

**GIORDANO**  
**GIORDANO INTERNATIONAL LIMITED**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 709)**

**MANAGEMENT COMMITTEE**  
**TERMS OF REFERENCE**

(Updated on May 11, 2017)

**(1) PURPOSE AND AUTHORITY**

1.1 The purpose of the Management Committee (the “**Committee**”) is to assist the Chief Executive in the performance of his/her duties within the bounds of his/her authority, including:

- (a) the development and implementation of strategies, operational plans, policies and budgets;
- (b) the monitoring of operating and financial performance;
- (c) the prioritization and allocation of resources; and
- (d) monitoring competitive forces in each area of operation.

**(2) MEMBERSHIP**

2.1 The Committee shall consist of two groups appointed by the board of directors of the Company (the “**Board**”), comprising the following persons (the “**Members**”):

- (a) Group A (Fixed) :
  - (i) the Chief Executive; and
  - (ii) all Executive Directors.
- (b) Group B (Optional) :  
any of the following as the Chairman may determine from time-to-time: the Head\* of Group Legal & Compliance, the Head\* of Group Finance, the Head\* of Group Sourcing, the Head\* of Group Human Resources, the Brand Managers or Country Managers.

[\*the term “**Head**” is used loosely to mean the then most senior member of that particular function.]

2.2 Others may be invited by the Chairman to attend all or part of any meeting as and when deemed appropriate and necessary by the Board or the Committee.

2.3 The Chief Executive shall be the Committee’s Chairman, unless the Board otherwise determines to appoint another person as the Chairman.

2.4 The Company Secretary or his/her nominee shall act as the Committee’s secretary.

**(3) DUTIES, POWERS AND FUNCTIONS**

3.1 The Committee’s duties, power and functions shall be as follows:

- (a) **Corporate / Business Objectives and Strategies**
  - (i) to recommend corporate / business objectives and strategies for the Company and its subsidiaries (collectively the “**Group**”) in the development of its business, having regard to the interests of its shareholders and other stakeholders; and
  - (ii) to agree and renew the objectives based on the strategies approved/revised by the Group, and ensure of the successful execution.
- (b) **Group Performance and Operations**
  - (i) to present the Group’s budgets and plans to the Board and, follow the adoption and the achievement of the budgets and plans;
  - (ii) to review and monitor performance against targets, objectives and key performance indicators established;
  - (iii) to optimize the allocation and adequacy of the Group’s resources; and
  - (iv) to ensure the active liaison, co-ordination and co-operation between business divisions.
- (c) **Business Development**
  - (i) to identify and execute new business opportunities;
  - (ii) to examine all trade investments, divestments and major capital expenditure proposals, and recommend to the Board of those which, in the Group context, are material either by nature or cost; and

(iii) to approve all strategic or material alliances and partnership agreements, including all joint venture agreements.

(d) **Business Structure and Compliance**

- (i) to review the organizational structure of the Group and recommend for improvement;
- (ii) to advise the Board on matters relating to, and oversee compliance with the Company's Memorandum of Association and New Bye-Laws;
- (iii) to conform to any requirement, direction and regulation that may from time-to-time be prescribed by the Board or contained in the Company's constitution; and
- (iv) to develop and review the Group's policy guidelines based on the approved Group's strategies, and to interpret and supervise the compliance.

(e) **Human Resources**

- (i) to ensure appropriate levels of authority are delegated to senior management throughout the Group;
- (ii) to ensure the provision of adequate management development and succession; and
- (iii) to review and monitor the training and continuous professional development of the directors and senior management of the Group.

(f) **Corporate Governance / Investor Relation**

- (i) to review the Company's compliance with the code and disclosure in the Corporate Governance Report;
- (ii) to consider and review notifiable transactions of the Company as required under the Rules Governing the Listing of Securities on The Stock Exchange and advise the Board thereon;
- (iii) to actively monitor the Company's share price and related market news, comments and reports; and
- (iv) to control and prohibit disclosure of price sensitive information ("PSI"), promptly react in case of insider dealing and/or leakage of PSI, and tactically deal with press speculation and/or market rumors.

(g) **Access to Information / Professional Advice**

- (i) to provide information and reports upon requests by the Board and/or its Committee(s), and to arrange the management staff of the Group and professional advisors attending the Board committee(s) as necessary; and
- (ii) to arrange appointment of professional advisors to provide assistance and advices for specialized committees under the Board.

(h) **Others**

- (i) to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
- (ii) to delegate at any time and from time-to-time to any person or sub-committee(s) comprising such members as it sees appropriate, any of its powers and functions conferred on it hereunder.

3.2 The Committee shall be given with sufficient resources to enable it to perform its functions, including the resources for seeking independent legal and professional advice.

**(4) FREQUENCY AND PROCEEDINGS OF MEETINGS**

4.1 The Committee shall meet if needed but no less than twice a year. The Committee's Chairman may convene additional meetings at his/her discretion.

4.2 Meetings of the Committee shall be convened by the secretary at the request of the Chairman or any of its Members.

4.3 The quorum of a meeting shall be two Members of whom at least including (1) the Chairman and (2) one Executive Director.

4.4 The Committee's secretary or his/her nominee shall take the minutes of meetings.

**(5) REPORTING PROCEDURES**

5.1 The Committee should report to the Board on a regular basis. At the next Board meeting following a Committee's meeting, the Committee's Chairman shall report to the Board on the work, significant decisions, findings and recommendations of the Committee since the last Board meeting and circulate the minutes of the Committee's meetings to the members of the Board.