



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

(effective on 1st April, 2012)

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 nominated by the Chairman of the Board of the Company and 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 for committee meeting.

4 Proceedings of meetings

- 4.1 The meeting and proceeding are governed by the provisions contained in the memorandum and articles of association of the Company for regulating meetings and proceedings of Directors.

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:

- 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.