

## 公司治理 Corporate Governance

本集團致力達至優良之企業管治，並已遵循香港金融管理局頒佈之監管政策手冊《本地註冊認可機構的企業管治》(CG-1)指引。

### 董事會及管理層

董事會負責為本集團整體業務確定目標、制定長遠策略及進行管理。董事會現時由十位具備不同經驗及專業之人士組成。當中兩位為執行董事，其餘八位為非執行董事。在八位非執行董事中，三位為獨立非執行董事，發揮不可或缺的獨立監督作用。董事會定期召開會議並於年內召開了四次會議，平均出席率達95.24%。以行政總裁為首的管理層負責按已審定的策略及政策，制定及執行具體落實方案，並定期向董事會提交本集團表現之詳細報告，以便董事會能夠有效地履行其職責。為了能專注在對本集團財務及長遠發展有重大影響之策略性及重要事宜上，董事會成立了四個委員會負責監督本集團各主要範疇。各委員會之詳情如下：

The Group strives to achieve high standards of corporate governance and has followed the module on “Corporate Governance of Locally Incorporated Authorised Institutions” under the Supervisory Policy Manual (CG-1) issued by the Hong Kong Monetary Authority.

### BOARD OF DIRECTORS AND THE MANAGEMENT

The Board is responsible for setting objectives and formulating long term strategies as well as managing the Group’s overall business. It currently comprises ten Directors with a variety of different experience and professionalism. Among them, two are Executive Directors, while the remaining eight are Non-executive Directors. Of the eight Non-executive Directors, three are Independent Non-executive Directors whose indispensable function is to provide independent scrutiny. The Board meets regularly and four board meetings were held in the year with an average attendance rate of 95.24%. The Management, led by the Chief Executive, is responsible for formulating and implementing detailed programmes to effect the approved strategies and policies, and providing detailed reports on the Group’s performance to the Board on a regular basis to enable the Board to discharge its responsibilities effectively. In order to focus its attention on strategic and material issues that have significant impact on the Group’s finances and long-term development, the Board has set up four committees to oversee the major areas of the Group. Details of the committees are given below:

## 公司治理

# Corporate Governance

### 行政委員會

行政委員會在董事會直接授權下，處理在董事會休會期間需要董事會審議之事宜。其職責包括：

- 審議為實現董事會已審定之本集團整體發展策略及業務計劃之政策、實施計劃和管理辦法；
- 檢討策略及業務計劃之實施進度；
- 提出策略性之議案供董事會審定；及
- 按監管當局及控股公司制定之政策，審議本集團之制度及執行細則。

年內，行政委員會成員包括方紅光先生（主席）、陳細明先生<sup>1</sup>及袁偉強先生<sup>2</sup>。彼等均為本銀行之執行董事。

註釋：

1. 於2012年5月22日獲委任為本銀行執行董事及行政委員會成員。
2. 於2012年5月1日辭任為本銀行執行董事及離任為行政委員會成員。

### EXECUTIVE COMMITTEE

The Executive Committee has been delegated with power directly from the Board to handle matters which require the Board's review during the adjournment of the Board. Its responsibilities include:

- approving policies, implementing plans and management measures to effect the group-wide development strategies and business plans approved by the Board;
- reviewing the progress on implementation of the strategies and business plans;
- recommending strategic proposals to the Board for its consideration and approval; and
- approving the Group's rules and regulations according to the policies imposed by the supervisory authorities and the holding company.

The members of Executive Committee during the year were Mr. Fang Hongguang (Chairman), Mr. Chan Sai Ming<sup>1</sup> and Mr. Yuen Wai Keung<sup>2</sup>. All of them were Executive Directors of the Bank.

Notes:

1. Appointed as Executive Director and member of the Executive Committee of the Bank with effect from 22 May 2012.
2. Resigned as Executive Director and member of the Executive Committee of the Bank with effect from 1 May 2012.

## 稽核委員會

稽核委員會協助董事會對本集團在以下方面履行監控職責：

- 財務報告的真實性和財務報告程序；
- 內部控制系統；
- 內部稽核職能和人員的工作表現；
- 外部核數師的聘任及其資格、獨立性和工作表現的評估；
- 本集團財務報告的定期審閱和年度審計；
- 遵循有關會計準則及法律和監管規定中有關財務信息披露的要求；及
- 強化公司治理架構。

年內，稽核委員會成員包括劉漢銓先生（主席）、藍鴻震先生及卓成文先生。彼等均為本銀行之非執行董事。其中劉漢銓先生及藍鴻震先生均為獨立非執行董事。

## AUDIT COMMITTEE

The Committee assists the Board in fulfilling its oversight role over the Group in the following areas:

- integrity of financial statements and the financial reporting process;
- internal control system;
- performance of internal audit functions and internal auditors;
- appointment of external auditors and evaluation of external auditors' qualifications, independence and performance;
- periodic review and annual audit of the Group's financial statements;
- compliance with applicable accounting standards and legal and regulatory requirements on financial disclosures; and
- enhancement of the corporate governance framework.

The members of Audit Committee during the year were Mr. Lau Hon Chuen (Chairman), Mr. Lan Hong Tsung David and Mr. Zhuo Chengwen. All were Non-executive Directors of the Bank. Among them, Mr. Lau Hon Chuen and Mr. Lan Hong Tsung David were Independent Non-executive Directors.

## 公司治理 Corporate Governance

### 風險管理委員會

風險管理委員會協助董事會對本銀行之風險管理及建立本銀行風險管理履行以下（但不僅限於）的職責：

- 建立本銀行的風險取向和風險管理戰略，確定本銀行的風險組合狀況；
- 識別、評估、管理本銀行面臨的重大風險；及
- 審批高層次風險管理政策。

年內，風險管理委員會成員包括李久仲先生（主席）、方紅光先生、卓成文先生、張信剛先生、劉漢銓先生、陳細明先生<sup>1</sup>及袁偉強先生<sup>2</sup>。彼等均為本銀行之董事。其中張信剛先生及劉漢銓先生均為獨立非執行董事。

註釋：

1. 於2012年5月22日獲委任為本銀行執行董事及風險管理委員會成員。
2. 於2012年5月1日辭任為本銀行執行董事及離任風險管理委員會成員。

### RISK MANAGEMENT COMMITTEE

The Risk Management Committee assists the Board in performing the duties in respect of the risk management of the Bank in, among others, the following areas:

- formulation of the risk appetite and risk management strategy of the Bank and determination of the Bank's risk profile;
- identification, assessment and management of material risks faced by the Bank; and
- approving high level risk management related policies.

The members of the Risk Management Committee during the year were Mr. Li Jiuzhong (Chairman), Mr. Fang Hongguang, Mr. Zhuo Chengwen, Mr. Chang Hsin Kang, Mr. Lau Hon Chuen, Mr. Chan Sai Ming<sup>1</sup> and Mr. Yuen Wai Keung<sup>2</sup>. All were Directors of the Bank. Among them, Mr. Chang Hsin Kang and Mr. Lau Hon Chuen were Independent Non-executive Directors.

Notes:

1. Appointed as Executive Director and member of the Risk Management Committee of the Bank with effect from 22 May 2012.
2. Resigned as Executive Director and ceased to be member of the Risk Management Committee of the Bank with effect from 1 May 2012.

## 提名及薪酬委員會

提名及薪酬委員會成員共有3名，其中包括1名非執行董事卓成文先生，以及2名獨立非執行董事劉漢銓先生及藍鴻震先生，委員會主席由非執行董事卓成文先生擔任。獨立非執行董事佔委員會成員的66.7%。

提名及薪酬委員會負責協助董事會對本集團在以下方面（但不僅限於以下方面）履行職責：

- 本集團的薪酬策略及激勵框架；
- 董事、董事會附屬委員會成員、及由董事會不時指定的高層管理人員的篩選和提名；
- 董事會和各委員會的結構、規模、組成（包括成員的技能、經驗和知識）；
- 董事、各委員會成員、指定高層管理人員及主要人員的薪酬；及
- 董事會及各委員會的有效性。

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises three members, including one Non-executive Director, Mr. Zhuo Chengwen, and two Independent Non-executive Directors, namely Mr. Lau Hon Chuen and Mr. Lan Hong Tsung David. It was chaired by Mr. Zhuo Chengwen, a Non-executive Director of the Board. The Independent Non-executive Directors represent 66.7% of the Committee members.

The Nomination and Remuneration Committee assists the Board in performing the duties in respect of the Group in the following areas:

- remuneration strategy and incentive framework of the Group;
- selection and nomination of Directors, Board Committee members and certain senior executives as designated by the Board from time to time;
- structure, size and composition (including skills, experience and knowledge) of Board and Board Committee members;
- remuneration of Directors, Board Committee members, designated senior management and key personnel; and
- effectiveness of the Board and Board Committees.

## 公司治理 Corporate Governance

### 提名及薪酬委員會 (續)

提名及薪酬委員會於2012年內的工作主要包括根據職責及權限進行審批、審議並向董事會建議：

- 重要人力資源及薪酬政策的制訂、重檢和修訂，包括本行的《薪酬及激勵政策》和《浮薪遞延辦法》的重檢修訂，以及根據香港金融管理局《穩健的薪酬制度指引》所定義之「高級管理人員」、「主要人員」、「特定員工團隊」、「風險控制人員」四種人員的年度重檢結果；
- 指定高級管理人員及主要人員2011年度的績效考核結果；
- 指定高級管理人員及主要人員2011年度花紅發放方案及2012年度薪酬調整方案；
- 2012年度指定高級管理人員及主要人員的績效考核目標；
- 指定高級管理人員的任免安排；
- 2012年董事輪選事宜；
- 2012年董事獨立性報告；
- 2011年本委員會的自我評估報告；
- 處理南洋商業銀行（中國）有限公司調整及委任董事事宜。

提名及薪酬委員會於2012年內共召開2次會議，全部董事出席率達100%。

### NOMINATION AND REMUNERATION COMMITTEE (Cont'd)

Key tasks performed by the Nomination and Remuneration Committee during 2012 included the approval, review and propose to the Board on the following according to the responsibilities and authorities:

- formulation, review and amendment on major human resources and remuneration policies, including the review and revision of the "Remuneration and Incentive Policy" and the "Deferred Variable Remuneration Policy"; as well as the review of "Senior Management", "Key Personnel", "Key Employee Group" and "Risk Control Personnel" as delineated in the "Guideline on a Sound Remuneration System" published by Hong Kong Monetary Authority;
- performance appraisal of the designated senior management and key personnel for year 2011;
- proposal on bonus for year 2011 and salary adjustment for year 2012 of the designated senior management and key personnel;
- key performance indicators of the designated senior management and key personnel for year 2012;
- appointment/resignation of designated senior management;
- election of directors for 2012;
- Directors' independency report for 2012;
- self-evaluation report of the Nomination and Remuneration Committee for 2011;
- consideration of the matters relating to the adjustment and appointment of the directors of Nanyang Commercial Bank (China);

There were two Nomination and Remuneration Committee meetings held during 2012. The attendance rate of the three directors is 100%.

## 薪酬及激勵機制

本集團的薪酬及激勵機制按「有效激勵」及「穩健薪酬管理」的原則，將薪酬與績效及風險因素緊密掛鉤，在鼓勵員工提高績效的同時，也加強員工的風險意識，實現穩健的薪酬管理。

本集團的薪酬及激勵政策適用於南洋商業銀行有限公司及其所有附屬機構（包括香港地區及以外的分支機構）。

- 「高級管理人員」及「主要人員」

本集團下列人員已界定為符合香港金融管理局《穩健的薪酬制度指引》定義之「高級管理人員」及「主要人員」：

- 「高級管理人員」：董事會指定的高級管理人員，負責總體策略或重要業務，包括行政總裁及副總經理。
- 「主要人員」：個人業務活動涉及重大風險承擔，對風險暴露有重大影響，或個人職責對風險管理有直接、重大影響，或對盈利有直接影響的人員，包括業務盈利規模較大的單位主管、交易主管，以及對風險管理有直接影響的職能單位第一責任人。

## REMUNERATION AND INCENTIVE MECHANISM

The Remuneration and Incentive Mechanism of the Group is based on the principles of “effective motivation” and “sound remuneration management”. It links remuneration with performance and risk factors closely. It serves to encourage staff to enhance their performance, and at the same time, to strengthen their awareness of risk so as to achieve sound remuneration management.

The Remuneration and Incentive Policy of the Group is applicable to Nanyang Commercial Bank Limited and all of its subsidiaries (including the branches and institutions in and out of Hong Kong).

- “Senior Management” and “Key Personnel”

The following groups of employees have been identified as the “Senior Management” and “Key Personnel” as defined in the HKMA’s “Guideline on a Sound Remuneration System”:

- “Senior Management”: The senior executives designated by the Board who are responsible for oversight of the firm-wide strategy or material business lines, including Chief Executive and Deputy General Managers.
- “Key Personnel”: The employees whose individual business activities involve the assumption of material risk which may have significant impact on risk exposure, or whose individual responsibilities are directly and materially linked to the risk management, or those who have direct influence to the profit, including heads of material business lines, Head of Trading, as well as Head of risk control functions.

## 公司治理

# Corporate Governance

### 薪酬及激勵機制 (續)

- **薪酬政策的決策過程**

為體現上述原則，並確保本集團的薪酬政策能促進有效的風險管理，本集團層面的薪酬政策由人力資源處主責提出建議，視實際需要徵詢風險管理、財務管理、及合規等風險監控職能單位意見，以平衡員工激勵、穩健薪酬管理及審慎風險管理的需要。薪酬政策建議提呈提名及薪酬委員會審查後，報董事會審定。提名及薪酬委員會及董事會視實際需要徵詢董事會其他屬下委員會（如風險管理委員會、稽核委員會等）的意見。

- **薪酬及激勵機制的主要特色**

1. **績效管理機制**

為實踐「講求績效」的企業文化，本集團的績效管理機制對集團層面、單位層面及個人層面的績效管理作出規範。本集團年度目標在平衡計分卡的框架下，向下層分解，從財務、客戶、基礎建設／重點工作、人員、風險管理及合規等維度對高級管理人員及不同單位（包括業務單位、風險監控職能單位及其他單位）的績效表現作出評核。對於各級員工，透過分層績效管理模式，將本集團年度目標與各崗位的要求連結，並以員工完成工作指標、對所屬單位整體績效的影響、履行本職工作風險管理責任及合規守紀等情況作為評定個人表現的主要依據，既量度工作成果，亦注重工作過程中所涉及風險的評估及管理，確保本集團安全及正常運作，並輔以價值觀的評核，促進核心價值觀的貫徹落實。

### REMUNERATION AND INCENTIVE MECHANISM (Cont'd)

- **Determination of the Remuneration Policy**

To fulfill the above-mentioned principles and to facilitate effective risk management within the framework of the Remuneration Policy of the Group, Human Resources Division is responsible for proposing the Remuneration Policy of the Group and will seek consultation of the risk control units including risk management, financial management and compliance if necessary, in order to balance the needs for staff motivations, sound remuneration and prudent risk management. The proposed Remuneration Policy will be submitted to the Nomination and Remuneration Committee for review and thereafter to the Board of Directors for approval. The Nomination and Remuneration Committee and the Board of Directors will seek opinions from other Board Committees (e.g. Risk Management Committee, Audit Committee, etc.) where they consider necessary under the circumstances.

- **Key Features of the Remuneration and Incentive Mechanism**

1. **Performance Management Mechanism**

To reflect the “performance-driven” corporate culture, the Group has put in place a performance management mechanism to formalise the performance management at the levels of the Group, units and individuals. The annual targets of the Group will be cascaded down under the framework of balanced scorecard whereby the performance of the Senior Management and different units (including business units, risk control units and other units) would be assessed from the perspectives of financial, customer, building blocks/key tasks, human capital, risk management and compliance. For individual staff at different levels, annual targets of the Group will be tied to their job requirements through the performance management mechanism. Performance of individuals will be appraised on their achievement against targets, their contribution towards performance of their units and fulfilment of risk management duties and compliance. Not only is target accomplishment taken into account, but the risk exposure involved during the course of work could also be evaluated and managed, ensuring security and normal operation of the Group. Core values are also assessed to facilitate the attainment of them.



## 薪酬及激勵機制 (續)

- 薪酬及激勵機制的主要特色 (續)

### 2. 薪酬的風險調節

為落實績效及薪酬與風險掛鈎的原則，本集團根據中銀香港《集團浮薪資源總額的風險調節方法》，把銀行涉及的主要風險調節因素結合到本集團的績效考核機制中，而本集團的浮薪總額則按經中銀香港董事會審定的風險調節後的績效結果計算，並由中銀香港董事會酌情決定，以確保本集團浮薪總額是在充分考慮本集團的風險概況及變化情況後決定，從而使薪酬制度貫徹有效的風險管理。

本年度，中銀香港對《集團浮薪資源總額的風險調節方法》作出優化，由中銀香港風險委員會先提出專業意見，經其提名及薪酬委員會審議後由其董事會核定，維持以信貸風險、市場風險、利率風險、流動性風險、操作風險、法律風險、合規風險和信譽風險作為衡量指標的框架，並因應銀行風險管理的最新情況對量度指標做出修訂，通過引入更多的量化指標，增強機制的科學性及客觀性。

## REMUNERATION AND INCENTIVE MECHANISM (Cont'd)

- Key Features of the Remuneration and Incentive Mechanism (Cont'd)

### 2. Risk Adjustment of Remuneration

To put the principle of aligning performance and remuneration with risk into practice, based on "The Risk Adjustment Method for Group Bonus Funding Mechanics" of BOCHK, the key risk modifiers of the bank have been incorporated into the performance management mechanism of the Group. The size of the Variable Remuneration Pool of the Group is calculated according to the risk adjusted performance results approved by the Board of BOCHK and is subject to its discretion. This method ensures the Group to fix the Group's Variable Remuneration Pool after considering risk exposures and changes and to maintain effective risk management through the remuneration mechanism.

"The Risk Adjustment Method for Group Bonus Funding Mechanics" of BOCHK was reviewed this year. With professional advices sought from the Risk Committee of BOCHK, the enhancement was approved by its Board after review carried out by its Nomination and Remuneration Committee. The framework of using credit risk, market risk, interest rate risk, liquidity risk, operational risk, legal risk, compliance risk and reputation risk was maintained. To be more scientific and objective, more quantitative measures were introduced based on BOCHK's latest risk management profile.

## 公司治理 Corporate Governance

### 薪酬及激勵機制 (續)

- 薪酬及激勵機制的主要特色 (續)
3. 以績效為本、與風險掛鈎的薪酬管理

員工的薪酬由「固定薪酬」和「浮動薪酬」兩部份組成。固薪和浮薪的比重在達致適度平衡的前提下，因應員工職級、角色、責任及職能而釐定。一般而言，員工職級愈高及／或責任愈大，浮薪佔總薪酬的比例愈大，以體現本集團鼓勵員工履行審慎的風險管理及落實長期財務的穩定性的理念。

每年本集團將結合薪酬策略、市場薪酬趨勢、員工薪金水平等因素，並根據本集團的支付能力及集團、單位和員工三個層次的績效表現，定期重檢員工的固薪。如前所述，量度績效表現的因素，包括定量和定性的，也包括財務及非財務指標。

按中銀香港集團浮薪資源總額管理機制的相關規定，中銀香港董事會主要根據本集團的財務績效表現、與中銀香港集團長期發展相關的非財務戰略性指標的完成情況，結合風險因素等作充分考慮後，審批集團浮薪資源總額。除按機制規定的有關公式計算外，中銀香港董事會可根據實際情況對本集團的浮薪資源總額作酌情調整。在中銀香港集團業績表現較遜色時（如未達至集團業績的門檻條件），原則上不發當年浮薪，惟中銀香港董事會仍有權視實際情況作酌情處理。

在單位及員工層面方面，浮薪分配與單位及個人績效緊密掛鈎，有關績效的度量須包含風險調節因素。風險控制職能單位人員的績效及薪酬評定基於其核心職能目標的完成情況，獨立於所監控的業務範圍；對於前線單位的風險控制人員，則透過矩陣式的匯報及考核機制確保其績效薪酬的合適性。在本集團可接受的風險水平以內，單位的績效愈好及員工的工作表現愈優秀，員工獲得的浮薪愈高。

### REMUNERATION AND INCENTIVE MECHANISM (Cont'd)

- Key Features of the Remuneration and Incentive Mechanism (Cont'd)
3. Performance-based and Risk-adjusted Remuneration Management

The remuneration of staff is composed of “fixed remuneration” and “variable remuneration”. The proportion of one to the other for individual staff members depends on job grades, roles, responsibilities and functions of the staff with the prerequisite that balance has to be struck between the fixed and variable portion. Generally speaking, the higher the job grades and/or the greater the responsibilities, the higher will be the proportion of variable remuneration so as to encourage the staff to follow the philosophy of prudent risk management and sound long-term financial stability.

Every year, the Group will conduct periodic review on the fixed remuneration of the staff with reference to various factors like remuneration strategy, market pay trend and staff salary level, and will determine the remuneration based on the affordability of the Group as well as the performance of the Group, units and individuals. As mentioned above, performance assessment criteria include quantitative and qualitative factors, as well as financial and non-financial indicators.

According to the Group Bonus Funding Mechanics of BOCHK, the size of the Variable Remuneration Pool of the Group is determined by the Board of BOCHK on the basis of the financial performance of the Group and the achievement of non-financial strategic business targets under the long-term development of the BOCHK Group. Thorough consideration is also made to the risk factors in the determination process. The size of the Pool is reached based on pre-defined formulaic calculations but the Board of BOCHK can make discretionary adjustment to it if deemed appropriate under prevailing circumstances. When the BOCHK group's performance is relatively weak (e.g. failed to meet the threshold performance level), no variable remuneration will be paid out that year in principle, however, the Board of BOCHK reserves the rights to exercise its discretion.

As far as individual units and individual staff are concerned, allocation of the variable remuneration is closely linked to the performance of the units, and that of each individual staff as well as the unit he/she is attaching to, and the assessment of which should include risk modifiers. The performance and remuneration arrangement of risk control personnel are determined by the achievement of their core job responsibilities, independent from the business they oversee; for front-line risk controllers, a matrix reporting and performance management system is applied to ensure the suitability of performance-based remuneration. Within the acceptable risk level of the Group, the better the performance of the unit and the individual staff, the higher will be the variable remuneration for the individual staff.

## 薪酬及激勵機制 (續)

- 薪酬及激勵機制的主要特色 (續)

### 4. 浮薪發放與風險期掛鈎，體現本集團的長遠價值創造

為實現薪酬與風險期掛鈎的原則，使相關風險及其影響可在實際發放薪酬之前有足夠時間予以充分確定，員工的浮薪在達到遞延發放的門檻條件下，按規定，以現金形式作遞延發放。就遞延發放的安排，本集團採取遞進的模式，員工工作涉及風險期愈長、職等愈高或浮薪水平愈高的崗位，遞延浮薪的比例愈大。遞延的年期為3年。

遞延浮薪的歸屬與本集團長遠價值創造相連結。遞延浮薪的歸屬條件與中銀香港集團未來3年每年的績效掛鈎，每年在中銀香港集團績效(含財務及非財務)達到門檻條件的情況下，員工按遞延浮薪的歸屬比例歸屬當年的遞延浮薪。若本集團或單位的績效表現估算需作重大修正、員工被證實犯欺詐、瀆職或嚴重違規的情況下，本集團便會索回員工並未歸屬的遞延浮薪，不予發放。

## REMUNERATION AND INCENTIVE MECHANISM (Cont'd)

- Key Features of the Remuneration and Incentive Mechanism (Cont'd)

### 4. *Linking the payout of the variable remuneration with the time horizon of the risk to reflect the long-term value creation of the Group*

To work out the principle of aligning remuneration with the time horizon of risk and to ensure that sufficient time is allowed to ascertain the associated risk and its impact before the actual payout, payout of the variable remuneration of staff is required to be deferred in cash if such amount reaches certain prescribed threshold. The Group adopts a progressive approach towards deferral. The longer the time horizon of risk in the activities conducted by the staff, the higher the job grade or the higher amount of the variable remuneration, the higher will be the proportion of deferral. Deferral period lasts for 3 years.

The vesting of the deferred variable remuneration is linked with the long term value creation of the Group. The vesting conditions are linked to the yearly performance (financial and non-financial) of the BOCHK Group in the next 3 years to the effect that the variable remuneration could only be vested to such extent as set for the relevant year in that 3-year period subject to the condition that the BOCHK Group's performance has met the threshold requirement in the corresponding year. In case of material revision of the original estimates of the performance of the Group or individual units, or if a staff is found to commit fraud, or found to be of malfeasance or in violation of internal control policies, the unvested portion of the deferred variable remuneration of the relevant staff will be clawed back.