

<b>Meeting Date:</b>	Mon, 28 Apr 2014 15:00pm	<b>Type:</b>	AGM	<b>Issue date:</b>	Fri, 11 Apr 2014
<b>Meeting Location:</b>	Oasis Room, 8th Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong				
<b>Current Indices:</b>	PIRC SE Asia				
<b>Sector:</b>	Environmental & Facilities Services				

	PROPOSALS	ADVICE
1	<b>Adopt Directors' Report and Financial Statements</b> The annual report was provided to shareholders sufficiently before the date of the annual meeting for them to make an informed decision on the matters to be decided. The auditors report is not qualified. Acceptable proposal.	<b>For</b>
2	<b>Approve the dividend</b> The Board is proposing a final dividend of HK5.0 cents per share. Together with the 2013 interim dividend of HK3.5 cents per share, the total dividends for the year amounted to HK8.5 cents per share (2012: HK6.0 cents per share). This is covered by earnings. Acceptable proposal.	<b>For</b>
3.a.i	<b>Re-elect Mr. Tang Shuangning as director</b> Executive Chairman. He also serves as Chairman of China Everbright Group, the ultimate controlling shareholder with approximately 46% of the issued share capital. Where there is a controlling shareholders it is considered best practice for the chairman to be independent of the controlling shareholder to ensure minority shareholder rights are protected. As this is not the case, Triodos opposes this resolution.	<b>Oppose</b>
3.a.ii	<b>Re-elect Mr. Zang Qiutao as director</b> Executive Vice Chairman. He also serves as Vice Chairman of China Everbright Group, the ultimate controlling shareholder with approximately 48% of the issued share capital. A majority of the directors on the board are not connected to the controlling shareholder. Acceptable proposal.	<b>For</b>
3.b	<b>Authorise Board of Directors to fix Directors' remuneration</b> Director remuneration comprises Fees (USD:800,000) Salary (USD:8,267,000) Discretionary Bonuses (USD:10,080,000) and Pensions (USD:321,000). While the levels in themselves are not considered excessive, there are concerns over the discretionary nature of the annual bonus scheme, especially as it exceeded the salary and benefits figure, therefore Triodos opposes this resolution.	<b>Oppose</b>
4	<b>Re-elect Mr. Mar Selwyn</b> Non-Executive Director. Not independent as he has been on the board for more than nine years, there are insufficient independent directors on the board.	<b>Oppose</b>
5	<b>Re-elect Mr. Li Kwok Sing Aubrey</b> Non-Executive Director. Not independent as he has been on the board for more than nine years, there are insufficient independent directors on the board.	<b>Oppose</b>
6	<b>Appoint the auditors and allow the board to determine their remuneration</b> KPMG are proposed. Both for the year under review and on a three year basis the level of non-audit fee as a proportion of the audit fee did not exceed five percent. This level of fee does not raise concerns over the independence of the audit process. Acceptable proposal.	<b>For</b>
7.i	<b>Approve general share issue mandate</b> The authority sought is limited to 20% of issuance, which is in addition to any shares that may be issued by way of a rights issue, as awards of options, or as a scrip dividend. Within acceptable limits.	<b>For</b>
7.ii	<b>Authorise general share purchase mandate</b> The authority sought is limited to 10% of the issued share capital. Within acceptable limits.	<b>For</b>

**7.iii Extend share issue mandate by amount of shares repurchased**

**Oppose**

Authority is sought to extend the limit on the authority granted under the share issue mandate to include shares that have been repurchased. The share issue mandate already allows issuance without pre-emption rights of up to 20%. It is not clear why this might need to be extended, nor how it would be in shareholders' interests. Triodos opposes this resolution.

**\* = *Special resolution***

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Researcher: David Ellis  
Email: [pircresearch@pirc.co.uk](mailto:pircresearch@pirc.co.uk)

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Pensions & Investment Research Consultants Limited  
6th Floor  
9 Prescott Street  
London E1 8AZ

Tel: 020 7247 2323  
Fax: 020 7247 2457  
<http://www.pirc.co.uk>

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