

**Television Broadcasts Limited**  
**(“Company”)**

**Terms of Reference**  
**of**  
**Risk Committee**

**Constitution**

1. A committee of the Board of Directors of the Company (“Board”), as resolved by the Board, shall be known as the Risk Committee (“Committee”) with its terms of reference. The Committee was established on 19 August 2015.
2. The Committee is responsible for:
  - (a) evaluating and determining the nature and extent of the risks the Group (including the Company and its subsidiaries) is willing to take in achieving the Group’s strategic objectives; and
  - (b) ensuring that the Group establishes and maintains sound appropriate and effective risk management framework and internal controls systems.

**Membership**

3. The chairman and members of the Committee shall be appointed by the Board from amongst the Directors of the Company.
4. The Committee shall consist of not less than three members.
5. The Company Secretary shall act as the secretary to the Committee.

**Frequency of Meetings**

6. The Committee shall meet at least twice a year. Additional meetings may be held as the work of the Committee demands.
7. Notice of meeting of the Committee may be given in writing or by telephone or in such manner as the Committee may from time-to-time determine.

8. A quorum for any meeting shall be two members.
9. Proceedings of meetings of the Committee shall be governed by the provisions of the Company's articles of association ("Articles").

### **Authority**

10. The Committee is authorised by the Board to perform its duties and functions within its terms of reference and to do any acts conferred on the Committee by the Board.
11. The Committee is authorised by the Board to seek independent professional advice at the Company's expense, in performance of its duties and functions, where necessary.

### **Duties and Functions**

12. The Committee shall undertake the following duties:

#### *Risk assessment and monitoring*

- (a) consider and advise the Board on the current and the emerging risks and risk exposures relating to the Group's business and strategies;
- (b) monitor the Group's key risk exposures and review risk management reports prepared by Management;

#### *Oversight of risk management framework and internal control systems*

- (c) to oversee the Group's risk management and internal control systems on an on-going basis, and to ensure that a review of the effectiveness of the Group's risk management and internal control systems ("Annual Review") has been conducted at least annually and report to the Board. The review should cover all material controls, including financial, operational and compliance controls;
- (d) to discuss, as part of the Annual Review, the risk management and internal control systems with Management to ensure that Management has performed its duty to have effective systems;

- (e) to consider changes, since the last Annual Review, in the nature and extent of significant risks, and the Group's ability to respond to changes in its business and the external environment;
- (f) to consider the scope and quality of management's ongoing monitoring of risks and of the internal control systems, and where applicable, the work of the Group's internal audit function and other assurance providers;
- (g) to consider the extent and frequency of communication of monitoring results to the Board (or Board Committee(s)) which enables it to assess control of the Group and the effectiveness of risk management;
- (h) to consider significant control failings or weaknesses that have been identified during the period of review and also, the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Group's financial performance or condition;
- (i) to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and Management's response to these findings;

*Oversight of environmental, social and governance matters*

- (j) to consider the Company's policies, strategies and targets, and reporting in relation to environmental, social and governance matters as set out under Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"); and

*Others*

- (k) to take into account the Listing Rules and any requirements that may from time-to-time be prescribed by the Board or contained in the Articles or imposed by any applicable laws and legislation when exercising their duties.

**Reporting Procedures**

13. The secretary to the Committee shall ensure that full minutes are kept of all Committee meetings and that draft and final versions of such minutes shall be circulated to all members of the Committee for their comment and records, within a reasonable time after each meeting.

14. The secretary to the Committee shall circulate the minutes of all Committee meetings to all members of the Board, and shall report to the Board on its work, decisions and recommendations in a timely manner.

Adopted and effective on 19 August 2015,  
1<sup>st</sup> Amendment on 8 December 2017,  
2<sup>nd</sup> Amendment on 26 August 2020