

**HONG KONG TECHNOLOGY VENTURE COMPANY LIMITED**

**香港科技探索有限公司**

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*

(Stock Code: 1137)

**(“Company”)**

**TERMS OF REFERENCE  
OF  
THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE**

**1 ESTABLISHMENT**

1.1 The board of directors of the Company (**“Board”**) hereby establishes the Environmental, Social and Governance (**“ESG”**) Committee (**“Committee”**).

**2 PURPOSE**

2.1 The Committee assists the Board in overseeing ESG matters across the Company and its subsidiaries (**“Group”**) by:

- (a) formulating the Group’s ESG vision, mission and strategies;
- (b) ensuring compliance of the applicable legal requirements relating to ESG; and
- (c) integrating ESG considerations into the Group’s operations and long-term value creation.

**3 MEMBERSHIP**

3.1 The Committee is a committee of the Board and shall report to the Board.

3.2 The members, including the chairman of the Committee (**“Chairman”**), shall be appointed by the Board.

3.3 The Committee comprises at least 3 members (**“Members”**), with a majority being independent non-executive directors (**“INED”**), with at least one with ESG expertise.

3.4 The Board may appoint or remove members at its discretion.

3.5 The Committee leads and oversees the ESG task force comprising at least one member each with ESG expertise and experience, respectively (**“ESG Task Force”**).

**4 AUTHORITY**

4.1 The Committee is authorised to:

- 4.1.1 investigate matters within its scope;
- 4.1.2 access relevant information and personnel;

- 4.1.3 seek external professional advice, subject to Board's approval for significant costs;
- 4.1.4 delegate tasks to the ESG Task Force, retaining oversight; and
- 4.1.5 exercise powers necessary to fulfill its duties, with adequate resources (including trainings) provided.

## **5 DUTIES**

- 5.1 The duties of the Committee shall include:

### **ESG vision and missions and policy**

- 5.1.1 Formulate and recommend Group's ESG vision, mission and policy to the Board.

### **ESG strategy**

- 5.1.2 Align ESG initiatives with business objectives.
- 5.1.3 Integrate ESG into risk management and strategic planning.

### **Compliance of the applicable ESG legal requirements**

- 5.1.4 Monitor compliance with ESG legal requirements, including the disclosure requirements and "comply or explain" provisions under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
- 5.1.5 Review and recommend annual ESG report for Board's approval, ensure timely publication.
- 5.1.6 Ensure adequate resources, staff qualifications and experience, training programmes and budget to meet ESG legal requirements.

### **Environmental Oversight**

- 5.1.7 Assess and monitor environmental impacts of the Group's operations and address climate-related risks and opportunities.
- 5.1.8 Recommend specific sustainability targets and initiatives and monitor progress.

### **Social Oversight**

- 5.1.9 Oversee employee welfare and diversity policy, occupational health and safety, and labor practices across the Group.
- 5.1.10 Monitor the Group's and its supply chain ethics (including child and forced labour, consumer protection, data privacy, anti-bribery and anti-corruption, extortion, fraud and money laundering).

5.1.11 Oversee social responsibility commitments.

### **Governance Oversight**

5.1.12 Oversee accurate ESG data collection, analysis and verification processes to ensure transparency.

5.1.13 Oversee stakeholder engagement on ESG matters.

5.1.14 Ensure compliance and support the Board in maintaining good governance practices with regards to the applicable laws and regulations that have a significant impact on the Group relating to ESG.

5.1.15 Review these Terms of Reference annually and recommend updates to the Board.

### **Performance Monitoring and Reporting**

5.1.16 Identify material ESG issues via stakeholder consultation and materiality assessments.

5.1.17 Set and monitor ESG key performance indicators, as required by the ESG Code.

5.1.18 Evaluate ESG initiatives effectiveness and recommend improvements.

### **Advisory Role**

5.1.19 Advise the Board on emerging ESG trends, regulatory changes, and investor expectations.

5.1.20 Recommend third-party assurance or external expertise, where appropriate, to enhance ESG credibility.

5.1.21 Perform other ESG-related tasks at the Board's request, including but not limited to providing recommendations on integrating ESG considerations into the review and monitoring of the Company's strategies, key action plans, annual budget and performance targets.

## **6 MEETINGS**

6.1 The Committee shall meet at least once per year, with additional meetings as required.

6.2 A quorum is 3 members, including at least one Executive Director and one INED.

6.3 Meetings may occur in person, by telephone, or via video conference.

6.4 The Committee may, from time to time, invite advisors (including but not limited to external advisors) to attend meetings to provide advice to the Members.

- 6.5 Resolutions of the Committee shall be passed by a majority of votes. The Chairman has a casting vote in ties.
- 6.6 Notice of any meetings is given at least 14 days in advance, waivable by unanimously consent from all members. No notice is required, for adjournment less than 14 days.
- 6.7 Minutes of each meeting shall be recorded and submitted to the Board for review.

## **7 REPORTING**

- 7.1 Chairman of the Committee shall report to the Board after each meeting, summarising discussions, recommendations and actions taken.
- 7.2 The Committee shall escalate urgent ESG risks or compliance issues to the Board promptly.

## **8 Review of Terms of Reference**

- 8.1 The Committee shall review these Terms of Reference annually and recommend updates to the Board as necessary to reflect changes in the applicable legal requirements and best practices.
- 8.2 Any amendments of these Terms of Reference shall be subject to Board's approval.

## **9 SECRETARY**

- 9.1 The secretary of the Committee shall be the Company Secretary or a person designated by the Committee.

## **10 EFFECTIVE DATE**

- 10.1 These Terms of Reference shall take effect upon approval by the Board on 27 March 2025.