



**TERMS OF REFERENCE OF
THE RISK MANAGEMENT COMMITTEE**

(effective on 29 December 2022)

TERMS OF REFERENCE OF THE RISK MANAGEMENT COMMITTEE
(the “Committee”)

1 Constitution

1.1 The Committee was formed pursuant to the Board resolution of the Company passed on 22 July 2009

2 Membership

2.1 The Committee shall comprise not less than three members, a majority of which shall be Independent Non-executive Directors.

2.2 Members of the Committee shall be appointed by the Board.

2.3 The Chairman of the Committee shall be appointed by the Board and shall be an Independent Non-Executive Director.

2.4 The term of office of the members of the Committee shall be in congruence with the term of the Board and the members may be re-elected for appointment upon the expiry of the current term of office. During the term, any member ceases to hold office as a director will automatically lose the qualification as a member and the Board shall appoint replacement in accordance with article 2.2 above.

3 Quorum

3.1 The quorum of meetings of the Committee shall be two or more members present in person or by telephone conference or by some other means the Committee thinks fit. Each member shall have one vote and the resolutions proposed at the meeting must be approved by a majority of all members who attend devote at the meeting.

4 Frequency and Proceedings of meetings

4.1 The Committee shall hold at least one meeting each year and the meeting shall be chaired by the chairman of the Committee. In the absence of the chairman of the Committee, the other members present shall elect one of them to chair the meeting.

4.2 The meetings and proceedings are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of Directors.

4.3 Only members of the Committee have the right to attend the Committee meetings. However, any director, executive or other person(s) may be invited to attend the meetings when the Committee considers that their attendance can assist it to discharge its duties.

4.4 Meetings of the Committee may be convened by the Chairman of the Committee or at the request of the Board.

5 Powers

- 5.1 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek information it requires from any employee and all employees are directed to co-operate with request made by the Committee.
- 5.2 The Committee is authorised by the Board to obtain external legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

6 Duties

The Committee shall have the following duties and functions::

- 6.1 To enhance and strengthen the system of risk management of the Company and its subsidiaries (together as the "Group") and provide comments and recommendations thereon the Board;
- 6.2 Identify the risks of the Group and provide recommendations to the Board; and
- 6.3 Other matters authorized by the Board.

7 Reporting procedures

- 7.1 The Committee should report to the Board on a regular basis on its decisions or recommendations and on the matters set out in these terms of reference, unless there are legal or regulatory restrictions on its ability to do so.
- 7.2 Full minutes of the meetings of the Committee should kept by the secretary of the Company, which should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Committee members or dissenting views and expressed. Draft and final versions of minutes of the committee meetings should be sent to all members of the Committee for their comment and records respectively within a reasonable time after the meeting.
- 7.3 The secretary or his representative shall circulate the minutes of meetings and reports of the Committee to all members of the Board.

8 Interpretation

Interpretation of this terms of reference shall belong to the Board.