



(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name “东方证券股份有限公司” and carrying on business in Hong Kong as “東方證券” (in Chinese) and “DFZQ” (in English))

Terms of Reference of the Strategy Development Committee of the Board of Directors

The English version is for reference only. Should there be any inconsistency between the English and Chinese versions, the latter shall prevail.

Chapter 1 General Provisions

Article 1 In order to accommodate the needs of strategic development of the Company, strengthen its core competitiveness, determine its development plans, improve its procedures for making investment decisions, enhance the scientific basis of its decision-making process, improve the effectiveness and quality of material investment decisions and perfect its corporate governance structure, the Company has set up the Strategy Development Committee of the board of directors (hereinafter referred to as the “Board”) and formulated the Terms of Reference in accordance with requirement of Laws, regulations, rules and normative documents including the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, as well as the Articles of Association of Orient Securities Company Limited (hereinafter referred to as the “Articles of Association”).

Article 2 The Strategy Development Committee under the Board is a specific working body set up in accordance with the Articles of Association.

Chapter 2 Composition

Article 3 The Strategy Development Committee shall consist of three to five directors.

Article 4 Members of the Strategy Development Committee shall be nominated by the chairman of the Board or by at least one-third of the total Board members, and is subject to election by the Board.

Article 5 The Strategy Development Committee shall have one chairman who is responsible for overseeing the affairs of the Committee; the chairman shall be elected by the Strategy Development Committee or the Board.

Article 6 The term of office of the Strategy Development Committee shall be identical to that of the Board. A member may offer himself/herself for re-election upon the expiration of his/her term of office. Any member of the Strategy Development Committee who ceases to be a director of the Company during the term shall be automatically disqualified as a member of the Committee, and the vacancy shall be filled by the Strategy Development Committee in accordance with Articles 3 to 5 above.

Article 7 The strategic development department of the Company, as an organisation carrying out the routine work of the Strategy Development Committee, shall be responsible for the preliminary preparatory work and services in relation to the decision making of the Strategy Development Committee, including collecting and providing relevant information, preparing research reports for relevant subjects, conducting preliminary examinations on relevant subjects and drafting resolutions for the Committee.

Chapter 3 Duties and Authorities

Article 8 The main duties of the Strategy Development Committee include:

- (1) studying and advising on long term strategic development plans of the Company;
- (2) studying and advising on major investment financing proposals that are subject to Board approval;
- (3) studying and advising on major capital operations and asset management projects that are subject to Board approval;
- (4) studying and advising on any other significant events that affect the development of Company;
- (5) monitoring the implementation of the matters above; and
- (6) other matters as authorized by the Board.

Article 9 The Strategy Development Committee is accountable to the Board and shall submit its proposals to the Board for consideration and decision.

Chapter 4 Proceedings

Article 10 The strategic development department of the Company shall be responsible for the preliminary preparatory work for the resolutions:

- (1) Analyze and assess proposed intentions, project proposals, feasibility reports and co-operation plans of the Company in relation to major investment financing, capital operations and asset management projects.
- (2) Provide preliminary assessment opinions and draft resolutions, to be submitted to the Strategy Development committee for their consideration.

Article 11 The Strategy Development Committee shall convene meetings as proposed by the strategic development department to conduct discussions, the results of which shall be submitted to the Board as a resolution.

Chapter 5 Rules of Procedures

Article 12 Meetings of the Strategy Development Committee shall be convened by the chairman. The notice of such meetings shall be given to all members of the Strategy Development Committee not less than three days before the meeting, and the relevant materials for the meeting shall be provided. In the urgent situation where a meeting must be convened as soon as possible, such notice may be issued orally by telephone or otherwise, but the chairman shall give an explanation at the meeting. Meetings shall be chaired by the chairman. In the case of absence of the chairman, another Committee member may be authorised to chair the meeting.

Article 13 Meetings of the Strategy Development Committee may only be convened with the presence of more than half of the members. Each member has one vote. Resolutions may only be passed by more than half of all the members of the Strategy Development Committee voting in favor of such resolutions.

Article 14 As for meetings of the Strategy Development Committee, votes could be made by a show of hands or by poll. In exceptional cases, voting by communications may be adopted.

Article 15 Where necessary, the Strategy Development Committee may also invite directors, supervisors and other senior management and relevant staffs of the Company to attend meetings.

Article 16 The Strategy Development Committee shall keep minutes for its meetings. The minutes should record in sufficient detail the matters considered by the Strategy Development Committee and resolutions passed, including any concerns raised by the committee members or dissenting views expressed. Draft and final versions of minutes of Committee meetings should be sent by the secretary to the Board to all members of the Strategy Development Committee within a reasonable time after the meeting. Draft versions of the minutes are for members to review, and final versions of the minutes will be kept as an archive record by the Committee. Members present at such meetings shall sign on the minutes which shall be maintained by the secretary to the Board.

Any director could review the minutes within a reasonable time after reasonable notice was sent to the Company.

Article 17 Members present at the meetings and others invited to attend such meetings are obliged to keep all matters discussed at such meetings confidential, and shall not disclose any relevant information without authorization.

Chapter 6 Supplementary Provisions

Article 18 The power to interpret these Terms of Reference shall be vested in the Board.

Article 19 Upon approval by the Board, this Terms of Reference shall come into effect from the day on which the overseas listed foreign shares (H Shares) of the Company are listed on the Stock Exchange of Hong Kong Limited. The original Terms of Reference for the Strategy Development Committee of the Board of directors of Orient Securities Company Limited will lapse automatically once this Terms of Reference come into effect.