



Rules of Procedure for ESG Committee of the Board

Rule 1 Purpose

- i. These Rules of Procedure are formulated in accordance with the relevant laws, regulations, rules and regulatory documents as well as the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the memorandum and articles of association of the Company (the "Articles of Association") while taking into account the actual conditions of the Company, aiming at improving the governance structure of Greentown China Holdings Limited (the "Company"), and further regulating the Company's Environmental, Social and Governance systems and practices.
- ii. The ESG Committee of the Board (the "Committee") is a specialised committee under and accountable to the Board of Directors (hereinafter referred to as the "Board", and its members referred to as the "Directors").

Rule 2 Composition

- i. The Committee consists of at least 3 Directors.
- ii. The appointment or removal of a member of the Committee (hereinafter referred to as "Member") shall be proposed by the Chairman of the Board, and be approved by ordinary resolution at the Board meeting or by written resolution signed by all Directors.

- iii. When the term of office for a Member expires, he/she is eligible for re-election. Where a Member resigns as a Director during his/her term, the Chairman of the Board may, for the purposes of maintaining composition of the Committee in compliance with the Rules of Procedure, nominate another Director to serve as an ad hoc Member, who shall, within three months, become a formal Member upon the approval by the Board according to the second paragraph of this Rule.
- iv. One of the Members shall serve as the Chairman of the Committee (the "Chairman"). The procedures on appointment or removal of the Chairman are the same as that of a Member.
- v. The Committee shall have a secretary (the "Secretary"), who is concurrently the Board secretary or the Company secretary.

Rule 3 Duties and Responsibilities

The duties of the Committee are as follows:

- i. to formulate and review the Group's environmental, social and governance ("ESG") liabilities, vision, targets, strategies, structure, principles and policies, enhance a materiality assessment and reporting process to ensure actions are well followed through and implemented continuously on the ESG policies which are approved by the Board;
- ii. to monitor channels and means of communication between the Company and its stakeholders, and ensure that relevant policies are in place to effectively promote the relationship between the Company and its stakeholders and protect the Company's reputation;
- iii. to review key ESG trends and related risks and opportunities, and assess the adequacy and effectiveness of the Company's ESG structure and business model accordingly, and, where necessary, adopt and update the Company's ESG policies to ensure such policies are up to date and in compliance with applicable laws and regulations, regulatory

requirements and international standards; and to oversee the Company's ESG performance is aligning with what investors and regulators expect and require;

- iv. to promote taking ESG considerations as part of the business decision-making process;
- v. to supervise the Company's expenditures on ESG work, including the overall budget and implementation of donations to charity and community investment work;
- vi. to oversee assessment of the environmental and social impacts of the Company's business activities and make recommendation to the Board;
- vii. to regularly review the achievement of the Company's ESG targets, and report to the Board;
- viii. to review and recommend to the Board for approval of the annual ESG Report of the Company, and make recommendations on specific actions or decisions for the Board to consider in order to maintain the integrity of the ESG report;
- ix. to ensure that the annual ESG Report of the Company is prepared in accordance with the ESG Reporting Guide set out in Appendix 27 to the Stock Exchange Hong Kong Rules (amended from time to time); and
- x. to consider other topics, as defined by the Board.

Rule 4 Meetings

- i. The Committee shall hold at least two meetings each year. A meeting shall be held when the Chairman or over half of the Members propose(s) to do so.
- ii. The meeting shall be presided over by the Chairman. In case that the Chairman is unable to attend the meeting, he/she shall authorise another Member to preside over the meeting.
- iii. The meeting of the Committee shall not be held unless over two thirds of

the Members attend the meeting. Each Member shall have one voting right and the resolutions made at the meeting must be approved by over half of all the Members. If, for any reason, a Member is unable to attend a meeting, he/she may authorise in writing another Member to attend and vote at the meeting on his/her behalf.

- iv. Any or some of the Directors, supervisors, president and other senior management may be invited by the Committee to attend its meeting when necessary.
- v. Full minutes of the meetings of the Committee are kept by the Secretary. The dissension in respect of resolutions of such meeting held by the attendees shall be recorded in the minutes. Draft minutes shall be provided to all the Members as soon as possible for their review. The Members who wish to make revisions and supplements to the draft minutes shall give his/her written opinions within one week after receipt of the drafts. The final minutes shall be completed within a reasonable period after the meeting and delivered to all the Members for record, as well as reported to the Board for circulation.
- vi. Resolutions passed by the Committee and the voting results shall be reported in writing by the Secretary to the Board after the meeting.
- vii. The meetings of the Committee may be held by way of on-site meeting or telecommunication meeting which includes telephone conferences and video conferences.
- viii. The Committee may also pass the written resolutions signed by all the Members, which have the same effect as the resolutions passed at the meetings of the Committee.

Rule 5 Duties and Powers of the Chairman

The Chairman shall have the following duties and powers:

- i. to convene and preside over the meetings of the Committee;

- ii. to follow up the subsequent matters dealt with by the relevant resolutions of the Committee;
- iii. to sign on behalf of the Committee the relevant documents, except for the minutes of the Committee meetings, the resolutions passed at such meetings and written resolutions, which shall be signed by all the Members;
- iv. to report to the Board regularly or in accordance with the work arrangement of the Board; and
- v. other duties and powers as authorised by the Board.

Rule 6 Relevant Arrangements

- i. The Committee shall make available its terms of reference, explaining its role and the authority delegated to it by the Board.
- ii. The Committee shall be given adequate resources to exercise its duties and powers. The Committee may consult other Directors, the president of the Company and/or other senior management in respect of the performance of its duties. The persons being consulted shall offer adequate supports to the work of the Committee, provide the Committee with such information as necessary for performance of its duties on a timely basis and give answers to the questions raised as soon as possible. As may be necessary in the circumstances, the Committee may also appoint external experts or intermediaries to offer services to it, and the reasonable expenses so incurred shall be borne by the Company.

Rule 7 Others

- i. The phrase "more than" as mentioned in these Rules is inclusive of the figure that follows and the word "exceeding" as mentioned in these Rules is exclusive of the figure that follows.

- ii. Unless otherwise specified, the terms used in these Rules have the same meanings with those in the Articles of Association.
- iii. These Rules shall become effective upon approval by the Board and may be amended by the Board by way of ordinary resolutions.
- iv. These Rules shall be construed by the Board.