



**中国太平**  
**CHINA TAIPING**

**中國太平保險控股有限公司**

China Taiping Insurance Holdings Company Limited

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 966)

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

# **CHINA TAIPING INSURANCE HOLDINGS COMPANY LIMITED**

## **Terms of Reference of Risk Management Committee**

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### ***Constitution and purpose***

1. The risk management committee (“the Committee”) was formed pursuant to the board resolution of CHINA TAIPING INSURANCE HOLDINGS COMPANY LIMITED (“the Company”) passed on 30 December 2015.
2. The purpose of the Committee is to oversee the Company’s and the subsidiaries’ (collectively, “the Group”) overall risk management framework with a focus on the second line of defense and to advise the Board on the Group’s risk-related matters.

### ***Membership and quorum***

3. The members of the Committee shall be appointed by the Board from amongst the directors of the Company and shall consist of not less than three members at least one of whom is an independent non-executive director. A quorum shall be two members.
4. The chairman of the Committee shall be appointed by the Board.
5. 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.
6. The company secretary shall be the secretary of the Committee. The secretary of the Committee or in his absence, his representative or any one member, shall be the secretary of the meetings of the Committee.

### ***Frequency of meetings***

7. Meetings shall be held not less than once a year.

### ***Authority***

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

### ***Duties***

10. The duties of the Committee shall be:
  - (a) to consider the overall objective and policies of the Group’s comprehensive risk management system;
  - (b) to review the Group’s risk management system, including but not limited to risk management structure, functions and workflows, and to discuss the risk management system with management to ensure that management has performed its duty to have effective system;

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- (c) to assess the risks from major decisions and to consider solutions for significant risks, and to be responsible for providing guidance about risk prevention on the Group's operational management process ;
- (d) to have periodic assessment on the Group's risk profile and risk management capabilities, and to make recommendations on the improvement of the Group's risk management systems and internal controls;
- (e) to consider the Group's annual related party transactions report, risk management report and compliance report;
- (f) to consider major investigations findings on risk management matters as delegated by the Board or on its own initiative and management's response to these findings;
- (g) to consider any other matters in relation to risk management responsibilities to be performed by board committee under the Appendix 14 "Corporate Governance Code and Corporate Governance Report" of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and
- (h) to consider other topics, as defined by the Board.

***Reporting procedures***

11. The secretary of the Committee or his representative shall circulate the minutes of meetings and reports of the Committee to all members of the Board.

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