康臣藥業集團有限公司
CONSUN PHARMACEUTICAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1681)

Terms of Reference of the Environmental, Social and Governance Committee (the "Committee") of the Board of Directors (the "Board") of the Company (Effective as from 23 December 2025)

1. Constitution

1.1. The Committee was established by the Board of Directors of Consun Pharmaceutical Group Limited (the "**Company**") pursuant to a resolution passed at the meeting held on 23 March 2022, with reference to the provisions prescribed under the Listing Rules from time to time, to formulate policies and reporting issues concerning environmental, social and governance (including climate-related issues) ("**ESG**").

2. Membership

2.1. All members of the Committee (the "**Members**") shall be appointed by the Board from amongst the directors of the Company and shall comprise of a minimum of two Members.

2.2. The chairman of the Board shall be appointed as the chairman of the Committee by the Board.

2.3. The company secretary of the Company shall be the secretary of the Committee (the "**Secretary**").

2.4. The appointment of the Members or Secretary may be revoked, or additional members may be appointed to the Committee by separate resolutions passed by the Board and by the Committee.

2.5. Members shall possess knowledge and management capabilities related to ESG and climate change, for instance, by utilizing internal and external resources to continuously obtain the latest developments on climate policies and regulations as well as market trends, so as to update their knowledge bases.

3. Proceedings of the Committee

3.1. Notice:

(a) Unless otherwise agreed by all Members (either orally or in writing), a meeting shall be called by at least seven days' notice.

(b) A Member and the Secretary may, on the request of a Member, at any time convene a Committee meeting. Notice shall be given to each Member in person orally or in writing or by telephone or by email or by facsimile transmission at the telephone or facsimile or address or email address from time to time notified to the Secretary by such Member or in such other manner as the Committee members may from time to time determine.

(c) Any notice given orally shall be confirmed in writing as soon as practicable and before the meeting.

(d) Notice of meeting shall state the time and place of the meeting and shall be accompanied by an agenda together with other documents which may be required to be considered by the Members for the purposes of the meeting.

3.2. **Quorum**: The quorum of the Committee meeting shall be two Members.

3.3 **Frequency of Meetings**: Meetings shall be held at least once a year.

3.4 If Members consider that their attendance or advice is necessary to assist the Committee in discharging its duties, Members may from time to time invite any Director of the Company who is not a Member, members of the Company's senior management, any working committee of the Company, or external consultants to attend meetings of the Committee.

3.5. 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.

3.6. A Member may not appoint any alternate.

4. Authority of the Committee

4.1. The Committee may exercise the following powers:

(a) to seek any information it requires from any employee of the Company and its subsidiaries (together, the "**Group**") and any professional advisers in order to perform its duties, to require any of them to prepare and submit reports and to attend Committee meetings and to supply information and address the questions raised by the Committee;

(b) to collect information from external parties of the Group as may be necessary for preparing the ESG Report or for the meeting of the Committee;

(c) to obtain, at the Company's expenses, outside legal or other independent professional advice on or assistance to any matters within these terms of reference including attending meetings of the Committee;

(d) to review annually these terms of reference and their effectiveness in the discharge of its duties and to make recommendation to the Board on any changes it considers necessary; and

(e) to exercise such powers as the Committee may consider necessary and expedient so that their duties can be properly discharged.

4.2. The Committee should be provided with sufficient resources to discharge its duties.

5. Duties

The duties of the Committee shall be:

(a) to assist and manage the environmental (including climate-related issues), social and governance matters of the Group and report to the Board on any significant issues;

(b) to develop and review the approach and strategy of the Group's environmental, social and governance (including climate-related issues) policies, including assessing, prioritising and managing key ESG-related issues (including risks to the Group's business) and ensuring the effectiveness of the Group's internal control system;

(c) to develop and review the management measures for climate-related risks and action plans in response to climate change (e.g., conducting regular extreme weather emergency drills, equipping with sufficient defensive measures, energy saving and consumption reduction, low-carbon office practices, etc., and regularly reviewing domestic and international laws and regulations relating to climate change);

(d) to set objectives in relation to environmental, social and governance (including climate-related issues) according to the actual situation of the Group, to regularly review the progress and performance of the Group against these objectives, and to recommend updates to the relevant objectives to the Board in due course;

(e) to oversee the Group's assessment of environmental, social and governance risks (including risks related to the Group's business, value chain, and financial aspects), and ensure that environmental, social and governance related factors are incorporated into the Company's overall risk management framework, strategic planning, and major decision-making processes;

(f) to review environmental, social and governance related performance, and incorporate it into the remuneration policy for relevant personnel;

(g) to assess and review the governance processes, monitoring measures, and the effectiveness of its own oversight, and where necessary, make recommendations to the Board on updates to the Committee's functions, so as to continuously improve the governance framework;

(h) to review and approve the annual ESG Report;

(i) as requested by the Board, to perform other ESG-related tasks, including but not limited to providing recommendations on the incorporation of ESG and climate change considerations into processes such as review and monitoring of corporate strategies, major action plans, annual budgets and performance targets; and

(j) to co-ordinate any other work in relation to environmental, social and governance (including climate-related issues) as may be assigned by the Board.

6. Reporting procedures

6.1. The Secretary shall keep full minutes of the meetings of the Committee and all written resolutions of the Committee.

6.2. The Secretary shall circulate the draft and final versions of minutes of the meetings or, as the case may be, written resolutions of the Committee to all Members for their comment and records within a reasonable time after the meeting or the passing of the written resolutions.

6.3. The Secretary shall keep record of all meetings of the Committee held during each financial year of the Company and records of individual attendance of the Members, on a named basis, at meetings held during that financial year.

7. Continuing application of the Articles of Association of the Company

7.1. The articles of association of the Company regulating the meetings and proceedings of the directors so far as the same are applicable and are not replaced by the provisions in these terms of reference shall apply to the meetings and proceedings of the Committee.

8. Powers of the Board

8.1. The Board may, subject to compliance with the Articles of Association of the Company and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") (including but not limited to the guidelines set out in the "Corporate Governance Code" contained in Appendix C1 to the Listing Rules and the "Environmental, Social and Governance Reporting Code" contained in Appendix C2 to the Listing Rules) (including amendments from time to time), amend, supplement and revoke these terms of reference and any resolution passed by the Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.