



# KVB KUNLUN FINANCIAL GROUP LIMITED

## 昆侖國際金融集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 6877)

### Terms of Reference – Corporate Governance Committee

#### 1. Constitution

The board of directors (the “**Directors**”) of KVB Kunlun Financial Group Limited (“the **Company**”) (the “**Board**”) has resolved the establishment of the corporate governance committee of the Company (the “**Committee**”) on 18 December 2012 and has adopted the following terms as the terms of reference for the Committee. Such terms of reference for the Committee has been amended and adopted pursuant to resolutions of the Board dated 13 December 2017.

#### 2. Members

- 2.1 Members of the Committee shall be appointed by the Board from among the Directors and shall comprise not less than three members and a majority of independent non-executive Directors.
- 2.2 The term of each Committee member shall be the same as his/her term as a Director. Subject to the constitutions of the Company and the applicable laws and regulations, any member of the Committee may be re-appointed by the Board and continue to act as a member of the Committee upon the expiry of his/her term of appointment relating thereof.
- 2.3 A member of the Committee who ceases to be a member of the Board shall immediately and automatically cease to be a member of the Committee.
- 2.4 The chairman of the Committee (the “**Committee Chairman**”) shall be appointed by the Board from time to time. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

#### 3. Committee Secretary

The company secretary of the Company shall act as the secretary of the Committee (the “**Committee Secretary**”). The Committee may, from time to time, appoint any other person with the appropriate qualification and experience as the Committee Secretary. The Committee Secretary or in his/her absence, his/her representative or any one member of the Committee, shall be the secretary of the meeting.

#### **4. Frequency of Meetings**

- 4.1 Meetings shall be held as and when appropriate, but at least once a year.
- 4.2 The Committee Chairman shall convene a meeting upon request by any member of the Committee.

#### **5. Conduct of Meetings**

- 5.1 Unless specified by these terms of reference, meetings and proceedings of the Committee shall be governed by the Company's articles of association regulating the meetings and proceedings of the Directors.
- 5.2 Unless otherwise waived by all members of the Committee, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee in a timely manner and at least 3 days before the date of the meeting. Supporting papers shall be sent to the Committee members and to other attendees as appropriate, at the same time.
- 5.3 The quorum of the Committee shall be any two members of the Committee. Meetings could be held in person, by telephone or by video conference. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 5.4 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the members of the Committee present. Subject to compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the applicable laws and regulations, a resolution in writing signed by all the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
- 5.5 The Committee may invite any member of the senior management of the Company (the "**Senior Management**"), any Director, external advisers or any other persons to attend all or part of any meetings as the Committee consider appropriate, notwithstanding that the aforementioned persons shall not have a right to vote at such meetings.

#### **6. Annual General Meetings**

The Committee Chairman, or in his/her absence, another member of the Committee, or failing which his/her duly appointed alternate shall attend the annual general meetings of the Company and be available to answer questions thereat on the Committee's activities and its responsibilities.

## **7. Authority**

- 7.1 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- 7.2 The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise at meetings of the Committee if it considers this necessary.
- 7.3 Management of the Company is obliged to supply the Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a member of the Committee requires more information than is volunteered by the management of the Company, the relevant member of the Committee should make additional necessary enquiries. Each member of the Committee shall have separate and independent access to the management of the Company.
- 7.4 The Committee shall be provided with sufficient resources to perform its duties.

## **8. Duties**

- 8.1 The duties of the Committee shall include, without limitation, the following:
  - (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
  - (b) to review and monitor the training and continuous professional development of the Directors and the Senior Management;
  - (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
  - (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Directors and the employees of the Company and its subsidiaries;
  - (e) to review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report as required under the Listing Rules; and
  - (f) to make any other recommendations to the Board as it deems appropriate on any area within its scope of duties where action or improvement is needed.

## **9. Reporting Procedures**

- 9.1 Full minutes of the Committee's meetings shall be recorded and kept by the Committee Secretary and such minutes shall be available for inspection at any reasonable time on prior reasonable notice by any Director.
- 9.2 Draft and final versions of minutes of the Committee's meetings should be sent to all members of the Committee for their comment and records, within a reasonable time after such meetings.
- 9.3 The Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless prohibited by applicable laws and regulations.

## **10. Terms available**

The Committee shall make available these terms of reference without charge on request and by inclusion on the website of The Stock Exchange of Hong Kong Limited and the Company's website.