

SOHO China Limited

(Stock code: 00410)

(“The Company”)

Environmental, Social and Governance Committee – Terms of Reference (Adopted by the Board of Directors on November 16, 2021 and taking effective from November 16, 2021)

1. Members

- 1.1. The Environmental, Social and Governance Committee (hereinafter referred to as the “**Committee**”) shall be appointed by the Board of Directors of the Company (the “**Board**”). The Committee shall consist of at least three members, of which at least one shall be an independent non-executive director of the Company (the “**independent non-executive director**”). The Articles of Association of the Committee shall be prepared in accordance with the requirements of the Securities Listing Rules of The Stock Exchange of Hong Kong Ltd. (the “**Listing Rules**”).
- 1.2. The chairman of the Committee shall be the chairman of the Board or an independent non-executive director.

2. Purpose

The Committee is established for the purpose of reviewing matters related to environment, society and enterprise’s governance, and reporting such matters to the Board.

3. Attending Meetings

- 3.1. Except as otherwise stated in this Terms of Reference, the Committee meetings shall be in line with relevant regulations about board meetings and agendas as set out in the Articles of Association of the Company.
- 3.2. A quorum of the Committee meeting shall be three members of the committee, including one as the minimum who shall be an independent non-executive director.
- 3.3. The chairman of the Board (the “**Chairman**”) may attend the committee meetings.
- 3.4. If appropriate, the Committee can invite external consultants and/or members of the Company’s management to attend the meetings, to provide suggestions for its members.

- 3.5. The secretary of the Company also works as the secretary of the Committee. In the absence of the secretary of the committee, the members attending the meeting shall elect another person as the secretary.
- 3.6. The members of the Committee can attend the committee meetings in form of teleconferences or through other similar communication devices. In this way, all people attending the meeting can hear the conversation that will occur. Attending meetings based on this provision constitutes attending meetings concerned in person.

4. Number of Meetings

At least one meeting shall be held every year. Any committee member may call a meeting as he deems necessary, or at the request of any committee member, the secretary of the Committee shall convene a meeting as soon as reasonably practicable, and consider whether it is convenient for all members (Independent non-executive directors shall be firstly considered) to attend the meeting.

5. Committee Resolutions

A resolution in writing signed by all the members of a committee, shall be as valid as if it had been passed at a committee meeting. The resolution can consist of several documents in like form each signed by one or more members. Signing and circulation of this resolution can be realized by facsimile or with other electronic communication methods. This provision shall not cause prejudice to any requirements of the listing rules regarding holding of board or committee meetings.

6. Authority

- 6.1. The Committee, with the authorization of the board, shall review, evaluate and make suggestions on any matter within its terms of reference. The Committee can also be authorized to seek any information as needed from any employee or executive director, and such persons must provide support for any requests made by the committee.
- 6.2. The Committee authorized by the Board can obtain external legal or other independent professional opinions as deemed necessary (with the cost arising therefrom borne by the Company), and invite independent professional consultants who have relevant experience and professional knowledge to attend the meeting.
- 6.3. The Committee shall be provided with sufficient resources to perform its duties.

7. General Responsibilities

- 7.1. In accordance with the principles of sustainable development, the Committee continues to integrate the best international practices into the corporate governance of the Company and incorporates matters regarding the environmental, social and governance (“ESG”) into the strategies of the Company, aiming to create value for general shareholders and mid-term to long-term interested parties.
- 7.2. The Committee shall perform other responsibilities under the Listing Rules from time to time.

8. Responsibilities and Duties

The Committee has the following responsibilities & duties in environmental, social and corporate governance, as stated below:

- 8.1. The Committee shall oversee the establishment of the ESG visions, strategies, goals and policies, for which the Committee shall:
 - a. identify related matters that have significant impacts on the Group’s operations and/or the rights and interests of other important interested parties, from the environmental, social and governance aspects;
 - b. provide guidance and review of the ESG visions, goals and strategies of the Company, and propose suggestions to the Board to get relevant ESG measures approved;
 - c. monitor and review the emerging ESG trends and ESG issues, provide guidance for the development of the Company’s ESG visions based on relevant conditions, and put forward advisory opinion on managing the current and emerging issues that affect the Company’s ESG status;
 - d. accept and update the policies related to safe work, environment protection, social responsibility management and corporate governance for the Company;

- e. review the human rights, business ethics and integrity as well as the diversity and inclusion policies of the Company; incorporate environmental, social and governance (ESG) issues into the policies for business model, including the analysis of relevant key performance indicators; review the measures and related reports taken by the Company caused by climate change; submit to the Board the methods, goals and follow-up procedures about the sustainability and sustainable development reports;
 - f. review and monitor the ESG policies and practices to ensure compliance with statutory and regulatory requirements.
- 8.2. The Committee shall oversee the implementation of the ESG visions, strategies, goals and policies, for which the Committee shall:
- a. oversee the implementation of the Company's ESG measures, and set goals to measure the effectiveness of relevant measures taken;
 - b. oversee the achievement of the set goals for the Company's ESG and recommend measures to improve the performance based on actual needs;
 - c. establish and review the Company's ESG visions, strategies, framework, principles and policies, make relevant recommendations to the Board and implement the ESG policies determined by the Board;
 - d. review the impact and adopt risk assessment of the Company on health, safety, environment and society;
 - e. ensure that the environmental, social and governance report (the "**ESG Report**"), which is prepared by the Board in accordance with the requirements for disclosure as prescribed in the Listing Rules and with the Corporate Governance Code (set out in Appendix 14 of the Listing Rules) is contained in the financial report summary (if any) and annual report of the Company;
 - f. oversee the positioning of the Company on the capital market about sustainable development issues, international measures for ESG matters, as well as the participation in various matters, aiming at consolidating the international reputation of the Company.

- 8.3. The Committee shall oversee the establishment and implementation of the corporate's governance, for which the Committee shall:
- a. work out and review the corporate governance policies and regulations of the Company and put forward suggestions to the Board;
 - b. review and oversee the training and continuing professional development of the directors and the senior management of the Company, including the suggestions on the methods to increase directors' understanding of the Company's environment, society, business and the corporate governance policies as well as their responsibilities as the Company's directors;
 - c. review and oversee the compliance of the Company's policies and practices with relevant statutory and regulatory requirements;
 - d. prepare, review and oversee the code of conduct and compliance manual (if any) applicable to the Company's employees and directors;
 - e. review the issuer's compliance with the Code and the disclosure in the corporate governance report;
 - f. make sure to work out and review the terms of reference for each committee of the Board every year and put forward suggestions to the Board;
 - g. Review with the Board the methods and procedures for the Board to perform its duties and responsibilities on a regular basis, including but not limited to the discussion of:
 - ✓ structure of the Committee;
 - ✓ number and content of board meetings;
 - ✓ annual plan related matters that should be discussed and reviewed by the Board at the board meeting or such meetings of its committees, etc.;
 - ✓ resources available to the directors of the Company;
 - ✓ communication procedures between the board of directors and the management;

- h. after consulting the chairman, direct and oversee the investigation of any matters brought to the attention of the Committee within the scope of its responsibilities & duties.

8.4. Other Responsibilities:

- a. put forward suggestions to the Board about the funds required for measures to be taken for environment, society and governance according to the requirements, so as to take actions within the scope of its authority;
- b. review and approve the disclosure of the Company's sustainable development framework, goals and the performance information as included in the annual reports;
- c. discuss, question and offer advice to the management on the past, current and emerging ESG risks;
- d. review and evaluate the performance and terms of reference of the Committee to ensure the Committee can play its role to the maximum extent as possible in operations, and to offer suggestions on any changes as deemed appropriate to the Board for approval;
- e. handle other matters related to health, safety, environment, social responsibility and corporate governance approved by the Board.

9. Reporting Procedure

9.1. The Committee shall report the latest information to the Board, and report the topics discussed and the comments, suggestions and opinions put forward at the board meeting, at an interval of once a year as the minimum, not later than the date when the annual report is approved.

9.2. The chairman of the Committee shall report the findings and suggestions of the Committee at the next board meeting which is held after the committee meeting.

10. Disclosure and Updating of the Terms of Reference

This terms of reference shall be updated and amended as necessary according to the regulatory requirements (like the Listing Rules) in Hongkong. This terms of reference shall be made public on the website of The Stock Exchange of Hong Kong Ltd. and on the website of the Company.