

Schedule 5

[ss. 388 & 911]

Contents of Directors' Report: Business Review

1. A directors' report for a financial year must contain a business review that consists of—
 - (a) a fair review of the company's business;
 - (b) a description of the principal risks and uncertainties facing the company;
 - (c) particulars of important events affecting the company that have occurred since the end of the financial year; and
 - (d) an indication of likely future development in the company's business.

2. To the extent necessary for an understanding of the development, performance or position of the company's business, a business review must include—
 - (a) an analysis using financial key performance indicators;
 - (b) a discussion on—
 - (i) the company's environmental policies and performance; and
 - (ii) the company's compliance with the relevant laws and regulations that have a significant impact on the company; and
 - (c) an account of the company's key relationships with its employees, customers and suppliers and others that have a significant impact on the company and on which the company's success depends.

3. This Schedule does not require the disclosure of any information about impending developments or matters in the course of negotiation if the disclosure would, in the directors' opinion, be seriously prejudicial to the company's interests.
 4. This Schedule has effect in relation to a directors' report required to be prepared under section 388(2) as if a reference to the company were a reference to—
 - (a) the company; and
 - (b) the subsidiary undertakings included in the annual consolidated financial statements for the financial year.
 5. In this Schedule—

key performance indicators (關鍵表現指標) means factors by reference to which the development, performance or position of the company's business can be measured effectively.
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