



Terms of Reference Regarding Corporate Governance

The Board of directors of the Company ensures to comply with the listing rules of the Shanghai Stock Exchange and the securities listing rules of The Stock Exchange of Hong Kong Limited (including the provisions of Appendix C1 of the Code of Corporate Governance Practices and disclosures in the Corporate Governance Report), as well as other laws and regulations applicable to the Company. The Company has clearly defined the terms of reference for the Board on corporate governance functions in the "Rules of Procedures for the Board of Directors" attached to the "Articles of Association". The specific provisions are as follows:

Article 35 The board of directors exercises the following powers on corporate governance:

1. to develop and review the fundamental management system of the Company and the Company's policies and practices on corporate governance;
2. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
3. to manage the disclosure matters of the Company;
4. to review and monitor the training and continuous professional development of directors and senior management;
5. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors;
6. to review the Company's compliance with the securities regulatory rules of the place where the shares of the Company are listed and disclosure such matters to the shareholders.