



恒基兆業發展有限公司
HENDERSON INVESTMENT LIMITED

Incorporated in Hong Kong with limited liability
(Stock Code : 97)

**MECHANISMS ENSURING INDEPENDENT VIEWS
AVAILABLE TO THE BOARD**

Purpose

These mechanisms are to ensure that a strong independent element on, and independent views and input are available to, the board of directors (“Board”) of Henderson Investment Limited (the “Company”).

Composition of the Board and Board Committees

- The Board endeavours to ensure the appointment of at least three independent non-executive directors (“INED(s)”) and at least one-third of its members being INEDs (or such higher threshold as may be required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) from time to time).
- Apart from complying with the requirements prescribed by the Listing Rules as to the composition of certain Board committees, INEDs will be appointed to other Board committees as far as practicable to ensure independent views are available.

Independence Assessment

- The Nomination Committee must strictly adhere to the Nomination Policy and the independence assessment criteria as set out in the Listing Rules with regard to the nomination and appointment of INEDs.
- Each INED is also required to inform the Company as soon as practicable if there is any change in his own personal particulars that may materially affect his independence.
- The Nomination Committee is mandated to assess annually the independence of all INEDs by reference to the independence criteria as set out in the Listing Rules to ensure that they can continually exercise independent judgement.

Compensation

- No equity-based remuneration (e.g. share options or grants) with performance-related elements will be granted to INEDs as this may lead to bias in their decision-making and compromise their objectivity and independence.

Board Decision Making

- INEDs (as other directors) are entitled to seek further information and documentation from the management on the matters to be discussed at board meetings. They can also seek assistance from the Company's company secretary and, where necessary, independent advice from external professional advisers at the Company's expense.
- INEDs (as other directors) shall not vote or be counted in the quorum on any board resolution approving any contract or arrangement in which such Director or any of his close associates has a material interest.
- The chairman of the Board shall at least annually hold meetings with the INEDs without the presence of other Directors to discuss major issues and any concerns.

Review of the Policy Implementation

- The Board shall, or may designate a board committee to, make an annual review of the implementation and effectiveness of this policy.