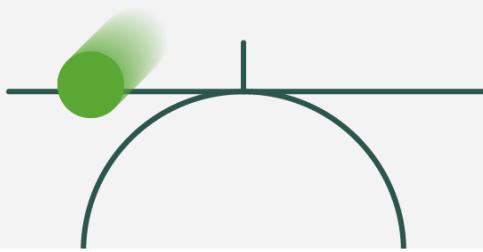




TERMS OF REFERENCE

AUDIT & FINANCE COMMITTEE



TERMS OF REFERENCE – ITTF AUDIT & FINANCE COMMITTEE

Document Title	Terms of Reference – Audit & Finance Committee
Document Owner	ITTF Governance Department
Effective Date	08 December 2025
Approved By	ITTF Executive Board on 08 December 2025
Next Review Date	1 st Quarter 2027



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Article 1 – Legal Basis and Authority

- 1.1 The Audit and Finance Committee ("the Committee") is constituted as a Permanent Committee of the International Table Tennis Federation ("ITTF") in accordance with Article 1.71.1 of the ITTF Statutes.
- 1.2 These Terms of Reference ("TOR") are issued under the authority of the ITTF Executive Board, which holds the exclusive power to establish and amend the terms governing all Committees, except as provided otherwise by the Statutes.
- 1.3 In the event of inconsistency between these TOR and the ITTF Statutes, the provisions of the Statutes shall prevail without exception.
- 1.4 The Committee performs its functions independently of management and shall exercise oversight in accordance with recognised international standards for audit and finance committees in the sports sector.
- 1.5 The Committee acts in an advisory and supervisory capacity and is responsible for providing objective assurance and financial oversight to the ITTF governance bodies.

Article 2 – Purpose

- 2.1 The purpose of the Committee is to monitor, evaluate and oversee the financial management, audit processes, risk framework and financial integrity of the ITTF.
- 2.2 The Committee shall support the Executive Board, the ITTF Council, and the Annual General Meeting by ensuring the accuracy, transparency and accountability of the ITTF's financial operations, statements and systems.
- 2.3 In pursuing its mandate, the Committee shall contribute to safeguarding the financial stability, sustainability and governance of the ITTF.

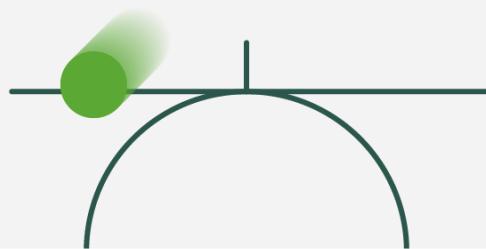
Article 3 – Composition

- 3.1 The Committee shall be composed of:
 - 3.1.1 At least three independent members appointed by the ITTF Council;
 - 3.1.2 One ITTF Council member appointed by the ITTF Council;
 - 3.1.3 The Executive Vice-President (Finance), who shall serve as Chair of the Committee.
- 3.2 A staff member appointed by the CEO shall serve as Secretary of the Committee, with speaking rights but without voting rights.
- 3.3 The President and Secretary General shall be ex officio members.
- 3.4 The Committee may invite individuals with specialized expertise, such as external auditors, risk consultants, investment advisors or legal counsel, to attend its meetings or specific sessions and participate in specific agenda items.



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3.5 The term of office of all Committee members shall coincide with that of the ITTF Executive Board.

3.6 All members and invited individuals shall comply with ITTF Statutes, especially as it relates to independence, ethics, conflicts of interest and integrity.

Article 4 – Chair

4.1 The Executive Vice-President (Finance) shall serve as Chair of the Committee for the duration of his or her term of office on the Executive Board

4.2 The Chair shall:

- provide strategic leadership to the Committee and ensure compliance with these Terms of Reference and the ITTF Statutes;
- convene, determine the agenda of, and preside over Committee meetings in accordance with the ITTF Statutes and relevant policies, including the Conflict of Interest Policy;
- oversee the articulation, drafting and presentation of any financial oversight recommendations, including reports to the ITTF Council, AGM and Executive Board;
- ensure constructive and inclusive deliberation among all Committee Members;
- oversee liaison with relevant ITTF structures;
- monitor participation levels of members and, in consultation with the ITTF Staff Member, initiate procedures in cases of inactivity;
- jointly with the Committee Secretary, communicate with ITTF departments as necessary to fulfil the Committee's mandate.

4.3 The Chair shall attend the Annual General Meeting with the right to speak but not to vote, and may attend Council meetings as an expert adviser, with the right to speak but no voting rights.

Article 5 – Deputy Chairs

5.1 The Committee may propose the appointment of a Deputy Chair from among its independent members. The appointment shall take effect upon approval by the Executive Board.

5.2 The Deputy Chair shall assist the Chair in carrying out their duties and shall act in place of the Chair during absences, temporary unavailability, or incapacity. Where the Chair becomes vacant, the Deputy Chair shall exercise the functions of the Chair until the ITTF Council appoints a new Chair.

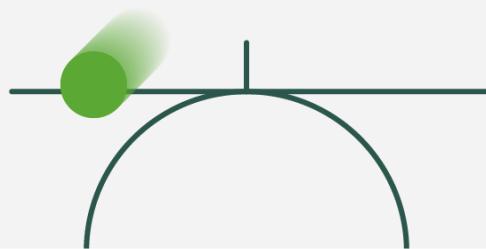
5.3 The Deputy Chair shall support meeting preparation, assist in monitoring member engagement and coordination, and contribute to the strategic direction and reporting obligations of the Committee.

5.4 The Deputy Chair shall not automatically acquire the speaking privileges of the Chair at the AGM or ITTF Council meetings unless acting as Acting Chair for the purpose of such attendance.



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Article 6 – ITTF Staff Member (Secretary)

6.1 The Secretary of the Committee shall be a staff member of the ITTF appointed by the Chief Executive Officer. The Secretary shall not be a voting member of the Committee.

6.2 The Secretary shall:

- facilitate the logistical organisation of meetings and ensure adequate notice and circulation of agendas and supporting documentation;
- prepare and distribute the minutes of meetings, obtain approval from the Chair, and record key decisions;
- coordinate correspondence between Committee members and submit proposals to the Chair for circulation when decision by correspondence is initiated;
- support the Chair in facilitating communication with ITTF departments and third parties, as required;
- support the Committee in monitoring audit, financial reporting, and risk management processes;
- maintain records of member participation and assist in monitoring compliance with these Terms of Reference;
- ensure adherence to ethical, confidentiality and data protection standards in the administration of the Committee's business.

6.3 The Secretary shall provide administrative continuity during changes in Committee membership and may be present in any Committee sub-committees or sub-groups.

Article 7 – Rights of Committee Members at the AGM

7.1 Committee members may attend the Annual General Meeting as observers, without the right to speak or vote, unless they are participating in their capacity as representatives of a Member Association, in which case they shall enjoy the usual rights of delegation consistent with that representation.

Article 8 – Budget Oversight

8.1 The Committee shall review the annual and quadrennial ITTF budget proposals prior to their submission to the Executive Board and the AGM.

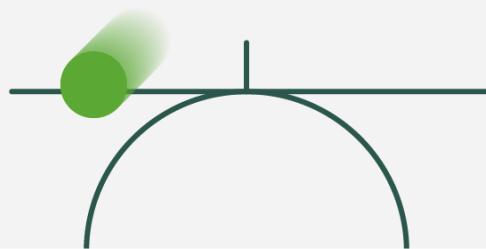
8.2 The Committee shall ensure that budgets reflect ITTF strategic priorities, operational plans and long-term financial sustainability.

8.3 The Committee shall monitor income and expenditure against approved budgets and highlight variances, risks or concerns to relevant ITTF structures.



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Article 9 – Financial Statements and Audit

- 9.1 The Committee shall review the annual audited financial statements and present them to the AGM with a recommendation for approval.
- 9.2 The Committee shall establish the audit brief or terms of reference for the external auditors, including scope, expectations, timelines and required deliverables.
- 9.3 The Committee shall monitor the performance, independence and effectiveness of the external auditors.
- 9.4 The Committee shall review the management letter issued by the auditors and ensure that all recommendations are addressed in a timely manner.

Article 10 – Internal Audit and Risk Management

- 10.1 The Committee shall monitor the internal audit function, including work plans, reporting lines, findings and remediation measures.
- 10.2 The Committee shall monitor the implementation of the ITTF's risk management strategy, including financial, operational, compliance and reputational risks.
- 10.3 The Committee may request the preparation of additional internal audit reviews or risk assessments as necessary.

Article 11 – Investment and Asset Oversight

- 11.1 The Committee shall analyse the ITTF investment programme and propose recommendations, where necessary.
- 11.2 The Committee shall monitor the management of ITTF assets to ensure that they are safeguarded, efficiently utilised and aligned with ITTF financial policies and best practices.
- 11.3 The Committee may recommend changes to the ITTF's investment policy or asset management strategy.

Article 12 – Directives, Policies and Guidelines

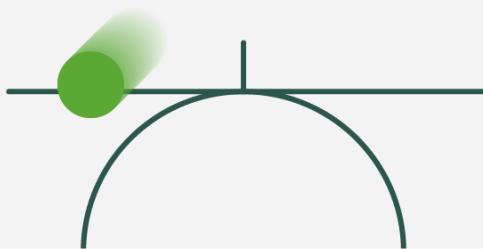
- 12.1 The Committee, jointly with the relevant ITTF department, may develop financial directives, internal control guidelines, audit policies and recommendations for approval by the Executive Board.
- 12.2 The Committee shall contribute to strengthening financial governance, transparency and accountability across the ITTF.

Article 13 – Meetings



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13.1 The Committee shall meet at least four times per calendar year. One such meeting shall take place, where practicable, during the period surrounding the Annual General Meeting, in accordance with Article 1.71.3 of the Statutes.

13.2 Meetings may be held in person, virtually or in hybrid format. The Chair shall convene meetings with reasonable notice and preside over proceedings.

13.3 A quorum shall consist of a simple majority of voting members. Where quorum is not met, the meeting may proceed for discussion purposes only, without the adoption of recommendations.

13.4 Written minutes shall be prepared by the Committee Secretary and approved by simple majority of the Committee Members. Minutes shall be circulated to all Committee members after each meeting for approval, and shared with the Executive Board and Council where appropriate.

Article 14 – Decision-Making by Correspondence

14.1 Where a written proposal is circulated by or on behalf of the Chair, any member who fails to provide a written opinion within the specified deadline shall be deemed to have endorsed any recommendation resulting from such proposal, in accordance with Article 1.71.6 of the Statutes.

Article 15 – Reporting

15.1 The Chair shall submit to the ITTF Council an annual report on the activities of the Committee, drawing attention to any recommendations it wishes to make.

15.2 Acceptance of such report shall not imply acceptance of any recommendation contained therein, unless expressly approved by the ITTF Council or AGM, as applicable.

15.3. The Chair shall submit an annual report of the committee's activities for inclusion in the ITTF Annual General Report.

Article 16 – Sub-Committees

16.1 The Committee may establish sub-committees composed of its members to address specific areas of work. Any report or recommendation originating from such sub-committees shall require endorsement by the full Committee prior to publication or submission to the AGM or the ITTF Council.

Article 17 – Inactivity and Removal

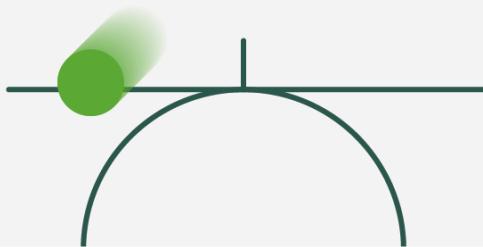
17.1 A member shall be considered inactive where, without valid reason, they fail to attend two consecutive meetings, attend fewer than half of the meetings held within any two-year period, or otherwise do not adequately fulfil their duties.

17.2 In cases of inactivity or failure to comply with these TOR, the Chair shall notify the member in writing and offer an opportunity to rectify the situation. Should inactivity persist, the Chair, in



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consultation with the Committee Secretary, may recommend removal to the Nominations Committee for consideration and, where applicable, recommendation to the AGM in accordance with the Statutes.

Article 18 – Conflicts of Interest

18.1 All members shall disclose any actual, potential or perceived conflict of interest. Any person connected with the manufacture, sale or endorsement of table tennis equipment, or who consults on such matters, may serve on the Committee but shall, upon request by a majority of members, withdraw from discussion or abstain from voting on affected issues.

18.2 All confidential information acquired through Committee work shall be treated as confidential and may not be disclosed without authorisation or unless required by law.

Article 19 – Limitation of Authority and Prohibition of Unauthorized Claims

19.1 No member of the Committee, including the Chair, the Deputy Chair, or any corresponding or full member, shall claim, assume, or exercise any role, power or responsibility that is not expressly conferred upon them by these Terms of Reference or by the ITTF Statutes.

19.2 Any authority not explicitly granted herein shall be deemed to be retained by the competent governance body of the ITTF as defined in the Statutes.

19.3 Any action undertaken by a member beyond the scope of the authority granted under these Terms of Reference or the Statutes shall be considered null and without effect unless subsequently ratified by the ITTF Council or the Executive Board, as applicable.

19.4 Where a member acts in excess of their authority or purports to extend their remit beyond what is expressly provided for, the Chair shall take appropriate action, including issuing a written warning. In the case of the Chair acting beyond their authority, the matter shall be referred to the Executive Board. Where appropriate, the matter may be referred to the Integrity Unit for review or further action.

19.5 Persistent or serious breaches of this provision shall constitute grounds for removal.

Article 20 – Amendment and Entry into Force

20.1 These Terms of Reference may only be amended by decision of the Executive Board.

20.2 They shall enter into force immediately upon adoption by the Executive Board.