



Strawbear Entertainment Group 稻草熊娱乐集团

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2125)

Terms of Reference and Rules of Procedure of the Environmental, Social and Governance Committee (Adopted by the Board on March 25, 2022)

Chapter 1 General Provisions

- Article 1** In order to establish a sustainable enterprise, promote the continuous improvement of its environmental, social and governance (“**ESG**”) management and performance, enhance the recognition of capital market for the ESG work of Strawbear Entertainment Group 稻草熊娱乐集团 (the “**Company**”), the Company set up the Environmental, Social and Governance Committee (the “**ESG Committee**”) of the Board and established these Rules of Procedure in accordance with the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the Articles of Association and other relevant requirements.
- Article 2** The ESG Committee is a dedicated body set up by the Board in accordance with the resolution of the Board. It is mainly responsible for guiding, formulating and monitoring the Company’s ESG vision, objectives, strategies and structure, and reviewing ESG report as well as other ESG related disclosures. The ESG Committee is accountable to the Board.
- Article 3** Directors referred to in these Rules mean the executive Directors, non-executive Directors and independent non-executive Directors who receive remuneration from the Company; key senior management means the Chief Executive Officer, Chief Marketing Officer, Chief Financial Officer, Chief Operating Officer, Secretary of the Board, Financial Director and other key senior management recognized by the Board.

Chapter 2 Composition

- Article 4** The ESG Committee shall be appointed by the Board and comprises of at least three Board members.
- Article 5** Chairman of the ESG Committee shall be appointed by the Board. Terms of office of the members are determined by the Board at the time of appointment.

Chapter 3 Duties and Power

Article 6 The ESG Committee shall have the following duties and power (including but not limited to):

1. guide and formulate the Group's ESG vision, objectives, strategies and structure to ensure that they are in line with the needs of the Group and comply with applicable laws, regulations, regulatory requirements and international standards;
2. monitor the development and implementation of the Group's ESG vision, strategies and structure, including: establish the Group's ESG management performance objectives, review the progress of the objectives, and provide suggestions on the actions to be taken to improve performance;
3. guide and review the identification and ranking of important ESG issues of the Group;
4. review the key ESG trends and related risks and opportunities, and assess the adequacy and effectiveness of the Group's ESG structure accordingly;
5. monitor the channels and means of communication with the Group's stakeholders and ensure that relevant policies are in place to effectively promote the relationship between the Group and its stakeholders and protect the Group's reputation;
6. review the Company's ESG report and other ESG related disclosures, and making recommendations to the Board in order to maintain the integrity of the ESG report and other ESG related disclosure;
7. ensure that the Company's ESG report is prepared in accordance with the ESG Reporting Guide set out in Appendix 27 to the Listing Rules (as amended from time to time); and
8. other functions authorized by the Board.

Article 7 The ESG Committee shall submit official reports to the Board on all matters within its responsibility after each meeting.

Article 8 The ESG Committee is accountable to the Board and submit proposals to the Board for consideration and approval.

Article 9 The ESG Committee shall be adequately resourced to perform its duties.

Chapter 4 Rules of Procedure

- Article 10** The ESG Committee shall convene at least one meeting each year and notify all members seven days prior convening the meeting. The meeting is held by the Chairman of the ESG Committee. The Chairman may convene additional meetings at his or her discretion.
- Article 11** The meeting of the ESG Committee shall only be convened with the presence of more than two thirds of its members. Members could attend the meeting in person, by conference call or other electronic communication devices that can be used by all attendees to communicate with each other. Members could attend the meeting in person or appoint another member to attend the meeting and exercise voting rights on his/her behalf, to do so, a power of attorney shall be submitted to the Chairman of the meeting no later than the time of the voting.
- Article 12** Resolutions made at the meeting shall be passed by over half of all the members, including those who are absent.
- Article 13** Directors, supervisors and other key senior management of the Company may be invited to attend meetings of the ESG Committee if necessary.
- Article 14** The convening procedure and voting method of the meeting of the ESG Committee and the resolutions passed at such meetings shall comply with requirements of relevant laws and regulations, Articles of Association and these Rules of Procedure.
- Article 15** There shall be minutes of meetings of ESG Committee and attending Committee members shall sign their names there; the minutes of the meeting shall be kept by the secretary of the Board.
- Article 16** Resolutions passed and voting results of the meeting of the ESG Committee shall be reported to the Board in writing.
- Article 17** Persons present at the meeting are obligated to keep all matters discussed in such meetings confidential, and shall not disclose the relevant information without authorization.

Chapter 5 Supplementary Provisions

- Article 18** The Rules of Procedure are on trial upon the day when the resolution is passed by the Board.
- Article 19** Any matters not covered by these Rules of Procedure shall be implemented in accordance with the requirements of the relevant laws and regulations and the Articles of Association of the Company. Should there be discrepancy between these Terms of Reference and the laws and regulations promulgated in the future or the Articles of Association amended through lawful procedures, the laws and regulations and the Articles of Association of the Company shall prevail, and these Terms of Reference shall be revised immediately and reported to the Board for consideration and approval.
- Article 20** The rights to interpret these Rules of Procedure belong to the Board.