



Regina Miracle International (Holdings) Limited

維珍妮國際(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2199)

**Terms of reference of
the ESG Committee
of the Board of the Company**

Adopted on 13 September, 2021

DEFINITIONS

In these terms of reference, unless the context otherwise requires, the following terms have the meanings set out below:

- “Board”** means the Board of Directors of the Company;
- “ESG”** means Environmental, Social and Governance;
- “ESGComm”** means the Environmental, Social and Governance Committee of the Board of the Company;
- “Company”** means Regina Miracle International (Holdings) Limited;
- “Directors”** means the directors of the Company, and **“Director”** means any one of them;
- “Group”** means the Company and its subsidiaries; and
- “Listing Rules”** means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

OBJECTIVE

ESGComm is to advise and assist the Board in managing matters relating to ESG of the Group, such as governance, policies, initiatives, performance and reporting.

Functions of the ESGComm are summarised as follows:

1. On behalf of the Board, provide direction and set targets in relation to the Group's ESG strategies and activities;
2. Review the ESG policies and initiatives of the Group to ensure they remain effective and up-to-date;
3. Ensure compliance with legal, regulatory as well as customers' requirements including corporate governance principles, industry standards, and customers' codes, applicable to the Company; and
4. Ensure all stakeholders receive appropriate information about the Group's ESG activities.

In these terms of reference, "ESG" refers to the aspects as stipulated in the Appendix 27 Environmental, Social and Governance Reporting Guide to the Listing Rules.

COMPOSITION, NOTICE AND QUORUM

The ESGComm shall comprise not less than three Directors, including at least one Independent non-executive Director.

The Chairman of the ESGComm shall be appointed by the Board. He/she should attend the annual general meeting to support in answering shareholder questions on the ESGComm's activities.

The secretary of the ESGComm shall be the Company's secretary or any person designated as such by the ESGComm from time to time.

Members of the ESGComm are required to attend meetings of the ESGComm. Directors or management may be invited by the Chairman of the ESGComm to attend, if necessary. External advisers may also be invited to attend ESGComm meetings, where necessary.

Prior notice in writing or by telephone of upcoming meetings should be given to all ESGComm members unless otherwise waived by members in writing. The presence of a member at the meeting deems to have given his/her consent to a waiver or short notice.

Information and materials relevant to the agenda of each ESGComm meeting shall be circulated to all members of the ESGComm in a timely manner in preparation of such meetings.

The quorum for meetings of the ESGComm shall be two members. During the meeting, in the absence of the Chairman and/or an appointed deputy at any meeting, the ESGComm will elect one of the members present to act as the Chairman of such meeting. Decisions shall be determined by a simple majority and, in the event of a tie, the Chairman of the ESGComm shall have the casting vote.

AUTHORITY

The ESGComm, with the authority granted by the Board, shall:

- 1) Investigate any ESG-related activity within its terms of reference. It is authorised to access any information it requires from any employee of the group and all employees are directed to co-operate with any request made by the ESGComm;
- 2) Obtain external independent professional advice at the Company's expense, and to secure the attendance of any person with relevant experience and expertise at ESGComm meetings as it considers appropriate; and
- 3) Obtain training resources at the Company's expenses, as it considers appropriate.

The ESGComm may delegate aspects of its functions to management (ESG Execution Team), with such powers as appropriate.

DUTIES

Duties of the ESGComm are:

ESG Vision and Strategies

- 1) To research, monitor and review the current and rising ESG trends and issues in understanding emerging ESG matters that affect the Group's operations; and
- 2) To determine and review the Group's ESG vision, objectives and strategies, and make recommendations to the Board for the approval of the relevant initiatives.

ESG Governance

- 3) To identify, determine and evaluate ESG risks and opportunities of the Group, which shall be reported to the Board;
- 4) To ensure effective risk management and internal control systems are in place for managing ESG risks;
- 5) To identify, assess and determine ESG issues that are material to the operations of the Group and/or stakeholders' interests;
- 6) To advise the Board on the allocation of resources on ESG initiatives;

- 7) To develop and establish ESG policies and procedures in guiding the implementation of relevant ESG initiatives;
- 8) To review the Group's ESG policies and procedures to ensure that they remain valid and fit for purposes;
- 9) To monitor and review the Group's operations to ensure that they are in compliance with relevant ESG policies and procedures, as well as applicable laws and regulations;
- 10) To oversee the implementation of the Group's ESG strategies and initiatives;
- 11) To set targets to measure the attainment of the initiatives and develop continuous improvement programme for ESG performance;
- 12) To measure and evaluate performance of the Group against ESG targets set, which shall be reported to the Board, and advise on actions needed to improve performance;
- 13) To ensure sufficient and adequate training on ESG issues is provided to relevant employees; and
- 14) To oversee stakeholder engagement and materiality assessment processes to ensure effective communication and relationship are maintained with stakeholders, while safeguarding the Group's reputation.

ESG Reporting

- 15) To determine the reporting standard to be adopted for the ESG report;
- 16) To determine the reporting boundary of the ESG report;
- 17) To oversee the ESG reporting preparation by the ESG Execution Team; and
- 18) To review the Group's Sustainability Report and ESG Report, which shall be prepared by the ESG Execution Team, and make recommendations to the Board for approval.

Community Initiatives

- 19) To review budget and work plan of community initiatives, and make recommendations to the Board for approval; and
- 20) To review operations, results and performance of community initiatives, including the volunteering teams and other charity activities, as well as internal and external feedback on the initiatives, and provide updates to the Board as appropriate.

Other Responsibilities

- 21) To review and evaluate the performance of the ESGComm and these terms of reference to ensure its operating effectiveness, and recommend any changes it considers appropriate for the Board's approval; and
- 22) To identify and monitor actions that are necessary to enable the ESGComm to discharge its responsibilities.

In carrying out its responsibilities, the ESGComm shall conform to any requirements, direction, and regulations that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

REPORTING PROCEDURES AND FREQUENCY OF MEETINGS

Minutes of meetings of the ESGComm shall be kept by the secretary to the meetings of the ESGComm and shall be open for inspection at any reasonable time on reasonable notice by any Director. The secretary to any meeting of the ESGComm shall circulate the minutes of the meeting of the ESGComm for which he has acted as secretary in draft and final forms to all members of the ESGComm within a reasonable time after such meeting is held.

The ESGComm shall report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so.

The chairman of the ESGComm may convene meetings at his discretion, but in any event meetings of the ESGComm are to be held not less than once every year.