

**山東省國際信託股份有限公司**  
**SHANDONG INTERNATIONAL TRUST CO., LTD.**  
*(Stock code: 1697)*

**Terms of Reference for  
the Business Decision Committee  
under the Board of Directors**

**Chapter 1 General Provisions**

**Article 1** In order to standardize the decision-making mechanism of the board of directors (hereinafter referred to as the “Board”) of Shandong International Trust Co., Ltd. (hereinafter referred to as the “Company”), prevent operational risks, and ensure stable operation of the Company, the Company has established the business decision committee under the Board and formulated these terms of reference in accordance with the relevant laws, regulations, normative documents, the Articles of Association of Shandong International Trust Co., Ltd. (hereinafter referred to as the “Articles”) and the Procedural Rules for the Board of Directors of Shandong International Trust Co., Ltd. (hereinafter referred to as the “Procedural Rules for the Board”).

**Article 2** The business decision committee is a specialized committee established under the Board which exercises its authority within the scope of authorization as stipulated under the Articles and authorized by the Board.

**Article 3** The business decision committee shall be accountable to and report its work to the Board.

**Chapter 2 Composition**

**Article 4** The business decision committee shall consist of no less than three directors. The members of the business decision committee shall be elected by the Board.

**Article 5** A member of the business decision committee shall serve for a term of three years and may be re-appointed. Replacement of the members of the business decision committee shall be subject to approval of the Board by way of resolution.

**Article 6** The business decision committee shall have one chairman to be acted by the chairman appointed by the Board. The chairman shall be responsible for presiding over the work of the business decision committee.

**Article 7** The term of office of a member of the business decision committee shall be the same as his term of office in the Board, and may be re-elected and re-appointed upon expiration of his term of office. A member of the Committee shall be automatically disqualified if he ceases to be a director of the Company during his term of office.

### **Chapter 3 Major Duties**

**Article 8** The major duties of the business decision committee are:

- (1) to examine and approve collective fund trust business submitted by the General Manager's Office Meeting;
- (2) to examine and approve significant individual fund trust business that the General Manager's Office Meeting considers necessary;
- (3) to examine and approve loan projects with the proprietary funds of the Company;
- (4) to examine and approve disposal plans of projects at risk invested by collective trusts of the Company or individual trusts that the General Manager's Office Meeting considers necessary;
- (5) to submit annual work report to the Board;
- (6) other duties authorized by the Board.

**Article 9** An expert advisory committee may be established under the business decision committee as needed, providing the business decision committee with professional opinions and recommendations to exercise its authority.

**Article 10** The business decision committee shall report its decisions and recommendations to the Board, unless the matters to be reported conflict with the general responsibilities of the business decision committee, or the matters shall not be reported due to restrictions imposed by the laws, regulations or regulatory provisions.

### **Chapter 4 Working System**

**Article 11** The business decision committee shall be convened in the form of meeting in principle, and written voting is permitted under special circumstances and emergencies.

**Article 12** The meetings of the business decision committee shall be convened and presided over by the chairman.

**Article 13** The meetings of the business decision committee shall only be convened when two-thirds or more of the members are present. Members shall attend the meetings of the business decision committee in person.

**Article 14** The Company shall give notice to all members and other attendees at least three days before convening of the meeting and deliver the agenda to all members in time.

**Article 15** The voting of the business decision committee shall be subject to adequate discussion and each member shall fully and expressly voice their opinions. The voting shall be conducted by way of poll in real name and each member who attends the meeting has one vote, and shall complete the Opinion Form on Voting by the Business Decision Committee under the Board (please see the attachment) when expressing opinions.

A member may cast affirmative votes or agree in principle or cast dissenting votes. Those who agree in principle or cast dissenting votes shall express their opinion.

The matters discussed shall be passed upon obtaining the agreement (including agreement in principle) by more than two-thirds (two-thirds inclusive) of all members.

Those members who have connected relationship in the voting matters shall abstain from voting when members expressing their opinions.

**Article 16** An administrative office of the business decision committee of the Company is established in the risk control department, mainly responsible for the following functions:

- (1) to prepare the subject matter and the agenda of the meeting based on the topics submitted by the Company, and to notify all members and other attendees;
- (2) to prepare minutes of the meeting;
- (3) to draft the resolutions of the meeting;
- (4) to maintain documents including minutes and resolutions of the meeting and file them in time;
- (5) other matters as assigned by the business decision committee.

**Article 17** The minutes of the meeting of the business decision committee shall include the following information:

- (1) the date and venue of the meeting and the convener's name;

- (2) the names of the members present, the members absent, the proxies and the observers;
- (3) the subject matter of the meeting;
- (4) the summary of speech given by the members and observers;
- (5) the matters voted on and the voting results.

**Article 18** The resolutions of the meeting of business decision committee meeting shall include the following information:

- (1) the method by which the meeting is convened, date and venue of the meeting and the convener's name;
- (2) the names of the members present, the members absent, the proxies and the observers;
- (3) the matters voted on and the voting results;
- (4) other matters that shall be explained and recorded in the resolutions.

**Article 19** The results of the subjects considered and discussed at the business decision committee meetings shall be dispatched to each member by way of resolutions upon review and confirmation by the attending members.

**Article 20** Members who attend the meetings shall not disclose any unpublished resolutions and confidential information of such meetings.

## **Chapter 5 Miscellaneous**

**Article 21** In these terms of reference, the terms “not less than” and “at least” include the figure itself, while the term “more than one half” does not include the figure itself.

**Article 22** These terms of reference shall be effective together with the amended Articles of Association upon consideration and approval by the Board and approval on the amended Articles of Association by Shandong Office of China Banking and Insurance Regulatory Commission (hereinafter referred to as “Shandong Office of CBIRC”). The prevailing Terms of Reference for the Business Decision Committee under the Board of the Company will be repealed since then. Upon consideration and approval by the Board and before the approval by Shandong Office of CBIRC, the amended Terms of Reference for the Business Decision Committee under the Board may be implemented with reference to the prevailing Rules.

**Article 23** Matters which are not provided for in these terms of reference shall be governed by the requirements of the relevant laws, regulations, rules, normative documents, the Articles and the Procedural Rules for the Board. If these terms of reference conflict with any requirements of the laws, regulations, rules, normative documents, the Articles and the Procedural Rules for the Board, requirements of the laws, regulations, rules, normative documents, the Articles and the Procedural Rules for the Board shall prevail.

**Article 24** The Board of the Company shall have the right to interpret these terms of reference.

## Attachment

### The Opinion Form on Voting by the Business Decision Committee under the Board

|                                  |                                   |
|----------------------------------|-----------------------------------|
| <b>Issues to be discussed</b>    |                                   |
| <b>Name of committee members</b> |                                   |
| <b>Voting opinion</b>            |                                   |
| <b>Explanation on opinion</b>    | <b>Signature:</b><br><b>Date:</b> |

Explanation on filling in the form: write “agree”, “agree in principle” or “disagree”, and members voting on “agree in principle” or “disagree” shall provide brief reasons in the column of Explanation on opinion. Additional pages may be attached for abundant contents. Voting on behalf of others shall be specified when signing.

(If there is any inconsistency between the English and Chinese version of these terms of reference, the Chinese version shall prevail.)