



PERSISTENCE RESOURCES GROUP LTD

集海資源集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2489)

Environmental, Social and Governance (ESG) Committee – Terms of Reference

1. MEMBERSHIP

- 1.1 The environmental, social and governance (“**ESG**”) committee shall be established by the board of directors (the “**Board**”) of Persistence Resources Group Ltd (the “**Company**”) and shall be responsible for managing all matters relating to the ESG and the sustainable development of the Group. Members of the ESG committee shall be appointed by the Board.
- 1.2 The chairman of the ESG committee shall be appointed by the Board.
- 1.3 The terms of appointment of the members of the ESG committee should be determined by the Board at the appointment date.
- 1.4 “ESG Working Group” and “Emission Reduction Leading Group” under the ESG committee shall report to the ESG committee on a regular basis.

2. SECRETARY OF THE ESG COMMITTEE

- 2.1 The company secretary of the Company shall act as the secretary of the ESG committee.
- 2.2 The ESG committee may, from time to time, appoint any other person with appropriate qualification and experience to act as the secretary of the ESG committee.

3. MEETING

- 3.1 The members of the ESG committee shall hold meetings at least once a year. Any member or the secretary of the ESG committee can call for a meeting when it is necessary.
- 3.2 Notice of a meeting shall be given within a reasonable time prior to the holding of the meeting, unless such notice is waived by the unanimous consent of all members of the ESG committee. Notwithstanding the notification period, the attendance of the members at the meeting shall be deemed to constitute a waiver of the required notification requirement. If an adjourned meeting is to be held within 14 days, no notice of such adjourned meeting shall be required. The agenda and relevant documents for the meeting shall be dispatched at least 3 days before the date of meeting.
- 3.3 The quorum required for a meeting of the ESG committee shall be any two members of the ESG committee.
- 3.4 Meetings may be held either by physical attendance or via electronic means including telephone or videoconferencing. The members of the ESG committee may attend the meeting via telephone or any similar communication device (through which all persons attending such meeting can hear each other).
- 3.5 Resolutions of the ESG committee shall be passed, in the case of a meeting, by a majority vote of the members of the ESG committee attending such meeting.
- 3.6 A resolution passed and signed by all members of the ESG committee shall be as valid as if it had been passed at a meeting held.
- 3.7 Full minutes of the meetings of the ESG committee shall be kept by a duly appointed secretary of the ESG committee and be available for review by the Board. Draft and final versions of minutes of the meeting shall be circulated to all members of the ESG committee within a reasonable time after the meeting, with the draft for members' comments and the final version for their records.

4. MEETING ATTENDANCE

- 4.1 Upon the invitation from the ESG committee, the member of the Board or senior management, external advisor and other persons can be invited to attend all or part of any meeting.
- 4.2 Only the members of the ESG committee can vote in a meeting of the ESG committee.

5. ANNUAL GENERAL MEETINGS

The chairman of the ESG committee or in his/her absence, another member of the ESG committee shall attend the annual general meeting of the Company and be available to answer shareholders' questions on the ESG committee's activities and its responsibilities.

6. DUTIES AND POWERS

The ESG committee shall have the following duties and powers:

- 6.1 to support the Board to formulate, monitor and update ESG-related policies and strategies, and to continuously monitor and review the progress of ESG policies and strategies of the Company;
- 6.2 to set ESG and climate-related performance metrics and targets, and make recommendations to the Board to assist the Board in evaluating the effectiveness of the ESG strategies and measures;
- 6.3 to identify, evaluate, manage and supervise progress of ESG and climate-related management objectives agreed by the Board;
- 6.4 to monitor the priority of identified ESG and climate-related risks and work with the head of respective business units in risk identification, and review and monitor ESG and climate-related risk reports, and devise mitigation and management measures to alleviate environmental, social and governance risks and impact;
- 6.5 to assess and sort out the ESG and climate-related impact, risks and opportunities of the Company, make recommendations to the Board and/or Risk Management Committee, and report to the Board and/or Risk Management Committee on the ESG and climate-related material risks;
- 6.6 to review the ESG and climate-related information disclosed by the Company publicly, including but not limited to annual ESG reports, publicly disclosed ESG-related policies, etc., and to make recommendations to the Board;
- 6.7 to work with third party consultant to support the Company in fulfilling its ESG objectives, if it considers necessary, and it shall be responsible for managing such third party;
- 6.8 to supervise the Company's expenses on the ESG work;
- 6.9 the ESG committee shall make any appropriate recommendations to the Board regarding actions or improvements required within its terms of reference; and

6.10 to do all such things as necessary to discharge the authority and duties conferred on it by the Board from time to time and to handle matters required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

7. REPORTING

The ESG committee shall report to the Board and/or the Risk Management Committee after each of its meetings.

8. AUTHORITY

8.1 The ESG committee is authorized by the Board to request from employees of the Company to provide any information within the scope of its duties.

8.2 The ESG committee should have access to independent professional advice at the expense of the Company if necessary, in order to fulfill the responsibilities of the ESG committee.

Remark: The independent professional advice can be sought via the company secretary of the Company.

8.3 The ESG committee should be provided with sufficient resources to perform its duties.

9. GENERAL

9.1 These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements, including those under the Listing Rules.

9.2 The ESG committee shall make available these terms of reference on request and to the public by including them on The Stock Exchange of Hong Kong Limited's website and the Company's website.

(Should there be any inconsistency between the English and the Chinese version of these terms of reference, the English version shall prevail.)