

**TERMS OF REFERENCE OF THE BOARD (“Board”) OF
CMU OMNICLEAR LIMITED (“CMU OMNICLEAR”)**

Membership

1. The Board shall consist of not less than 2 members (“Directors”), and there shall be no maximum number of directors.
2. The shareholders may appoint any person as a director either to fill a casual vacancy or as an addition to the existing directors. The Board may appoint any person as a director to fill a casual vacancy. The rotation of Directors would be arranged to ensure continuity and stability of the Board.
3. The Chairperson shall be elected by the Board. A Deputy Chairperson may also be elected by the Board. The appointment of the Chairperson and the Deputy Chairperson (if any) are subject to shareholders’ approval.

Frequency and proceedings of meetings

4. Board proceedings shall be governed by CMU OmniClear’s Articles of Association.
5. The Board shall meet at least quarterly and may be held by video- or tele-conference or by circulation as necessary or convenient/efficient. Additional meetings should be held as the work of the Board demands. Notice of meetings shall be given to all Directors.
6. Two Directors shall be a quorum. The Chairperson of the Board shall chair meetings, and the Deputy Chairperson of the Board shall chair meetings in the Chairperson’s absence.
7. The Chairperson shall have a second or casting vote in the case of an equality of votes, and this power shall be exercised at the Chairperson’s own discretion.
8. In addition to the Directors, other executives will from time to time be invited to attend the meeting to provide information on matters to be addressed at such meeting.

Duties, powers and functions

9. The duties, powers and functions of the Board shall be as follows:
 - (a) To oversee the management of the business of CMU OmniClear and its subsidiaries (if any) in accordance with CMU OmniClear’s Articles of Association;
 - (b) To monitor compliance with CMU OmniClear’s Articles of Association, the law, rules and regulations governing CMU OmniClear, and requirements of its shareholders;
 - (c) To supervise CMU OmniClear’s management to act in the interest of its shareholders, having due regard to the interest of the public¹ ; and

¹ The interest of the public in financial stability and the maintenance and development of Hong Kong’s status as an international financial centre

(d) Without prejudice to the generality of the foregoing:-

- (i) To establish, adopt and review CMU OmniClear's vision and mission;
- (ii) To oversee and enhance CMU OmniClear's development, to recommend its strategic and business plan, and financial budget to shareholders;
- (iii) To form any committee(s) or panel(s), appoint members thereto, delegate at any time and from time to time to any person or committee(s) or panel(s), any of its powers and functions conferred on it hereunder, review and approve the reports of the committee(s) and panel(s), review their performance and revise their composition and terms of reference as appropriate;
- (iv) To oversee all matters and to formulate policies in relation to CMU OmniClear's internal controls, businesses and corporate accommodation, investment, succession plans, remuneration and compensation for Directors and employees, risk management, corporate governance and corporate social responsibility, and to supervise CMU OmniClear's management to implement such policies;
- (v) To select, appoint, evaluate and, if necessary, remove CMU OmniClear's Company Secretary;
- (vi) To approve appointments of executives to CMU OmniClear's Management Committee;
- (vii) To review CMU OmniClear's performance against targets and objectives;
- (viii) To be responsible for the preparation of the true and fair presentation of the financial statements in accordance with the prevailing accounting standards and laws, to approve the financial statements and to appoint and liaise with CMU OmniClear's external auditor;
- (ix) To consider and, if appropriate, declare or recommend to shareholders on appropriation of profit, payment of dividend and allocation to reserve account;
- (x) To liaise with all regulatory authorities and organisations on all matters relating to CMU OmniClear, and to monitor changes in their policies relating to and affecting CMU OmniClear;
- (xi) To convene general meetings and to make proposals for the approval of the shareholder(s) thereat;
- (xii) To engage such external legal or other professional advisers to assist and/or advise it on issues as it considers necessary;
- (xiii) To have full and free access to CMU OmniClear's information to ensure informed decision making; and
- (xiv) To do any such things to enable the Board to discharge its obligations and responsibilities.

Review

10. The Board shall periodically review the adequacy of these Terms of Reference and make appropriate amendments, as and when required, to ensure that they remain relevant to CMU OmniClear's objectives.

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