



The United Laboratories International Holdings Limited

聯邦制藥國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3933)

TERMS OF REFERENCE AND OPERATION OF SUSTAINABILITY COMMITTEE

Constitution

1. The board of directors (the “Board”) of the Company hereby establishes the Sustainability Committee. The composition of the Committee shall comply with the applicable requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time.
2. The objective of the Sustainability Committee is to foster the development of a sustainable enterprise and to promote the continuous improvement of the Environmental, Social and Governance (“ESG”) management and performance of the Company and its subsidiaries (the “Group”). It also aims to enhance stakeholder recognition of the Group’s sustainability efforts. The Committee’s areas of focus include:
 - (a) Environmental matters (including energy conservation and emissions reduction, climate change, biodiversity);
 - (b) Social matters (including community engagement, access to medicines, employment, and health and safety); and
 - (c) Governance matters (including business ethics, corporate governance, information security, risk management, supply chain management, etc.).

Membership

3. The Sustainability Committee shall consist of at least three members appointed by the Board, one of whom shall serve as the Chairman.
4. The quorum for meetings of the Sustainability Committee shall be two members. A duly convened meeting with a quorum present shall be entitled to exercise all authorities, powers and discretions conferred upon or exercisable by the Sustainability Committee. Members shall attend meetings in person or by means of electronic communication (including but not limited to telephone or teleconference).
5. The Sustainability Committee is supported by Sustainability Working Group, which serves as the executive body responsible for the full implementation of the Group’s Environmental, Social and Governance initiatives.

Frequency and proceedings of meetings

6. The Sustainability Committee shall meet at least once a year. Extraordinary meetings may be convened at the request of any Committee member if deemed necessary.
7. The meeting agenda and relevant documents shall be provided to all members of the Sustainability Committee at least three days prior to the meeting date (or within such other period as may be agreed among the members).
8. Meetings shall be chaired by the Chairman of the Sustainability Committee. If the Chairman is unable to attend, another member may be designated to chair the meeting.
9. If a member authorises another Committee member to attend the meeting and exercise voting rights on their behalf, a proxy authorization letter shall be submitted to the meeting chair. The proxy letter must be submitted no later than before the voting takes place.
10. Where necessary or appropriate, the Chairman may request members of management and/or members of the Board to attend meetings of the Sustainability Committee.

Authority

11. The Sustainability Committee shall have the following authorities:
 - 11.1 The Sustainability Committee is authorized by the Board to act within the scope of its responsibilities. It is empowered to request any information it requires from any employee of the Company, and all employees are directed to cooperate with any such requests made by the Sustainability Committee.
 - 11.2 If the Committee deems it necessary, it may seek external legal or other independent professional advice, with the costs borne by the Company, provided that such costs are discussed with the Board in advance.

Duties

12. The Sustainability Committee shall have the following duties:
 - 12.1 Formulate and review the Group's ESG goals, strategies and management approaches; promote the top-down integration of ESG considerations into business decision-making processes; and ensure ongoing compliance with applicable laws, regulations and regulatory requirements.
 - 12.2 Review key ESG trends, identify ESG-related risks and opportunities, and assess the adequacy and effectiveness of the Group's ESG framework in this regard. Where necessary, adopt and update the Group's ESG policies to ensure they remain current and in compliance with applicable laws, regulations and regulatory requirements.
 - 12.3 Oversee the formulation of the Group's ESG performance targets, provide guidance to the Sustainability Working Group in executing specific ESG initiatives, monitor and review the implementation and outcomes of ESG efforts, and make recommendations on actions to improve performance.

- 12.4 Monitor the channels and methods of communication with the Group's stakeholders and ensure that appropriate policies are in place to effectively foster stakeholder relationships and protect the Group's reputation.
- 12.5 Identify ESG-related matters arising from external factors, assess the external and internal impacts of ESG initiatives on the Company, gather relevant feedback, and provide recommendations for improvement.
- 12.6 Review the Company's ESG report and other ESG-related disclosures and make recommendations to the Board to ensure the integrity of the environmental, social and governance reporting and related disclosures.
- 12.7 Review the budget and expenditures related to the Group's ESG initiatives.
- 12.8 Report to the Board on any developments within its scope of responsibilities as and when necessary.
- 12.9 Report investigation findings and recommended actions to the Board; and
- 12.10 Other ESG-related matters as authorised by the Board.

ESG & Sustainability Governance System

Management Level	Members	Main Duty
Sustainability Committee (Governance Level)	Chairman: Ms. Choy Siu Chit (ED) Members: Mr. Chong Peng Oon (INED) Prof. Song Ming (INED) Dr. Fu Qiushi (INED) Mr. Leung Wing Hon (ED)	1. Formulating and updating ESG goals, strategies, and management approaches. 2. Reviewing and monitoring the implementation and outcomes of ESG initiatives and reporting to the Board of Directors and providing recommendations.
Sustainability Working Group (Leadership Level)	Heads of functional departments within the Group. Heads of subsidiaries and business units within the Group.	1. Responsible for the daily management of specific ESG tasks. 2. Regularly reviewing key ESG data within the company. 3. Leading the annual aggregation of ESG information and report preparation.
ESG Working Group (Execution Level)	Heads of functional departments within each company. Heads of the ESG Working Group.	1. Collecting and submitting ESG information. 2. Implementing specific ESG tasks. 3. Reporting to the Sustainability Working Group.

Notes:

1. INED: Independent Non-Executive Director
2. ED: Executive Director
3. In the event of any discrepancy between the English and Chinese versions of this scope of authority, the Chinese version shall prevail.

(Adopted on 1 December 2023)