

Corporate Governance

Overview of Governance Approach

The Group understands the value of good corporate governance to long-term sustainable success and attaches importance to the corporate stability that strong governance brings. It is committed to high standards of governance and has developed over many years an approach which both it and its stakeholders regard as appropriate to the nature of its business and the long-term strategy it pursues in its Asian markets. Having an effective corporate governance framework supports the Board in the delivery of the Group's strategy and supports long-term sustainable growth.

Group Structure

Jardine Matheson Holdings Limited (the 'Company') is the parent company of the Jardine Matheson Group (the 'Group'). Its management is therefore concerned both with the direct management of the Company's own activities, and with the oversight of the operations of other listed companies within the wider Group.

The structural relationship between the Group companies is considered to be a key element of the Group's success. By coordinating objectives, establishing common values and standards and sharing experience, contacts and business relationships, the Group optimises opportunities across the Asian countries in which it operates. The Company's system of governance is tailored to the Group's size, ownership structure, complexity and breadth of businesses. It is based on a well-trying approach to oversight and management, in which the individual subsidiaries and affiliates benefit from the Group's strategic guidance and professional expertise, while at the same time ensuring that the independence of their boards is respected and clear operational accountability rests with their executive management teams.

The Company is incorporated in Bermuda. The majority of the Group's business interests are located in China and Southeast Asia. The Company's equity shares have as their primary listing a standard listing on the Main Market of the London Stock Exchange (the 'LSE'), and the Company's primary regulator is the Financial Conduct Authority of the United Kingdom (the 'FCA').

The Disclosure Guidance and Transparency Rules (the 'DTRs') issued by the FCA require that this Report addresses all relevant information about the corporate governance practices applied by the Company and the Group beyond the requirements under Bermuda law.

The Company also has secondary listings in Singapore and Bermuda. As the Company has only secondary listings on these exchanges, the listing rules of such exchanges are not generally applicable. Instead, the Company must release the same information as it is required to release under the rules applicable to it as a standard listed company on the LSE, in compliance with the rules applicable to those exchanges in Singapore and Bermuda.

The Company's share capital is 59%-owned by Jardine Strategic Holdings Limited ('Jardine Strategic'), a Bermuda-incorporated 85%-owned subsidiary of the Company, which also has a primary listing on the standard segment in London and secondary listings in Singapore and Bermuda.

As announced on 8th March 2021, the Company is planning to simplify the parent company structure of the Group. The planned simplification will include the acquisition by the Company, for cash, of the c.15% of the issued share capital of Jardine Strategic that it does not already own. The Company also intends subsequently to effect the cancellation of Jardine Strategic's almost 59% shareholding in the Company.

Governance and Legal Framework

As a company incorporated in Bermuda, the Company is governed by:

- the Bermuda Companies Act 1981 (the 'Companies Act');
- the Bermuda Jardine Matheson Holdings Limited Consolidation and Amendment Act 1988 (as amended, the 'Special Act'), pursuant to which the Company was incorporated and the Bermuda Jardine Matheson Holdings Limited Regulations of 1993 (as amended, the 'Takeover Code') was established; and
- the Company's Memorandum of Association and Bye-laws.

The Takeover Code was established under the Special Act and is based on London's City Code on Takeovers and Mergers. It provides an orderly framework within which takeover offers can be conducted and the interests of shareholders protected.

Other mechanisms of acquisition that are available under the Companies Act include schemes of arrangement, amalgamation and mergers. The Companies Act provides an orderly framework within which such procedures can be conducted and the interests of shareholders protected in those circumstances.

The Bye-laws of the Company can be amended by the shareholders by way of a special resolution at a general meeting of the Company.

The Company's standard listing in London means that it is bound by many of the same rules as premium-listed companies under the Listing Rules, the DTRs, the Market Abuse Regulation¹ ('MAR') and the Prospectus Rules, including in relation to continuous disclosure, periodic financial reporting, disclosure of interests in shares, market abuse and the publication and content of prospectuses in connection with admission to trading or offering securities to the public. The Company is subject to regulatory oversight from the FCA, as the Company's principal securities regulator, and is required to comply with the Admission and Disclosure Standards of the Main Market of the London Stock Exchange. The Company and its directors are also subject to legislation and regulations in Singapore relating to insider dealing.

The Company is not required to comply with the UK Corporate Governance Code (the 'Code'), which applies to all premium-listed companies and sets out the governance principles and provisions which are expected to be followed by companies which are subject to the Code.

When the shareholders approved the Company's move to a standard listing from a premium listing in 2014, the Company stated that it intended to maintain certain governance principles on the basis as was then applicable to the Company's premium listing. As a result, the Company has adopted a number of governance principles (the 'Governance Principles') based on the then applicable requirements for a premium listing, which go further than the standard listing requirements.

The key elements of the Governance Principles are as follows:

- When assessing a significant transaction (a larger transaction which would be classified as a class 1 transaction under the provisions of the UK Listing Rules), the Company will engage an independent financial adviser to provide a fairness opinion on the terms of the transaction.
- If the Company carries out a related party transaction which would require a sponsor to provide a fair and reasonable opinion under the provisions of the UK Listing Rules, it will engage an independent financial adviser to confirm that the terms of the transaction are fair and reasonable as far as the shareholders of the Company are concerned.
- Further, as soon as the terms of a significant transaction or a related party transaction are agreed, an announcement will be issued by the Company providing such details of the transaction as are necessary for investors to evaluate the effect of the transaction on the Company.
- At each annual general meeting, the Company will seek shareholders' approval to issue new shares on a non-pre-emptive basis for up to 33% of the Company's issued share capital, of which up to 5% can be issued for cash consideration.
- The Company adheres to a set of Securities Dealing Rules which follow the provisions of MAR with respect to market abuse and disclosure of interests in shares.

The Management of the Group

Board

The Board is responsible for ensuring that the Group is appropriately managed and achieves the strategic objectives it sets, in a way that is supported by the right culture, values and behaviours throughout the Group.

The Directors have the full power to manage the business affairs of the Company, with the exception of matters reserved to be exercised by the Company in general meeting under Bermuda legislation or the Company's Bye-laws. Key matters that the Directors are responsible for include:

- responsibility for the overall strategic aims and objectives of the Group;
- establishing the Company's purpose and values;
- approval of the Group's strategy and risk appetite to align with the Group's purpose and values;
- approval and oversight of the Group policy framework and approval of appropriate Group policies;
- approval of the Annual Budget and monitoring of performance against it;
- oversight of the Group's operations;
- approval of major changes to Group's corporate or capital structure;
- approval of major capital expenditure and significant transactions (in terms of size or reputational impact);
- approval of interim and final financial statements upon recommendation from the Audit Committee, and interim management statements;
- approval of Annual Report and Accounts;
- approval of dividend policy and amount and form of interim and final dividend payments for approval by shareholders as required;

¹ The EU Market Abuse Regulation and, with effect from 1 January 2021, the UK Market Abuse Regulation.

- any significant changes to the Company's accounting policies or practices upon recommendation from the Audit Committee;
- appointment, reappointment or removal of the external auditor, subject to shareholders' approval, upon recommendation from the Audit Committee;
- approval of matters relating to the AGM (resolutions and shareholder documentation);
- approval of all shareholder circulars, prospectuses and listing particulars issued by the Company; and
- approval of material public announcements concerning matters decided by the Board.

Responsibility for certain matters, including the approval of borrowing facilities and of capital expenditure (other than major capital expenditure which is required to be approved by the Board) has been delegated by the Board to the Group management company, Jardine Matheson Limited ('JML').

Board Composition

The Board's composition and the way it operates provide stability, allowing the Company to take a long-term view as it seeks to grow its business and pursue investment opportunities.

As at 11th March 2021, the Board comprises 13 Directors, three of whom (23%) – Stuart Gulliver, Julian Hui and Michael Wu – are regarded as Independent Non-executive Directors. Two further Non-executive Directors – Anthony Nightingale and Percy Weatherall – do not have any executive responsibilities, nor have they been an employee of the Company or Group within the past five years, and they are sufficiently distanced from the day-to-day operations of the Company for the Company to take the view that they are independent directors, even though they have served on the Board for over nine years. The names of all the Directors and brief biographies appear on page 41 of this Report.

Ben Keswick has been Executive Chairman of the Board since 15th June 2020. John Witt has held the role of Group Managing Director from the same date. Ben Keswick previously held the roles of Executive Chairman and Managing Director on a combined basis from 1st January 2019.

The Board considers that there is a clear division of responsibilities between the Chairman and the Group Managing Director, in order to ensure an appropriate balance of power and authority.

Chairman

The Chairman's role is to lead the Board, ensuring its effectiveness while taking account of the interests of the Group's various stakeholders, and promoting high standards of corporate governance. The Chairman's principal responsibilities are in the areas of strategy, relationships, governance and people. He leads the Board in overseeing the long-term strategic direction of the Group and approving its key business priorities. His key responsibilities also include:

- leading the development of the culture and values of the Group (together with the Group Managing Director);
- supporting the development and maintenance of relationships with existing and new key business partners, governments and shareholders;
- ensuring (together with the Group Managing Director) an appropriate focus on attracting and retaining the right people and carrying out succession planning for senior management positions;
- creating a culture of openness and transparency at Board meetings;
- building an effective Board supported by a strong governance framework;
- ensuring all Directors effectively contribute to discussions and feel comfortable in engaging in healthy debate and constructive challenge;
- ensuring all Directors receive accurate, timely and clear information; and
- promoting effective communication between Executive and Non-executive Directors.

Group Managing Director

The role of Group Managing Director is to implement the strategy agreed by the Board and to manage the Group's operations. The Group Managing Director is responsible for developing the Group's strategy and ensuring its timely execution, as well as managing all aspects of the performance and management of the Group, with day-to-day responsibility for:

- the effective management of the Group's businesses;
- leading the development of the Company's strategic direction and implementing the agreed strategy;
- overseeing the Group's capital allocation, business planning and performance;
- identifying and executing new business opportunities;
- managing the Group's risk profile and implementing and maintaining an effective framework of internal controls;
- developing targets and goals for his executive team;
- ensuring effective communication with shareholders and key stakeholders and regularly updating institutional investors on the business strategy and performance;

- providing regular operational updates to the Board on all matters of significance relating to the Group's businesses or reputation;
- ensuring (together with the Chairman) an appropriate focus on attracting and retaining the right people and carrying out succession planning for senior management positions;
- deepening collaboration within the Group and with external partners; and
- fostering innovation and entrepreneurialism to drive the Group's businesses forward.

The Group Managing Director has been appointed by the Chairman as Managing Director of the Group's listed subsidiaries Hongkong Land Holdings Limited, Dairy Farm International Holdings Limited and Mandarin Oriental International Limited, pursuant to their respective Bye-laws.

Non-executive Directors

The Non-executive Directors bring insight and experience to the Board. They have responsibility for constructively challenging the strategies proposed by the Executive Directors and scrutinising the performance of management in achieving agreed goals and objectives.

Board Meetings

The Board usually holds four scheduled meetings each year and ad hoc meetings are held when appropriate to deal with urgent matters which arise between scheduled meetings. The majority of Board meetings are usually held in different locations around Asia and one Board meeting is usually held in Bermuda, at the same time as the Company's annual general meeting each May.

In 2020, due to travel restrictions imposed as a result of the pandemic, it was necessary to hold all four Board meetings virtually.

The Board receives high quality, up-to-date information for each of its meetings, which is provided to Directors via a secure online board information portal.

The Company's Directors who are based outside Asia will usually visit Asia on a regular basis to review and discuss the Group's businesses, as well as to participate in a series of strategy review meetings which precede each of the regular Board meetings. In 2020, all of these strategic reviews were held virtually as a result of the pandemic. These Directors are not directly involved in the operational management of the Group's business activities, but their knowledge of the Group's affairs, as well as their experience of the wider Group, provide significant value to the ongoing review by the Company of the Group's businesses and reinforce the Board oversight process.

Board and Committee Attendance

Directors are expected to attend all Board and relevant Committee meetings. The table below shows the attendance at the scheduled Board and Committee meetings:

	Board	Audit Committee
<i>Current Directors</i>		
Ben Keswick	4/4	
John Witt	4/4	
Y.K. Pang	4/4	
Graham Baker ¹	2/2	
David Hsu	4/4	
Jeremy Parr	4/4	
Adam Keswick	4/4	2/2
Stuart Gulliver	4/4	2/2
Julian Hui	4/4	
Alex Newbigging	4/4	
Anthony Nightingale	4/4	2/2
Percy Weatherall	4/4	
Michael Wu	4/4	
<i>Former Directors</i>		
Mark Greenberg ²	4/4	
Lord Sassoon ³	1/1	1/1

Notes:

¹ Graham Baker joined the Board on 15th June 2020.

² Mark Greenberg stepped down as a Director on 31st December 2020.

³ Lord Sassoon retired from the Board on 9th April 2020.

Appointment and Retirement of Directors

Each new Director is appointed by the Board and, in accordance with the Company's Bye-laws, is subject to retirement and reappointment at the first annual general meeting after appointment. Thereafter, Directors are subject to retirement by rotation requirements under the Bye-laws, whereby one-third of the Directors retire at the annual general meeting each year. These provisions apply to both Executive and Non-executive Directors, but the requirement to retire by rotation does not extend to the Chairman or Group Managing Director.

Simon Keswick and Lord Sassoon retired from the Board on 1st January 2020 and 9th April 2020, respectively. Graham Baker joined the Board with effect from 15th June 2020. Mark Greenberg stepped down from the Board of the Company with effect from 31st December 2020.

In accordance with Bye-law 84, Y.K. Pang, Alex Newbigging and Percy Weatherall will retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election. In accordance with Bye-law 91, Graham Baker will also retire at the forthcoming Annual General Meeting and, being eligible, offer himself for re-election. Graham Baker, Y.K. Pang and Alex Newbigging each have a service contract with a subsidiary of the Company that has a notice period of six months. Percy Weatherall does not have a service contract with the Company or its subsidiaries.

Operational Management

Operational management is delegated to the appropriate level, and coordination with the Group's listed subsidiaries is undertaken by the board of the Group management company, JML. The JML board meets regularly in Hong Kong and is chaired by the Group Managing Director. It has five other members, whose names appear on page 164 of this Report, including the Group Deputy Managing Director, Group Finance Director, Group General Counsel and Group Digital Director.

Company Secretary

All Directors have access to the advice of the Group Corporate Secretary, who is responsible for advising the Board on all governance matters.

Audit Committee

The Board is supported by the activities of the Audit Committee. Matters considered by the Audit Committee are set out in its terms of reference, a copy of which can be obtained from the Company's website at www.jardines.com.

The current members of the Board's Audit Committee are Stuart Gulliver, Anthony Nightingale, and Adam Keswick. None of these Directors is directly involved in operational management. Lord Sassoon retired as a member of the Audit Committee on 9th April 2020. Stuart Gulliver was appointed as the chairman of the Audit Committee with effect from 25th January 2021, in place of Anthony Nightingale, who remains as a member of the Audit Committee.

With the appointment of Stuart Gulliver, who is an Independent Non-executive director, as chairman of the Audit Committee, the Company considers that the Committee also now has a majority of independent members. Stuart Gulliver is also the member of the Committee with recent financial experience and expertise.

The Company's Chairman, Group Managing Director, Deputy Managing Director, Group Finance Director and Group General Counsel, together with representatives of the internal and external auditors, also attend the Audit Committee meetings by invitation. Other individuals may attend part of a meeting for specific agenda items as appropriate. The Audit Committee meets twice a year and reports to the Board after each meeting.

The role of the Audit Committee is governed by its terms of reference. The Committee's remit includes:

- independent oversight and assessment of financial reporting processes including related internal controls;
- risk management and compliance;
- overseeing the effectiveness of the internal and external audit functions;
- considering the independence and objectivity of the external auditors; and
- reviewing and approving the level and nature of non-audit work performed by the external auditors.

Prior to completion and announcement of the half-year and year-end results, a review of the Company's financial information and any issues raised in connection with the preparation of the results, including the adoption of any new accounting policies, is undertaken by the Audit Committee with the executive management and a report is received from the external auditors. The external auditors also have access when necessary to the full Board and other senior executives, and to the boards of the Group's operating companies.

The Audit Committee also keeps under review the nature, scope and results of the audits conducted by the internal audit function and the findings of the various Group audit committees.

The matters considered by the Audit Committee during 2020 included:

- reviewing the 2019 annual financial statements and 2020 half-yearly financial statements, with particular focus on the impact of COVID-19, provisioning and impairment assessments, assumptions that underpinned key valuation models and effectiveness of financial controls;
- reviewing the actions and judgements of management in relation to changes in accounting policies and practices, to ensure clarity of disclosures and compliance with new accounting standards;
- receiving reports from Internal Audit on the status of the control environment of the Group and its business divisions, and progress made in resolving matters identified in the reports;
- reviewing the principal risks, evolving trends and emerging risks that affect the Group, and monitoring changes to the risk profile, as well as the effectiveness of risk management measures and crisis management arrangements;
- receiving updates on the cybersecurity threat landscape and the Group's cybersecurity environment, risk management approach, priorities and control effectiveness;
- receiving reports from Risk Management and Legal functions on key legal matters and compliance and code of conduct issues, and the actions taken in addressing those issues and strengthening controls;
- reviewing the annual internal audit plan and status updates;
- reviewing and approving the revised terms of reference of the Group's Internal Audit and Risk Management function;
- approving the Group Tax Strategy;
- reviewing the biennial assessment of the effectiveness of PwC;
- reviewing the independence, audit scope and fees of PwC, and recommending their re-appointment as the External Auditor; and
- conducting a review of the terms of reference of the Audit Committee.

Remuneration

The Board has overall responsibility for setting remuneration across the Group, ensuring it is appropriate and supports the Group's strategy, creating value for stakeholders. The Company's policy is to offer competitive remuneration packages to its senior executives. It is recognised that, due to the nature of the Group and its diverse geographic base, a number of its senior executives are required to be offered international terms and the nature of the remuneration packages is designed to reflect this. Executive Directors joining from outside the Group may be offered an initial fixed-term service contract to reflect any requirement for them to relocate.

The Chairman, Group Managing Director and another Director who is not involved in the operation of the business, supported by Group Human Resources, meet when necessary to formulate and make decisions on remuneration and other benefits payable or made available to Executive Directors. Shareholders decide in general meetings the Directors' fees which are payable to the Chairman and all Non-executive Directors, as provided for by the Company's Bye-laws.

Certain Directors are discretionary objects under a trust created in 1947 (the '1947 Trust') which holds 35,915,991 ordinary shares in the Company representing 4.99% of the Company's issued share capital. Under the terms of the 1947 Trust, its income is to be distributed to a class of beneficiaries including senior executive officers and employees of the Company and its wholly-owned subsidiaries.

Remuneration in 2020

For the year ended 31st December 2020, the Directors received US\$64.4 million (2019: US\$59.9 million) in aggregate, being:

- Distributions from the 1947 Trust of US\$53.0 million (2019: US\$48.1 million); and
- Directors' fees and employee benefits from the Group of US\$11.4 million (2019: US\$11.8 million).

Directors' fees and employee benefits included:

- US\$0.3 million (2019: US\$0.4 million) in Directors' fees;
- US\$10.1 million (2019: US\$9.4 million) in short-term employee benefits including salary, bonuses, accommodation and deemed benefits in kind;
- US\$0.5 million (2019: US\$1.0 million) in post-employment benefits; and
- US\$0.5 million (2019: US\$1.0 million) in share-based payments.

The information set out in the section above headed 'Remuneration in 2020' forms part of the audited financial statements.

Share schemes

Share-based long-term incentive plans have been established to provide incentives for Executive Directors and senior managers. Share options are granted from time to time at the then prevailing market prices and they normally vest on or after the third anniversary of the date of grant. Grants may be made in a number of instalments. No options were granted in 2019 or 2020 and there are no current plans to grant further options. Share options are not granted to Non-executive Directors.

Share ownership by Directors

The Company believes that it is important to align the interests of shareholders and Executive Directors and that all Executive Directors should hold shares in the Company for the long-term. In 2019 the Company adopted a policy in relation to share ownership by Executive Directors, which requires all Executive Directors to hold Jardine Matheson shares with a value of 2.5 times their annual basic salary for the period while they are directors. New Directors are permitted two years from the commencement of their employment to accumulate the required level of shareholding, and the same period is applied to existing Directors who do not yet hold the required value of shares.

The table under 'Directors' Share Interests' on page 160 sets out shares in the Company held by Executive Directors of the Company as at the date of this Report.

Insurance and Indemnification

The Company purchases insurance to cover its Directors against their costs in defending themselves in civil proceedings taken against them in that capacity and in respect of damages resulting from the unsuccessful defence of any proceedings. To the extent permitted by law, the Company also indemnifies its Directors. Neither insurance nor indemnity arrangements provide cover where the Director has acted fraudulently or dishonestly.

Risk Management and Internal Control

The Board has overall responsibility for the Group's systems of risk management and internal control. The Board has delegated to the Audit Committee responsibility for providing oversight in respect of risk management activities. The Audit Committee considers the Group's principal risks and uncertainties and potential changes to the risk profile and reviews the operation and effectiveness of the Group's systems of internal control (financial, operational and compliance) and the procedures by which these risks are monitored and mitigated.

The Audit Committee considers the systems and procedures on a regular basis, and reports to the Board semi-annually. The systems of internal control are designed to manage, rather than eliminate, business risk; to help safeguard the Group's assets against fraud and other irregularities; and to give reasonable, but not absolute, assurance against material financial misstatement or loss.

Executive management oversees the implementation of the systems of internal control within the Group's operating companies, the responsibility for which rests with each company's board and its own executive management.

The Group has an established risk management process which is reviewed on a regular basis and covers all business units within the Group. This includes the maintenance of risk registers which detail the emerging and existing risks to the future success of the business and the relevant key controls and mitigating factors which address those risks. These are reviewed on a regular basis.

The effectiveness of these systems is monitored by the internal audit function, which is independent of the operations of the Company and other Group companies, and by a series of audit committees or risk management and compliance committees that operate in each major business unit across the Group. The internal audit function also monitors the approach taken by the business units to managing risk. The findings of the internal audit function and recommendations for any corrective action required are reported to the relevant audit committee and, if appropriate, to the Audit Committee of the Company.

The principal risks and uncertainties facing the Company are set out on page 162.

Delegations of Authority

The Group has in place an organisational structure with defined lines of responsibility and delegation of authority. Across the Group there are established policies and procedures for financial planning and budgeting, information and reporting systems, assessment of risk and monitoring the Group's operations and performance. The information systems in place are designed to ensure that the financial information reported is reliable and up-to-date.

Whistleblowing Policy

The Group has a whistleblowing policy covering the process by which employees can report matters of serious concern. The Audit Committee has responsibility for overseeing the effectiveness of the formal procedures for colleagues to raise such matters and is required to review any reports made under those procedures which are referred to it by the internal audit function. In January 2021 a new confidential whistleblowing service, called 'Speak Out', was launched to support colleagues in reporting such matters of serious concern and is intended to help foster an inclusive, safe and caring workplace. The service may be used by colleagues for situations where it is inappropriate or not possible to report a matter of concern to a manager, supervisor, HR or Legal representative.

Directors' Responsibilities in respect of the Financial Statements

The Directors are required under the Companies Act to prepare financial statements for each financial year and to present them annually to the Company's shareholders at the annual general meeting. The financial statements are required to present fairly, in accordance with International Financial Reporting Standards ('IFRS'), the financial position of the Group at the end of the year and the results of its operations and its cash flows for the year then ended. The Directors consider that applicable accounting policies under IFRS, applied on a consistent basis and supported by prudent and reasonable judgments and estimates, have been followed in preparing the financial statements. The financial statements have been prepared on a going concern basis.

Code of Conduct

The Group conducts business in a professional, ethical and even-handed manner. Its ethical standards are clearly set out in its Code of Conduct, which is a set of guidelines to which every employee must adhere and is reinforced and monitored by an annual compliance certification process. The Code of Conduct requires that all Group companies comply with all laws of general application, all rules and regulations that are industry specific and proper standards of business conduct. The Code of Conduct prohibits the giving or receiving of illicit payments and requires that all managers must be fully aware of their obligations under the code and establish procedures to ensure compliance at all levels within their organisations.

The Company's policy on commercial conduct underpins the Group's internal control process, particularly in the area of compliance. The policy is set out in the Code of Conduct.

Diversity and Inclusion

The Code of Conduct also encourages diversity and inclusion, and requires all employees to be treated fairly, impartially and with dignity and respect. As a multinational Group with a broad range of businesses operating across Asia and elsewhere in the world, the Group believes in promoting equal opportunities in recruiting, developing and rewarding its people regardless of race, gender, nationality, religion, sexual orientation, disability, age or background. The scale and breadth of the Group's businesses necessitate that they seek the best people from the communities in which they operate most suited to their needs.

Appointments to the Group's various boards, as well as senior management positions, are based on merit – an objective assessment of the fit of the prospective individuals and the needs of the Group.

The Company keeps the composition of its Board and senior management positions under review to ensure that it adapts to the changing business landscape. The Company recognises that gender diversity is an important issue and this is something it is actively focused on, with consistent improvement in this area. As of July 2020, nearly a quarter of colleagues at CEO level or the level below across our businesses are female, 36% of our management are women, and 56% of the latest intake of graduate trainees are women.

During the year, the Company appointed a Group Head of Diversity and Inclusion. This new role will lead initiatives to develop a Group-wide approach to diversity and inclusion and will work to ensure that an open and inclusive culture is integrated into the way each of the Group's businesses operates.

Directors' Share Interests

The Directors of the Company in office on 11th March 2021 had interests* as set out below in the ordinary share capital of the Company. These interests included those notified to the Company in respect of the Directors' closely associated persons*.

Ben Keswick	45,973,531 ^{(a) (b)}
John Witt	151,994
Y.K. Pang	415,000
Stuart Gulliver	50,000
David Hsu	111,958
Adam Keswick	39,170,204 ^{(a) (b)}
Alex Newbigging	34,366
Anthony Nightingale	1,186,780
Jeremy Parr	15,000
Percy Weatherall	39,137,689 ^{(a) (b)}

Notes:

(a) Includes 1,750,004 ordinary shares held by a family trust, the trustees of which are closely associated persons of Ben Keswick, Adam Keswick and Percy Weatherall.

(b) Includes 34,169,719 ordinary shares held by family trusts, the trustee of which is a closely associated person of Ben Keswick, Adam Keswick and Percy Weatherall.

* within the meaning of MAR

Graham Baker, who joined the Company as an Executive Director in June 2020, is subject to an obligation to build up a holding equivalent to 2.5 times his salary over two years.

In addition to the interests of the Directors set out in the table above, the interests for each of the Executive Directors include 35,915,991 ordinary shares in the Company held by the 1947 Trust, which the Executive Directors are interested in as discretionary objects under the 1947 Trust (as further described in the 'Remuneration' section above) and/or as the 1947 Trust is a closely associated person of certain of the Directors. For these purposes, such Directors are deemed to be interested in the 35,915,991 ordinary shares held by the 1947 Trust.

In addition, Ben Keswick, John Witt, Y.K. Pang, David Hsu, Adam Keswick, Alex Newbigging and Jeremy Parr held options in respect of 190,000, 90,000, 80,000, 30,000, 50,000, 90,000 and 50,000 ordinary shares, respectively, issued pursuant to the Company's share-based long-term incentive plans.

Substantial Shareholders

As a non-UK issuer, the Company is subject to the provisions of the DTRs, which require that a person must in certain circumstances notify the Company of the percentage of voting rights attaching to the share capital of the Company that person holds. The obligation to notify arises if that person acquires or disposes of shares in the Company which results in the percentage of voting rights which the person holds reaching, exceeding, or falling below, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75%.

The Company has been informed of the holding of voting rights of 5% or more attaching to the Company's issued ordinary share capital by Jardine Strategic and its subsidiary undertakings which are directly and indirectly interested in 426,938,290 ordinary shares carrying 59.31% of the voting rights. Apart from this interest and the interests disclosed under 'Directors' Share Interests' above, the Company is not aware of any holders of voting rights of 5% or more attaching to the issued ordinary share capital of the Company as at 11th March 2021.

There were no contracts of significance with corporate substantial shareholders during the year under review.

Related Party Transactions

Details of transactions with related parties entered into by the Company during the course of the year are included in note 37 to the financial statements on page 112.

Securities Purchase Arrangements

The Directors have the power under the Bermuda Companies Act and the Company's Memorandum of Association to purchase the Company's shares. Any shares so purchased shall be treated as cancelled and, therefore, reduce the issued share capital of the Company. The Board considers on a regular basis the possibility for share repurchases or the acquisition of further shares in Group companies, including shares in Jardine Strategic. When doing so, it considers the potential for the enhancement of earnings or asset values per share. When purchasing such shares, the Company is subject to the provisions of MAR.

During the year the Company repurchased and cancelled 12,116,009 ordinary shares for an aggregate total cost of US\$554.4 million. The ordinary shares, which were repurchased in the market, represented some 1.68% of the Company's issued ordinary share capital.

In addition, during the year Jardine Matheson International Services Limited, a wholly-owned subsidiary of the Company, acting in its capacity as trustee of The Jardine Foundation (a not-for-profit educational trust), purchased 20,000 ordinary shares of the Company in the market for a total cost of US\$1.0 million. The ordinary shares purchased represented some 0.003% of the Company's issued ordinary share capital. These 20,000 ordinary shares are included in the aggregate number of ordinary shares held by Jardine Strategic and the Company's other subsidiary undertakings, as referred to in the 'Substantial Shareholders' section above.

Annual General Meeting

The 2021 Annual General Meeting will be held on 6th May 2021. The full text of the resolutions and explanatory notes in respect of the meeting are contained in the Notice of Meeting which accompanies this Report. A corporate website is maintained containing a wide range of information of interest to investors at www.jardines.com.