



# 北京能源國際控股有限公司

Beijing Energy International Holding Co., Ltd.

*(Incorporated in Bermuda with limited liability)*

(Stock code: 686)

## TERMS OF REFERENCE OF THE SUSTAINABILITY COMMITTEE

### 1. CONSTITUTION

- 1.1 The Sustainability Committee (the “**Committee**”) was formed pursuant to the resolution passed by the board of directors (the “**Board**”) of Beijing Energy International Holding Co., Ltd. (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) on 1 February 2024.
- 1.2 The terms of reference are adopted and effective upon 1 February 2024 in accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Bye-laws of the Company effective from time to time.

### 2. MEMBERSHIP

- 2.1 The Committee shall consist of not less than three directors, members of the Committee shall be recommended and appointed by the Board.
- 2.2 When the number of members of the Committee is less than the stipulated minimum numbers, the Board shall appoint new members as soon as possible.
- 2.3 The Committee shall have a chairman (“**Chairman**”) appointed by the Board. The Chairman shall be responsible for convening and presiding over the meetings of the Committee. When the Chairman is unable to chair a meeting of the Committee, he/she shall designate another member to perform his/her duties on his/her behalf. In the absence of the Chairman and/or a designated member by the Chairman, the remaining members present shall elect one of themselves to chair the meeting of the Committee.
- 2.4 Each member of the Committee shall hold office until cessation of his/her appointment as decided by the Board. If a member ceases to be a director, he/she will lose the membership automatically.

### **3. MEETINGS**

- 3.1 The company secretary of the Company shall be the secretary of the Committee (the “**Secretary**”), who shall be responsible for preparation and coordination of the Committee meetings. The Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary.
- 3.2 A quorum of a meeting of the Committee shall be any two members.
- 3.3 Notice of any meetings has to be given at least three days prior to any such meeting being held, unless all members of the Committee unanimously waive such notice. Irrespective of the length of notice being given, a member of the Committee attending the meeting shall be deemed to have waived the requisite length of notice of the meeting. Notice of any adjourned meetings is not required if adjournment is less than seven days.
- 3.4 Meetings may be held in person, by telephone, electronic or other communications equipment. Members of the Committee may participate in a meeting by means of a conference telephone or other communications equipment through which all persons participating in the meeting are capable of communicating with each other instantaneously and simultaneously.
- 3.5 A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

### **4. ATTENDANCE AT MEETINGS**

- 4.1 Other than its members, the Committee may also invite other members of the management or persons it thinks appropriate as and when necessary to attend meetings to report issues or express their opinions, provided that these persons are not entitled to vote at the meetings.
- 4.2 Only members of the Committee are entitled to vote at the meetings.
- 4.3 To be valid, all matters submitted to the Committee shall be approved by a simple majority of votes by the members of the Committee attending the meeting. In the case of an equality of votes, the Chairman of the Committee shall have the casting vote.

## **5. FREQUENCY OF MEETINGS**

- 5.1 The Chairman, in consultation with the Secretary, shall decide the frequency and timing of its meetings. There shall be as many meetings as the Committee's duties and responsibilities require.
- 5.2 Meetings of the Committee shall be held not less than once a year.

## **6. AUTHORITY**

- 6.1 The Committee is authorized by the Board to seek information it requires from any management and employees on performing its duties.
- 6.2 The Committee may seek advice or assistance from, at the Company's expense, independent professional advisors to perform its duties if it considers the same necessary.
- 6.3 The Committee establishes the environmental, social and governance (the "ESG") working group (the "**ESG Working Group**") as an executive team of the Committee and the Committee shall delegate specific tasks to the ESG Working Group, including but not limited to preparing annual ESG reports, monitoring ESG performance, identifying ESG risks and implementing the ESG activities of the Group in a comprehensive manner. The ESG Working Group should comprise members from relevant departments of the Group and should be coordinated by designated department.

## **7. DUTIES & RESPONSIBILITIES**

- 7.1 To set, guide and review the Company's vision, management approaches, goals, strategies, policies, systems, structures and practices of sustainability to ensure that the Company's efforts and results of sustainability are current, relevant, effective and in compliance with applicable laws, regulations and policies.
- 7.2 To identify and evaluate the Company's material sustainability issues, prioritize and manage the process of key ESG-related matters to ensure compliance with the Group's overall operating strategies, applicable laws and regulatory requirements and stakeholders' needs, and make recommendations to the Board on the determination of the Company's material sustainability issues and matrix.
- 7.3 To monitor and regularly review the progress in achieving the Company's sustainability objectives, the implementation of policies and the effectiveness of strategy execution, and make performance improvement recommendations to the Board on the performance of sustainability.

- 7.4 To monitor the third party's ratings related to the Company's sustainability performance and make recommendations on actions required to improve the performance of the ratings.
- 7.5 To review the Company's climate change related work (including the implementation of response strategies and measures related to climate change) to ensure that the impact of related risks on the Company's business development is effectively minimized and the impact on climate change during the course of the Company's business development is reduced.
- 7.6 To discuss regularly with the ESG Working Group and management on the sustainability issues and various sustainability strategies and actions.
- 7.7 To prepare an annual ESG report pursuant to the relevant guidelines of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, applicable disclosure framework and/or international guidelines, to review and ensure the truthfulness, accuracy and completeness of such report and make recommendations to the Board on the approval of such report and other relevant documents.
- 7.8 To perform further functions related or incidental to the foregoing which the Committee deems appropriate.

## **8. REPORTING PROCEDURES**

- 8.1 The Committee shall report to the Board at least annually on the progress of work related to sustainability.
- 8.2 At the next meeting of the Board following a meeting of the Committee, the Chairman of the Committee shall report its deliberations and recommendations to the Board.
- 8.3 Full minutes of Committee meetings should be kept by the Secretary. The minutes of the Committee meetings shall be circulated to all members of the Committee for their comment and records within a reasonable time after the meetings. Such minutes of meetings shall be opened for the Board's inspection.

*Note: If there is any inconsistency between the English and Chinese versions of this terms of reference, the English version shall prevail.*