

CONSTANCE GROUP

CONSTANCE HOTELS AND SERVICES LTD

Statement of Major Accountabilities

Separation of Roles and Responsibilities

There is a clear separation of responsibilities between the Chairman of the Board and the Constance Group Chief Executive Officer (“Constance Group CEO”). The Chairman has the overall responsibility to lead and ensure the effectiveness of the Board, which considers and approves the Constance Hotels Group’s overall strategy, policies, codes and charters and financial objectives. The Constance Group CEO is responsible for managing and leading the business of the Constance Hotels Group and for implementing the strategy and policies defined by the Board.

The Position Statements for the Chairman, Constance Group CEO, the CEO and other Key Senior Governance Positions are available for consultation on the Company’s website.

Chairman

The Chairman has the responsibility to ensure the smooth and efficient functioning of the Board and its Committees, to see that corporate governance matters are dealt with, to represent the Group externally and, particularly, to communicate with shareholders at their Annual Meeting. Working closely with the Constance Group CEO, the CEO, the Constance Group Head of Investments and Development and the Company Secretary, the Chairman also ensures that new Directors receive a full and formal induction to the Group and its businesses, and that all Directors are kept fully informed of relevant matters.

Constance Group CEO

The Constance Group CEO has the responsibility to make recommendations to the Board and to achieve the Constance Hotels Group’s strategic objectives. He is responsible for providing direction to the executive team of the Constance Hotels Group. He works closely with the Company’s CEO, Chief Operations Officer, Constance Group Head of Investments and Development and Constance Group Head of Finance.

CEO

The CEO has the responsibility to drive long-term wealth creation and return to shareholders of the Company through effective business development and brand management initiatives and to provide direction to the Company’s executive management team.

Other Key Senior Executive Governance Positions

Apart from the position of Constance Group CEO and CEO, the Board has clearly identified the following other Key Senior Governance Positions within the Constance Hotels Group: Constance Group Head of Investments & Development, Constance Group Head of Finance, CEO, Chief Operations Officer, Chief Marketing Officer, Group Human Resources Manager, Chief Information Officer and Risk & Compliance Manager. The job descriptions for these positions have been approved and are monitored and reviewed on a yearly basis by the Board.

Directors

The Directors of the Company are required to act with propriety in dealing with the affairs of the Company. They must accordingly:

- Not exceed their jurisdiction;
- Act in good faith and in the best interest of the Company;
- Exercise the degree of ethics, care, diligence and skill which a 'reasonably prudent person would exercise in comparable circumstances';
- Account to the Company for any monetary gain in respect of their fiduciary capacity as Director;
- Unless authorised by the Company, not make use of any confidential information acquired by way of their position as Directors of the company, or compete with the company;
- Not use the assets of the company for any illegal purpose;
- Declare any direct or indirect interests to the meeting of Directors of the Company which shall be duly recorded by the Secretary of the Company;
- Transfer or hold as trustee until transferred all cash or assets acquired on behalf of the Company;
- Attend meetings of the Board of the Company with reasonable regularity; and
- Keep proper accounting records and make such records available for inspection.

Company Secretary

The Company Secretary, supported by the Company's Secretariat, acts as a vital bridge between the Board and Senior Management. In effect, the Company Secretariat ensures good information flow to the Board and its Committees and between Senior Management and the Directors. The Company Secretariat facilitates the induction of Directors and assists them in fulfilling their duties and responsibilities. It has full access to the Directors and all Directors have access to its advice and services.

Through the Chairman, it is responsible for advising the Board on corporate governance matters and for keeping the Board up to date on all legal, regulatory and other developments. In addition, it ensures effective communication with Shareholders and provides assurance that Shareholders' interests are duly taken care of.

The function of the Company Secretary is outsourced to La Gaieté Services Limited, represented by Mrs Marie-Anne Adam and Mr Yan Bécharde. The latter are associate members of the Institute of Chartered Secretaries and Administrators (ICSA) and, as such, are qualified to act as Company Secretary and are obliged to uphold the highest standards of governance practice and ethical behaviour.