

CK Hutchison (UK) Limited - Section 172(1) Statement

Section 172 of the Companies Act 2006 requires directors of a company to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, having regard to a range of different matters as stated therein.

In addition to the matters prescribed under section 172, the Company also has due regard to other factors which it considers relevant to the decision being made. Those factors include, for example, the interests and views of members of the CK Hutchison Holdings Limited (“CKHH”) group and its lenders (who are also CKHH group companies). By considering the Company’s purpose, vision and values together with its strategic priorities and ensuring robust board processes are in place, the board of directors aims to ensure that its decisions are consistent and made in the best interests of the Company.

The board of directors delegates authority for day-to-day management of the Company to executives and then engages management in setting, approving and overseeing execution of the business strategy and related policies. The board of directors consider and, if thought fit, approve the Company’s activities by way of board meetings or written resolutions. As part of the board processes, directors receive supporting explanatory materials, additional verbal and/or written information from executives and independent professional advice, as and when required, to ensure that they have full access to the necessary information about the Company and, where deemed necessary, independent professional advice in discharging their section 172 duties. For example, each year the Company makes an assessment of the strength of its balance sheet and future prospects relative to market uncertainties and in 2022, the Company made the decision not to recommend payment of a dividend for year 2022. In making its decision, the Company considered a range of factors. These included the long-term viability of the Company; its expected cash flow and financing requirements; the ongoing need for strategic investment in its business and the interests, views and expectations of its shareholder as the supplier of long-term equity capital to the Company.

As the principal activity of the Company is to act as a holding company for other subsidiary undertakings of CKHH, the Company has had no commercial business, and no employees, customers nor suppliers during the period and as such the breadth of stakeholder and other considerations that would often apply in operating or commercial trading companies have generally not applied to the decisions made by the directors.

25th September 2023