



Hutchison Port Holdings Trust is a business trust constituted on 25 February 2011 under the laws of the Republic of Singapore and managed by Hutchison Port Holdings Management Pte. Limited.

RESPONSE TO QUERY IN RELATION TO ANNUAL REPORT 2019

Hutchison Port Holdings Management Pte. Limited, as trustee-manager (the “**Trustee-Manager**”) of Hutchison Port Holdings Trust (“**HPH Trust**”), refers to the following query raised by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 6 May 2020 relating to HPH Trust’s Annual Report for the financial year ended 31 December 2019 (the “**Report**”), and responds as follows:

The SGX-ST’s Query:

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the “**Code**”), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company (being the Trust-Manager) had deviated from Provision 8.1 of the Code with regards to the disclosure of remuneration (and in particular, the directors’ remuneration). Please clarify how the practices the Company had adopted are consistent with the intent of Principle 8 of the Code, which requires transparency on the Company’s remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

The Trustee-Manager’s Response:

The Trustee-Manager submits that the current disclosure in the Report is consistent with the intent of Principle 8 of the Code, in fulfilment of Listing Rule 710 of the Listing Manual of the SGX-ST, for the following reasons:

- (1) while there may be a deviation from Provision 8.1 of the Code insofar as the Trustee-Manager did not disclose the amount of each individual director’s remuneration, the aggregate amount of the directors’ fee has been disclosed to the unitholders of HPH Trust on page 17 of the 2019 annual report of the Trustee-Manager (in its own capacity) which has been despatched to the unitholders along with the Report;
- (2) the Trustee-Manager has explained in the Report the reason for not disclosing each individual director’s remuneration pursuant to Listing Rule 710. As explained, the directors are remunerated directly by the Trustee-Manager out of its fees, and not by HPH Trust. As disclosed in the Report, the remuneration of the Trustee-Manager which is paid out of HPH Trust is provided for in the Trust Deed constituting HPH Trust. The fees paid to the Trustee-Manager for the financial year ended 31 December 2019 are clearly set out on page 138 of the Report; and

- (3) acknowledging the need for transparency, the Trustee-Manager has instead disclosed qualitatively, the factors taken into account in determining such remuneration, including having reference to remuneration benchmarks from other listed business trusts (which clearly indicates to investors that the directors' remuneration is in line with market practice).

Given that the aggregate amount of the directors' remuneration and the bases and procedure for determining the directors' remuneration have been disclosed to the unitholders, while the individual remuneration of each director has not been disclosed in the Report, the Trustee-Manager submits that the disclosures on the remuneration practices adopted by the Trustee-Manager are consistent with the intent of Principle 8 of the Code.

Directors' remuneration

Notwithstanding the above, for the benefit of the unitholders, the Trustee-Manager would like to inform the unitholders that the remuneration of individual directors of the Trustee-Manager for the financial year ended 31 December 2019 is as follows.

Name of directors	Directors' fees (USD)
FOK Kin Ning, Canning (i)	60,000.00
Edith SHIH (i)	60,000.00
IP Sing Chi (ii)	60,000.00
TSIM Sin Ling, Ruth (i)	60,000.00
CHAN Tze Leung, Robert (i) & (iii)	80,000.00
Graeme Allan JACK (i) & (iv)	90,000.00
SNG Sow-Mei (i) & (iii)	80,000.00
WONG Kwai Lam (i)	60,000.00
Kevin Anthony WESTLEY (i)	60,000.00
	Total: USD610,000.00

Note:

- (i) Non-executive director
- (ii) Executive director
- (iii) Member of Audit Committee
- (iv) Chairman of Audit Committee

By Order of the Board

Hutchison Port Holdings Management Pte. Limited
(Incorporated in the Republic of Singapore with limited liability)
(as trustee-manager of Hutchison Port Holdings Trust)
(Company Registration No. 201100749W)

Ms Kim Yi Hwa
Company Secretary
13 May 2020

About HPH Trust

HPH Trust is a container port business trust listed in Singapore.

HPH Trust owns interests in world class deep-water container port assets located in two of the world's busiest container port cities by throughput - Hong Kong and Shenzhen, the People's Republic of China ("**PRC**"). Other assets in the HPH Trust portfolio include the port in Huizhou, PRC, as well as certain port ancillary services and the economic benefits of river ports complementary to the deep-water container ports operated by HPH Trust.

The investment mandate of HPH Trust is principally to invest in, develop, operate and manage deep-water container ports in the Guangdong Province, Hong Kong and Macau, one of the world's largest trading hubs by throughput.