Hong Kong Johnson Holdings Co., Ltd.
香港莊臣控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1955)

TERMS OF REFERENCE OF THE RISK MANAGEMENT AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

The Board of Hong Kong Johnson Holdings Co., Ltd. has established a risk management and environmental, social and governance committee, which is primarily responsible for supervising and managing the Company's business operation risk management activities and internal control system; as well as environmental, social and governance ("**ESG**") related risks and opportunities. It formulates and implements ESG strategies, policies and objectives, and ensures that these strategies align with the Company's overall business objectives.

1. Definitions

For the purposes of these terms of reference (the "**Terms**"):

"**Board**"	means	the board of directors of the Company
"**Committee**"	means	the risk management and environmental, social and governance committee established by resolutions of the Board in accordance with clause 2 of these Terms
"**Company**"	means	Hong Kong Johnson Holdings Co., Ltd.
"**Company Secretary**"	means	the company secretary or any one of the joint company secretaries of the Company
"**CG Code**"	means	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"**Directors**"	means	the members of the Board
"**Listing Rules**"	means	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
"**Stock Exchange**"	means	The Stock Exchange of Hong Kong Limited

2. Constitution

The Committee was established by resolutions of the Board on 25 September 2025.

3. Membership

3.1 The members of the Committee shall be appointed by the Board, and shall consist of not less than five members, including one executive Director, two independent non-executive Directors, the chief executive officer and the chief financial officer of the Company;

3.2 The chairman of the Committee shall be an independent non-executive Director and a member of the Audit Committee. The chairman of the Committee shall be appointed by the Board; and

3.3 The Company Secretary shall be the secretary of the Committee. The Committee may, from time to time, appoint any other person with the appropriate qualification and experience as secretary of the Committee.

4. Frequency and conduct of meetings

4.1 Meetings shall be held at least twice a year, including special review on the effectiveness of the internal control system and addressing its material deficiencies, comprehensive risk assessments, and reviewing climate information disclosure and ESG report. The chairman of the Committee may decide to convene additional meeting(s) at his/her discretion or shall convene meetings upon request by any Committee member;

4.2 Notice of any meetings shall be given at least 7 working days prior to any such meeting being held, unless all members of the Committee unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a member of the Committee shall be deemed waiver of the requisite length of notice by such member. An agenda and accompanying meeting documents should be delivered in full to all members in a timely manner and at least 3 days before the intended date of a meeting of the Committee (or such other period as agreed by its members). The agenda and accompanying meeting documents may be in paper form or electronic form, and may be delivered by post, by email or any other delivery method that could be received by the members;

4.3 The quorum for meetings of the Committee shall be two members. Members shall attend the meetings in person, by telephone (or other similar communication equipment) or other virtual means, as long as all attendants of the meeting could listen and talk among themselves during the meeting. Under such circumstances, the attendants shall be considered as attending the meeting in person, counted in the quorum and entitled to vote. A Committee member may not appoint any alternate;

4.4 Each member shall have one vote. Resolutions of the Committee at any meetings shall be passed by a majority of votes of the members of the Committee present. A resolution in writing signed by all the 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;

4.5 The senior management is obliged to supply the Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied by the senior management must be complete and reliable. Where a member of the Committee requires more information than is volunteered by the senior management, the relevant member of the Committee should make additional necessary enquiries. The Committee and each of its members shall have separate and independent access to the senior management; and

4.6 In case of an equality of votes at any meetings, the chairman of the Committee shall have a casting vote.

5. Authority

5.1 The Committee is authorised by the Board to investigate into any activity relating to the Group's business operations within the Terms. The Committee shall have the right to seek any information it requires from any employee, and all employees of the Company and all of its subsidiaries are directed to co-operate with any request made by the Committee concerning the Group's business operations. This includes attending the Committee meetings and answering questions posed by the Committee members during such meetings, as well as providing the required information and/or reports;

5.2 The Committee is authorised by the Board to obtain external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise in internal control system, risk management and ESG issues if the Committee considers this necessary;

5.3 The Committee may engage internal control system, risk management and ESG-related consultancy agencies to assist in the preparation of the annual internal control assessment report, risk assessment report and ESG report;

5.4 The Committee shall be provided with sufficient resources to discharge its duties. If the Committee deems it necessary, it may seek independent legal and other professional advice from independent third parties possessing relevant experience and expertise on matters within the Terms, at the Company’s expense;

5.5 The Committee may report directly to the Board and make recommendations; and

5.6 The Committee may review the effectiveness of the Terms annually and to make recommendations to the Board on any changes the Committee considers necessary.

6. Duties

6.1 The duties of the Committee shall include:

6.1.1 developing and reviewing the Company's risk management systematic standards, rules and related risk limits;

6.1.2 formulating and reviewing the Company’s corporate governance policies and practices and making recommendations to the Board;

6.1.3 reviewing the Company's ability to identify and manage new types of risks;

6.1.4 assessing the Company's ESG-related business and operational risks, capital and liquidity management structure, and the Company's risk tolerance;

6.1.5 reviewing and monitoring the training and continuous professional development of Directors and senior management;

6.1.6 developing, reviewing and monitoring the Employees and Directors Code of Conduct and Compliance Manual (if any);

6.1.7 reviewing and monitoring the Company's policies and practices in respect of compliance with legal and regulatory requirements;

6.1.8 reviewing the Company's ESG-related indicators, the implementation of its internal control system, as well as its risk management results and countermeasures;

6.1.9 overseeing the preparation of ESG reports and providing comments on the ESG reports to ensure compliance with the Listing Rules; and

6.1.10 reviewing the Company's compliance with the CG Code and its disclosure in the corporate governance report of the Company.

6.2 The Committee shall also make recommendations to the Board on the following matters:

6.2.1 formulating or updating any policies/standards/limits/systems related to the Company's risk management as well as policies and procedures for managing significant risks;

6.2.2 developing climate-related indicators, strategies, policies, countermeasures, management objectives and guidelines;

6.2.3 reviewing the risk assessment report annually and reporting to the Board on the effectiveness of the system as well as making recommendations for improving risk management policies and procedures; and

6.2.4 other matters as authorised by the Board.

7. Reporting procedures

7.1 Full minutes of the Committee shall be kept by a duly appointed secretary of the meeting (who should normally be the Company Secretary), and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Directors or Committee members;

7.2 Minutes of the Committee shall record in sufficient detail the matters considered by the Committee and decisions reached, including any concerns raised by the Directors and its members or dissenting views expressed. The draft and final versions of minutes should be sent to all members of the Committee for their comment and records within a reasonable time after the meetings;

7.3 Without prejudice to the generality of the duties of the Committee set out above, the Committee shall report to the Board and keep the Board fully informed of its advice and recommendations on the aforementioned matters, unless there are legal or regulatory restrictions on its ability to do so; and

7.4 The chairman of the Committee, or failing him, any member of the Committee shall attend the annual general meetings of the Company and shall answer questions on the Committee's activities and its responsibilities.

8. Terms available

The Committee shall make available these Terms by inclusion on the website of the Stock Exchange and the Company's official website for corporate communications.

25 September 2025

This document was prepared in English language. In case of any inconsistency between the Chinese version and the English version, the English version shall prevail.