

APPENDIX 1

AMENDMENTS TO THE ACE MARKET LISTING REQUIREMENTS IN RELATION TO DIRECTOR
APPOINTMENT, INDEPENDENCE AND MISCELLANEOUS CHANGESACE Market Listing Requirements

CHAPTER 1 DEFINITIONS AND INTERPRETATION

PART A - DEFINITIONS

1.01 Definitions

In these Requirements, unless the context otherwise requires:-

independent director	means a director who is independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of an applicant or listed corporation. Without limiting the generality of the foregoing, an independent director is one who -
	(a) is not an executive director of the applicant, listed corporation or any related corporation of such applicant or listed corporation (each corporation is referred to as the "said Corporation"); [deleted]
	(b) is not, and has not been within the last 3 years, an officer (except as an independent director) of the said Corporation, applicant, listed corporation or any related corporation of such applicant or listed corporation (each corporation is referred to as the "said Corporation") . For this purpose, "officer" has the meaning given in section 2 of the Companies Act but excludes a director who has served as an independent director in any one or more of the said Corporations for a cumulative period of less than 12 years;
	(c) is not a major shareholder of the said Corporation;
	(d) is not a family member of any executive director, officer or major shareholder of the said Corporation;
	(e) is not acting as a nominee or representative of any executive director or major shareholder of the said Corporation;
	(f) has not been engaged as an adviser by the said Corporation under such circumstances as prescribed by the Exchange, or is not presently a partner, director (except as an independent director) or major shareholder, as the case may be, of a firm or corporation which provides professional advisory

services to the said Corporation under such circumstances as prescribed by the Exchange; ~~or~~

(g) has not engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange, or is not presently a partner, director or major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of the applicant or the listed corporation) which has engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange; ~~or~~

(h) has not served as an independent director in any one or more of the said Corporations for a cumulative period of more than 12 years from the date of his first appointment as an independent director.

[Cross reference: Guidance Note 9]

[End of amendments to Chapter 1]

CHAPTER 8 CONTINUING LISTING OBLIGATIONS

APPENDIX 8A

Contents of statement accompanying notices of annual general meetings
(Rule 8.29)

1. Further details of individuals who are standing for election as directors (excluding directors standing for a re-election), namely the following:
 - (a) the name, age, gender, nationality, qualification, and whether the position is an executive or non-executive one and whether such director is an independent director;
 - (b) the working experience and occupation;
 - (c) any other directorships in public companies and listed corporations;
 - (d) the details of any interest in the securities of the listed corporation and its subsidiaries;
 - (e) the family relationship with any director and/or major shareholder of the listed corporation;
 - (f) any conflict of interest that they have with the listed corporation; and
 - (g) other than traffic offences, the list of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any-; and
 - (h) a statement justifying the nomination of an individual as an independent director, and explaining why there is no other eligible candidate, if such individual had cumulatively served as an independent director of the listed corporation or any one or more of its related corporations for more than 12 years before and observed the requisite 3-year cooling off period.
2. [No change].

[End of Appendix]

[End of amendments to Chapter 8]

CHAPTER 9 CONTINUING DISCLOSURE

APPENDIX 9A

Part A

Contents of announcement in relation to the appointment of a director
(Rule 9.19(12))

- (a) The name, age, gender, nationality, qualification and whether the position is an executive or non-executive one and whether such director is an independent director.
- (b) Working experience and occupation.
- (c) Any other directorship in public companies and listed corporations.
- (d) Any family relationship with any director and/or major shareholder of the listed corporation.
- (e) Any conflict of interest that the person has with the listed corporation.
- (f) The details of any interest in the securities of the listed corporation or its subsidiaries.
- (g) A statement justifying the appointment of the person as an independent director, and explaining why there is no other eligible candidate, if such person had cumulatively served as an independent director of the listed corporation or any one or more of its related corporations for more than 12 years before and observed the requisite 3-year cooling off period.

[End of amendments to Chapter 9]

CHAPTER 14 DEALINGS IN LISTED SECURITIES**PART D - RESTRICTIONS****14.04 Prohibition on dealings when in possession of price-sensitive information**

An affected person must not deal in the listed securities of his own listed corporation or of other listed corporations as long as he is in possession of price-sensitive information relating to such listed securities.

14.05 General restriction on dealings when not in possession of price-sensitive information

An affected person who is not in possession of price-sensitive information relating to listed securities may engage in dealings with such listed securities -

(a) during a closed period provided that he complies with the procedures set out in Rule 14.08 below; or

(b) outside a closed period provided that he complies with the procedures set out in Rule 14.09 below.

PART F - PROCEDURES FOR DEALINGS**14.08 Procedures for dealings during closed periods**

Subject to Part D above, An affected person who wishes to deal in the listed securities of his own listed corporation (“affected company”) during a closed period must comply with the following procedures:

- (a) before the proposed dealing, the affected person must give notice of intention to deal in writing to the affected company;
- (b) upon receipt of such notice, the affected company must immediately announce to the Exchange, among others, the following information:
 - (i) the affected person’s current holdings of securities in the affected company; and
 - (ii) the affected person’s intention to deal in the securities of the affected company during a closed period;
- (c) the proposed dealing can only be effected after 1 full market day from the date of the announcement made pursuant to sub-Rule (a) above;
- (d) the affected person must give notice of the dealing in writing to the company secretary of the affected company within 1 full market day after the dealing has occurred and the affected company must immediately announce such notice to the Exchange. The affected company must include the following in the notice and announcement:
 - (i) the date on which the dealing occurred;
 - (ii) the consideration for the dealing; and
 - (iii) the number of securities involved in the dealing, both in absolute terms and as a percentage of all issued securities of that class in the affected company;

- (e) a listed corporation must maintain a proper record of all notices received by it pursuant to sub-Rule (d) above; and
- (f) the company secretary of a listed corporation must, at each meeting of the board of directors, table a summary of dealings notified to the listed corporation since the last board meeting.

14.09 Procedures for dealings outside closed periods

Subject to Part D above, ~~W~~where an affected person deals in the listed securities of the affected company outside closed periods, the affected person, the affected company and the company secretary of the affected company must comply with the following requirements:

- (a) the affected person must, within 3 market days after the dealing has occurred, give notice of the dealing in writing to the company secretary of the affected company and the affected company must immediately announce such notice to the Exchange. The affected company must include the information set out in Rule 14.08(d) in the notice and announcement;
- (b) the listed corporation must maintain a proper record of all notices received by it pursuant to sub-Rule(a) above; and
- (c) the company secretary of the listed corporation must, at each meeting of the board of directors, table a summary of dealings notified to the listed corporation since the last board meeting.

[End of amendments to Chapter 14]

CHAPTER 15 CORPORATE GOVERNANCE**PART B - DIRECTORS****15.01A Fit and proper policy**

A listed corporation must -

- (a) have a fit and proper policy for the appointment and re-election of directors of the listed corporation and its subsidiaries;
- (b) ensure the policy addresses board quality and integrity and will aid the listed corporation to comply with Rule 2.20A of these Requirements; and
- (c) make available the policy on its website.

15.02 Composition of the board of directors

- (1) A listed corporation must ensure that at least -
 - (a) 2 directors or 1/3 of the board of directors of a listed corporation, whichever is the higher, are independent directors; and
 - (b) 1 director of the listed corporation is a woman.
- (2) If the number of directors of the listed corporation is not 3 or a multiple of 3, then the number nearest 1/3 must be used.
- (3) In the event of any vacancy in the board of directors, resulting in the non-compliance with sub-Rule (1) above, a listed corporation must fill the vacancy within 3 months.

PART B(A) - NOMINATING COMMITTEE**15.08A Nominating committee**

- (1) A listed corporation must establish a nominating committee which comprises exclusively of non-executive directors, a majority of whom must be independent.
- (2) The nominating committee must have written terms of reference dealing with its authority and duties which must include the selection and assessment of directors, and such information must be made available on the listed corporation's website.
- (3) The listed corporation must provide, in its annual report, a statement about the activities of the nominating committee in the discharge of its duties for the financial year. Such statement must include the application of the listed corporation's fit and proper policy in the nomination and election of its directors, how the requirements set out in Rule 2.20A of these Requirements are met and contain the following information:
 - (a) the policy on board composition having regard to the mix of skills, independence and diversity (including gender diversity) required to meet the needs of the listed corporation;
 - (b) the board nomination and election process of directors ~~and criteria used by the nominating committee in the selection process~~; and

- (c) the assessment undertaken by the nominating committee in respect of the performance of its board, committees and individual directors together with the criteria used for such assessment.

[End of amendments to Chapter 15]

GUIDANCE NOTE 9

REQUIREMENTS FOR DIRECTORS AND SIGNATORY OF STATUTORY DECLARATION
FOR ACCOUNTS

Details	Cross References
Effective date:	3 July 2006
Revision date:	Rules 1.01, 9.27, 15.06, 15.07 and 15.09
	3 August 2009, 1 June 2013, 13 July 2015, 2 January 2018, 1 October 2020, []

1.0 Introduction

- 1.1 A director who is appointed to act as an “independent director” of an applicant or a listed corporation must satisfy the definition of “independent director” set out in Rule 1.01 of the Listing Requirements (“**said definition**”). The said definition reads as follows:

“independent director” means a director who is independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of an applicant or listed corporation. Without limiting the generality of the foregoing, an independent director is one who -

- (a) ~~is not an executive director of the applicant, listed corporation or any related corporation of such applicant or listed corporation (each corporation is referred to as “said Corporation”); [deleted]~~
- (b) ~~is not, and has not been within the last 3 years, an officer (except as an independent director) of the said Corporation applicant, listed corporation or any related corporation of such applicant or listed corporation (each corporation is referred to as “said Corporation”). For this purpose, “officer” has the meaning given in section 2 of the Companies Act but excludes a director who has served as an independent director in any one or more of the said Corporations for a cumulative period of less than 12 years;~~
- (c) *is not a major shareholder of the said Corporation;*
- (d) *is not a family member of any executive director, officer or major shareholder of the said Corporation;*
- (e) *is not acting as a nominee or representative of any executive director or major shareholder of the said Corporation (this paragraph is referred to as “**paragraph (e)**”);*
- (f) *has not been engaged as an adviser by the said Corporation under such circumstances as prescribed by the Exchange, or is not presently a partner, director (except as an independent director) or major shareholder, as the case may be, of a firm or corporation which provides professional advisory services to the said Corporation under such circumstances as prescribed by the Exchange (this paragraph is referred to as “**paragraph (f)**”); ~~or~~*

- (g) *has not engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange, or is not presently a partner, director or major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of the applicant or the listed corporation) which has engaged in any transaction with the said Corporation under such circumstances as prescribed by the Exchange (this paragraph is referred to as “**paragraph (g)**”)-; or*
- (h) *has not served as an independent director in any one or more of the said Corporations for a cumulative period of more than 12 years from the date of his first appointment as an independent director.*

I. INDEPENDENCE OF DIRECTORS

2.0 General

- 2.1 Directors must give effect to the spirit, intention and purpose of the said definition. If a person does not fall within any of paragraphs (a) to ~~(g)~~(h) of the said definition, it does not mean that the person will automatically qualify to be an independent director. The director concerned as well as the board of directors of the applicant or listed corporation must still apply the test of whether the said director is able to exercise independent judgement and act in the best interests of the applicant or listed corporation as set out in the said definition.

[End of amendments to Guidance Note 9]

GUIDANCE NOTE 11

RISK MANAGEMENT AND INTERNAL CONTROL, CORPORATE GOVERNANCE AND
SUSTAINABILITY STATEMENT

Details		Cross References
Effective date:	3 July 2006	Rules 15.25, 15.26 and paragraph 30 of Appendix 9C
Revision date:	3 August 2009, 29 November 2012, 3 May 2016, 31 December 2016, 31 December 2017, 31 December 2018, [1]	

1.0 - 3.0 [No change].

PART II - RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT**4.0 Contents of the Risk Management and Internal Control Statement**

4.1 In making the Risk Management and Internal Control Statement, a listed corporation is required to address Part II of Principle B, Intended Outcome [910.0](#), Practices [910.1](#) and [910.2](#) read together with Guidance [910.1](#) and [910.2](#) as set out in the MCCG which relate to risk management and internal control framework.

4.2 The listed corporation should also be guided by the **Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers** which is issued by the Taskforce on Internal Control with the support and endorsement of the Exchange.

4.3 A listed corporation must ensure that the Risk Management and Internal Control Statement contains adequate information to enable an informed assessment of its state of internal control.

5.0 - 6.0 [No change].

[End of Appendix 1]