



Corporate Governance Policy

1. Objective

Asia Financial Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) is committed to the highest standards of corporate governance as it believes that good corporate governance practices are fundamental to enhancing the Group’s value and safeguarding interests of shareholders and stakeholders.

The Group will do its best to follow and comply with the corporate governance code provisions that have been established and where applicable, adopt the recommended best practices as set out in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”). In addition, it will continue to monitor and develop its governance policies to ensure that these remain consistent with the practices and standards which shareholders would expect of the Group.

2. Corporate Governance Structure

The corporate governance structure of the Group comprises of the following committees and parties:

- (a) Board of directors (“Board”): is responsible for leading, directing and supervising the Company’s affairs to enable the long term success of the Company and to deliver long-term value to shareholders.
- (b) Board committees: 8 committees have been set up to assist the Board in focusing specific matters. These committees report to the Board on decisions and actions taken; monitor the management’s performance and make any necessary recommendations. These committees are:
 - Executive Committee
 - Audit Committee
 - Compliance Committee
 - Remuneration Committee
 - Nomination Committee
 - Risk Committee
 - Investment Committee
 - Fund Management Committee
- (c) Company Secretary: is responsible for facilitating the Board’s process and communications among Board members, the management, shareholders and regulators. The Company Secretary also advises the Board and its committees on all corporate governance and other regulatory compliance matters.



- (d) External auditor and Internal Audit Department: provide assurance on financial reporting and internal controls to ensure accountability, accuracy and effectiveness of the operating systems.

3. Implementation of Corporate Governance Functions

The Board must ensure that the Company implements sound corporate governance and is primary responsible for performing the corporate governance duties. To be more effective, the Board has delegated the responsibility of overseeing the corporate governance functions to the Company's Compliance Committee, relevant particulars contained in the "Responsibilities" section of the Terms of Reference of the Compliance Committee.

4. Reporting on Corporate Governance

A Corporate Governance Report approved by the Board should be included in the annual report, containing at least all the mandatory disclosure requirements set out in Appendix 14 of the Listing Rules.

5. Review of the Policy

The Compliance Committee shall review the Policy at least annually to ensure the effectiveness of the Policy.

The Compliance Committee shall discuss any revisions that may be required and recommend any amendment to the Board for consideration and approval.

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