



**中国科技产业集团有限公司**  
**CHINA TECHNOLOGY INDUSTRY GROUP LIMITED**  
*(incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 8111)

**Terms of reference of  
the Corporate Governance Committee of the Board of Directors**

# **China Technology Industry Group Limited (“Company”)**

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## **Terms of reference of the Corporate Governance Committee (“CGC”) of the Board of Directors (“Board”) of the Company**

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### **1. Membership**

- 1.1 The CGC shall comprise not less than three members to be appointed by the Board.
- 1.2 The Board shall appoint the chairman of the CGC.
- 1.3 Only members of the CGC have the right to attend the CGC meetings. However, any director, executive or other person may be invited to attend the meetings when the CGC considers that their attendance can assist it to discharge its duties.
- 1.5 A CGC member may not appoint any alternate.

### **2. Frequency and proceedings of meetings**

- 2.1 The CGC shall meet at least once a year and at such other times as the chairman of the CGC shall require.
- 2.2 The quorum for meetings of the CGC shall be two directors. A duly convened meeting of the CGC at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in the CGC.
- 2.3 CGC members may pass resolutions by way of written resolutions, but such must be passed by all CGC members in writing.

### **3. Secretary**

- 3.1 The company secretary of the Company or his nominee shall act as the secretary of the CGC.

#### **4. Notice of Meetings**

- 4.1 Meetings of the CGC shall be convened by the chairman of the CGC. In the absence of the chairman of the CGC, the remaining members present shall elect one of them to chair the meeting. For the avoidance of doubt, the chairman of the Board shall not chair the meeting of the CGC when it is dealing with the succession of chairmanship.
- 4.2 Unless otherwise agreed, notice of each meeting setting out the venue, time and date together with the agenda of items to be discussed, shall be forwarded to each of the members of the CGC and any other person required to attend at least seven working days before the meeting date. Supporting papers shall be sent at least three working days before the meeting.
- 4.3 A CGC member may or, on the request of a CGC member, the secretary to the CGC shall, at any time summon a CGC meeting. Notice shall be given to each CGC member in person orally or in writing or by telephone or by email or by facsimile transmission at the telephone or facsimile or address or email address from time to time notified to the secretary by such CGC member or in such other manner as the CGC members may from time to time determine.
- 4.4 Any notice given orally shall be confirmed in writing as soon as practicable and before the meeting.

#### **5. Minutes of the Meetings**

- 5.1 Minutes of the CGC meetings shall record in sufficient detail the matters considered in the meetings and decisions reached, including any concerns raised and dissenting views expressed. Draft and final versions of minutes of the meetings should be sent to all CGC members for their comments and records within fourteen working days after the meeting and unless there is a conflict of interest, to all other members of the Board.
- 5.2 The secretary of the CGC shall keep the minutes and resolutions passed at the CGC meetings and they should be open for inspection at any reasonable time on reasonable notice by any director save when there is a conflict of interest.

#### **6. Annual General Meeting**

- 6.1 The chairman of the CGC shall attend the Annual General Meeting of the Company and be prepared to respond to shareholders' questions on the activities of the CGC.

#### **7. Duties**

- 7.1 The CGC shall:

7.1.1 develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;

- 7.1.2 review and monitor the training and continuous professional development of directors and senior management of the Company and its subsidiaries;
- 7.1.3 review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- 7.1.4 develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors of the Company and its subsidiaries;
- 7.1.5 review the Company's compliance with the Code on Corporate Governance Practices in Appendix 15 to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and disclosure in the Corporate Governance Report;
- 7.1.6 prepare the annual Corporate Governance Report for the Board's consideration and approval for disclosure; and
- 7.1.7 do any such things to enable the CGC to discharge its powers and functions conferred on it by the Board.

## **8. Reporting Responsibilities**

- 8.1 The CGC chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 8.2 The CGC shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

## **9. Authority**

- 9.1 The CGC is authorized to seek any information it reasonably requires from any employee of the Company in order to perform its duties.
- 9.2 Where necessary, the CGC should seek independent professional advice, at the Company's expense, to perform its responsibilities.
- 9.3 The Company should provide the CGC with sufficient resources to perform its duties.

## **10. Other**

- 10.1 The CGC shall review annually its terms of reference, performance and constitution and recommend any changes it considers necessary to the Board for approval.

March 2012