

**HONG KONG EXCHANGES AND CLEARING LIMITED**  
**(the “Company”)**

**TERMS OF REFERENCE AND MODUS OPERANDI**  
**OF**  
**MAINLAND CHINA ADVISORY GROUP**

**Objective**

To provide the Company with high-level views on the economic outlook of Mainland China and other insights on Mainland China development, and to act as its sounding board on issues that may be relevant to its strategic or business development in Mainland China.

**Membership**

1. The Group shall consist of at least five members appointed by the Board, comprising the following:
  - (a) the Chairman of the board of directors of the Company (the “Board”);
  - (b) the Chief Executive of the Company;
  - (c) a non-executive director of the Company with significant Mainland China experience and perspective; and
  - (d) additional members who are distinguished business leaders, policymakers or industry experts with Mainland China perspective nominated by the Chairman of the Board.
2. The chairman of the Group shall be the Chairman of the Board.
3. The term of each member shall be three years (subject to renewal), except for the Chairman of the Board, the Chief Executive of the Company and the non-executive director referred to in paragraph 1(c), whose terms shall be coterminous with their respective terms as directors of the Company.

**Frequency and proceedings of meetings**

4. The Group shall meet every two to three months to discuss matters covered by these Terms of Reference, to exchange views and share insights among themselves or with the Board. Additional meetings of the Group may be held as the Chairman considers necessary.
5. Meetings may be held physically or via conference or video calls.
6. The quorum of a meeting shall be two members of whom at least one is the chairman of the Group. The chairman of the Group may invite the Company’s senior executives or external parties to attend meetings as appropriate.

7. The Chairman may invite the Company Secretary to attend meetings as the secretary to the Group if she finds it necessary.

**Duties, powers and functions**

8. The duties, powers and functions of the Group shall be as follows:
  - (a) to provide market intelligence and other insights on Mainland China and on developing trends within Mainland China, whether relating to the financial markets, technology, economic outlook, reform proposals or otherwise;
  - (b) to consider, discuss or advise on topics or issues relating to the development or diversification of the Company's business, services or products in Mainland China; and
  - (c) generally to act as a sounding board to the Company or the Board for policy recommendations, strategic direction and major business development or investment initiatives in relation to the Company's business and operations in Mainland China.
9. Members of the Group shall keep confidential (a) all matters discussed during meetings, and (b) all information which they receive in their capacity as members.

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