

Skymission Group Holdings Limited
天任集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1429)

ESG COMMITTEE
TERMS OF REFERENCE

Constitution

The board (the “**Board**”) of directors (collectively, the “**Directors**” and individually, a “**Director**”) of Skymission Group Holdings Limited (the “**Company**” which together with its subsidiaries, the “**Group**”) has the Environmental, Social and Governance Committee (the “**ESG Committee**”) with authority, responsibility, and specific duties as described below.

Objective

The ESG Committee is to advise and assist the Board in managing matters relating to Environmental, Social and Governance (“**ESG**”) of the Group, such as governance, policies, initiatives, performance and reporting. The ESG Committee is responsible for preparing the ESG report (the “**ESG Report**”).

In these terms of reference, “**ESG**” refers to the aspects as stipulated in the Appendix 27 “Environmental, Social and Governance Reporting Guide” to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited issued by the Hong Kong Exchange and Clearing Limited.

Composition, Notice and Quorum

The ESG Committee shall be appointed by the Board and shall consist of not less than four members. It shall consist of at least one Executive Director and one Safety Supervisor of our Group.

Members of the ESG Committee are required to attend meetings of the ESG Committee. Other Board members or the management may be invited to attend, if necessary. External advisers may also be invited to attend ESG Committee meetings where necessary.

Authority and Duties of the ESG Committee

- a. To support the Board in implementing the ESG policies and collecting the ESG data from different parties while preparing the ESG Report.
- b. To ensure that the ESG targets, strategies and polices agreed by the Board are effectively implemented by the employees.

- c. To report to the Board on the ESG performance of the Group to the Board on a quarterly basis on the effectiveness of these systems.
- d. To provide updates to the Board on the latest ESG statutory requirements.
- e. To be responsible for preparing the ESG Report, and to obtain assistance from relevant professional parties equipped with ESG expertise if necessary, in accordance with the ESG Reporting Guide.
- f. To be authorised by the Board to investigate any ESG-related activity within its terms of reference. The ESG Committee 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 ESG Committee.
- g. Duties of the ESG Committee shall include the following:

ESG Vision and Strategy

- a) Research, monitor and review current and rising ESG trends and issues in understanding emerging ESG matters that affect the Group's operations; and
- b) Determine and review the Group's ESG vision, objectives and strategy, and make recommendations to the Board for the approval of the relevant initiatives.

ESG Governance

- c) Identify, determine and evaluate ESG risks and opportunities of the Group, which shall be reported to the Board;
- d) Ensure effective risk management and internal control systems are in place for managing ESG risks;
- e) Identify, assess and determine ESG issues that are material to the operations of the Group and/or stakeholders' interests;
- f) Advise the Board on the allocation of resources on ESG initiatives;
- g) Develop and establish ESG policies and procedures in guiding the implementation of relevant ESG initiatives;
- h) Review the Group's ESG policies and procedures to ensure that they remain valid and fit for purposes;
- i) 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 and international standards;

- j) Oversee the implementation of the Group's ESG strategy and initiatives;
- k) Set targets to measure the attainment of the initiatives and develop continuous improvement programme for ESG performance;
- l) 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;
- m) Ensure sufficient and adequate training on ESG issues is provided to relevant employees; and
- n) 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

- o) Determine the reporting standards to be adopted for the ESG Report;
- p) Determine the reporting boundary of the ESG Report; and
- q) To prepare the annual ESG Report and the Corporate Social Responsibilities sections in the Company's annual report, and make recommendations to the Board for approval.

Community Initiatives

- r) Review budget and work plan of community initiatives, and make recommendations to the Board for approval; and
- s) 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

- t) Review and evaluate the performance of the ESG Committee and these terms of reference to ensure its operating effectiveness, and recommend any changes it considers appropriate for the Board's approval; and
- u) Identify and monitor actions that are necessary to enable the ESG Committee to discharge its responsibilities.

In carrying out its responsibilities, the ESG Committee shall conform to any requirement, direction, and regulation 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

The company secretary of the Group shall act as the secretary of the ESG Committee, who shall circulate draft and final versions of the minutes of the meetings of the ESG Committee to all members of the ESG Committee for their comment and record, within a reasonable time after the meetings. The secretary shall also copy the final versions of the minutes to other members of the Board (who are not members of the ESG Committee) for their records.

Meetings of the ESG Committee shall be held at least once every year. Upon request of the Chairman, additional meetings shall be held. All meetings of the ESG Committee shall be summoned by the secretary of the ESG Committee.

Adopted by the Board on 7 September, 2020