKCGI has about 10,000 members, graduates and students.

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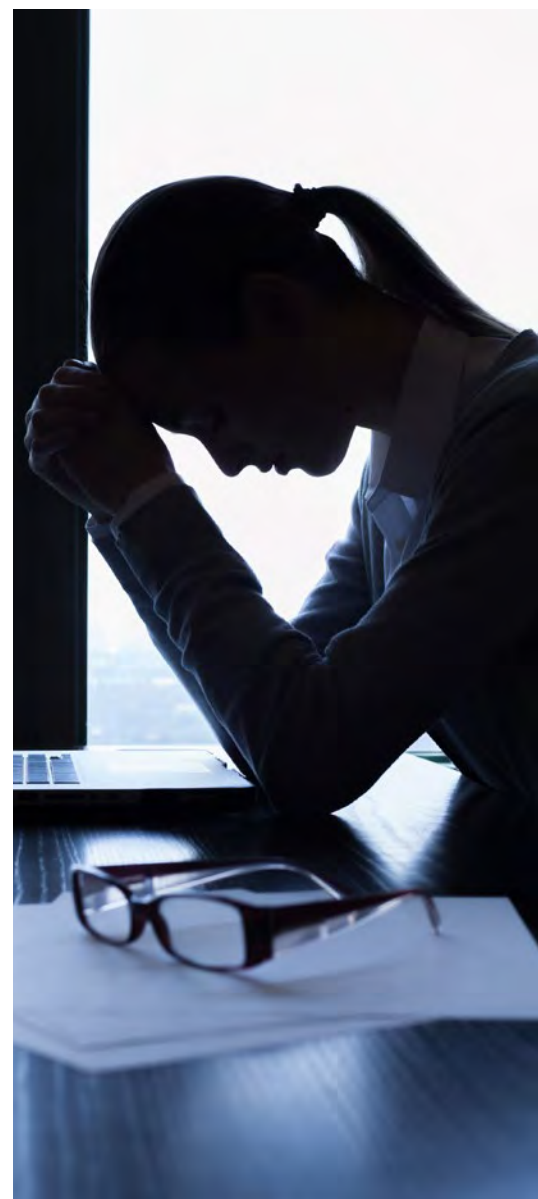
本月的访谈嘉宾是甘博文博士 FCG HKFCG，他是公会投资策略工作小组召集人。

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Professional development update

Before discussing what lies ahead in this edition of CGj, I would like to flag up the imminent arrival of this year's Annual Corporate and Regulatory Update (ACRU). Our 26th ACRU will be held on 6 June and will be your chance to hear directly from regulatory bodies and government authorities on all of the top issues in governance and compliance.

As you would expect, technology-related issues will be among the themes discussed at this year's event. In this context, this year will mark the debut appearance of the Digital Policy Office (DPO), set up by the HKSAR Government in July 2024. The DPO will be a very welcome addition to the ACRU lineup, in particular for its expertise on the increasing relevance of technology to governance practice. As usual, this year's ACRU will be held both online and at the Hong Kong Convention and Exhibition Centre. If you are intending to participate in person, do book early as seats often sell out well before the booking deadline.

Turning to this month's journal, our theme is workplace wellbeing and mental health. Before the Covid-19 pandemic, this topic remained largely under the radar for many companies in Hong Kong, but the impact of the pandemic on both frontline workers

and those adapting to remote work environments has led to an increased interest in this area.

This month's cover story has a wealth of information on what organisations can do to improve workplace wellbeing and the significant returns that can come from making this a priority – including reduced absenteeism and better employee engagement. It also highlights the important contribution governance professionals can make, particularly in our work with boards and leadership teams to ensure that there is commitment from the top for the integration of workplace wellbeing considerations into policies and practices.

Before I conclude, I would also like to flag up for your attention this month's excellent In Conversation article. As readers of this journal will know, sustainability governance has become a major focus of our Institute's training, advocacy and thought leadership work in recent years. Our Sustainability Governance Academy (Academy) has been an integral part of that, and this month readers have the opportunity to hear from one of our Academy Advisory Board members – Ernest Lee FCG HKFCG(PE), Institute Immediate Past President and Technical Partner, Deloitte China – on the implications for businesses in Hong Kong of the newly issued HKFRS Sustainability Disclosure Standards (HKFRS S1 and S2).

Preparing for the implementation of the new standards, which will be phased in over the next few years, will be a high priority for governance professionals. If you haven't already done so, I encourage you to consider completing our ESG Reporting Certification Course and joining our Academy. This will not only provide you with a networking platform to share expertise with other practitioners, but will also give you access to a wide variety of relevant resources. Indeed, a video Q&A with Ernest addressing the implementation timelines and incoming compliance requirements relevant to HKFRS S1 and S2 is now available on the Academy website (<https://minisite.hkcg.org.hk/academy>).

To conclude, I look forward to joining you at our upcoming ACRU seminar. The secret of this seminar's success, and that of our Academy, is in large part due to the active participation and engagement of our Institute members and wider professional community.

David Simmonds FCG HKFCG

专业发展新动态

在探讨本月会刊内容之前，本人谨特别提醒大家关注即将举行的本年度“企业规管最新发展研讨会”(ACRU)。第26届ACRU定于6月6日举行，届时您将有机会直接聆听监管机构及政府部门就治理与合规领域热点议题的权威解读。

如大家所料，科技相关议题将成为本届研讨会的焦点内容之一。值得一提的是，香港特别行政区政府于2024年7月新设立的数字政策办公室(DPO)将首次亮相本届ACRU，其关于科技与治理实践深度融合的专业见解尤为值得期待。与往年一样，本届ACRU将采用线上线下结合的形式，线下会场设于香港会议展览中心。如欲亲临现场参与，请尽早报名，以免向隅。

回到本期会刊主题——职场福祉及心理健康。在新冠疫情前，此议题尚未引起香港多数企业的重视，但疫情对前线员工及远程工作者的影响，促使各界愈发关注这一领域。

本期“封面专题”(Cover Story)将深入探讨企业如何提升职场福祉，并分

析将其列为优先事项可能带来的显著回报，例如减少缺勤率、提升员工投入度等。文章亦强调治理专业人士的重要角色，尤其是如何通过与企业董事会及管理层合作，确保职场福祉理念自上而下融入政策与实践。

本人谨特别提醒读者关注本月会刊的“对话”(In Conversation)专栏文章。正如本刊读者所知，可持续发展治理近年来已成为公会培训、倡导及思想引领工作的核心领域。香港公司治理公会可持续发展治理学院(学院)在其中发挥了重要作用。本月，读者将有机会倾听学院顾问委员会成员——李俊豪先生(Ernest Lee FCG HKFCG(PE))，香港公司治理公会资深会士、公会前会长、德勤中国技术合伙人)就新发布的香港财务报告可持续披露准则(HKFRS S1及S2)对香港企业影响的专业解读。

随着新准则将于未来数年分阶段实施，相关合规准备势将成为治理专业人士的重中之重。若您尚未行动，本人诚邀您考虑修读公会推出的ESG报告证书课程并加入可持续发展治理

学院。此举不仅能助您与同业专家建立交流网络，更可获取丰富资源。目前，学院官网(<https://minisite.hkcg.org.hk/academy>)已上线李俊豪先生的问答视频，详述HKFRS S1及S2的实施时间表与合规要求。欢迎登录查阅。

最后，本人热切期待在即将举行的ACRU上与各位相聚。本次研讨会及学院项目取得成功的关键，很大程度上源自公会会员及广大业界同仁的积极参与及鼎力支持。



司马志先生 FCG HKFCG

Mental wellbeing and health in the workplace

A path to organisational and individual flourishing



Dr Austin Tay, Organisational Psychologist and Founder of Omnipsi Consulting, explores the critical importance of mental wellbeing in the workplace and discusses future trends that will shape sustainable mental health strategies.

In today's rapidly evolving work environment, mental wellbeing and health have emerged as critical concerns for organisations and employees. The Covid-19 pandemic significantly impacted workplace mental health, with longitudinal studies showing substantial increases in anxiety, depression and stress among workers globally. Research indicates a doubling of severe mental health disorders during the pandemic period, with particularly severe impacts on frontline workers and those adapting to remote work environments.

Detailed analysis reveals that different worker groups experienced varying levels of impact. Longitudinal research shows that 45% of remote workers reported decreased mental wellbeing and increased loneliness during enforced work-from-home periods. Young professionals, parents with young children and frontline workers showed particularly high rates of anxiety and depression symptoms, with rates 50% higher than pre-pandemic levels. The pandemic also exposed and exacerbated existing workplace mental health challenges, bringing these issues to the forefront of organisational priorities.

The human cost of poor workplace mental health

Poor workplace mental health carries substantial human and economic costs. Recent systematic reviews have shown that workplace stressors can increase mortality rates and healthcare

costs. More alarmingly, employees facing mental health challenges often endure a lower quality of life, strained interpersonal relationships and decreased career satisfaction.

The transition to hybrid working patterns introduced new challenges, including – as mentioned above – the fact that as many as 45% of remote workers experience a decline in mental wellbeing, as well as heightened loneliness. This underscores the need for organisations to promote mental health in various working environments.

A number of comprehensive systematic reviews indicate that workplace stressors contribute directly to increased mortality and healthcare costs. Research shows these stressors account for approximately US\$180 billion in healthcare spending annually and contribute to 120,000 excess deaths each year.

Creating a sustainable culture of wellbeing

Recent systematic reviews emphasise that sustainable mental health support requires creating a culture where wellbeing is valued and prioritised. This involves consistent effort and commitment at all organisational levels.

Key elements of such a culture include leadership commitment and role modelling, clear communication about available resources and regular evaluation of programme effectiveness. Wellbeing must also be integrated into workplace policies, with recognition of diverse needs, as well as a focus on continuous adaptation and improvement. Additionally, investment in preventive measures and long-term strategic planning is essential to ensure a lasting impact.

The business case for mental wellbeing

Organisations that prioritise employee mental wellbeing see significant

Highlights

- organisations that prioritise mental health initiatives see significant returns, including reduced absenteeism, better employee engagement and improved organisational performance
- sustainable workplace wellbeing requires leadership commitment and clear communication, as well as the integration of mental health initiatives into policies and practices
- future trends emphasise digital mental health solutions, personalised support and robust hybrid work systems to address evolving workplace dynamics

“sustainable mental health support requires creating a culture where wellbeing is valued and prioritised”

measurable returns. A comprehensive systematic review in 2020 by de Oliveira et al found that workplace mental health interventions generate a positive return on investment (ROI) through multiple channels, as set out below.

Financial returns

- **Reduced absenteeism.** Studies show a 25% to 30% reduction in sick days, translating to average savings of US\$1,600 per employee annually.
- **Decreased presenteeism.** A 50% improvement in workplace productivity, with estimated gains of US\$3,000 to US\$4,000 per employee yearly.
- **Lower turnover.** Up to 40% reduction in staff turnover costs, saving an average of US\$5,000 per retained employee.
- **Healthcare savings.** A 30% reduction in mental health-related claims, representing appreciable insurance premium savings.

Implementation success factors

Early intervention programmes have been shown to deliver the

highest ROI, with benefit-to-cost ratios reaching as high as 5:1. Comprehensive programmes that address both prevention and support tend to outperform single-focus initiatives, providing more holistic and effective outcomes. Manager training shows particularly strong returns, with research by Milligan-Saville et al reporting an ROI of £9.98 for every £1 invested through reduced employee sick leave.

Additionally, employee assistance programmes have demonstrated consistent returns, with systematic reviews revealing benefit-to-cost ratios ranging from 3:1 to 5:1.

Six evidence-based steps to support employee mental wellbeing

1. Establish comprehensive mental health support systems

A systematic review of workplace counselling programmes showed marked reductions in absenteeism and improved job satisfaction. Organisations implementing comprehensive support systems reported a 30% reduction in stress-related absence, a 40% improvement in employee engagement and a 25% reduction in turnover intention, as well as notable improvements in team performance metrics.

- **Structural components.** These components include professional counselling services with both in-person and virtual options, employee assistance programmes with 24/7 access, regular mental health workshops and training sessions, crisis support systems with clear escalation protocols and confidential reporting mechanisms.

- **Implementation steps.** These steps involve conducting needs assessments across different employee groups, developing clear access protocols and communication channels, ensuring confidentiality and privacy protection, creating multiple access points for support services, and establishing monitoring and evaluation systems.

2. Develop manager mental health training

Studies demonstrate that manager training in mental health support significantly reduces employee sick leave. A randomised controlled trial showed that mental health training for managers provides substantial returns through reduced absenteeism.

- **Core training components.** These entail a recognition of mental health challenges and early warning signs, supportive conversation skills and active listening techniques, resource awareness and appropriate referral pathways, workload management and stress reduction strategies, crisis intervention and escalation procedures, legal obligations and duty of care responsibilities, and creating psychologically safe team environments.
- **Implementation framework.** This calls for initial comprehensive training sessions for all managers, regular refresher courses and skills updates, practical scenario-based learning exercises, peer support networks for managers, access to expert consultation

when needed, assessment of training effectiveness and integration with performance management systems.

- **Outcomes.** Research demonstrates a number of measurable outcomes of manager mental health training, including a reduction in work-related sick leave, improved team communication and morale, earlier identification of mental health issues, better utilisation of support services, enhanced team performance metrics, increased employee trust in leadership and reduced stigma around mental health discussions.

3. Create flexible working arrangements

Research indicates that flexible working arrangements contribute noticeably to employee wellbeing. Studies demonstrate that well-implemented flexible arrangements can lead to a 25% reduction in work-related stress, improved job satisfaction scores, better work-life balance reports, increased productivity, higher employee retention rates, enhanced employee engagement and reduced commuting-related stress.

- **Core flexibility components.** These components involve remote work options with clear guidelines, flexible start and finish times, compressed work weeks where feasible, job sharing opportunities, part-time work options, core hours with flexible scheduling and meeting-free time blocks for focused work.

- **Implementation framework.** These steps include clear policy development with employee input, technology infrastructure to support remote work, training for managers on managing flexible teams, regular review and adjustment of arrangements, performance measurement based on outcomes, clear communication protocols and equal access to flexibility options.
- **Success factors.** Success factors encompass leadership modelling of flexible work practices, a trust-based management approach, regular feedback collection and response, technology support and training, clear boundaries between work and personal time, fair and transparent implementation, and regular policy reviews and updates.

4. Foster positive social connections

Studies show that positive workplace relationships significantly enhance psychological health. Building strong social connections at work creates resilience and cultivates robust support networks.

- **Structured approaches.** These approaches comprise regular team-building activities, cross-functional project teams, mentoring programmes, employee resource groups, social networking platforms, shared learning opportunities and community service initiatives.
- **Implementation steps.** These steps require assessing the current social connection

opportunities, designing inclusive social activities, creating multiple channels for interaction, establishing mentoring frameworks, supporting employee-led interest groups, scheduling regular team activities, and monitoring participation and engagement.

- **Success indicators.** Such indicators consist of increased collaboration across teams, improved knowledge sharing, enhanced psychological safety, stronger team cohesion, better conflict resolution, reduced isolation reports and higher engagement scores.

5. Implement regular wellbeing check-ins

Systematic reviews demonstrate that regular wellbeing monitoring and support undeniably improve mental health outcomes. Research indicates that regular check-ins lead to earlier identification of mental health concerns. Additionally, measurable outcomes include improved employee-manager relationships, higher levels of employee trust, better resource utilisation, reduced turnover intentions, increased engagement scores and more effective performance management.

- **Core components.** These entail one-to-one manager-employee meetings, structured wellbeing conversations, team pulse surveys, anonymous feedback mechanisms, regular performance dialogues, mental health check-ins and career development discussions.

- **Implementation framework.** This framework involves establishing regular check-in schedules, training managers in effective check-in techniques, creating standardised discussion guides, developing follow-up protocols, setting up confidential reporting systems, monitoring trends and patterns, and providing response mechanisms for identified issues.
- **Success factors.** Success factors include consistency in implementation, quality of conversations, clear action pathways, the maintenance of confidentiality, adequate response resources, regular review and adjustment, and leadership commitment.

6. Prioritise work-life balance

Research shows that organisations that implement clear work-life boundaries see improved mental health outcomes. Studies demonstrate benefits such as reduced burnout rates, lower stress levels, improved job satisfaction, better physical health outcomes, enhanced productivity, increased creativity and stronger team performance.

- **Key strategies.** Strategies cover clear working-hour policies, email and communication guidelines, vacation encouragement policies, workload monitoring systems, meeting management protocols, digital disconnection rights and family friendly policies.
- **Implementation steps.** Steps incorporate developing clear work-life balance policies, training managers in workload

management, establishing monitoring mechanisms, creating support systems for peak periods, regular workload reviews, vacation planning support and family leave management.

- **Best practices.** Best practices comprise leading by example at all levels, regular policy communication, consistent implementation, cultural sensitivity, regular policy reviews, employee feedback integration and a continuous improvement approach.

The role of employees

While support from the organisation is crucial, research indicates that employee involvement in mental health initiatives is equally important. Successful workplace mental health programmes also require the active engagement of employees at all levels.

Key actions that employees can take include proactively using the provided mental health resources, actively participating in wellbeing check-ins and engaging in honest communication with managers about challenges. Employees should also focus on developing personal stress management strategies, building supportive professional networks and setting clear personal boundaries. By contributing to a positive team culture and taking the initiative to focus on mental wellbeing, employees can effectively support not just their own mental health, but also that of their colleagues.

Looking ahead

The future of workplace mental wellbeing necessitates a collaborative approach between organisations and employees. As workplace dynamics continues to evolve, mental wellbeing is set to become an even more urgent issue for organisations.

Key future trends include the integration of digital mental health solutions and an increased emphasis on preventive measures. There will also be a greater focus on work-life integration and the evolution of hybrid work support systems to address the unique challenges of remote and flexible work environments. Enhanced measurement and monitoring capabilities are expected to improve the evaluation of mental health initiatives, while the development of personalised support approaches will cater to individual employee needs. Additionally, the growing importance of mental health literacy and the expansion of peer support programmes will play a vital role in fostering a supportive workplace culture.

Organisations that prioritise mental health support today will be better equipped to sustain a resilient, engaged and productive workforce in the future. By embracing these trends and adapting to the changing needs of their employees, businesses can ensure long-term success while promoting a culture of wellbeing.

Dr Austin Tay

*Organisational Psychologist and
Founder of Omnipsi Consulting*

*The author can be contacted via
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Sustainability reporting in Hong Kong

Ernest Lee FCG HKFCG(PE), Institute Past President and Technical Partner, Deloitte China, talks to CGj about the development journey of sustainability reporting in Hong Kong, and outlines the challenges and opportunities associated with the new sustainability reporting standards.



Sustainability reporting is becoming a more critical component of corporate governance in Hong Kong, as companies prepare to comply with the newly introduced disclosure standards. Can you tell us about the principal developments behind this shift?

'Absolutely. The journey started back in September 2020 when the International Financial Reporting Standards (IFRS) Foundation issued a consultation paper on sustainability reporting. The establishment of the International Sustainability Standards Board (ISSB) under the IFRS Foundation was announced in November 2021 at the United Nation's Climate Change Conference in Glasgow (COP26). This independent standard-setting body is mandated to deliver a comprehensive global baseline of sustainability-related disclosure standards that will provide investors and participants with information about companies' sustainability-related risks and opportunities. The final versions of IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information – and IFRS S2 – Climate-related Disclosures – were issued in June 2023.

Then, in early December 2024, Hong Kong launched a roadmap on sustainability disclosure that outlined a structured plan for adopting the ISSB standards. This was informed by extensive public consultations and feedback from a wide variety of stakeholders, ensuring that the standards meet local needs and, at the same time, conform with global benchmarks.

Also in December 2024, the Hong Kong Institute of Certified Public Accountants (HKICPA) issued the Hong Kong Financial Reporting Standards (HKFRS), HKFRS S1 and HKFRS S2, which are fully aligned with the ISSB standards and which have an effective date of 1 August 2025.'

What does this mean for businesses in Hong Kong and who will be affected by these new standards?

'The new HKFRS standards will impact a broad range of businesses, particularly listed companies and regulated entities such as financial institutions, asset managers and insurance companies. The alignment with international standards strengthens Hong Kong's position as an international green finance hub.

The implementation will follow a phased approach. LargeCap issuers (defined as Hang Seng Composite LargeCap Index constituents) and non-listed financial institutions carrying a significant weight will be among the first to comply. They are expected to fully adopt HKFRS S1 and HKFRS S2 no later than 2028.

What are the key differences between Hong Kong's sustainability reporting standards and the new climate requirements issued by HKEX in April 2024?

'While the new climate requirements issued by HKEX in April 2024 closely accord with the climate-related disclosure requirements of Hong Kong's sustainability reporting standards (HK standards) and the ISSB standards, there are four main differences. One key difference is in reporting boundaries. The new climate requirements allow issuers to determine boundaries based on the ESG Code, whereas the HK standards and the ISSB standards mandate alignment with financial reporting boundaries.

Another difference is in industry-based metrics. The HK standards and the ISSB standards require mandatory disclosures for certain regulated industries, whereas the new climate requirements adopt a more flexible, voluntary approach. Disclosure for Scope 1 and Scope 2 greenhouse gas emissions is another area in which the new climate requirements have opted for a voluntary approach, encouraging

Highlights

- Hong Kong's new sustainability reporting standards, effective from 1 August 2025, fully converge with the ISSB standards
- a phased approach to implementing the Hong Kong standards will be adopted, with listed companies and financial institutions that carry a significant weight being among the first to comply
- data collection, particularly for Scope 3 emissions, remains a major challenge, while assurance will be crucial in ensuring the reliability of sustainability disclosures

but not mandating separate disclosures.

Additionally, the HK standards and the ISSB standards require companies to disclose the percentage of executive remuneration linked to climate-related goals, but this is not a requirement in the new climate requirements. However, Hong Kong regulators strongly encourage companies to follow international best practices.'

In your experience, what are the biggest challenges companies face when implementing these new requirements?

'One major challenge is data collection, particularly for Scope 3 emissions, which encompasses indirect emissions from a company's value chain. Many businesses struggle to obtain accurate and reliable data. For instance, some companies operate in countries where emissions data is either scarce or of questionable credibility and reliability, especially when sourced from third-party vendors.

In the context of Hong Kong and the Chinese mainland, stakeholders have raised concerns that existing emissions data is often incomplete, outdated or fragmented. As a result, companies sometimes rely on data from other countries. However, this can lead to discrepancies, as such data may not accurately reflect the emissions profiles of businesses with the majority of their operations in Hong Kong or the Chinese mainland.

The final point here concerns the practical challenges in quantifying

the anticipated financial impact of climate-related factors. One significant challenge is isolating the effects of climate change from other influencing factors. For example, consider an increase in cocoa prices. This may be partly due to poor harvests caused by low rainfall, but it could also be driven by market expectations, which influence price fluctuations. Accurately disclosing the anticipated financial effect of a single factor is challenging because multiple variables often contribute to the final number, making it difficult to attribute changes to climate impacts alone.'

What are some of the support measures available to help companies transition to the new sustainability reporting standards?

'To support this transition, the HKICPA has released a detailed explanatory memorandum, which includes useful links and resources. Additionally, the ISSB has introduced proportionality relief measures to help companies implement the requirements more effectively.


There are two types of relief in the Hong Kong standards. The first is a temporary first-time transition relief, which allows companies to initially disclose climate-related information only, without the need for comparative data or Scope 3 emissions reporting. The second is a permanent proportionality relief, which ensures that disclosure requirements remain practical and achievable, while maintaining reporting integrity. The fundamental concept here is the

use of reasonable and supportable information available at the reporting date without undue cost or effort. If companies lack the capacity to provide quantitative financial impact assessments, they can opt for qualitative disclosures instead.

To assist businesses, regulators have provided extensive guidance, including implementation-support platforms and capacity-building efforts. Organisations like the Green and Sustainable Finance Cross-Agency Steering Group, co-chaired by the Hong Kong Monetary Authority and the Securities and Futures Commission, are also working to enhance data availability and quality.'

How does assurance factor into sustainability reporting and what are the next steps?

'Assurance will play a crucial role in enhancing the credibility of sustainability reporting. Investors and stakeholders expect sustainability disclosures to be as reliable as financial statements. To address this, the International Auditing and Assurance Standards Board issued its International Standard on Sustainability Assurance 5000 in November 2024, which sets the global benchmark for sustainability assurance.

Hong Kong will follow suit. HKICPA has made it clear that it will develop local assurance and ethics standards on a full convergence basis with these international standards, and aims to publish the final standards by the end of 2025.' 

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The case for nomination committee leadership

A roadmap for delivery of Hong Kong's new NED requirements



Loretto Leavy FCG, PhD candidate, University of Exeter Business School, and Ruth Sealy, Professor of Leadership, Henley Business School and Honorary Professor, University of Exeter Business School, explore how the nomination committee can help optimise board behavioural dynamics and assist in the navigation of the new governance requirements for Hong Kong boards.

Hong Kong's corporate governance landscape is evolving with significant changes to the Corporate Governance Code and related Listing Rules taking effect in July 2025. These developments, including board performance reviews, skills matrix disclosures, limits on independent non-executive director (INED) tenure and multiple directorships, and mandatory director training will reshape boards. Some changes are regulatory requirements, while others represent good practice. How can Hong Kong boards and nomination committees navigate their response to these challenges?

Our new research on board behavioural dynamics provides a valuable lens through which to view these changes. This groundbreaking work exposes the processes used to bring the board together as a collective unit. Conducted by the University of Exeter Business School and Henley Business School, in collaboration with The Chartered Governance Institute UK & Ireland (CGIUKI), the research offers Hong Kong boards a blueprint to assist in the reset of their board people processes while implementing the 2025 governance changes via the leadership of the nomination committee.

The research is based on an analysis of disclosures of 50 FTSE boards, which identified six core people processes and their maturity maps.

The maturity maps were validated through 14 workshops with governance professionals, regulators and professional bodies from large and highly regulated boards covering a number of jurisdictions. The full handbook underwent a two-month open consultation and will launch on 1 July at the 2025 CGIUKI Annual Conference held in London. This will serve as a useful resource in navigating Hong Kong's new board landscape as it addresses a critical gap in governance and offers recommendations on how to enable boards to work together effectively – in other words, how to optimise board behavioural dynamics.

The handbook does not prescribe a 'one-size-fits-all' approach, but instead provides a framework for tailoring governance processes to each board's unique situation. The handbook recommends introducing

an essential governance architecture comprising six core processes that together enable effective board behavioural dynamics. Each of the 50 boards reviewed in our analysis were using the six core processes, albeit in varying ways. The six core processes are:

- appointing
- inducting, training and developing
- evaluating and acting
- non-executive director (NED) succession planning
- composing and designing, and
- reappointing.

For each process, the handbook details three distinct maturity levels across three dimensions – the

Highlights

- Hong Kong's updated Corporate Governance Code, effective from July 2025, requires boards to adopt performance reviews, skills matrix disclosures, tenure limits and mandatory training
- the Optimising Board Behavioural Dynamics handbook, to be launched on 1 July, offers a framework to help Hong Kong boards tailor their governance processes to their specific needs and challenges
- the key recommendation is that the nomination committee oversees all six core board processes, from appointing to reappointing, to ensure alignment and improve board effectiveness

contextual pressures influencing the board, the procedural steps involved, and the outputs and outcomes achieved. Our consultation found comparable themes outside the UK board context.

The handbook's comprehensive mapping allows boards to navigate approaches proportional to their specific circumstances, recognising that different boards will require different levels of process maturity depending on the complexity of their external environment, their organisational and strategic challenges, and their board-specific pressures and performance. Part of the specific circumstances involves the board's legal and regulatory environment, including the challenge of navigating the new requirements and expectations.

Resetting the focus of Hong Kong's nomination committees

In Hong Kong, the code recommends that a nomination committee is in place and this is common practice among boards. Focusing on how to enhance a nomination committee that is in place, we look to comparable findings in our research.

We found significant inconsistencies in how board processes were being overseen and are therefore recommending additional oversight of all six processes and their actions by the nomination committee. This recommendation that the nomination committee has oversight of all six processes is crucial to ensure effective delivery. However, we recognise that this must not challenge the chair's responsibility for the six

core processes, which must remain steadfast. An enhanced role for the nomination committee represents a significant expansion of its traditionally understood appointing-focused role, to one in which the committee becomes the guardian of the board's overall effectiveness and the organisation's leadership.

Our research focuses on the non-executive board people processes. The six processes identified in the handbook were found to be predominantly managed in isolation, rather than as a complementary system with shared aims. The handbook recommends that the six processes are deployed as a bundle using the maturity approach to customise the solutions to the board-specific position. By bringing these processes together under nomination committee oversight, boards can achieve greater strategic alignment, reduce duplication of effort and build a more comprehensive approach to enabling the board to work together.

Let's look at each process in turn in their Hong Kong listed context and their link to our recommendation for enhanced nomination committee oversight.

Appointing

Hong Kong currently requires nomination committees to have formal, rigorous and transparent procedures for board appointments. The Hong Kong Code Provisions recommend that the nomination committee, where established, is chaired by an independent director or the board chair and with a majority of independent members.

Hong Kong nomination committees' oversight of appointing is aligned to the core process of all nomination committees. The nomination committee should be mindful that the appointing process interlinks with the other core processes, whether this is via inputs or outputs, implicitly or explicitly. Additional Hong Kong interlinking includes a new focus on skills matrices and the diversity of the nomination committee itself.

Our research sample and consultation found comparable themes within different jurisdictions, confirming that the nomination committee normally leads the process for the appointment of NEDs and CEOs, providing the board with a 'nomination' for the role. The research found that although the nomination committee role in appointing was clear in the majority, it was ambiguous in those boards that meet only the baseline of what a diligent firm would expect. We recommend that Hong Kong nomination committees ensure the committee leads on the process and outcomes for all NED appointments.

Inducting, training and developing

Similar to the UK, Hong Kong's inducting, training and developing processes are not formally within the remit of the nomination committee. However, within the sample and consultation process, it was confirmed that these processes are key to the delivery of successful appointments and reappointments. Therefore, we recommend that the inducting, training and developing processes are seen as a core process of the nomination committee. This is particularly important in overseeing

“the handbook recommends introducing an essential governance architecture comprising six core processes that together enable effective board behavioural dynamics

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Hong Kong’s new mandatory training minimum standards – continuous professional development for all directors, and 12 training hours for first-time directors with experience as a director of an issuer listed on an exchange other than in Hong Kong and 24 training hours for other first-time directors, both within 18 months of appointment.

Our recommendation is that inducting, training and developing is formally undertaken by Hong Kong nomination committees as it is ineffective to decouple induction oversight from the appointment responsibilities.

Evaluating and acting

Our research emphasises the importance of reviewing past performance and appropriate future actions as a fundamental part of a healthy board, particularly where the board is facing significant complex challenges. Our research found that externally facilitated evaluations were particularly useful for driving forward board maturity where boards were under pressure to change.

Hong Kong’s new Code Provision for board performance reviews is every two years, starting from July 2025, upgrading the requirement from best

practice. Hong Kong boards should be extra mindful of this gap as board performance does not fit neatly into a biennial cycle. This is particularly so where reviews feed into the new mandatory disclosure requirement for an annual director assessment – although focused only on time and contribution – for reappointing recommendations. Our consultation found that where regulation required only periodic externally facilitated evaluations, the interim years were unstructured and therefore produced gaps in board improvement.

Hong Kong nomination committees should also be mindful that our handbook reflects the global practice of annual reviews and the UK’s external triennial review. The handbook is constructive as it can be used to walk through how the evaluation of directors can be achieved and interlinked with board and committee reviews. This is particularly helpful for company secretaries to advise their nomination committees on their most appropriate position.

NED succession planning

Our research found that although succession planning is often acknowledged as being important for board performance, reporting predominantly deals with executive

succession planning. The handbook focuses on NED succession to highlight its importance to behavioural dynamics, including the sequencing of executive and non-executive transitions.

Although Hong Kong has explicit expectations for succession planning, it is likely that the Hong Kong market has a similar focus on executive succession rather than NED succession, with limited nomination committee oversight, even though the chair is specifically designated.

NED succession planning is of particular importance given Hong Kong’s new nine-year cap on INED tenure, to be implemented in phases by 2028 and 2031, which creates a critical requirement for effective succession planning. The handbook provides a structured approach for NED succession, starting with a baseline review of tenure tracking, to tenure tracking aligned to future strategic board needs and, in the most mature boards, on to tenure tracking aligned to future strategic and interpersonal needs across three-time horizons.

Therefore, the handbook offers valuable guidance for Hong Kong boards preparing for the impending INED tenure limits. Our recommendation is that the nomination committee renews its focus on NED succession planning in addition to executive succession planning and that this recommendation is also extended to the Hong Kong market. This should ensure the satisfactory sequencing of leadership changes to safeguard

“ by bringing these processes together under nomination committee oversight, boards can achieve greater strategic alignment, reduce duplication of effort and build a more comprehensive approach to enabling the board to work together ”

continued market and stakeholder confidence.

Composing and designing

Hong Kong's governance framework addresses several composition elements, including minimum independent director requirements, gender and ethnic diversity requirements, board skills matrix disclosure and workforce diversity policies. However, aligned to the research findings, these elements are treated somewhat separately, rather than as components of an integrated board design strategy.

We view composition and design as an essential mechanism in achieving an optimal board. However, due to the dispersed nature of reporting, it was challenging to understand overall board composition and design. The handbook identifies approaches ranging from basic statements on skills, diversity and structure, to use of skills matrices, with a focus on strategic needs with diversity and availability assessments, to comprehensive assessments that balance strategic and interpersonal needs with explicit plans to address gaps and connections to other behavioural dynamics processes being the most mature approach.

The handbook's three-step approach – composition review, optimal design principles, and gaps and plans – provides a more cohesive framework for board compositing and designing. We recommend that the nomination committee takes the lead in overseeing this process and its actions as this would be a more comprehensive delivery of the Code Provision of reviewing the structure, size and composition of the board.

Reappointing

The remit of Hong Kong's nomination committees focuses on appointment and reappointment. The reappointing element will receive further focus due to Hong Kong's mandatory disclosure rule regarding the re-election of directors, which from July 2025 requires the nomination committee to report in greater detail on how the assessment was completed, concentrating on time commitment and contribution. The new INED tenure limits will also force more deliberate consideration of the NED succession plans in making these recommendations.

Guidance is not sufficiently developed on how these decisions should be taken, recognising a gap in established global practice. However,

the handbook maps three maturity approaches. The most mature approach transforms reappointment from a procedure to a decision point, taking outputs from each of the other core processes. This ensures the board continuously evolves to meet changing organisational and board needs. This also demonstrates the value of interlinking the six processes.

Conclusion

The Optimising Board Behavioural Dynamics handbook provides market-researched how-to maps that complement Hong Kong's corporate governance. By integrating process and action oversight of the six core processes under the nomination committee, efficiencies can be delivered to address the complementary aims of these processes.

For Hong Kong boards implementing the 2025 governance changes, the handbook's approach offers a constructive roadmap for enhancing board dynamics and organisational performance in an increasingly complex business environment. The handbook can help Hong Kong boards implement a strengthened collective capability that matches the board-specific circumstances.

Loretto Leavy FCG, PhD candidate, University of Exeter Business School, and Ruth Sealy, Professor of Leadership, Henley Business School and Honorary Professor, University of Exeter Business School

From 1 July 2025, the Optimal Board Behavioural Dynamics handbook will be available to download from [here](#).



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
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The SFC unveils a new virtual assets roadmap

Further development of Hong Kong's virtual assets regulatory framework



Etelka Bogardi, Asia Head of FinTech and Financial Services Regulatory and Partner (HK), Jeremy Koo, Associate, and Nina Stammbach, Legal Executive, Norton Rose Fulbright, explore the SFC's newly unveiled regulatory roadmap, which outlines key initiatives to position Hong Kong as a global leader in virtual assets regulation.

The Securities and Futures Commission (SFC) has on 19 February 2025 rolled out a new regulatory roadmap setting out its core guiding principles to continue Hong Kong's development as a virtual assets (VA) hub. The roadmap adopts the 'ASPIRe' slogan, representing its five pillars – Access, Safeguards, Products, Infrastructure and Relationships.

Current challenges and future trends

In formulating the roadmap, the SFC has identified key challenges in regulating the VA market, including:

- the concentration of VA holdings among institutional investors, especially in more established instruments such as Bitcoin, in contrast with the trend of retail investors engaging in speculative trading, especially in niche instruments such as memecoins
- the risks posed by different trading venues (both centralised and decentralised exchanges, and over-the-counter (OTC) desks), and
- the risks of regulatory arbitrage as a result of divergences in regulations across jurisdictions.

The SFC has also identified two key trends defining the future of the VA landscape, which are:

- the push to harmonise regulatory regimes across jurisdictions in alignment with global standards set by the Financial Action Task Force, International Organization of Securities Commissions and the Financial Stability Board, and
- the convergence between traditional finance and VAs, particularly the compliance standards of the former and the blockchain-based innovations of the latter.

We now explain each of the five pillars under the SFC's new roadmap.

Pillar A (Access) – streamline market entry through regulatory clarity

The SFC has recognised that Hong Kong's VA regime currently covers only a limited group of market participants, such as VA

trading platform operators (VATPs) (that is, centralised exchanges) and other existing SFC-regulated intermediaries. Conversely, there is a lacuna in regulations for other non-VATP entities such as OTC dealers and VA custodians.

To rectify this, the SFC plans to introduce a licensing framework for VA OTC trading, which will provide for parity in regulatory treatment between VATPs and OTC dealers. Additionally, the SFC will also introduce a licensing regime for VA custodians, which will mirror requirements applied to traditional custodians such as capital adequacy, cybersecurity and segregation of assets. While no timeline has been provided for the VA OTC trading regime, the SFC has indicated that it aims to complete preparing legislation for the VA custody regime by the end of 2025.

Highlights

- in the new roadmap for its VA regulatory policy, the SFC has identified a number of key challenges in regulating the VA market, along with two key trends defining the future of the VA landscape
- flexible regulatory frameworks and expanded product offerings are designed to attract global players, while ensuring robust investor protection
- the SFC intends to develop the VA talent pool in Hong Kong by proactively identifying existing knowledge and skill gaps in the market, and will deliver training programmes to meet market needs

“modernising the existing reporting and surveillance solutions will help build trust in Hong Kong’s VA market”

The SFC intends to attract both global VATPs and VA liquidity providers through providing greater clarity on regulatory treatment, in order to enhance liquidity provision in Hong Kong’s VA market and increase its appeal.

Pillar S (Safeguards) – optimising compliance burdens without compromising security

The SFC also recognises that its current regulatory framework leans towards putting in place prescriptive requirements such as rigid custody rules and compensation mandates, and has now signalled an intention to adjust these rules to allow more flexibility for market participants, whilst still ensuring robust investor protection.

Some proposed initiatives include:

- transitioning custody standards away from specific hardware solutions to more technology-neutral and outcome-based standards to facilitate the adoption of emerging custody technologies
- transitioning away from mandatory hot and cold storage

ratios to alleviate liquidity constraints, and moving towards a holistic security approach that introduces other safeguards such as real-time transaction monitoring, third-party audits and compensation-backed hot wallets

- aligning insurance and compensation frameworks with global practices whilst allowing market participants the flexibility to tailor compensation strategies to their operational needs
- providing more guidance to clarify investor onboarding processes and allow for effective assessments of investor profiles, and
- regulating VAs in a technologically neutral manner, based on the nature of the activity and underlying asset, rather than the digital form.

Pillar P (Products) – expand product offerings and services based on investor categorisation

The SFC recognises that the regulatory regime currently restricts certain products and services that VATPs can provide, meaning that new tokens, margin trading, derivatives, staking, lending and borrowing are not permitted. While the SFC continues to emphasise the need to sufficiently protect retail investors, it has indicated that it is considering allowing more advanced and diverse product offerings to investors with sufficient expertise and experience.

Some proposed initiatives include:

- allowing professional investors (PIs) to subscribe to new token listings, moving beyond the historic focus on well-established VAs
- allowing PIs to participate in VA derivatives trading, which VATPs are currently not permitted to offer
- introducing VA margin financing requirements aligned with requirements present in the traditional securities market
- allowing for staking services that are supported by technical and custodial safeguards, and
- allowing PIs to receive VA borrowing and lending services subject to robust risk management safeguards.

Pillar I (Infrastructure) – modernise reporting, surveillance and cross-agency collaboration

The SFC recognises the existing limitations of VA reporting, which tends to be incident-specific and hinders the surveillance efforts of regulators and law enforcement agencies.

To address this, the SFC will consider introducing options to allow automated reporting of VA information and adopt various data-driven surveillance tools to improve its ability to oversee the VA market, as well as to monitor transactions, wallets and blockchain activities. Modernising the existing reporting and surveillance solutions will help build trust in Hong Kong’s VA market.

“
the SFC will also increase
its direct interactions with
investors through its own
educational initiatives
”



The SFC will also collaborate more closely with local regulators and law enforcement agencies to improve risk monitoring and surveillance efforts, and improve collaborative efforts with global regulators at a cross-border level.

Pillar Re (Relationships) – empower investors and industry through education, engagement and transparency

Finally, the SFC recognises that the Hong Kong public lacks awareness of the nature of and risks presented by VAs, increasing the risks of uninformed decisions and financial losses. Some industry stakeholders may also lack a complete understanding of the SFC’s policy-making process.

To address the education gap among the Hong Kong public, the SFC intends to regulate financial influencers (or ‘finfluencers’), who represent an increasingly significant channel affecting the perceptions and financial behaviour of the Hong

Kong public. This will come in the form of best practices in responsible communication and engagement to promote responsible behaviour and accountability. For its part, the SFC will also increase its direct interactions with investors through its own educational initiatives.

Additionally, the SFC will leverage global forums and the Virtual Asset Consultative Panel, which was established to engage with licensed VATPs, to obtain the perspectives of industry stakeholders, address their concerns and communicate its regulatory viewpoints clearly.

Finally, the SFC will also develop the VA talent pool in Hong Kong by proactively identifying existing knowledge and skill gaps in the market, and will deliver training programmes to meet market needs.

Our perspective

The new ASPIRe roadmap informs the VA industry of the upcoming regulatory developments that can be

expected from the SFC in the medium to long term. While the SFC works out the specific details, setting out in advance the broad contours of how it intends to shape the VA regulatory regime serves to instil confidence in market participants looking to establish a Hong Kong presence, as well as provide predictability on how they may be impacted in the future.

Whilst the introduction of additional licensing regimes and regulatory requirements close gaps in the existing framework, this is balanced by the SFC’s intention to allow (to some extent) for a more diverse range of VA-related activities, which in our view will boost Hong Kong’s bid to be a leading VA hub.

Etelka Bogardi, Asia Head of FinTech and Financial Services Regulatory and Partner (HK), Jeremy Koo, Associate, and Nina Stambach, Legal Executive
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Overview of recent Institute guidance notes

CGj presents a brief synopsis of the Institute's latest guidance notes from the first quarter of 2025, covering a wide range of topics from distressed deals to competition law updates.



As a vital part of its thought leadership and professional development initiatives, the Institute regularly publishes guidance notes to keep governance professionals and practitioners in Hong Kong and the Chinese mainland updated on the latest advances in governance, risk and compliance. In the first quarter of 2025, the Institute issued guidance notes addressing the following:

- distressed deals
- annual report preparation timeline and key issues for A+H share companies
- ethical and technological perspectives on the use of AI in today's digital age, and
- a review of competition law updates in 2024.

Distressed deals

The latest guidance note issued by the Institute's Takeovers, Mergers and Acquisitions Interest Group, titled Distressed Deals, is a three-part publication that provides governance professionals with insights into the legal and governance considerations in such transactions.

Part one of the guidance note focuses on opportunistic buyers seeking to acquire businesses or assets at discounted prices. These deals often involve distressed sellers who require urgent liquidity, which means transactions must be executed quickly. 'Speed is often critical in distressed deals as sellers may need cash urgently,' the guidance note

warns, stressing that due diligence is vital in distressed deals.

'Distressed sellers represent higher credit risks because of their financial position, the risks of warranty, indemnity, and other claims on them and the businesses or assets they seek to sell. It is particularly important to flush out issues via due diligence so that the buyer can address them properly, for instance, through deal structuring and/or pricing,' the guidance note explains.

However, even with a streamlined and focused due diligence exercise, buyers could still sometimes be compelled to put forward bids without full clarity on the potential legacy issues lurking in the target. To mitigate risks, the guidance note suggests defensive measures such as escrow or retention mechanisms, where a portion of the purchase price is withheld until warranties or indemnities are satisfied. It also suggests ring-fencing, where distressed assets are hived down into a newly incorporated company to reduce exposure to unknown liabilities.

Part two of the guidance note shifts to insolvency-related risks, starting with insolvency clawbacks. Governance professionals must be aware that transactions made by distressed sellers could be unwound under law in certain circumstances. The guidance note highlights the risk of transactions when a company sells assets for significantly less than market value. Under Hong Kong law, such transactions can be reversed if they took place within five years of the company's insolvency. Buyers are advised to seek independent valuations to confirm fair market pricing and ensure compliance with safe harbour provisions, which require documentation proving that the transaction was executed in good faith and for the benefit of the company. 'In any event, the price discovery needs to be detailed and proper records must be kept,' it says.

Another key risk highlighted in the guidance note is unfair preference, where a company grants preferential treatment to certain creditors before liquidation. Transactions favouring connected parties within two years,

Highlights

- the Institute's latest guidance notes offer governance professionals practical insights on distressed deals, competition law, AI governance and A+H share company reporting
- governance professionals are encouraged to include risk mitigation strategies for distressed transactions, compliance measures for competition law enforcement and ethical considerations for AI use
- key recommendations include staying informed of evolving regulatory landscapes and adopting best practices to enhance transparency, risk management and compliance

or other creditors within six months, could be subject to clawback. The guidance note advises buyers to conduct due diligence on past transactions and to review board minutes for evidence of commercial rationale.

Part three examines the issue of distressed deals from the seller's perspective, outlining the challenges of achieving the highest sale price while minimising residual risks. The guidance note acknowledges that distressed sellers often prefer auction processes to maximise value and fulfil fiduciary duties, but these processes can be public in nature and, if unsuccessful, may further exacerbate the 'distress blight'. Some sellers may opt for expedited auctions or direct negotiations with strategic buyers who have industry knowledge and can expedite due diligence.

Sellers also aim to avoid deal conditions that could delay or derail transactions. The guidance note remarks that 'sellers in distressed deals will wish to avoid any deal conditions in favour of simultaneous signing and completion' and encourages pre-signing commitments, such as secured acquisition financing. Where conditions precedent are unavoidable, sellers should ensure they are 'worded clearly and narrowly' with defined termination rights and, if necessary, reverse break fees.

Governance professionals must ensure that distressed deals are executed with proper risk assessments and governance oversight. 'At the end of the day, there needs to be a willing buyer and a

willing seller for the conclusion of the deal,' the guidance note states.

Annual report preparation timeline for A+H share companies

The Institute, in collaboration with Tianyuan Law Firm, published a Chinese-language guidance note in February, titled Annual Report Preparation Timeline and Key Issues Analysis for A+H Share Companies. This guidance note aims to help A+H share companies better understand and address the differences in regulatory rules between the two jurisdictions of Hong Kong and the Chinese mainland, as well as to provide practical references for the annual report compilation work.

The guidance note emphasises the importance of aligning with regulatory requirements in both Hong Kong and the Chinese mainland. A+H share companies must closely monitor the need to publish annual results forecasts, performance briefings or profit warnings/alerts based on progress in financial settlement and auditing. For instance, according to mainland regulations, annual results forecasts must be disclosed within one month after the fiscal year-end, but if the company has already disclosed a forecast in Hong Kong, separate profit warnings/alerts in the Chinese mainland may not be necessary. Additionally, Shanghai and Shenzhen Main Board-listed companies meeting certain financial criteria are exempt from disclosing annual forecasts.

The guidance note points out that A+H share companies are required to publish their H share

annual results announcements by the end of March and to complete both A share and H share annual reports by the end of April. To meet these deadlines, companies must synchronise disclosures across both jurisdictions and ensure timely preparation of financial statements. Board meeting announcements and dividend distribution details must also be communicated in advance if the company intends to declare annual dividends.

In addition, the guidance note underscores the essential role of annual reports as a key communication tool for shareholders and investors. Annual reports should provide detailed disclosures on financial performance, operational updates and future outlook. Companies are cautioned to consult professional advisers to ensure compliance with evolving regulatory and disclosure requirements, delivering transparent, targeted and comprehensive information to the market.

Ethical use of AI

The latest guidance note jointly issued by the Institute's Ethics, Bribery and Corruption Interest Group and the Technology Interest Group, titled Ethical and Technological Perspectives on AI Use Concerns in Today's Digital Age, provides governance professionals with practical insights into managing AI-related governance risks. It examines ethical challenges arising from AI applications, particularly in data privacy, misinformation and cybersecurity.

The guidance note highlights how AI's reliance on large datasets

“
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raises significant privacy concerns, including the risk of data breaches, unauthorised access and improper use of sensitive information. Recent cases, such as the Facebook–Cambridge Analytica data scandal, point out the regulatory and reputational consequences of failing to address these issues.

The guidance note also warns that AI-powered assistants that offer convenience by automating tasks and providing personalised recommendations, such as Siri and Cortana, often store user interactions, raising concerns about potential misuse or unauthorised access to sensitive information. For instance, Microsoft’s Recall function, which captures screenshots of user activity, has sparked debate about transparency and user control over stored data.

Further, the guidance note highlights real-world examples, such as Air Canada’s virtual chatbot, which misinformed a customer about a bereavement discount, leading to a legal dispute. As AI technology advances, cybercriminals are also

exploiting it for more sophisticated attacks. The guidance note cites a recent deepfake scam in which fraudsters impersonated a multinational company’s CFO in a video call, deceiving an employee into transferring US\$25 million.

To mitigate AI-related risks, the guidance note identifies best practices for governance professionals. Key recommendations include deploying AI models on secure, in-house infrastructure to protect proprietary data, enforcing strict data governance policies and regularly auditing AI outputs for accuracy. Additionally, organisations should develop clear disclaimers for AI-generated content, conduct due diligence on third-party AI vendors and establish cybersecurity measures such as encryption and employee training.

Competition law

The latest guidance note issued by the Institute’s Competition Law Interest Group, titled 2024 in Review, is a two-part publication that provides governance professionals with insights into key competition

law developments and enforcement trends over the past year.

Part one of the guidance note focuses on dawn raids, which saw a significant rise in 2024 as the Hong Kong Competition Commission (Commission) ramped up investigations into hardcore cartel conduct. ‘Continuing its efforts from 2023, the Commission significantly increased the number of dawn raids it conducted this year. These operations have also grown in scale, often executed simultaneously at multiple locations, lasting over a day. Notably, all the Commission’s publicised raids in 2024 were conducted in collaboration with other agencies or with their assistance,’ the guidance note states.

To mitigate risks, governance professionals are urged to prepare for dawn raids by establishing clear protocols and ensuring legal representation is readily available. ‘Train your staff – make sure they understand and are familiar with your dawn raid protocols,’ the guidance note advises, emphasising the importance of compliance

Guidance note roundup

The HKCGI guidance notes published in the first quarter of 2025 are set out below. The Institute would like to thank everyone involved in their production.

February

Distressed Deals (Parts 1, 2 and 3).

This three-part guidance note, issued by the Institute's Takeovers, Mergers and Acquisitions Interest Group (10th, 11th and 12th issues), was authored by Lisa Chung, Partner, Slaughter and May. The Takeovers, Mergers and Acquisitions Interest Group members are Michelle Hung FCG HKFCG (Chairman), Dr David Ng FCG HKFCG, Henry Fung, Kelvin Tam, Lisa Chung, Patrick Cheung and Philip Pong.

Annual Report Preparation Timeline and Key Issues Analysis for A+H Share Companies. This Chinese-language guidance note, designed to assist A+H share companies better understand and address the differences in regulatory rules between the two jurisdictions of

Hong Kong and the Chinese mainland, was published in collaboration with Tianyuan Law Firm.

Ethical and Technological Perspectives on AI Use Concerns in Today's Digital Age.

This joint Ethics, Bribery and Corruption Interest Group and Technology Interest Group guidance note (14th/16th issue) was authored by William Tam ACG HKACG, Partner, Deloitte China, with contributions from Dylan Williams FCG HKFCG, Chairman, Technology Interest Group. The Institute's Ethics, Bribery and Corruption Interest Group members are Dr Brain Lo FCG HKFCG (Chairman), Cynthia Yau, Mary Lau, Michael Chan, Ralph Sellar and William Tam ACG HKACG. The Institute's Technology Interest Group members are Dylan Williams FCG HKFCG (Chairman), Ricky Cheng, Harry Evans, Gabriela Kennedy and Philip Miller FCG HKFCG.

March

2024 in Review (Parts 1 and 2). The Institute's Competition Law Interest

Group issued a two-part guidance note (16th and 17th issues) to update governance professionals on competition law developments and enforcement activities during 2024. This was authored by Natalie Yeung, Partner, and Yvonne Ngai, Senior Legal Assistant, Slaughter and May. The Competition Law Interest Group members are David Simmonds FCG HKFCG (Chairman), Adelaide Luke, Alastair Mordaunt, Brian Kennelly QC, Mike Thomas and Natalie Yeung.

The Institute would also like to thank Michael Ling FCG HKFCG, Chairman of the Institute's Technical Consultation Panel, for his oversight of the Institute's guidance notes, and Mohan Datwani FCG HKFCG(PE), Institute Deputy Chief Executive, who serves as Secretary of the Institute's Interest Groups and is Contributing Editor of the Institute's guidance notes.


Comments and suggestions are welcome, and should be sent to: mohan.datwani@hkcg.org.hk.

training and emergency response measures. 'Establish emergency contacts with suitable external counsel well in advance.'

Part two of the guidance note concentrates on the Competition Tribunal's activities in 2024, which saw multiple trials and significant rulings shaping Hong Kong's competition law landscape. One landmark case was the Multisoft

proceedings, where the Tribunal granted relief under Rule 76 of the Competition Tribunal Rules for the first time.

Looking ahead, the guidance note anticipates heightened enforcement activity in 2025, particularly in the technology sector. 'As the Competition Ordinance enters its 10th anniversary, we expect the Commission to intensify its

enforcement activities, with a particular focus on the information technology sector, where the Commission currently has the greatest number of ongoing cases, either under initial assessment or investigation,' the guidance note predicts. 

The guidance notes covered in this article are available in the Thought Leadership section of the Institute's website: www.hkcg.org.hk.



HKCGI Sustainability Governance Academy (Academy)



Become an HKCGI Sustainability Professional - a stamp of quality that employers can rely on

All accredited HKCGI Reporting Certificate holders can join the Academy free of charge to promote sustainability and for peer-to-peer networking and sharing



HKCGI, with 75 years of history, now sets another milestone by establishing the Academy to promote sustainability-related advocacy, education and research.

Our **objectives** are to build a platform that recognises the knowledge and expertise acquired by the ESG Reporting Certificate holders, facilitates knowledge update through publications and continuous training, and enables the sharing of experience and regulatory and practical concerns, providing a voice for like-minded individuals to advocate sustainability policies and practices.

Our **vision** is to be the go-to resource and leading voice in ESG/sustainability governance and reporting.

Benefits of Being a Sustainability Professional



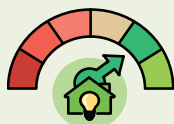
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To be recognised as a powerhouse on sustainability and ESG concerns.

Dr PM Kam FCG HKFCG



When did you first join the Institute and what was your professional role at that time?

'I was elected as an Associate in April 1974 and became a Fellow in April 1980. At that time, the Institute was an association of Hong Kong members of The Institute of Chartered Secretaries and Administrators of London (now The Chartered Governance Institute). I was then an executive of the Group Finance Department of Jardine Matheson, which I joined in 1976.

I became a member of The Hong Kong Institute of Company Secretaries in August 1994, when the Institute obtained local status through the Companies Ordinance. My first active role with the Institute was serving as its representative on the Hong Kong Management Association's Best Annual Report Awards Judging Panel

from 2014 to 2016, after which I continued assisting my successor in the financial statement review until 2018. Additionally, I was a member of the advisory board for the Institute's AML/CFT Charter and I joined the Investment Strategy Task Force in 2015, later becoming its Convenor in 2017 – a role I still hold.'

Did membership of the Institute support your career development and, if so, in what ways?

'I completed the Institute's examinations in less than three years and became a licentiate in 1972. That accomplishment boosted my confidence in completing other professional accounting examinations. Membership of the Institute certainly provided a strong foundation for my future managerial roles. I also enjoyed being a mentor for the Institute's mentorship programme.'

How has governance in the accounting field evolved over the decades?

'The accountancy profession in Hong Kong took a major step forward in 1973 with the establishment of the Hong Kong Society of Accountants – now the Hong Kong Institute of Certified Public Accountants (HKICPA) – as a self-regulatory body. Following the Asian financial crisis in the late 1990s and corporate scandals in the US in the early 2000s, regulatory enhancements were introduced. The Financial Reporting Council (FRC) – of which I was Chief Executive from 2010 to 2013 – was established in 2006 and became fully operational in 2007. Further reforms in 2019 aligned Hong Kong's auditor regulatory regime with major international capital markets. In 2022, the FRC was renamed the Accounting and Financial Reporting Council, expanding its regulatory scope to cover all auditors and accounting professionals in Hong Kong.

Hong Kong's financial reporting and auditing standards fully converged with international accounting and auditing standards in 2005. Jardine Matheson was an early adopter of the International Financial Reporting Standards (IFRS) and I helped prepare the company's consolidated financial statements in accordance with IFRS as early as 1990.'

What would you say have been the most significant changes in corporate governance in Hong Kong?

'I believe there have been several key developments. The first corporate governance initiative in Hong Kong emerged in 1992 with regulations addressing conflicts of interest. In 1993, the Stock Exchange introduced a requirement for listed companies to have at least two independent non-executive directors. Another major milestone came in 1999, with the recommendation for companies to establish audit committees, followed in 2004 with a revision to the Listing Rules mandating that these committees comprise only non-executive directors. These committees play a vital role in governance by overseeing financial reporting integrity, internal financial controls, risk management and internal audit effectiveness. In 2005, the Code on Corporate Governance Practices and Corporate Governance Report requirements were incorporated into the Listing Rules. ESG reporting requirements were introduced in 2016, with the most recent development being the issuance of HKFRS S1 and S2 by the HKICPA, aligning Hong Kong's sustainability disclosure requirements with international standards.'

“

no leader can operate alone and the ability to foster cooperation across diverse stakeholders is essential

”

Dr PM Kam FCG HKFCG, Convenor of the Institute's Investment Strategy Task Force

Do you still play a role in governance, and if so, what areas do you focus on?

'I continue to contribute to governance as an independent non-executive director of a listed company in Hong Kong. My primary concern is the implementation of the Sustainability Disclosure Standards, particularly the disclosure of the effects of sustainability risks and opportunities on an organisation's financial position, performance and cash flow.'

What qualities are needed to be an effective leader in governance?

'Integrity is the most critical quality – an effective leader must be honest and must uphold strong moral principles. Empathy is also essential, as leaders should understand the needs of those they govern. Change-management skills are crucial, given that people often resist change, and a good leader must guide them through it. Collaboration and teamwork are vital. No leader can operate alone and the ability to foster cooperation across diverse stakeholders is essential.'

What advice would you give to the younger generation starting out in their governance careers?

'First, gain expertise in security risk assessment and security audit, which involve identifying and evaluating IT security risks and determining the level of compliance with the security policy or standards. Second, understand data protection and the provisions of the Personal Data (Privacy) Ordinance. Third, develop professional scepticism, maintaining a questioning mindset and vigilance in terms of potential errors or fraud. Lastly, embrace technology in the workplace and adopt an open-minded and proactive approach to learning new things.'

甘博文博士 FCG HKFCG



您是什么时候加入公会的？当时您的专业身份是什么？

‘我于1974年4月获选为会士，并于1980年4月成为资深会士。当时，公会还是伦敦特许秘书及行政人员公会（现为特许公司治理公会）的香港会员组织。我于1976年加入怡和集团，在集团财务部担任行政职务。

1994年8月，当香港公司秘书公会通过《公司条例》获得本地地位时，我成为了公会的一员。我在公会的第一个活跃角色，是在2014年至2016年代表公会担任香港管理专业协会最佳年报奖评审小组成员，之后继续协助继任者进行财务报表审阅工作，直至2018年。此外，我还是公会反洗钱与反恐怖融资活动约章咨询委员会的成员，并于2015年加入投资策略工作小组，后来于2017年成为其召集人。我现在仍担任此职务。’

公会的会员资格是否有助于您的职业发展？如果有，在哪些方面？

‘我在不到三年的时间内完成了公会的考试，并于1972年获资格。这一成就增强了我完成其他专业会计考试的信心。成为公会会员，为我未来担任管理工作奠定了坚实的基础。我也很享受担任公会导师计划的导师。’

多年来，治理在会计领域有何变化？

‘香港会计行业在1973年迎来了重要变革，香港会计师公会成立，成为自我监管机构。1990年代末亚洲金融危机及2000年代初美国企业丑闻后，监管逐步加强。2006年，财务汇报局成立，并于2007年全面运作。我曾于2010至2013年担任财务汇报局行政总裁。2019年的进一步改革，使香港的审计监管制度与主要国际资本市场接轨。2022年，财务汇报局更名为会计及财务汇报局，监管范围扩展至所有香港的审计师及会计专业人士。

2005年，香港的财务汇报及审计准则全面与国际会计及审计准则接轨。怡和集团是较早采用国际财务报告准则（IFRS）的公司之一，早在1990年，我便已协助公司根据IFRS编制综合财务报表。’

您认为香港公司治理领域发生了哪些重大变化？

‘我认为有几个关键发展。香港的第一项公司治理举措始于1992年，当时制定了有关利益冲突的法规。1993年，联交所要求上市公司必须至少有两名独立非执行董事。另一个重要里程碑是在1999年，监管机构建议企业设立审核委员会，随后在2004年修订《上市规则》，规定这些委员会只能由非执行董事组成。这些委员会在公司治理中发挥关键作用，负责监督财务报告的完整性、内部财务控制、风险管理及内部审计的有效性。

“

没有领导者能单打独斗，
促进不同持份者之间合作
的能力非常重要。

”

甘博文博士 FCG HKFCG，
公会投资策略工作小组召
集人



2005年，《上市规则》纳入《企业管治常规守则》和《企业管治报告》的要求。2016年，香港引入了环境、社会和管治报告要求，最新的进展是香港会计师公会发布了《香港财务报告准则 S1》和《香港财务报告准则 S2》，使香港的可持续发展披露要求与国际标准保持一致。’

您仍然参与公司治理的工作吗？您果是，你关注哪些领域？

‘我仍然担任香港一家上市公司的独立非执行董事，为治理尽一分力。我最关注的是可持续发展披露准则的实施，尤其是如何披露可持续发展风险及机遇对企业财务状况、经营表现及现金流的影响。’

一名高效的领导者需要具备哪些素质？

‘诚信是最重要的素质，一名有效的领导者必须诚实，并坚守道德原则。同理心同样不可或缺，领导者应理解所治理群体的需求。变革管理能力也至关重要，因为人们往往抗拒变革，优秀的领导者需引导他们适应改变。协作和团队精神也是关键要素。没有领导者能单打独斗，促进不同持份者之间合作的能力非常重要。’

您对刚刚开始治理生涯的年轻一代有什么建议？

‘首先，掌握安全风险评估及安全审计的知识，这涉及识别及评估资讯科技安全风险，并确定企业是否符合资安政策或标准。其次，熟悉数据保护法规，以及《个人资料（私隐）条例》的条文。第三，培养专业的怀疑精神，保持质疑态度，并对潜在的错误或欺诈保持警惕。最后，积极支持在工作中应用科技，保持开放的心态，主动学习新事物。’

Professional Development

Seminars: March 2025

13 March SFC enforcement insights: INEDs' roles and responsibilities



Chair: Robin Healy FCG HKFCG, Institute Council member, Membership Committee Vice-Chairman and Editorial Board member, and Director – Corporate Governance Secretariat, Link REIT

Speakers: Charles Chan, Director, Enforcement Division, and Joanna Lee, Director, Enforcement Division, SFC; Kenneth Chan, Senior Vice President, Listing Regulation and Enforcement, Listing, HKEX (panellist); and Stephanie Chan, Partner, and Claudia Yu, Partner, Sidley Austin

19 March Aligning investor expectations of independent directors – tenure, responsibility and commitment



Chair: Tom Chau FCG HKFCG(PE), Institute Vice-President, Membership Committee Chairman, Mainland China Technical Consultation Panel Covenor and Mainland China Affairs Committee member, and Partner, Haiwen & Partners LLP

Speakers: Dan Cheng, Associate Director, and Herman Choi, Head of APAC Advisory, ISS-Corporate; and Tina Chang, Associate Director, Sustainable Investing, Fidelity International (panellist)

20 March Corporate culture: practical sharing and challenges



Chair: Matthew Young FCG HKFCG(PE), Institute Council member, Qualifications Committee Vice-Chairman, NextGen Group Co-Convenor and Assessment Review Panel member, and Head of Corporate Secretarial Department, The Hong Kong Jockey Club

Speakers: Amily Lam, Deputy Head, Corporate Governance, Compliance and Internal Audit Office, Hong Kong Productivity Council; Vivian Chow, Director, Risk Advisory Services, BDO; and Angel Sze FCG HKFCG(PE), Institute Mainland China Technical Consultation Panel (MCTCP) and Professional Development Committee member, and Company Secretary, Fosun International Ltd (panellist)

21 March Future-proofing governance: from paper to platforms as a key to board effectiveness



Chair: Anita Chau FCG HKFCG, Executive Director, Company Secretarial Services

Speakers: Meg Ogunsola, Global Director – Entity Management Solutions, Vistra; and Andrew Jacobs, Head of Commercial, and Alan Schmoll, Executive Vice President, Vistra Platform

25 March

Mastering AML/CTF compliance: regulatory updates, strategic frameworks and RegTech solutions



Chair: Edmond Chiu FCG HKFCG(PE), Institute Council member, Professional Services Panel Chairman, TCP – Wealth Management Interest Group Co-Chairman, Mainland China Technical Consultation Panel member, Professional Development Committee member and AML/CFT Work Group member, and Head of Company Secretarial Services, Greater China, Vistra

Speakers: Martin Lim, CEO, Bible Kwan, Head of Sales, and Kate Kaiaroonsuth, Anti-Money Laundering Solutions Specialist, Ingenique Solutions

26 March

Hong Kong Listing Rules new board effectiveness evaluation requirements – sharing on international best practice



Chair: Michael Ling FCG HKFCG, Institute TCP Chairman and Disciplinary Tribunal member, and Company Secretary, CLP Holdings Ltd

Speakers: Neil Alderton, Partner, and Merlin Underwood, Partner, Lintstock

ECPD seminars/Videos on Demand

ECPD training is organised by the Institute to facilitate its members and other governance professionals to acquire governance knowledge, corporate secretarial skills, and related thought leadership and best practices.

In addition to in-person seminars, ECPD training is delivered via live webinars or pre-recorded videos for maximum accessibility and flexibility.

Details of the Institute's forthcoming ECPD seminars and ECPD Videos on Demand are available in the Professional Development section of the Institute's website: www.hkcg.org.hk.

For enquiries, please contact the Institute's Professional Development Section: (852) 2830 6011, or email: cpd@hkcg.org.hk.

Membership

Fee structure 2025/2026

The Council, having taken into consideration the current financial resources of the Institute, has approved the fee structure for members, graduates, students and Affiliated Persons for the financial year 2025/2026.

Subscription and related fees for members, graduates, students and Affiliated Persons for the year 2025/2026, which will apply from 1 July 2025 to 30 June 2026, are set out below.

Members and graduates

Items	Amount (HK\$)
Annual subscription	
Fellows	2,750
Associates	2,350
Graduates (holding the status for less than 10 years, ie on or after 1 August 2015)	2,030
Graduates (holding the status for more than 10 years, ie before 1 August 2015)	2,750
Concessionary subscription	
Retired rate (note 1)	500
Reduced rate (note 1)	500
Hardship rate (note 1)	1
Senior rate	100
Election fees	
Fellows	2,100
Associates	2,100
Graduate advancement fee	2,030
Re-election fees	
Fellows	3,470
Associates	3,150
Graduates	2,630
Other fees	
Certificate replacement (member, graduate, Affiliated Person)	200 per copy
Membership or graduateship confirmation	250
Issue of physical membership or student card	200
Transcript application	200 per copy

The Chinese mainland's Affiliated Persons Programme

Items	Amount (HK\$)
Annual subscription	2,410
Registration fee (for new Affiliated Person who registered between 1 July and 31 December)	2,410
Registration fee (for new Affiliated Person who registered between 1 January and 30 June)	1,205

Students

Items	Amount (HK\$)
Studentship registration and annual renewal	
Registration fee	1,400
Re-registration fee	1,650
Late studentship registration administrative charge (note 2)	700
Late CCA studentship registration administrative charge (note 3)	700
Renewal fee	1,000
Examinations and exemptions	
Examination fee	1,400 per module
Examination postponement fee	1,000 per module
Examination appeal fee	2,200 per module
Exemption fee	1,400 per module
Exemption reapplication fee (note 4)	700
Exemption appeal application fee	1,400
Late exemption application administrative charge (note 5)	700
Other fees	
Transcript application	200 per copy

Notes:

- For the above concessionary subscription rates, applications must be submitted to the Secretariat on or before Monday 30 June 2025. All applications are subject to the approval of the Membership Committee, the decision of which is final. Members and graduates can submit their applications online via their user account. Application forms can also be downloaded from the Resources section of the Institute's website: hkcgi.org.hk.
- An administrative charge will be applied to late studentship registrations submitted within the following specific periods for taking the corresponding examinations in November and June.

Late studentship registration period	Examination diet
1–15 August 2025	November 2025
1–15 February 2026	June 2026

- For students who enrol in the Institute's Collaborative Course Agreement (CCA) programmes, an administrative charge will be applied to late studentship registrations submitted after the designated deadline. For details, please visit the Studentship Registration page of the Studentship section of the Institute's website: www.hkcgi.org.hk.
- An additional administrative charge for each exemption reapplication will be applied to students who do not settle their exemption fees within the designated period following the exemption approval.

Membership (continued)

5. An administrative charge will be applied to all late applications on further exemption and CCA full exemption after the designated period.

All members, graduates and students must renew their status with the Institute by settling the respective annual subscription fee. The renewal notice and the debit note for the year 2025/2026 will be sent to all members, graduates and students by email in early July 2025. They should settle their payment no later than Tuesday 30 September 2025. Failure to pay by the deadline will constitute grounds for membership, graduateship or studentship removal.

For enquiries, please contact the Institute's Secretariat: (852) 2881 6177, or email as appropriate: member@hkcg.org.hk, or student@hkcg.org.hk.

New Associates

The Institute would like to congratulate our new Associates listed below.

Chan Ka Chun	Jiao Weina	Sung Ka Man
Cheung Long Ching, Terry	Kung Cheuk Shing	Tsang Oi Shan, Teresa
Cheung Sau Lan	Kung Ka Yee	Wan Man Lai
Chiang Hiu Hung	Kwok Ngan Yi	Wang Shuxuan
Choi Hang Yi	Lam Ka Yeung	Wong Ashley
Chu Shuk Yee	Lau Kai Ming	Wong Sin Yi
Fang Yiqun	Li Kit Yan	Wong So Kuen
Feng Zishan	Lo Yung Sing, Star	Yuen Ching Ki
Fu Ka Ying	Lu Zhengmeng	Zhang Wei
Hui Siu Wing	Ng Cho Yin	
Jiang Ying	Or Kiu Fan	

New graduates

The Institute would like to congratulate our new graduates listed below.

Au-Yeung Lok To
 Chan Arno
 Chan Chun Man
 Cheung Chau Lik
 Kwok Yee Mei
 Lai Kei Leung
 Lau Chi Kwan
 Lau Kit Yin
 Wong Chun Ting, Suki

Membership activities: March 2025

22 March

Mentorship training – building team psychological safety



28 March

Lifestyle series – step into the burgundy world: wine tasting workshop



29 March

Sustainable futures: your role in achieving the 2030 sustainable development goals game



Forthcoming membership activities

Date	Time	Event
14 June 2025	2.30pm–5.30pm	Community Service – shared vision, shared joy: an inclusive workshop with the Hong Kong Blind Union (「與視同樂」共融工作坊).
21 June 2025	10.30am–12.30pm	Mentorship training – increasing your influence with DISC (by invitation only)

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

Advocacy

Institute Council strategy meeting

The Institute Council held its annual strategy meeting on 15 March 2025, chaired by Institute President David Simmonds FCG HKFCG. The meeting was attended by Council members, past presidents and other guests, as well as senior members of the Secretariat team. Structured around three key priorities – membership and studentship growth, financial sustainability and brand promotion – discussions focused on defining the Institute's strategic directions for three years starting from 2025. Technology integration was a key theme highlighted in the discussions.



Advocacy (continued)

The Institute and Lintstock unveil groundbreaking research on board effectiveness in Hong Kong

On 26 March 2025, the Institute published a joint research report with Lintstock titled International Best Practice in Board Effectiveness – Hong Kong Edition.

This pioneering study, drawing insights from over 400 directors and board representatives globally, provides a comprehensive analysis of board reviews and governance practices. As Hong Kong companies prepare for the introduction of a new Corporate Governance Code provision requiring board performance reviews every two years from July 2025, this research offers timely and practical guidance on enhancing board effectiveness.

For details, download the full report from the Research Papers page under the Thought Leadership section of the Institute's website: www.hkcg.org.hk.



The HKCGI Foundation Course on Information Disclosure, Corporate Governance and Capital Operation Practices for Companies Listed in Hong Kong (third cohort)

The Institute held its third Foundation Course on Information Disclosure, Corporate Governance and Capital Operation Practices for Companies Listed in Hong Kong from 5 to 7 March in Shenzhen. This event attracted nearly 100 participants, primarily comprising board secretaries and their team members, directors and other governance-related practitioners from Chinese mainland companies listed in Hong Kong. This foundation course aims to provide fundamental training to young governance practitioners to equip them with the necessary skill sets to enhance their capabilities for better governance performance.

Dr Gao Wei FCG HKFCG(PE), Chief Representative of the Institute's Beijing Representative Office, chaired the training sessions and together with Tom Chau FCG HKFCG(PE), Institute Vice-President, and other senior professionals and practitioners, shared their insights on topics ranging from Hong Kong capital market regulations, compliance, tax planning in M&A, financing methods, investor relations, market misconduct prevention, internal controls, corporate governance and M&A strategies.

The Institute would like to express its sincere appreciation to all speakers and sponsors, as well as to all participants, for their generous support and participation.



Home and Youth Affairs Bureau and Women's Commission luncheon with women leaders

Ellie Pang FCG HKFCG(PE), Institute Chief Executive, attended a luncheon on 20 March 2025 for women leaders organised by the Home and Youth Affairs Bureau and the Women's Commission. Building on last year's successful launch, this year's event attracted double the number of attendees.

The Honourable Alice Mak Mei-kuen SBS JP, Secretary for Home and Youth Affairs, and Dr the Honourable Eliza Chan Ching-har GBS JP, Chairperson of the Women's Commission, delivered a number of inspiring and thought-provoking observations. Notably, The Honourable Miss Mak highlighted the rising influence of women in leadership, and their role in reshaping business and professional landscapes.



Academic Advisory Panel luncheon

The Institute held its Academic Advisory Panel (AAP) luncheon on 17 March 2025, which was attended by 11 AAP members or their representatives from local universities. Stella Lo FCG HKFCG(PE), Institute Vice-President and Qualifications Committee Chairman, thanked the members and academics for their staunch support of the Institute.

Recent developments and the promotion of the Institute's professional qualification to the younger generation, as well as other educational matters, were shared and discussed during the luncheon.



Chartered Governance Qualifying Programme (CGQP)

June 2025 examination diet timetable

The June 2025 examination diet of the CGQP will be held between 9 and 19 June 2025.

Week one

Date/Time	9 June Monday	10 June Tuesday	11 June Wednesday	12 June Thursday
9.15am–12.30pm*	Hong Kong Taxation	Hong Kong Company Law	Interpreting Financial and Accounting Information	Corporate Secretaryship and Compliance

Week two

Date/Time	16 June Monday	17 June Tuesday	18 June Wednesday	19 June Thursday
9.15am–12.30pm*	Corporate Governance	Strategic Management	Risk Management	Boardroom Dynamics

* Including 15 minutes reading time (9.15am–9.30am).

Key dates

Key dates	Description
6–8 May 2025	Pre-released case studies for the Part 2 modules <ul style="list-style-type: none"> 6 May 2025: Strategic Management 7 May 2025: Risk Management 8 May 2025: Boardroom Dynamics
22 May 2025	Release of examination admission slips
9–19 June 2025	Examination period
10 July 2025	Closing date for examination postponement applications
Late August 2025	Release of examination results
Late August 2025	Release of examination papers, mark schemes and examiners' reports
Early September 2025	Closing date for examination results review applications

Note: The Institute reserves the right to change the dates and details without prior notice.

For details of the CGQP examinations, please visit the Examinations page under the Chartered Governance Qualifying Programme subpage of the Studentship section of the Institute's website: www.hkcgqi.org.hk.

For enquiries, please contact the Qualifications and Assessments Section: (852) 2830 6010, or email: exam@hkcgqi.org.hk.

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All applications are subject to the final decision of the Institute.

For enquiries, please contact
Qualifications and Assessments
Section at 2881 6177 or email:
student@hkcgi.org.hk.

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Chartered Governance Qualifying Programme (CGQP) (continued)

Learning support

The Institute provides a variety of learning support services for students to assist them with preparing for the CGQP examinations.

CGQP examination technique online workshops

From late March 2025 onwards, students enrolled in the June

2025 examination diet will have complimentary access to the pre-recorded videos for enrolled modules. Registered candidates will receive all relevant information after the examination enrolment deadline.

For details, please visit the Online Learning Video Subscription page under the Learning Support subpage of the

Studentship section of the Institute's website: www.hkcgj.org.hk.

For enquiries, please contact the Qualifications and Assessments Section: (852) 2830 6010, or email: exam@hkcgj.org.hk.

Studentship activities: March 2025

19 March

Student Gathering: sharing from outstanding students in the CGQP examinations (webinar)



29 March

Student Ambassadors Programme: 3D & 2D latte art workshop (3D&2D咖啡拉花興趣班)



Reception and award presentation at universities

25 March

City University of Hong Kong –
outstanding students recognition
reception



31 March

Lingnan University – awards
presentation ceremony



Career fairs at universities

The Institute continues to liaise closely with universities to inspire and encourage more young people to consider governance as a career. The Institute arranged with the following universities to hold a number of career fairs for their respective students in March 2025.

Date	University
4 March	The Education University of Hong Kong
7 March	Hong Kong Shue Yan University
12 March	Lingnan University
18 March	Hong Kong Metropolitan University
27 March	The Hong Kong Polytechnic University
31 March	Saint Francis University



Chartered Governance Qualifying Programme (CGQP) (continued)



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