

## Report of Activities in 2020

Corporate Governance Development Foundation Fund Limited (“the Foundation”) was established in 2006 with the purpose of promoting good corporate governance in Hong Kong so as to benefit the general public and the overall development of Hong Kong. Activities undertaken, sponsored or supported by the Foundation may include research, promotion programmes, training courses, seminars, exhibitions, conferences and other formats of educational programmes as well as publications.

### Sponsorship

In the year ended 31 December 2020, the Foundation participated in and sponsored the following projects in Hong Kong:-

#### **1. Directors Of The Year Awards 2020**

Nature:	An annual project with the following objectives:- (a) to recognize outstanding directors, (b) to publicize the significance of good corporate governance, (c) to promote good corporate governance and director professionalism and (d) to educate the corporate world as well as the community on the significance of good corporate governance practices. A community-wide project featuring 100+ project partners, extensive public education and participation, with nominations open to the public. Theme of 2020 Awards:- “Vanguard in Challenging Times” “挑戰時刻 領導先鋒”
Duration:	Jan-Dec 2020 – Nominations and publicity. Launch cum theme forum: 3 June 2020. Selection process and judging: August-October 2020. Pause due to Covid-19: November 2020-January 2021. Presentation of Awards: 2 February 2021.
Foundation Role, Sponsorship Amount and Purpose:	Co-Sponsor. To support the costs of organising this Award Scheme, which recognizes outstanding corporate directors and through which best practices in corporate governance are promoted among the public.
Beneficiaries:	The corporate world – recognising and rewarding good corporate governance practitioners as well as showcasing Hong Kong standards in corporate governance. Public - through public education on corporate governance & recognition of outstanding directors.
Project Partners:	The Hong Kong Institute of Directors, Financial Services and the Treasury Bureau, Securities and Futures Commission, Hong Kong Exchanges and Clearing Limited, plus other government units, professional bodies, chambers of commerce, sponsoring firms, an independent judging panel, selection consultants, the organising committee.
Outreach:	Public education: (a) during nomination period - through advertisements in print and electronic media and direct marketing; (b) announcement of results – through media releases, newspaper supplements and event webcast; reaching over 1 million in readership and viewership. Objectives: inviting the public to identify and nominate candidates for recognition as outstanding directors, promoting the significance of the Awards and eventually announcing the winners to enhance public

	<p>awareness of good corporate governance practices and of role models of company directors.</p> <p>Outcome: The processes of selecting outstanding directors as models of excellence in corporate governance practices resulted in extensive generation of public interest, nominations and participation by the public and impact of public focus on how best corporate governance practices benefit the company and the economy at large.</p> <p>Awardees: 5 Awardees in the categories of listed companies, non-listed companies and non-profit-distributing organisations were presented, adding to the roll of total 208 Awardees accumulatively since 2001.</p>
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## 2. Directors' Symposium 2020

Nature:	<p>An annual forum with the following objectives:-</p> <p>(a) to promulgate best practices in corporate governance,</p> <p>(b) to provide directors with timely insights, knowledge and inspiration on visions and strategic directions, in the fulfilment of their responsibility in corporate governance.</p> <p>Theme of 2020 Forum: "Vanguard in Challenging Times"</p>
Duration:	<p>Organising period April-September 2020</p> <p>Event date: 27 October 2020.</p>
Foundation Role, Sponsorship Amount and Purpose:	<p>CG Partner and Sponsor.</p> <p>To sponsor the costs of organising this important professional development event for directors in both public and private sectors.</p>
Beneficiaries:	<p>Physical and online attendees of forum, enrolled from public.</p> <p>Public – pre-event publicity on theme and post-event webcast of highlights.</p>
Project Partners:	<p>The Hong Kong Institute of Directors, Companies Registry, CLP and other sponsoring firms, professional bodies and chambers of commerce.</p>
Outreach:	<p>Websites and direct marketing to enlist enrolment from the public.</p> <p>Event attendance: 13 speakers and 220 participants, including physical attendees and online attendees.</p> <p>Post-event: highlights disseminated through social media.</p> <p>Outcome: Good response was generated from participants on enlightenment and sharing of knowledge and skills in corporate governance.</p>

## 3. The 21<sup>st</sup> Century Director

Nature:	<p>A periodic publication in English and Chinese, with contents covering the latest trends in corporate governance and best director practices, interviews with business leaders and articles giving insights on company direction. The impact is to generate educational and inspiring value for directors of various types of companies, to provide the business community with timely and relevant information and to keep stakeholders and the public informed on local and global trends.</p> <p>12 electronic issues and one consolidated printed album.</p>
Duration:	<p>Editorial and production work: Jan-Dec 2020.</p> <p>Publication: monthly and year-end.</p>
Foundation Role, Sponsorship Amount and Purpose:	<p>Sponsor.</p> <p>To subsidize the publication of a journal for the promotion of best director practices, corporate governance, success stories and educational features.</p>
Beneficiaries:	<p>Readers with fulfilment via free circulation and public access.</p>

Project Partners:	The Hong Kong Institute of Directors, the editorial board
Outreach:	Monthly-issue circulation of over 10,000 e-copies plus website and social media dissemination, free of charge. Annual album circulation of 4,000 printed copies. Fulfilment audiences included listed companies, non-listed companies, business associations, other professional bodies, government officials, regulators, business centres and libraries (public and tertiary educational institutions), plus multiplier engagements via internet.

#### 4. The Hong Kong Corporate Governance Score-card 2020

Nature:	The sixth run of the project, after the previous runs in 2004, 2006, 2009, 2012 and 2016 to score Hang-Seng-Indices listed companies for financial year 2018. Objectives:- (a) promoting good corporate governance among listed companies, (b) enhancing awareness of public investors in corporate governance, (c) developing an assessment system for evaluating Hong Kong corporate governance standards, (d) identifying ways to improve corporate governance practices. The Score-card methodology is based on the OECD Principles (latest revision in October 2015) and HKEX Listing Rules.
Duration:	May-December 2019: research and report production; January-April 2020: pause due to Covid-19. 18 May 2020: official release of Score-card in a media conference.
Foundation Role and Purpose:	Sponsor, in educating the public and listed companies in corporate governance standards, providing benchmarks and enhancing the status of Hong Kong as an international financial centre. 2020 Supporter in release of report to the public.
Beneficiaries:	Listed companies, the investing public, the economy of Hong Kong, the status of Hong Kong as an international financial centre.
Project Partners:	Research Team of the Centre for Corporate Governance & Financial Policy of Hong Kong Baptist University led by Prof Aris Stouraitis; Adviser: Prof Stephen Y L Cheung, renowned economist and President of The Education University of Hong Kong; The Hong Kong Institute of Directors.
Outreach:	The media conference on 18 May 2020 generated 30 reports in media including TV, radio, print media, financial terminals, online media, in English, Traditional Chinese and Simplified Chinese. Survey findings and a publication of <i>Report on the HKIoD Corporate Governance Score-card 2020</i> were distributed through the media conference, website and emails. Fulfilment audiences included regulators, listed companies, institutional investors, business associations, professional bodies, libraries (public and tertiary educational institutions) as well as member institutes of the Global Network of Director Institutes covering 22 jurisdictions outside of Hong Kong.

#### Meetings

In the year ended 31 December 2020, the Foundation held two meetings of its Executive Committee and an Annual General Meeting of its members.

#### **Presented by**

**Corporate Governance Development Foundation Fund Limited**