



**Lushang Life Services Co., Ltd.**

**魯商生活服務股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2376)**

(hereafter the “Company”)

## **Strategy Committee – Terms of Reference**

### **1. Members**

- 1.1 The strategy committee of the Company (the “**Strategy Committee**”) should be established by the board of directors (the “**Board**”) of the Company.
- 1.2 The chairman or chairlady of the Strategy Committee should be appointed by the Board.
- 1.3 The terms of appointment to Strategy Committee members should be determined by the Board at the appointment date, and shall not exceed the member’s tenure as a director.

### **2. Secretary**

- 2.1 Any joint company secretary of the Company shall act as the secretary of the Strategy Committee.
- 2.2 The Strategy Committee may from time to time, appoint any other person with appropriate qualification and experience to act as the secretary of the Strategy Committee.

### **3. Meetings**

- 3.1 The Strategy Committee shall meet at least once a year.
- 3.2 Due notice should be given before any meeting, unless such notification is waived by all members. Notwithstanding the notification period, the attendance of the members of the Strategy Committee at the meeting would be deemed as the waiver by such members of the required notification requirement.
- 3.3 The quorum necessary for the transaction of business of the Strategy Committee shall be any two members of the Strategy Committee.
- 3.4 Meeting can be attended in person or via electronic means including telephone or videoconferencing. The members of the Strategy Committee can attend the meeting via telephone or any similar communication device (all persons attending such meeting should be able to hear from such member via such communication device).

- 3.5 Resolutions of the Strategy Committee should be passed, in the case of a meeting, by a majority of votes of the members of the Strategy Committee attending such meeting. The chairman or chairlady of the Strategy Committee shall have a second or casting vote when an equality of votes occurs.
- 3.6 A resolution passed and signed by all members of Strategy Committee is valid, and the validity is the same as any resolution passed in the meeting held.
- 3.7 Full minutes of Strategy Committee meeting should be kept by the duly appointed secretary of the Strategy Committee and be available for review by the directors. Draft and final versions of minutes of the meeting should be sent to all members of the Strategy Committee for their comment and records, within a reasonable time after the meeting.

#### **4. Meeting Attendance**

- 4.1 Upon the invitation from the Strategy Committee, the chairman or chairlady of the Board, the supervisor, the general manager or the chief executive officer, financial controller, external advisor and other persons can be invited to attend all or part of any meeting.
- 4.2 Only the members of the Strategy Committee can vote in the meeting.

#### **5. Duties and Powers**

The Strategy Committee shall have the following duties and powers:

- 5.1 reviewing and making recommendations to the Board on, the business objectives, general strategic development plan and specific strategic development plans of the company;
- 5.2 evaluating factors which may affect the strategic development plans of the company and their implementation, in light of domestic and foreign economic and financial conditions and market development trends, and making recommendations to the Board on adjustment to the strategic development plans of the company in a timely manner;
- 5.3 evaluating the general development conditions relating to various financial businesses, and making recommendations to the Board on adjustment to the strategic development plans of the company in a timely manner;
- 5.4 reviewing the strategic capital allocation and objectives of asset and liability management of the company, and making recommendations to the Board;
- 5.5 reviewing the business development plans, major investment and financing proposals of the company submitted by senior management, and making recommendations to the Board;
- 5.6 reviewing plans for establishment or adjustment of the internal bodies, tier-1 branches, direct branches or other direct affiliates, or overseas affiliates of the company, and making recommendations to the Board;

- 5.7 supervising and inspecting the implementation of the business plans and investment plans of the company;
- 5.8 reviewing proposals for the annual financial budget and final accounts of the company submitted by senior management, and making recommendations to the Board;
- 5.9 reviewing the plans for establishment of a legal entity or merger and acquisition proposals of the company, and making recommendations to the Board;
- 5.10 reviewing the matters on external investment, acquisition of assets, disposal of assets, asset write-off and provision of guarantees of the company, and making recommendations to the Board;
- 5.11 evaluating the corporate governance of the company and making recommendations to the Board;
- 5.12 other matters required by laws, administrative regulations, departmental rules and authorized by the Board.

## **6. Reporting**

- 6.1 The Strategy Committee shall report to the Board after each of its meetings.

## **7. Authority**

- 7.1 The Strategy Committee is authorized by the Board to request from employee of the Company to provide any information within the scope of its duties.
- 7.2 The Strategy Committee should have access to independent professional advice at the Company's expense if necessary, to perform the responsibilities of the Strategy Committee.

*Remark:* the independent professional advice can be sought via any joint company secretary.

- 7.3 The Strategy Committee should be provided with sufficient resources to perform its duties.