



# CHINA RENAISSANCE HOLDINGS LIMITED 華興資本控股有限公司

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

**(Stock Code: 1911)**

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

China Renaissance Holdings Limited (the “**Company**”) has established an Environmental, Social and Governance Committee (the “**Committee**”) pursuant to the resolution passed by the board (the “**Board**”) of directors (the “**Directors**”) of the Company on August 21, 2020. The terms of reference of the Committee (the “**Terms of Reference**”) are set out below.

### **1. Objective**

1.1 The objective of the Committee is to assist the Board in guiding and supervising the development and implementation of environmental, social and governance works of the Company and its subsidiaries (the “**Group**”) to ensure compliance with relevant legal and regulatory requirements.

### **2. Composition**

2.1 The Committee shall be appointed by the Board from time to time and shall comprise at least one executive Director. The Committee may, where appropriate, invite other members of the Board or staff to attend its meetings, and may from time to time set up sub-committees to deal with specific matters commensurate with the circumstances of the Group.

2.2 The Board shall appoint one member of the Committee (who must be an executive Director) as the chairman of the Committee (the “**Chairman**”).

### **3. Meetings**

3.1 Unless otherwise specified hereunder, the provisions contained in the Company’s articles of association (the “**Articles**”) (as amended from time to time) for regulating meetings and proceedings of directors shall apply to the meetings and proceedings of the Committee.

- 3.2 Members of the Committee may attend meetings of the Committee either in person or through other electronic means of communication or in such other manner as the members may agree.
- 3.3 The Committee shall meet at least twice a year. Additional meetings shall be held as and when required.
- 3.4 A proxy or an alternate appointed by a member of the Committee may represent him at a meeting of the Committee.
- 3.5 The Chairman shall be responsible for leading the Committee, including scheduling meetings, preparing agendas and regularly reporting to the Board.
- 3.6 A meeting of the Committee may be convened by any of its members.
- 3.7 The quorum for any meeting of the Committee shall be three members.
- 3.8 Unless otherwise agreed by all members of the Committee, notice of a regular meeting of the Committee shall be given at least seven days in advance, and reasonable notice shall be given for all other meetings of the Committee. The Chairman shall determine whether a meeting of the Committee is a regular meeting.
- 3.9 Each member shall have one vote. Subject to the Articles, issues raised at any meeting of the Committee shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall have a second or casting vote.
- 3.10 Members of the Committee shall appoint a secretary of the Committee (the “**Secretary**”) to take minutes. In the absence of the secretary, his/her delegate(s) or any person elected by the members present at the meeting of the Committee, shall attend the meeting of the Committee and take minutes. Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the Chairman or the Secretary of the meeting or adjourned meeting.
- 3.11 The Secretary or the company secretary of the Company shall keep full minutes of the Committee’s meetings, which shall be available for inspection at any reasonable time on reasonable notice by any Director.

3.12 Minutes of meetings of the Committee and the record of individual attendance at such meetings shall be prepared by the Secretary and sent to all members of the Board within a reasonable time after the conclusion of any meeting of the Committee for their comment and records. For the purpose of recording attendance only, attendance by an alternate of a member of the Committee at a meeting shall not be counted as attendance by the relevant member of the Committee himself. Minutes of meetings shall record the matters considered and decisions made in detail, including any concerns raised by Directors or dissenting views expressed.

3.13 Without prejudice to any requirement under the Listing Rules, a written resolution signed by all of the members of the Committee (or their respective alternate) shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

#### **4. Access rights**

4.1 The Committee shall have full access to management and may invite management members or others to attend its meetings.

4.2 The Company should provide the Committee with sufficient resources to perform its duties, including but not limited to obtaining independent professional advice and assistance from internal or external legal, accounting or other advisors at the expense of the Company if necessary.

#### **5. Reporting procedures**

5.1 The Committee shall evaluate and assess its effectiveness and the completeness of its Terms of Reference on an annual basis and recommend any proposed changes to the Board.

5.2 The Committee shall report to the Board on their decisions or recommendations, unless prevented from doing so by any legal or regulatory restrictions (such as a restriction on disclosure due to regulatory requirements).

## 6. Authority

- 6.1 The authorities and responsibilities of the Committee shall include such responsibilities and authorities set out in the relevant code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 and the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in Appendix 27 to the Listing Rules (as amended from time to time).
- 6.2 The Committee is authorized by the Board to investigate any activity within its Terms of Reference. It is authorized to obtain any information it requires from any employee and all employees are ordered to co-operate with any request made by the Committee.

## 7. Responsibilities

- 7.1 Without prejudice to any requirement under the CG Code and ESG Reporting Guide, the Committee shall perform the following duties:
- (a) to develop and review the Company’s ESG responsibilities, vision, objectives, strategies, framework, principles and policies, and strengthen the materiality assessment and reporting process to ensure and fulfill the continuous execution and implementation of any ESG policies approved by the Board;
  - (b) to review and monitor the Company’s ESG policies and practices to ensure compliance with legal and regulatory requirements; and to review and monitor the Company’s ESG risk management and internal control systems to ensure the effectiveness and adequacy of internal controls;
  - (c) to monitor the communication channels and methods between the Company and its stakeholders, and to ensure that relevant policies are in place to effectively promote the relationship between the Company and its stakeholders and protect the reputation of the Company;

- (d) to review major ESG trends and related risks and opportunities, evaluate the adequacy and effectiveness of the Company's ESG-related structures and business models, and adopt and update the Company's ESG policies as necessary to ensure that they are up-to-date and in compliance with applicable laws, regulations and regulatory requirements and international standards;
- (e) to review the Company's annual ESG report and make recommendations to the Board for approval, recommend specific actions or decisions for the Board's consideration in order to maintain the integrity of the ESG report and ensure that the Company's annual ESG report is prepared in accordance with the ESG Reporting Guide (including amendments from time to time); and
- (f) to supervise and review the work of the Company's ESG working group, assess and review the Company's ESG performance against targets, and report to the Board.

## **8. ANNUAL GENERAL MEETING**

- 8.1 The Chairman or, in his absence, another member of the Committee or, failing this, his duly appointed delegate, shall attend the annual general meeting (the "AGM") of the Company and be prepared to respond to questions at the AGM on the Committee's work and responsibilities.