# Terms of Reference of the Sustainability Committee under the Board of Shandong Gold Mining Co., Ltd.

## Chapter 1 General Provision

**Article 1** In order to strengthen the sustainable development capacity of Shandong Gold Mining Co., Ltd. (hereinafter referred to as the "Company"), improve its corporate governance structure, and make progress on its environmental, social and governance (ESG) performance, the Company has set up the Sustainability Committee under the Board and formulated these terms of reference in accordance with the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association of Shandong Gold Mining Co., Ltd. (hereinafter referred to as the "Articles of Association") and other relevant provisions.

**Article 2** The Sustainability Committee is a special committee under the Board, and it is mainly responsible for making strategic planning and setting targets for the Company's sustainable development and ESG, identifying ESG risks, and coordinating ESG administration to help the Company seek progress on sustainable development. It shall report to and be accountable to the Board.

## Chapter 2 Composition

**Article 3** The members of the Sustainability Committee shall be appointed by the Board, and shall consist of three to five directors, of whom at least one shall be an independent director.

**Article 4** Members of the Sustainability Committee shall be nominated by the chairman of the Board, more than half of the independent directors or one-third of all directors, and shall be elected by the Board.

**Article 5** The Sustainability Committee shall have a chairman (i.e., the convener) who shall be the chairman or vice chairman of the Company and be responsible for leading the work of the Committee.

**Article 6** The term of office of the Sustainability Committee shall be the same as that of the Board. A member of the Sustainability Committee may serve consecutive terms if re-elected upon the expiration of his/her term. If any member resigns from the position of director during his/her term of office, he/she shall automatically lose the position of Committee members, the vacancy shall be filled by the person elected by the Committee in accordance with the provisions of Articles 3 to 5 of these terms of reference.

**Article 7** The supporting department of the Sustainability Committee is the Company's office of the Board, which is responsible for collecting and researching work documents of the Committee, conducting daily liaison work and arranging meetings.

## Chapter 3 Responsibilities and Authorities

**Article 8** The primary responsibilities and authorities of the Sustainability Committee include:

(I) to study and formulate the Company's sustainable development and ESG management strategies, medium- and long-term plans and annual goals, and to study and make suggestions on the Company's sustainable development areas, including but not limited to health and safety, community relations, ecological environment, resource recycling, climate response, respect for human rights, diversity, anti-bribery and anti-corruption, risk management, supplier management and other relevant policies, to ensure compliance with national strategies and international standards;

(II) to regularly review the implementation of the Company's sustainable development goals, evaluate the implementation effect of strategic planning, analyze the progress of key indicators, and make suggestions to the Board;

(III) to assess the risks and opportunities faced by the Company in the field of sustainable development, guide the management to formulate risk response strategies, and supervise the implementation of prevention and control measures;

(IV) to review the Company's annual sustainability report and related information disclosure documents, and make suggestions to the Board;

(V) to consider other material matters related to the Company's sustainable development and ESG;

(VI) to pay attention to significant information on sustainability matters related to the Company's business, to study the Company's sustainability-related issues, and to provide recommendations to the Board;

(VII) other matters authorised by the Board.

**Article 9** The exercise of the duties and authorities by the Sustainability Committee must be in accordance with the Company Law and the Articles of Association and the relevant provisions in these terms of reference, and shall not be detrimental to the interests of the Company and its shareholders.

**Article 10** The Sustainability Committee shall be provided by the Company with adequate resources to perform its duties. When the Sustainability Committee performs its duties, the relevant departments of the Company shall provide cooperation. Where the Sustainability Committee deems it necessary, it may engage intermediary institutions or professionals to provide professional advice for its decision-making, and the reasonable costs so incurred shall be borne by the Company.

## Chapter 4 Procedural Rules

**Article 11** Meetings of the Sustainability Committee are composed of regular meetings and extraordinary meetings. Regular meetings shall be held at least once every year, while extraordinary meetings shall be proposed by the Sustainability Committee. In principle, all Committee members shall be notified three days before the meeting is convened. In case of urgent matters, the aforesaid period may be exempted and flexible meeting notice methods may be adopted, provided that the convener shall make an explanation at the meeting.

Such meetings shall be presided over by the convener, or by another member of the Committee if the convener is incapable of attending.

**Article 12** Meetings of the Sustainability Committee shall be convened only with the presence of more than two-thirds of the members. Each member has one vote. Resolutions may only be passed by a majority of all the members of the Sustainability Committee (including the members who fail to attend the meetings) voting in favor of such resolutions.

Meetings of the Sustainability Committee may invite other directors, senior management and other consultants of the Company to attend the meetings. Attendees of the meetings shall have the right to speak, but not the right to vote.

**Article 13** The Sustainability Committee shall vote by a show of hands or a poll. Extraordinary meetings may adopt voting by communications.

**Article 14** If necessary, the Committee may engage an intermediary institution to provide professional opinions on its decision at the costs of the Company.

**Article 15** The procedures for convening of a Sustainability Committee meeting, its voting methods and the plan to be passed at such meeting must comply with the provisions of applicable laws, regulations, the Articles of Association and these terms of reference. If a member is an interested party in any matter being considered by the Sustainability Committee, such member shall abstain from the discussion and voting of such matter. Where valid deliberation opinions cannot be formed due to the recusal of members, the relevant matters shall be directly considered by the Board.

**Article 16** Minutes of the Sustainability Committee meetings shall be prepared. Members attending the meetings shall sign the meeting minutes or meeting summaries (resolutions). Minutes of meetings shall be kept by the Secretary of the Board.

**Article 17** Unless restricted by legal or regulatory restrictions, the recommendations, proposals and voting results adopted by the Sustainability Committee in its meetings shall be reported in writing to the Board.

**Article 18** All the members attending the meetings and non-voting attendees are under a duty of confidentiality with respect to the proceedings of the meetings and shall not disclose the relevant information without authorization.

## Chapter 5 Addendum

**Article 19** These terms of reference shall take effect from the date of approval by the Board.

**Article 20** In case of matters not covered herein, the relevant state laws, administrative regulations, normative documents, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association shall apply. In case any of these terms of reference conflicts with the state laws, administrative regulations, normative documents, the securities regulatory rules of the place where the Company's shares are listed promulgated in the future or the Articles of Association as legally modified, the relevant state laws, administrative regulations, normative documents, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association shall prevail. In such case, corresponding amendments shall be made to these terms of reference immediately and submitted to the Board for approval.

**Article 21** These terms of reference shall be construed, interpreted, and amended by the Board of the Company.

**Article 22** These terms of reference are in both Chinese and English versions. Should there be any inconsistency between the English and Chinese versions, the latter shall prevail.