



## Jacobson Pharma Corporation Limited

## 雅各臣科研製藥有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2633

(the “**Company**” together with its subsidiaries, the “**Group**”)

### **Terms of Reference for Environmental, Social and Governance Committee** of the board of directors of the Company

Adopted pursuant to a resolution of the board of directors on 29 June 2022 and effective from on 29 June 2022

#### **Purpose**

1. The Environmental, Social and Governance Committee (“**ESG Committee**”) is established to assist the board (the “**Board**”) of directors (the “**Directors**”) of the Company to manage all matters relating to environmental, social, governance (“**ESG**”), as well as the sustainable development of the Group.

#### **Membership**

2. The chairperson (the “**Chairperson**”) of the ESG Committee shall be the chairman of the Board or any Director appointed by the Board.
3. The company secretary of the Company (the “**Company Secretary**”) shall be the secretary of the ESG Committee.
4. Members of the ESG Committee shall be appointed by the Board and the ESG Committee shall consist of at least two (2) members.

#### **Frequency and Proceedings of Meetings**

5. The quorum of the meeting of the ESG Committee shall be any two (2) members.
6. In the absence of the Chairperson, his/her delegate(s) or any person elected by the members present at the meeting of the ESG Committee shall attend the meeting of the ESG Committee and chair the meeting.

7. In the absence of the Company Secretary, his/her delegate(s) or any person elected by the members present at the meeting of the ESG Committee shall attend the meeting of the ESG Committee and take minutes. Meetings of the ESG Committee shall be summoned by the Company Secretary at the request of the Chairperson or members of the ESG Committee.
8. The ESG Committee shall meet at least once a year and otherwise as required to discuss the ESG reports of the Company, as well as all matters relating to the sustainable development of the Group or falling within these ESG Committee Terms of Reference.
9. For regular meetings and as far as practicable in all other cases, an agenda and accompanying committee papers should be sent, in full, to all committee members of the ESG Committee. These shall be sent in a timely manner and at least three (3) days before the intended date of the meeting (or such other agreed period as agreed).

### **Reporting Procedures**

10. On an annual basis, the ESG Committee shall evaluate and assess the effectiveness of the ESG Committee and the adequacy of these ESG Committee Terms of Reference, and if necessary, recommend any proposed changes to the Board.
11. The ESG Committee should report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

### **Minutes of Meetings**

12. Full minutes of the ESG Committee meetings should be kept by the Company Secretary. Draft and final versions of the meeting minutes should be sent to all members of the ESG Committee for their comment and records respectively, in both cases within a reasonable time after the conclusion of any meeting of the ESG Committee.
13. Minutes of the meetings of the ESG Committee and the record of individual attendance at such meetings shall be prepared by the Company Secretary (or his/her delegate(s)). These minutes should record in sufficient details the matters considered and decisions reached, including any concerns raised by members or dissenting views expressed. Minutes of meetings of the ESG Committee should be open for inspection at any reasonable time on reasonable notice by any member of the Board.

### **Written Resolutions**

14. Without prejudice to any requirement under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), written resolution may be passed and adopted by all members of the ESG Committee.

## **Authorities**

15. The ESG Committee is authorised by the Board to investigate any ESG-related activity within its Terms of Reference and to access information it requires from any employee of the Group. All employees are directed to cooperate as requested by members of the ESG Committee.
16. The ESG Committee is authorised by the Board to obtain, as the ESG Committee deems appropriate, external independent professional advice, at the Company's expense, and to secure the attendance of external parties with relevant experience and expertise at meetings of the ESG Committee if necessary.
17. The ESG Committee is authorised by the Board to attain sufficient training and resources to discharge its duties if necessary.
18. The ESG Committee is authorised to delegate its authority and duties to sub-committees, working groups, respective department heads, or individual members of the ESG Committee, as it deems appropriate.

## **Annual General Meeting**

19. The Chairperson should, as far as practicable, attend the annual general meeting of the Company and make himself available to answer any shareholders' questions on the ESG Committee's activities. In his absence, one other member of the ESG Committee or failing this his duly appointed delegate should attend.

## **Responsibilities and Duties**

20. The duties of the ESG Committee as stated by the Board are the following:

### *Relationship with external parties*

- (a) To be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external parties, and to approve the remuneration and terms of engagement of the external parties, and any questions of its resignation or dismissal;
- (b) To review and monitor the external parties' independence and objectivity and the effectiveness of the ESG management and reporting process in accordance with applicable standards;
- (c) To discuss with the external parties the nature and scope of the reporting obligations before the reporting commences;

### *Oversight of ESG strategy*

- (d) To review and approve the Group's ESG vision, objectives and strategy;
- (e) To set out ESG principles and priorities in managing environmental, social and economic impacts and create sustained values for the stakeholders of the Group;
- (f) To oversee the implementation of the Group's ESG strategy and initiatives;
- (g) To ensure sufficient and adequate training on ESG issues is provided to relevant employees;

### *Oversight of ESG-related risk management and internal control systems*

- (h) To identify, determine and evaluate ESG risks and opportunities of the Group, which shall be reported to the Board on an annual basis;
- (i) To identify, assess and determine relevant ESG aspects matters that may significantly affect the operations of the Group and/or stakeholders' interests;
- (j) To review the Group's ESG-related risk management and internal control systems;
- (k) To review and update as necessary the Group's operational policies and procedures on social responsibility management, corporate governance, environmental protection or other relevant ESG aspects;
- (l) To monitor and review the Group's operations to ensure that they are in compliance with relevant ESG policies and procedures, as well as applicable laws and regulations and international standards;

### *Review of key performance indicators (“KPIs”) and targets*

- (m) To review KPIs and relevant data systems annually to ensure ESG performance against business goals;
- (n) To approve targets to measure the attainment of the initiatives and develop continuous improvement programme for ESG performances;
- (o) To evaluate performance of the Group against ESG targets set, which shall be reported to the Board on an annual basis, and advise on actions needed to improve performance;

### *Oversight of ESG reporting system*

- (p) To review, monitor, and approve the publications of the Group's annual ESG reports;
- (q) To engage with appropriate internal and external stakeholders in conducting annual materiality assessment procedures;
- (r) To ensure compliance with the requirements as set out in Appendix 27 of the Listing Rules, as such rules may be amended from time to time;
- (s) To report to the Board on matters as set out in Appendix 27 of the Listing Rules, as such rules may be amended from time to time;
- (t) To act as the key representative body for overseeing the Company's relations with the external parties in relations to ESG;

### *Others*

- (u) To recommend to the Board any appropriate extensions to, or changes, in the duties of the ESG Committee;
- (v) To advise the Board on the allocation of resources on ESG initiatives;
- (w) To review and monitor the ESG-related training and continuous professional development of the Directors and senior management; and
- (x) To review and report the ESG Committee's findings and recommendations to the Board.

### **General**

21. The ESG Committee should make available these Terms of Reference, explaining its rule and the authority delegated to it by the Board by including them on the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and Company's website ([www.jacobsonpharma.com](http://www.jacobsonpharma.com)).
22. For the purpose of these Terms of Reference, "senior management" means the same persons as referred to in the Company's annual report and is required to be disclosed under paragraph 12 of Appendix 16 to the Listing Rules, as such rule may be amended from time to time.

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