

The Hong Kong Housing Society is committed to upholding the highest standards of corporate governance in the balanced interests of our various stakeholders. Transparency and the pursuance of best practices are the cornerstones of this commitment which, coupled with our core values, ensure that we remain at the summit of corporate citizenship. As at 31 March 2004, the Housing Society has 101 members.

As a non-government organisation run by members, the Housing Society is self-governed and operates on a two-tier board governance structure comprising a Supervisory Board and an Executive Committee. The current corporate and governance structure enables the Supervisory Board to focus on the setting of vision and mission of the Housing Society, while the Executive Committee establishes policies to ensure corporate strategies proposed and implemented by the Management are consistent with its mission.

The membership year of the Supervisory Board, the Executive Committee and the various Committees is the period between the holding of two consecutive annual general meetings. The term of office of Board and Committee members is normally three years, but one third of the current members of the Supervisory Board and the Executive Committee, excluding the ex officio members, shall retire on a rotational basis every year to maintain a balance between continuity and introduction of new blood. Only members of the Housing Society could serve on its Supervisory Board and the various Committees. All Board and Committee members are required to declare official and personal interests to ensure a high level of integrity and fairness.

As a result of the change in the HKSAR Government structure in 2003, the Secretary for Housing was replaced by the Secretary for Housing, Planning and Lands, while in the same period the Management of the Housing Society was re-structured to remove the post of Deputy Executive Director. An Extraordinary General Meeting was held on 25 September 2003, at which a Special Resolution was passed to amend the Constitution and By-laws of the Housing Society accordingly.

SUPERVISORY BOARD AND EXECUTIVE COMMITTEE

Supervisory Board

The Supervisory Board sets the Housing Society's mission and guiding principles, and oversees all nomination, election and audit functions. The Board appoints members to the Executive Committee, the Audit Committee and the Nominating Committee and oversees their performance. The Board also provides advice to the Executive Committee on issues of government, stakeholders' interests, public relations and changes in the external environment.

There were 25 members in the Supervisory Board as at 1 April 2003, comprising 20 elected members, four Government officials as ex officio members and the Executive Director. At the Annual General Meeting (AGM) held on 25 September 2003, eight members retired from the Supervisory Board, including the then Chairman, Mr Chung Shui-ming, the then Vice-Chairman,

香港房屋協會致力維持最高的企業管治水平，並平衡各有關人士的利益。為了發揮企業管治的精神，我們盡力提高透明度，並追求最佳運作模式。在這基礎上，配合我們的核心信念，確保繼續成為企業公民的最高典範。截至二零零四年三月三十一日，房屋協會的委員人數達一百零一人。

房協是一個由委員管治的非官方機構，採納以監事會及執行委員會組成的雙層管治架構。在現行的企業及管治架構下，監事會主要負責訂立房協的目標和宗旨；而執行委員會則負責制訂政策，並確保管理層提出及推行的企業策略，與其宗旨互相配合。

每屆監事會、執行委員會及其他委員會的委員年度，是由房協應屆周年委員大會當日開始，至下屆周年委員大會召開當日為止。監事會及各委員會的任期為三年，但每年監事會及執行委員會均會有三分之一成員退任（當然委員除外），以能在延續性及新思維方面取得平衡。監事會及各委員會的成員必須為房協委員，並須申報公職及個人利益，以維持高度誠信和公平原則。

政府於二零零三年重組架構，房屋局局長之職由房屋及規劃地政局局長替代；房協管理層亦於同年重組，並取消副執行總幹事職位。房協的憲章及附例已作出相應修改，並於二零零三年九月二十五日舉行的特別委員大會上通過。

監事會及執行委員會

監事會

監事會負責訂立房協的宗旨和方針，並監管所有提名、選舉及審核事宜。監事會亦負責委任執行委員會、審核委員會及提名委員會的成員，監管各委員會的表現，並且就政府、與房協有關人士的權益、公共關係及外在環境的變化，向執行委員會提供意見。

Mr Chan Bing-woon, and three other members who had completed their full three-year terms. Four of the retiring members were re-elected and four other members were elected to the Supervisory Board at the AGM. Mr David C Lee Tsung-hei and Mrs Cecilia Lee Yip Wai-kay were elected the Chairman and the Vice-Chairman of the Supervisory Board respectively. The Supervisory Board comprised 25 members as at 31 March 2004.

There were five Supervisory Board meetings held during the financial year and the overall attendance rate was 82%.

Executive Committee

The Executive Committee approves strategies proposed by the Management, monitors management performance, approves recommendations of other Committees and major management decisions beyond the specified thresholds.

There were ten members in the Executive Committee as at 1 April 2003. With the resignation of Mr Thomas Ho Hang-kwong and the appointment of Mr William Chau Chun-wing and Mr Eddie Ng Hak-kim to fill the casual vacancies, the total number of Executive Committee members was 11 as from 1 May 2003.

As from the AGM on 25 September 2003, the newly elected Chairman and Vice-Chairman of the Supervisory Board, Mr David C Lee Tsung-hei and Mrs Cecilia Lee Yip Wai-kay, took up the posts of the Chairman and Vice-Chairman of the Executive Committee respectively in accordance with the governance structure of the Housing Society. Three retiring members were re-appointed and one other member was appointed to the Executive Committee as approved by the Supervisory Board on the same day.

In March 2004, Mr Josiah Kwok Chin-lai was appointed to the Executive Committee, making a total of 12 Executive Committee members as at 31 March 2004.

There were 14 Executive Committee meetings, including three special meetings, held during the financial year and the overall attendance rate was 84%.

二零零三年四月一日，監事會共有二十五名成員，當中包括二十名經選舉產生的成員、四名由政府官員出任的當然委員，以及房協的執行總幹事。八位成員於二零零三年九月二十五日的周年委員大會中退任，包括當時主席鍾瑞明先生、當時副主席陳炳煥先生，以及三位完成了三年任期的委員。有四位退任委員再度獲得委任，另外四位房協委員在周年委員大會中獲委任加入監事會。在周年委員大會後隨即舉行的監事會會議中，李頌熹先生及李葉慧璣女士分別獲選為監事會主席及副主席。在二零零四年三月三十一日，監事會共有二十五位成員。

監事會在本財政年度共舉行五次會議，整體出席率達百分之八十二。

執行委員會

執行委員會負責通過管理層制訂的政策、監察管理層的表現、批核其他委員會的建議，以及管理層權限以外的重要決策。

二零零三年四月一日，執行委員會共有十位成員。繼何恆光先生辭任，而周鎮榮先生和吳克儉先生被委任填補空缺，執行委員會由二零零三年五月一日起共有十一位成員。

於二零零三年九月二十五日舉行的周年委員大會，剛被選為監事會主席及副主席的李頌熹先生及李葉慧璣女士，同時根據房協的管治架構而分別出任執行委員會主席及副主席。同日，監事會通過再度委任三位退任委員及另一位房協委員加入執行委員會。

二零零四年三月，郭展禮先生獲委任為執行委員會成員。因此，執行委員會於二零零四年三月三十一日共有十二位成員。

OTHER COMMITTEES

The Supervisory Board and the Executive Committee are supported by the Audit Committee, the Nominating Committee and the Remuneration Committee in specific areas of audit, membership nomination, overall compensation strategy and top management remuneration.

Audit Committee

The Audit Committee acts on behalf of the Supervisory Board and oversees the Housing Society's financial reporting and maintains a close, positive working relationship among external and internal auditors, management personnel and other Committee members. The Committee also monitors the Housing Society's internal control systems, overall ethical standards and compliance with applicable laws.

There were nine members in the Audit Committee as at 1 April 2003, all of them non-management members of the Housing Society. Neither the Chairman, the Vice-Chairman of the Supervisory Board nor the Chairmen of other Committees shall be members of the Audit Committee. At the date of the AGM on 25 September 2003, three members retired from the Audit Committee, including the Audit Committee Chairman, Mr James Siu Kai-lau, and one other member who had both completed their full three-year terms. Mr James Siu was re-appointed Chairman of the Audit Committee by the Supervisory Board. Also, one retiring member

was re-appointed and three other members were appointed to the Audit Committee by the Supervisory Board. The Audit Committee comprised 11 members as at 31 March 2004.

The Audit Committee held four meetings during the financial year and the overall attendance rate was 79%.

Nominating Committee

The Nominating Committee acts on behalf of the Supervisory Board and oversees the Housing Society's membership nomination and election processes and admission of new members to the Housing Society. The Committee also actively recruits members with appropriate expertise.

There were six members in the Nominating Committee as at 1 April 2003. At the date of the AGM on 25 September 2003, the newly elected Chairman, Mr David C Lee Tsung-hei took up the Chair of the Nominating Committee; and the newly elected Vice-Chairman, Mrs Cecilia Lee Yip Wai-kay served as a member on the Nominating Committee. The immediate past Chairman, Mr Chung Shui-ming, and the immediate past Vice-Chairman, Mr Chan Bing-woon, continue to serve as members of the Nominating Committee. The Nominating Committee comprised seven members as at 31 March 2004.

執行委員會在本財政年度舉行了十四次會議，包括三次特別會議；整體出席率達百分之八十四。

其他委員會

監事會及執行委員會由審核委員會、提名委員會及薪酬委員會輔助。該三個委員會分別負責審核工作、委員提名、制訂整體薪酬策略及高級管理層薪酬的事宜。

審核委員會

審核委員會負責代表監事會審核房協的財務報告，並且與外聘核數師及內部審計師、管理層成員及其他委員會成員保持緊密和良好的合作關係。審核委員會亦負責監督房協的內部監管系統、整體操守水平及法例的符規情況。

在二零零三年四月一日，審核委員會共有九名成員，他們都是房協的非管理層成員。監事會主席、副主席及其他委員會主席均不能成為審核委員會成員。三位審核委員會成員在二零零三年九月二十五日舉行的周年委員大會上退任，包括已完成三年任期的審核委員會主席蕭啟鑾先生及另一位成員。同日，監事會再度委任蕭啟鑾先生為審核委員會主席，而一位退任成員及另外三位房協委員亦獲委任加入審核委員會。在二零零四年三月三十一日，審核委員會共有十一位成員。

審核委員會在本財政年度舉行了四次會議，整體出席率達百分之七十九。

提名委員會

提名委員會的職責是代表監事會監察房協新委員的提名、選舉及批核新委員程序，並且積極招攬適當的專才加入房協。

The Nominating Committee held three meetings during the financial year and the overall attendance rate was 90%.

Remuneration Committee

The Remuneration Committee acts on behalf of the Executive Committee and oversees the Housing Society's overall compensation strategy and top management remuneration. The Committee also oversees overall succession planning for the Executive Director and other top management executives.

There were four members in the Remuneration Committee as at 1 April 2003 chaired by Mr Edward Cheng Wai-sun. All members of the Remuneration Committee were non-management members of the Housing Society. At the date of the AGM held on 25 September 2003, two members retired from the Remuneration Committee, including one member who had completed the full three-year term. One retiring member was re-appointed and one other member was appointed to the Remuneration Committee by the Executive Committee in October 2003. The Remuneration Committee comprised four members as at 31 March 2004.

The Remuneration Committee held two meetings during the financial year and the overall attendance rate was 100%.

EMOLUMENTS FOR EXECUTIVE COMMITTEE MEMBERS

The non-ex officio members of the Executive Committee received honorarium as a recognition of their accountability. The emoluments of Executive Committee members are set by the Supervisory Board. The current amount of emoluments has been effective since 1 April 2002 after a review by the Supervisory Board. As at 31 March 2004, two non-ex officio Executive Committee members had opted not to receive emoluments.

在二零零三年四月一日，提名委員會由六名成員組成。於二零零三年九月二十五日的周年委員大會，剛被委任的監事會主席李頌熹先生及副主席李葉慧璣女士同時分別出任提名委員會的新任主席及委員。剛卸任的主席鍾瑞明先生及副主席陳炳煥先生同意繼續出任提名委員會成員。二零零四年三月三十一日，提名委員會共有七位成員。

提名委員會在本財政年度舉行了三次會議，整體出席率達百分之九十。

薪酬委員會

薪酬委員會的職責是代表執行委員會監察房協的整體薪酬策略及高級管理層的薪酬。另外，委員會亦負責監察執行總幹事及其他高級管理層的整體繼任安排。

在二零零三年四月一日，薪酬委員會共有四名成員，由鄭維新先生擔任主席。他們都是房協的非管理層人員。兩名薪酬委員會成員在二零零三年九月二十五日舉行的周年委員大會上退任，包括一位完成了三年任期的成員。二零零三年十月，執行委員會再次委任了一位退任成員及一位房協委員加入薪酬委員會。二零零四年三月三十一日，薪酬委員會共有四位成員。

薪酬委員會在本財政年度舉行了兩次會議，整體出席率達百分之一百。

執行委員會成員的酬金

執行委員會的非當然委員均可獲發酬金，以確認他們的責任承擔。執行委員會成員的酬金是由監事會釐定。現時的酬金水平是經監事會檢討後，於二零零二年四月一日起生效。在二零零四年三月三十一日，其中兩名執行委員會非當然委員選擇不收取酬金。