



*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01164)**

*(the “Company”)*

**TERMS OF REFERENCE  
FOR THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE  
(THE “COMMITTEE”)**

Effective on 3 January 2023

**1. MEMBERSHIP**

- 1.1 The members (“Member(s)”) of the Committee shall be appointed by the board of directors (the “Board”) of the Company and shall comprise a minimum of two Members.
- 1.2 The chairman of the Committee shall be appointed by the Board. A quorum shall be two (2) Members.
- 1.3 Subject to paragraph 1.2, if a regular Member is unable to act due to absence, illness or any other cause, the chairman of the Committee may appoint another non-executive director or independent non-executive director of the Company to serve as an alternate Member. Attendance at Committee meetings by an alternate Member should not be counted as attendance by the Member himself.
- 1.4 The appointment of Members may be revoked, or additional Members may be appointed to the Committee by separate resolutions passed by the Board and by the Committee.

**2. SECRETARY**

- 2.1 The company secretary (whom failing, a person nominated by the chairman of the Committee) or a duly appointed secretary with appropriate qualification and experience shall be appointed as secretary of the Committee and shall attend all of its meetings.

**3. MEETINGS, NOTICES & MINUTES**

- 3.1 The Committee shall meet as its business requires and as determined by its Members. The Committee will meet at least once a year.
- 3.2 The meeting shall be called by at least two days’ notice in writing, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.

\* *for identification purposes only*

- 3.3 The meetings may be held in person, by telephone or by video conference or by other electronics means of communication by which all persons participating in the meetings are capable of hearing each other.
- 3.4 The chairman of the Board, the chief executive officer and external advisers may be invited to attend meetings of the Committee as and when appropriate.
- 3.5 Only Members are entitled to vote at the meetings.
- 3.6 A resolution in writing signed by all the Members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolutions in writing may consist of several documents in like form each signed by one or more of the Members.
- 3.7 Minutes shall be kept by the secretary of the Committee as conclusive evidence of any such proceedings if they purport to be signed by the chairman of the meetings or by the chairman of the next succeeding meeting. Draft and final versions of minutes shall be circulated to all Members for their comments and records respectively, within a reasonable time after the meetings. Such minutes shall be open for Directors' inspection.

#### **4. AUTHORITY**

- 4.1 All Members can have access to the advice and services of the company secretary who is responsible to the Committee for ensuring that Committee procedures, and all applicable rules and regulations, are followed.
- 4.2 The Committee shall have access to sufficient resources to discharge its duties. The Committee is authorized by the Board where necessary and reasonable to obtain professional advice at the Company's expense, subject to notifying and obtaining the agreement of the chairman of the Board.
- 4.3 The articles of association of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and are not replaced by the provisions in these terms of reference shall apply to the meetings and proceedings of the Committee.
- 4.4 The Board may, subject to compliance with the articles of association of the Company and the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (including the Corporate Governance Code set out in Appendix 14 to the Listing Rules or if adopted by the Company, the Company's own corporate governance code), amend, supplement and revoke these terms of reference and any resolution passed by the Committee, provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.

## **5. DUTIES AND RESPONSIBILITIES**

The Committee shall:

- 5.1 to make recommendations to the Board on the ESG objectives, strategies and management policies of the Company;
- 5.2 to review and assess the adequacy and effectiveness of the management framework for ESG matters of the Company and make recommendations to the Board (if necessary);
- 5.3 to adopt and update the Company's ESG policies to ensure compliance with applicable legal and regulatory requirements;
- 5.4 to identify, determine, prioritise and assess ESG risks and opportunities of the Company, advise on those issues that will significantly affect the operation of the Company;
- 5.5 to review and monitor the work of the Company's ESG, assess and review the Company's ESG performance against performance targets;
- 5.6 to ensure the annual ESG report of the Company is in compliance with the relevant requirements of the Listing Rules;
- 5.7 to review the annual ESG report of the Company and recommend to the Board for approval; and
- 5.8 to consider other matters, as defined or assigned by the Board from time to time.

## **6. REPORTING PROCEDURES**

- 6.1 The Chairman of the Committee shall report to the Board on the general conclusions reached at all of its meetings.

*The terms of reference will be posted on the Company's website and on the Stock Exchange's website.*

*The Chinese version of this document is for reference only. In case of any discrepancies or inconsistency between the English version and Chinese version, the English version prevails.*