Press Release

Directors Of The Year Awards 2004
Opens for Nomination
"Value Creation through Corporate Governance"

Hong Kong, 2 June 2004**,** The Hong Kong Institute of Directors (HKIoD) today launched the Directors Of The Year Awards 2004 and declared the opening for award nominations.

The awards celebrate and seek to recognize directors and board of directors for outstanding application of corporate governance practices and their on-going bid to raise professionalism within corporate Hong Kong. Worldwide exposure of corporate mismanagement has created a need for increased transparency and accountability. In recognition of the growing global awareness of the importance of good corporate governance, the Directors Of The Year Awards 2004 is fittingly themed "Value Creation through Corporate Governance".

Mr. Herbert Hui, Chairman of The HKIoD feels that the upcoming Awards would further highlight the intrinsic value of corporate governance. "Corporate governance should refer to the rules and incentives by which the management of a company is directed and controlled to maximize the profitability and long-term value of the firm for shareholders while taking into account the interests of other legitimate stakeholders," said Mr. Hui. "Good corporate governance creates value for the organization because having sound transparent corporate governance practice is a hallmark of a successful organisation. It builds confidence among investors, improves control of the organization, enhances goodwill and trust with stakeholders and the public," he added.

Organised by The Hong Kong Institute of Directors, Directors Of The Year Awards 2004 is co-organised by Financial Services and the Treasury Bureau, The Government of the HKSAR, Securities & Futures Commission and Hong Kong Exchanges and Clearing Limited. Lead sponsor of the event is Esprit Holdings Limited with JPMorgan as joint sponsor.

Mr. John Poon, deputy chairman, Esprit Holdings Limited stated, "The spirit of promoting good corporate governance should not rest solely with the government and the regulatory bodies as every company has a vested interest in the enhancement of its shareholder value. As a corporate citizen of Hong Kong, Esprit is committed to supporting this very important cause."

Other supporting organizations include government bureaus, services organizations, professional institutes and consultancy firms.

To elevate the standard of corporate governance in Hong Kong, The HKIoD believes best practices should be implemented and applied across the board from large commercial organisations to small enterprises. The Awards are a step forward in recognizing excellence among a wide spectrum of organizations and they are classified as follows:

Company Category

1. Companies Listed on the Main Board as constituent stocks of the Hang Seng Composite Index
2. Companies Listed on the Main Board (others)
3. Companies Listed on the GEM Board
4. Private Companies
5. Statutory/ Non-profit-distributing Organisations

Director Categories:

1. Executive Directors
2. Non-Executive Directors
3. Boards

This year, the categorizations of the Awards have been restructured and broadened for a wider scope of entries. The Main Board (Index) category is created to reflect the top listed companies that account for approximately 97% of the total market capital of the Hong Kong stock market. But since sound corporate governance creates value for companies of all sizes, Main Board (Others) and GEM Board are also created aiming to encourage more listed companies to come forth for the recognition in their corporate governance effort. Public nominations are welcome. To obtain award nomination forms and related particulars, please visit The Hong Kong Institute of Directors website at www.hkiod.com

Ir. Edmund Leung, Council Member of HKIoD and Chairman of Directors Of The Year Awards Organising Committee said, “Hong Kong needs strong corporate governance practices to cement its status as the financial hub in Asia. A strong reputation for good corporate governance among companies raises international confidence in Hong Kong and enhances our competitiveness in the global market."

Nominations will be closed on 30 July 2004. A panel of 23 distinguished judges, consisting of business leaders, professionals and regulators in Hong Kong, has been appointed to assess candidates and select the winners. The selection considerations for the Awards' Individual Director Categories include demonstration of effectiveness in strategic corporate business functions, contribution to board effectiveness, business ethics, leadership and any other outstanding achievements. Collective Board Categories will be assessed on the board composition, skill mix and competencies of directors, effectiveness in strategic corporate business functions, development and implementation of strategic plans and monitoring of performance, managing change, effectiveness of board committees, business ethics and other attributes.

Announcement of results and presentation of the Awards will be held on 30 November 2004.

About The Hong Kong Institute of Directors

The Hong Kong Institute of Directors is Hong Kong's premier body representing professional directors working together to promote good corporate governance and to contribute towards advancing the status of Hong Kong, both in China and internationally. Incorporated in Hong Kong on 1 February 1996 under the Companies Ordinance. Members of Institute of Directors (UK) Hong Kong Branch converted to Members of The Hong Kong Institute of Directors on 1 July 1997.

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The Launch Reception Proceedings can be reviewed at the following link:
http://events11.broadcastone.net/hkiod/20040602/default.htm