



FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Website: <http://www.firstpacific.com>

(Stock Code: 00142)

CORPORATE GOVERNANCE COMMITTEE

TERMS OF REFERENCE

1. OBJECTIVES

The Corporate Governance Committee (the “Committee”) of First Pacific Company Limited (the “Company”) is established to assist the board of directors of the Company (the “Board”) in performing the corporate governance duties as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as modified from time to time) (the “Listing Rules”) or other codes, rules and regulations as may be prescribed by the Hong Kong Securities and Futures Commission or any other applicable regulatory authority from time to time (the “Applicable Rules”).

2. MEMBERSHIP

- i. All members of the Committee (the “Members”) shall be appointed by the Board and shall comprise of a minimum of three (3) Members.
- ii. The majority of the Members shall be independent non-executive directors.
- iii. The chairman of the Committee (the “Chairman”) shall be appointed by the Board and must be an independent non-executive director of the Company.
- iv. All Members are appointed by the Board and can be removed by the Board at its sole discretion. The Board may from time to time vary the composition of the Committee as may be required by the Listing Rules or other Applicable Rules.
- v. The Company Secretary or his/her designee shall be the secretary of the Committee.

3. MEETINGS

i. Frequency

The Committee shall meet at least twice annually and at such other time as the Committee may determine appropriate to perform its responsibility.

ii. Notice

Notice of any meetings of the Committee will have to be given at least fourteen (14) days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. The requisite notice period is not required if a committee meeting is adjourned for less than 14 days.

iii. Quorum

The quorum of the Committee shall be any two Members, either present in person or by means of telephone conference or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

iv. Attendance

- a. The Committee may invite the Chairman of the Board, other directors, external advisers and/or any other persons who have specific responsibility for, or interest or expertise in, the subject under review to attend all or part of any meetings of the Committee.
- b. Only Members are entitled to vote at the Committee meetings.
- c. In the absence of the Chairman and/or an appointed deputy, the remaining Members present shall elect one of the Members to chair the meeting.
- d. The Chairman or in his/her absence, another Member (who must be an independent non-executive director) shall attend the annual general meetings of the Company and be prepared to respond to the questions from shareholders on the activities of the Committee and their responsibilities.

v. Resolutions

- a. Resolutions of the Committee shall be passed by a majority of votes.
- b. A resolution in writing signed by all the Members shall be as valid and effectual as if it has been passed at a meeting of the Committee duly convened and held.

vi. Minutes

- a. The Secretary of the Committee shall keep full minutes of all Committee meetings. Draft minutes of meetings of the Committee shall be sent to all Members for their comments within a reasonable time after the meeting. Final version of the minutes, duly signed by the Chairman, shall be sent to all Members for their records.
- b. Final version of the minutes of all Committee meetings will also be sent to other members of the Board as soon as practicable.

4. AUTHORITY

- i. The Committee shall report directly to the Board on its decision or recommendation, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).
- ii. The Committee shall have the right to require management of the Company to furnish all information requested by the Committee as may be required for the purposes of performing its duties.
- iii. The Committee is authorized to obtain independent external professional advice and to secure the assistance from external parties with relevant experience and expertise where it considers necessary. The Committee shall have the sole authority to approve all reasonable related fees and terms of engagement, which fees shall be borne by the Company.
- iv. The Committee shall be provided with sufficient resources to perform its duties.

5. DUTIES

The duties of the Committee shall include the following aspects:-

- i. To develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- ii. To review and monitor the training and continuous professional development of directors and senior management;
- iii. To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

- iv. To develop, review and monitor the code of conduct and compliance manual (if any) applicable to the directors and employees of the Company; and
- v. To review the Company's compliance with the Corporate Governance Code (Appendix 14 of the Listing Rules) and disclosure requirements for the Corporate Governance Report.

6. REPORTING PROCEDURES

- i. The Committee shall report to the Board on its decisions or recommendations, either orally or in writing, at regular meetings of the Board or more frequently if required, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).
- ii. The meetings and proceedings of the Committee shall be governed by the provisions of the Company's Bye-laws for regulating the meetings and proceedings of directors.

7. LANGUAGE

If there is any discrepancy between the English and Chinese versions of these Terms of Reference, the English version shall prevail.

8. PUBLICATION OF THESE TERMS OF REFERENCE

A copy of these Terms of Reference will be uploaded to the respective websites of the Company and The Stock Exchange of Hong Kong Limited.

Revised on 30 March 2016