

# Flat Glass Group Co., Ltd.

## Terms of Reference of the Audit Committee of the Board of Directors

### Chapter 1 General Provisions

**Article 1** The purpose of the decision-making body of the Board of Directors of Flat Glass Group Co., Ltd. (hereinafter referred to as the Company, the Company, the Group), is to ensure the effective implementation of the Board of Directors' management, and to ensure the effective implementation of the Company's special audit committee of the Board of Directors (hereinafter referred to as the Audit Committee) and to ensure the implementation of the Audit Committee's duties in accordance with the Company Law of the People's Republic of China, the Company Law of the People's Republic of China, the Measures for the Administration of the Listed Companies of the Shanghai Stock Exchange (hereinafter referred to as the Shanghai Stock Exchange Listing Rules, Self-Regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1, the Shanghai Stock Exchange Listing Rules, Self-Regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange, the Limited Liability Company Law of the People's Republic of China (hereinafter referred to as the Limited Liability Company Law), the Articles of Association of Flat Glass Group Co., Ltd. (hereinafter referred to as the Articles of Association) and other relevant laws and regulations.

**Article 2** The Audit Committee of the Board of Directors is a special committee of the Board of Directors, which is responsible for the financial matters of the Company and the audit of the Company's financial statements.

### Chapter 2 Composition

**Article 3** The Audit Committee consists of three members who are independent non-executive directors of the Company, and a majority of them shall be independent non-executive directors, and one of them shall be an accounting professional.

**Article 4** Members of the Audit Committee shall be nominated by the Board of Directors, and shall be elected and re-elected by the Board of Directors.

**Article 5** The Audit Committee shall have the chairman, who shall be elected by the independent non-executive director members of the Audit Committee, and shall be elected and re-elected by the Board of Directors.

**Article 6** The members of the Audit Committee shall be nominated by the Board of Directors. A member of the Audit Committee may be re-elected or re-elected by the Board of Directors if he/she is eligible.

If a member resigns from his/her office of the Company or the members of the Audit Committee are unable to perform their duties, the Board of Directors shall immediately fill the vacancy. The vacancy shall be filled by the Board of Directors in accordance with Article 3 and 5 above.

**Article 7** A A di De a me i e b he C m a , c d c i e al a di de he g ida ce a di ec i f he A di C mmi ee. The ec e a he B a d hall ake cha ge f he ecific c di a i be ee he A di C mmi ee a d he B a d.

### Chapter 3 Terms of Reference

**Article 8** The A di C mmi ee f he B a di e ible f e ie i g he c m a ' fi a cial i f mai a di di cl e, e eei ga de al a i g b hi e ala de e ala di k, a di e al c l. The e m f efe e ce f he A di C mmi ee a e:

- (1) be ima il e ible f maki g ec mme dai he B a d he a i me , e a i me a d em al fe e ala di , a i g he em e ai a da i me e m e e ala di , a d deali g i ha i e ela ed he e ig ai di mi al f he a di ;
- (2) e ie a d m i e e ala di ' i de e de ce a d bjec i i a d he effec i e e f he a di ce i acc da ce i ha licable a da d ;
- (3) di c i h he a di he a e a d c e f he a di a d e i g bliga i a de e c - di a i he e m e ha e e e ala di fi m i e gaged bef e he a di c mme ce ;
- (4) de el a d im leme licie he i i f -a di e ice b e e ala di . F he e f hi cla e, he e e ala di halli cl de a e i ha i de c mm c l, e hi ma ageme i h he a di fi m a e i ha a hi d a ha i g ea able k ledge fall ele a i f mai ld ea abl c cl de a a f he l cal i e a i alb i e f he a di fi m. The A di C mmi ee hall e a d e he B a da ma e he e aci im eme i eeded;
- (5) di c a d c mm ica e i he e ala di ab he c e fa di , he a di la , he a di me h da d maj i e ide ified i he a di ;
- (6) facili a e c mm ica i be ee he ma ageme , he i e ala di de a me a d ele a de a me f he C m a a de e ala di ;
- (7) m i a de al a e dilige ce a d c cie i e fe e ala di ;
- (8) m i he i eg i f he C m a ' fi a cial a eme , a al e a d acc , i e im e a d a el e (if ed i e), a d e ie ig ifica i i fi a cial e i g c ai ed i hem;
- (9) e ie he C m a ' fi a cial e a d c mme he a he ici , c m le e e a d acc ac f he fi a cial e ;



(14) ega di g (13) ab e:

(i) membe f he A di C mmi ee h ld liai e i h he B a d a d e i ma ageme f  
he G . The c mmi ee m mee , a lea ice a ea , i h e e ala di f he  
C m a ; a d

(ii) he A di C mmi ee h ld c ide a ig ifica ali em ha a e, ma  
eed be, eflec ed i ch e a d acc , a di h ld gi e d e c ide a i  
a ma e ha ha e bee ai ed b he aff e, ible f acc i ga d fi a cial  
e i g f c i , c m lia ce ffice he a di f he C m a ;

(15) di c i h he a di ab he, blem a d e e a i a i i g f m he i e im a d  
fi ala di , a d a ma e he a di ma i h di c (i he ab e ce f ma ageme f  
he G he e ce a );

(16) f m la e he, al he a ala di e im, fi di ib i a d ca i al e e e  
ca i ali a i f he C m a ;

(17) e ie he C m a ' fi a cial c l, i e al c l a d i k ma ageme em ;

(18) di c he i k ma ageme a di e al c l em i h ma ageme e e ha  
ma ageme ha, e f med i d ha e effec i e i e al c l em . Thi di c i  
h ld i cl de he ade ac f e ce , aff alifica i a de, e ie ce, ai i g g am  
a d b dge f he C m a ' acc i ga d fi a ci g e i g f c i ;

(19) c ide maj i e iga i fi di g i k ma ageme a di e al c l ma e a

- (25) e ie he i e al c l a di e i ed b he e e al a di i i i , a ell  
a he ma e a dim eme mea e f d a f e c mm ica i i h he e e al a di  
i i i ;
- (26) e al a e he i e al c l a e me a d a di e l , a d e i e he ec ifica i  
f deficie cie i i e al c l ;
- (27) e ie he Le e f E l a a i A di i ed b e e al a di he ma ageme , a  
ig ifica i e ai ed b he a di he ma ageme i ela i he acc i g ec d ,  
fi a cial acc c l em a d he ma ageme ' e e ;
- (28) e e ha he B a d ill ide a imel e e he i e ai ed i he Le e f  
E l a a i A di i ed b e e al a di he ma ageme ;
- (29) c d c i e ie i h a di ec , e ide , chief fi a cial ffice head f he i e al  
a di de a me f he C m a hei e ig a i i de a ce ai he ea f hi /  
he de a e ;
- (30) bmi he d af k e d i g he e i d he B a d f e ie ; a d bmi he d af  
mma e d i g he e i d f bli hi gi he G ' i e im a d a al e ;
- (31) c ide he i i f he B a d ha e e add, e lace em e a e be a  
membe f he A di C mmi ee, a di , acc i g (i cl di gi e al a di i g de a me )  
aff;
- (32) e he B a d he ab e ma e ;
- (33) e ie he f ll i g a a geme f he C m a : he em l ee f he C m a ca , i  
c fide ce, ai e c ce ab ible i eg la i ie i fi a cial e i g, i e al c l  
he ma e ; e e ha e a a geme a e i lace f he C m a c d c fai  
a di de e de i e ig a i a d ake a ia e ac i acc di gl ;
- (34) ac a he ke e e e a i e f he C m a a de e al a di a dm i hei ela i hi ;
- (35) c ide a dim leme he ma e de ig a ed b he B a d ; a d
- (36) he ma e a h i ed b he B a d i la ed b la , admi i a i e eg la i ,  
de a me al le , he eg la le f he lace he e he C m a ' ha e a eli ed, a d  
he A icle f A cia i .

The fulling shall be binding on the Board of Directors of the company in the event of a merger with any other company.

(i) the directors of the company shall be authorized to execute and deliver any agreement, and the company shall be bound by the same;

(ii) the company shall be authorized to execute and deliver any agreement, and the company shall be bound by the same;

(iii) the company shall be authorized to execute and deliver any agreement, and the company shall be bound by the same;

(iv) the company shall be authorized to execute and deliver any agreement, and the company shall be bound by the same;

(v) the company shall be authorized to execute and deliver any agreement, and the company shall be bound by the same.

**Article 9** The Board of Directors shall guide the company, and the company shall be bound by the decisions of the Board of Directors:

(1) the company shall be authorized to execute and deliver any agreement, and the company shall be bound by the same;

(2) the company shall be authorized to execute and deliver any agreement, and the company shall be bound by the same;

(3) the company shall be authorized to execute and deliver any agreement, and the company shall be bound by the same;

(4) the company shall be authorized to execute and deliver any agreement, and the company shall be bound by the same.

The Board of Directors shall be authorized to execute and deliver any agreement, and the company shall be bound by the same.

**Article 10** The Board of Directors shall be authorized to execute and deliver any agreement, and the company shall be bound by the same.

**Article 11** The Board of Directors shall be authorized to execute and deliver any agreement, and the company shall be bound by the same.

## Chapter 4 Procedures of Decision-making

**Article 12** The e c e a he B a d hall c di a e i h he A di De a me a d he ele a de a me ide he A di C mmi ee i h he f ll i g i e ma e ial f deci i -maki g e:

- (1) ele a fi a cial e f he C m a ;
- (2) ele a fi a cial e f he C m a ;
- (3) e e ala di c ac a d ela ed k e ;
- (4) a di e fi e al c l em f he C m a ;
- (5) e e ali f mai di cl e f he C m a ;
- (6) a di e ma e ial ela ed a a aci f he C m a ;
- (7) he ele a ma e .

**Article 13** The A di C mmi ee hall c e e mee i g di c e bmi ed b he A di De a me a d he de a me , a d hall bmi i ele a i e e l i he B a d f di c i :

- (1) k a ai al e e ala di i i i , a d he e gageme a d e laceme f e e al a di i i i ;
- (2) he he he i e ala di em f he C m a ha bee effec i el im leme ed, a d he he he fi a cial e f he C m a a e e a d c m le e;
- (3) he he he fi a cial e a d he i f mai di cl ed b he C m a a e bjec i e a d e, a d he he he ma e ial ela ed a a aci f he C m a c m l i h he ele a la a d eg lai ;
- (4) he e al a i he e f ma ce f he i e al fi a cial de a me a d he a di de a me (i cl di gi head);
- (5) he ele a ma e .

**Article 14** The members of the Audit Committee shall be elected by the Board of Directors of the Company, and shall be subject to the provisions of the Charter of the Board of Directors.

- (1) The members of the Audit Committee shall be elected by the Board of Directors, and shall be subject to the provisions of the Charter of the Board of Directors;
- (2) The members of the Audit Committee shall be elected by the Board of Directors, and shall be subject to the provisions of the Charter of the Board of Directors.

**Article 15** The duties of the Audit Committee shall be:

- (1) The Audit Committee shall decide the procedures for the internal control system and the internal control system;
- (2) The Audit Committee shall be responsible for the internal control system, and shall be responsible for the internal control system;
- (3) The Audit Committee shall be responsible for the internal control system, and shall be responsible for the internal control system;
- (4) The Audit Committee shall be responsible for the internal control system, and shall be responsible for the internal control system;
- (5) The Audit Committee shall be responsible for the internal control system, and shall be responsible for the internal control system;
- (6) The Audit Committee shall be responsible for the internal control system, and shall be responsible for the internal control system;



## Chapter 5 Procedural Rules

**Article 16** The A di C mmi ee mee i g hall c e e a lea ce e e a e . Whe m e membe e, he he c e e c ide ece a , a e a di a mee i g ca be held.

All membe hall be ified h ee da i he A di C mmi ee mee i g. Whe e he e a e eme ge c i a i , he mee i g f he A di C mmi ee hall be held a a ible, i h he a im c e f all membe , he e ice f he ice ega di g he mee i g ma be made h gh ele h e all a a ime, he c e i g f he mee i gi bjec he ime limi f he af eme i ed ice.

The A di C mmi ee mee i g hall be e ided e b he chai ma f he A di C mmi ee, h hall de ig a e a he i de e de -e ec i e di ec e ide e he mee i g if he/ he i able e f m hi /he d ie .

**Article 17** A A di C mmi ee mee i g hall be held i h he a e da ce f m e ha - hi d f he membe ; each membe hall ha e e e; e l i made a he mee i g hall be ad ed b a maj i f all membe .

**Article 18** Membe f he A di De a me ma a e d mee i g f he A di C mmi ee. The Di ec , e i a d he e i ma ageme f he C m a ma bei ided a e d mee i g f he A di C mmi ee, he e ece a .

Whe e a age dai em ela i g a membe i be di c ed a he mee i g f he A di C mmi ee, ch ela ed membe hall ab ai f m he mee i gi e ec he e f. The aid mee i g f he A di C mmi ee ma be held b m e ha e-half f he ela ed membe a e di g he mee i g a d e l i ed hall be a ed b m e ha e-half f he ela ed membe ; he e he mbe f ela ed membe a e di g he mee i g fall bel e-half f he al mbe f ela ed membe f he A di C mmi ee, ch ma e hall be bmi ed he B a d f c ide a i .

**Article 19** Membe f he A di C mmi ee hall a e d mee i g i e a de e i i ma e de c ide a i . I he e e ha a membe i able a e d he mee i g i e f a ea , he membe ma bmi a e fa e ig ed b him he a da i a he membe a e d he mee i g a d e e i i hi /he behalf. If a i de e de -e ec i e di ec membe i able a e d he mee i g f a ea , he/ he hall e ie he mee i g ma e ial i ad a ce f m e lici ad ice, a i a he i de e de -e ec i e di ec membe a e d hi /he behalf. Each membe c ld be e ed b m e ha e membe a e ime. The e fa e hall ecif he c e a d d a i fa h i a i .

**Article 20** V e a he mee i g f he A di C mmi ee hall be made b a h f ha d b ll ia he i g me h d ec g i ed b eg la a h i (ie ) f he lace he e he ha e f he C m a a e li ed. The mee i g hall be c e ed i e i i c i le. P ided ha all Di ec ca ll e e hei i i a he mee i g , ch mee i g ca be held b mea f ide , ele h e, he me h d he ece a .

**Article 21** When the Commission is established, the Commission shall be a body of independent members of high moral character and good repute, representing the various regions of the Union.

**Article 22** The Commission shall be composed of a President and seven Members, one of whom shall be the President of the Council. The Commission shall be elected for a period of five years.

**Article 23** The Commission shall be assisted by a Secretary-General. The Secretary-General shall be elected by the Commission for a period of five years. The Commission shall be assisted by a number of officials chosen by the Commission from among the nationals of the Member States.

**Article 24** Members of the Commission shall be bound by the duty of discretion. They shall not be bound by instructions. They shall not be liable for opinions expressed in the exercise of their functions.

## Chapter 6 Supplementary Provisions

**Article 25** The Commission shall be assisted by a Secretary-General and a number of officials chosen by the Commission from among the nationals of the Member States.

**Article 26** The Commission shall be assisted by a Secretary-General and a number of officials chosen by the Commission from among the nationals of the Member States. The Commission shall be assisted by a number of officials chosen by the Commission from among the nationals of the Member States.

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