



CRAZY SPORTS GROUP LIMITED

瘋狂體育集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 82)

Environmental, Social and Governance Committee of Crazy Sports Group Limited (the “Company”) (the “Committee”)

TERMS OF REFERENCE

The Committee was set up in 2021 to replace the Corporate Governance Committee and the Corporate Social Responsibility Committee. The majority of the Committee are independent non-executive directors of the Company.

1 MEMBERSHIP

- 1.1 The Committee shall be appointed by the board of directors of the Company (the “Board”) from amongst the directors of the Company (the “Directors”) of which a majority so appointed shall be independent non-executive Directors whose terms shall run concurrently with their terms as the Directors.
- 1.2 The chairman of the Committee shall be appointed by the Board.
- 1.3 The Committee shall consist of not less than three members.

2 AUTHORITY

- 2.1 The Committee shall report directly 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).
- 2.2 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- 2.3 The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary at the Company’s expenses.

2.4 The Committee shall be provided with sufficient resources by the Company to perform its duties.

3 DUTIES

The Committee shall perform the following duties:

- 3.1 to formulate and review the environmental, social and governance (“ESG”) vision, objectives, strategies, framework, principles and management policies of the Company and its subsidiaries (collectively referred to as the “Group”), and strengthen the materiality assessment (as defined below) and reporting process to ensure and fulfill the continuous execution and implementation of any ESG policies and measures approved by the Board;
- 3.2 to determine the criteria of selecting material ESG factors, identify and continuously review the list of material ESG factors, and determine the risks and opportunities that material ESG factors will bring to the Group (the “materiality assessment”). When conducting the materiality assessment, the Committee shall fully consider the Group’s strategy and the current business environment;
- 3.3 to monitor the development and implementation of external stakeholder engagement plans, as well as review and conduct materiality assessment on the basis of stakeholders’ opinions;
- 3.4 to review and monitor the Company’s policies and practices in relation to material ESG topics and ensure that they are appropriate in the context of the size, business nature and scope of the Group;
- 3.5 to review and monitor the Company’s ESG risk management and internal control systems to ensure the effectiveness and adequacy of internal controls;
- 3.6 to evaluate and review the applicability of policies related to material ESG topics of the Group once a year or as and when required, report to the Board and provide amendment suggestions;
- 3.7 to monitor the ESG performance of the Group to ensure its compliance with legal, regulatory and investors’ requirements and recommend to the Board;
- 3.8 to monitor the communication channels and methods between the Company and its stakeholders, and to ensure that relevant policies are in place to effectively promote the relationship between the Company and its stakeholders and protect the reputation of the Company;
- 3.9 to identify the formulation of the ESG goals of the Group, the corresponding implementation rules and effectiveness, to regularly review and report to the Board the progress regarding the achievement of ESG goals, and identify corresponding initiative and measures on actions required to improve performance;

- 3.10 to ensure that the Company prepares, reviews and discloses an environmental, social and governance report in accordance with the requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the Corporate Governance Code (as included under Appendix 14 to the Listing Rules) and the Environmental, Social and Governance Reporting Guide (as included under Appendix 27 to the Listing Rules);
- 3.11 to review major ESG trends and related risks and opportunities, evaluate the adequacy and effectiveness of the Company’s ESG-related structures and business models, and adopt and update the Company’s ESG policies as necessary to ensure that they are up-to-date and in compliance with applicable laws, regulations and regulatory requirements and international standards;
- 3.12 to develop and review the Company’s policies and practices on corporate governance and make recommendations to the Board;
- 3.13 to review and monitor the training and continuous professional development of the Directors and senior management;
- 3.14 to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;
- 3.15 to develop, review and monitor the code of conduct and compliance manual, if any, applicable to employees and the Directors;
- 3.16 to review the Company’s compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report in the Company’s annual reports as required by the Listing Rules from time to time;
- 3.17 to take appropriate actions to enable the Committee to discharge its powers and functions conferred on it by the Board; and
- 3.18 to take appropriate actions, as the Committee may deem reasonable, to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or any applicable law.

4 MEETINGS AND REPORTS

- 4.1 The Committee shall meet not less than twice a year.
- 4.2 The meetings and proceedings are governed by the provisions contained in the bye-laws of the Company for regulating meetings and proceedings of the Directors.

4.3 The Committee may invite any Directors or executives of the Company or other persons to attend meetings of the Committee as it may from time to time consider desirable to assist the Committee in performing its duties.

4.4 Information in relation to the Committee shall be included for the accounting period in the Corporate Governance Report in the annual reports of the Company as required by the Listing Rules from time to time.

The terms of reference of the Committee are available on The Stock Exchange of Hong Kong Limited's website and the Company's website.

Revised: 7 December 2021