



SPORTS FEDERATION & OLYMPIC COMMITTEE OF HONG KONG, CHINA

For Immediate Release

Progress on the Enhancement of Corporate Governance of SF&OC

The Sports Federation & Olympic Committee of Hong Kong, China (SF&OC) accords high priority to the findings and recommendations from the Director of Audit's Report No. 74 and LegCo. Public Accounts Committee Report. In late 2020, an "Independent Steering Committee" (ISC) has been formed up and Mr. TANG King Shing (Convenor), Dr. York Y. N. CHOW and Mr. MA Ching Nam were appointed as members. The roles and responsibilities of ISC are (a) to supervise the working direction of Corporate Governance Team (CG Team) from a strategic perspective; (b) to monitor review progress, make recommendations and endorse review reports of CG Team; and (c) to ensure SF&OC has conducted necessary follow-up actions as recommended in the Director of Audit's Report No. 74. The ISC had held three meetings in December 2020, January and April 2021 in effectively monitoring the review progress conducted by CG Team and the implementation of Audit Report's and PAC's recommendations from the Audit Report by SF&OC. By August 2021, majority of the recommendations have been implemented while reviews on the policies and guidelines of "Selection of Athletes" and "Procurement" have been completed and eventually cleared by the Independent Commission Against Corruption. SF&OC will conduct a briefing to all National Sports Associations and Sport Organisations (NSAs/SOs) on 16 September 2021. Following which, the updated policies and guidelines will be implemented in the forthcoming international multi-sports games and uploaded onto SF&OC websites for reference.

In the meantime, in October 2020 SF&OC has established the CG Team, consists of three staff, with the aims of examining governance level and conducting review of nearly 80 NSAs/SOs. After two months' vigorous preparation and prior to the commencement of the review, a briefing was delivered to all NSAs/SOs on 23 November 2020 to explain the purpose, procedures, schedule of the review and to garner their supports. Furthermore, to cultivate cooperation and supports from NSAs/SOs, Mr. Timothy T. T. FOK, President of SF&OC, also met with representatives of 30 NSAs/SOs in November 2020, March and June 2021 to explain the aims and work procedures related to the corporate governance review.



SPORTS FEDERATION & OLYMPIC COMMITTEE OF HONG KONG, CHINA

Since December 2020 CG Team has commenced to review documents of NSAs/SOs against ICAC's "Best Practice Reference for Governance of National Sports Associations" published in 2011, Olympic Charter and the International Olympic Committee Code of Ethics, etc. Six major areas of review encompass Board Governance, Integrity Management, Selection of Athletes, Management of Coaches & Umpires, Administration of Membership and General Administration. By the end of August 2021, CG Team has completed reviewing 30 NSAs/SOs participating in Olympic Games (representing 37% of the target interviews of NSAs/SOs). Apart from checking of documents, CG Team also met and discussed with NSAs/SOs on difficulties encountered and exchange of views on ways to strengthen and improve the governance level. It is estimated that the first interim report on the review will be released by the first quarter of 2022.

With a view to strengthening the understanding on the corporate governance by NSAs/SOs, CG Team has arranged two seminars on the topics of "Corporate Governance for Sports Associations" and "Best Practice Reference for Governance of NSAs" by speakers from the Hong Kong Management Association and Independent Commission Against Corruption in December 2020 and January 2021 respectively. Both seminars were well received and attended by 107 and 178 representatives from 38 and 60 NSAs/SOs respectively.

Commencing in June 2021, CG Team proactively conducted outreach visits to those NSAs/SOs whereby reviews have yet been conducted. Taking the opportunities of their Board Meetings, CG Team explained the purposes and procedures of review to their Board members directly. By the end of August 2021, CG Team has completed five outreach visits. To closely monitor the work progress of CG Team, monthly meetings chaired by the Honorary Secretary General with three Honorary Deputy Secretary General of SF&OC are held. The progress of corporate governance review is also reported in SF&OC Board of Directors meetings. According to the pre-planned schedule, CG Team will complete reviews of all NSAs/SOs by the third quarter of 2023. A Review Report with analysis & findings on governance level of NSAs/SOs, and recommendations on feasible/practicable solutions will be compiled and submitted to the government for their consideration.

Issued by: Sports Federation & Olympic Committee of Hong Kong, China

Date: 14th September 2021