

FUTURE BRIGHT HOLDINGS LIMITED

佳景集團有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 703)

Risk Committee – Terms of Reference

(Adopted on 14 March 2016)

1. **Constitution**
The Board of Future Bright Holdings Limited (the “**Company**”) has resolved to establish a committee of the Board known as the Risk Committee (the “**Committee**”).
2. **Membership**
 - 2.1 The members of the Committee shall be appointed by the Board and shall consist of at least 3 directors, a majority of whom shall be independent non-executive directors of the Company.
 - 2.2 The Chairman of the Committee shall be an independent non-executive director appointed by the Board.
3. **Attendance at Meetings**
 - 3.1 If requested by the Committee, the managing director, the financial controller, members of the internal control staff and other members of the Executive Directorate shall attend meetings of the Committee.
 - 3.2 At the discretion of the Committee, others (including other members of the Board, other members of the Executive Directorate, other officers or employees of the Company and other persons external to the Company) might be invited to attend meetings or parts of meetings.
 - 3.3 A member of the internal control staffs or the Company Secretary (or his/her delegate) shall be the Secretary of the Committee.
4. **Quorum**
The quorum necessary for the transaction of business of the Committee shall be at least two members of the Committee of which two must be independent non-executive director members. 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. **Frequency of Meetings**
Meeting will be held as frequently as the Committee considers appropriate but no less than once every 6 months. The Chairman at his own discretion or any two members jointly can request a meeting of the Committee.
6. **Notice of Meetings**
Meetings shall be summoned by the Secretary of the Committee at the direction of the Chairman of the Committee. An agenda and accompanying papers shall be circulated to all members in a timely manner. Such papers and related materials shall be in a form and quality as will enable the Committee to make an informed decision on the matters placed before it.

* *For identification purpose only*

7. **Authority**
- 7.1 The Committee is authorized by the Board to investigate any activity within its terms of reference. Its work is advisory to the Board. It is authorized to seek from the Company, the members of the Executive Directorate, employees and advisers any information it reasonably requires in order to perform its duties and, upon receipt of a request for such information, the Company and the members of the Executive Directorate, employees and advisers will use their reasonable endeavours to ensure that such information is provided promptly.
- 7.2 The Committee is not responsible for supervising the performance of any members of the Executive Directorate (nor mandated to do so) and is not required to become involved in day to day operations, management functions or decision making.
- 7.3 The Committee is authorized to obtain outside independent professional advice if it considers this necessary and to secure the attendance of external professional advisers at its meetings if it considers this necessary. The Company will pay for any expenses reasonably incurred.
8. **Duties**
- The duties of the Committee shall be to:
- (a) review the Company's enterprise risk management framework, and the guidelines, policies and procedures for risk assessment and risk management;
 - (b) review the Company's major risks (including, without limitation, operational, service performance, regulatory, financial and organizational risks) and key emerging risks and the controls in place to mitigate such risks;
 - (c) monitor the Company's risk profile, which may change as a result of changes in the Company's business or changes in the external environment;
 - (d) conduct periodic "deep dive" reviews on selected key risk areas, as the Committee deems appropriate;
 - (e) review the effectiveness of the enterprise risk management function, including staffing level and qualification as well as risk reports and breaches of risk tolerances and policies; and
 - (f) review the Company's crisis management arrangements.
9. **Reporting Procedures**
- 9.1 The Committee should report to the Board on a regular basis, and the members of the Committee shall cause minutes to be made of all resolutions and proceedings of the Committee including the names of all those present and in attendance at meetings of the Committee. Minutes of Committee meetings shall record in sufficient detail the matters considered by the Committee members and decisions reached, including any concerns raised by Committee members and dissenting views expressed.
- 9.2 The minutes of Committee meetings shall be circulated by the Secretary of the Committee (or his/her delegate) to all members of the Committee for their comments and record respectively, in both cases within a reasonable time after the Committee meeting is held. Such minutes shall also be available, if requested, to other members of the Board.

This document is in English and Chinese. In case of any inconsistency, the English version shall prevail.