



中基長壽科學

ZHONG JI LONGEVITY SCIENCE

**Zhong Ji Longevity Science Group Limited**

**中基長壽科學集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 767)**

## **TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE**

### **1. CONSTITUTION**

The board of directors (the “**Board**”) of Zhong Ji Longevity Science Group Limited (the “**Company**”) has established a committee known as the risk management committee (the “**RM Committee**”).

### **2. MEMBERSHIP**

The members of the RM Committee shall be appointed by the Board and shall consist of not less than three (3) members. A majority of the members of the RM Committee should be independent non-executive directors.

Unless otherwise determined, quorum for a meeting of the RM Committee shall be two (2) members.

### **3. CHAIRMAN**

The chairman of the RM Committee shall be appointed by the Board, provided that if he or she is not in attendance at any meeting of the RM Committee, the members in attendance may appoint a chairman for that meeting.

### **4. ATTENDANCE AT MEETINGS**

The chief executive officer, the chief financial officer and/or head of accounting department of the Company and its subsidiaries (together, the “**Group**”), if requested, shall attend meetings of the RM Committee. Other Board members shall have the right of attendance.

## **5. SECRETARY**

The company secretary shall act as the secretary at any meeting of the RM Committee and, if the company secretary is absent, the chairman of the RM Committee shall appoint a person, who need not be a member, to act as the secretary of the meeting.

## **6. NOTICE**

Notice of the time and place of each meeting of the RM Committee must be given to each member not less than three (3) business days before the time when the meeting is to be held.

## **7. VOTING**

At all meetings of the RM Committee, any question shall be decided by a simple majority of votes cast by members of the RM Committee attending the meeting and voting on the question.

## **8. RESOLUTION IN WRITING**

Except as required by laws, a resolution signed by all of the members of the RM Committee is as valid as if it had been passed at a meeting of the RM Committee.

## **9. FORM OF MEETING**

Any member of the RM Committee may participate in a meeting of the RM Committee by means of such telephonic, electronic or other communication facilities that permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

## **10. AUTHORITY**

The RM Committee may exercise powers to seek any information it requires from any employee of the Group and any professional advisers in order to perform its duties, to require any of them to prepare and submit reports and to attend the RM Committee meetings and to supply information and address the questions raised by the RM Committee.

## 11. DUTIES

The duties of the RM Committee include:

- (a) to consider the Group's risk management and internal control ("RM & IC") strategies;
- (b) to consider, review and approve RM & IC policies and guidelines;
- (c) to decide on risk levels, risk appetite and related resource allocation;
- (d) to approve major decisions affecting the Group's risk profile or exposure and give such directions as it considers appropriate;
- (e) to approve major risk management activities such as advance to an entity and hedging transactions;
- (f) to review and monitor the Group's RM & IC systems, assess their effectiveness and report any findings (including any deficiencies, failures or risks noted) to the Board via the audit committee of the Company at least two times per year or as and when any material deficiency, failure or risk is noted. In its report to the Board via the audit committee, the RM Committee should also confirm whether the Group's RM & IC systems are effective and adequate and whether the Group's processes for financial reporting and Listing Rules compliance are effective; and
- (g) to provide advice on the Group's RM & IC systems and recommend any changes or improvements thereto (if necessary) to the Board via the audit committee of the Company.