



NEXCHIP SEMICONDUCTOR CORPORATION
合肥晶合集成电路股份有限公司

**TERMS OF REFERENCE OF THE STRATEGY AND
ESG COMMITTEE**

Chapter 1 General Provisions

Article 1 To meet the needs of strategic development of the Company, strengthen its core competitiveness, determine its development plans, improve its investment decision-making procedures, strengthen its scientific decision-making, enhance the effectiveness and quality of its decision-making on major investment, and regulate the environmental, social and governance (ESG) work of the Company, so as to continuously improve its ESG performance and achieve its sustainable development goals, the Company hereby establishes the Strategy and ESG Committee of the Board of Directors (hereinafter referred to as the “Committee”) as a special institution responsible for the long-term development strategy and major investment decisions of the Company.

Article 2 To ensure the regulated and efficient operation of the Committee, the Board of Directors of the Company has formulated these terms of reference in accordance with the Company Law of the People’s Republic of China, the Corporate Governance Code for Listed Companies, the Articles of Association and other relevant requirements.

Chapter 2 Composition and Responsibilities

Article 3 The Strategy and ESG Committee shall comprise three members.

Article 4 The Strategy and ESG Committee shall have one convener.

Article 5 The convener and members of the Committee shall be nominated by more than half of the independent Directors or more than one-third of all Directors, and shall be elected by the Board of Directors of the Company.

Article 6 The term of office of the Committee shall be the same as that of the Board of Directors. Members may be re-elected upon expiration of their terms. If a member ceases to serve as a Director or an independent Director of the Company during the term, in order to ensure that the composition of the Committee complies with these terms of reference, the Board of Directors shall promptly appoint additional members to fill any vacancy in accordance with Article 5 hereof, and the term of office of the member so appointed shall expire at the end of the term for which such member serves as a Director or independent Director.

Chapter 3 Duties and Authorities

Article 7 The primary duties and authorities of the Committee are as follows:

- (I) reviewing the overall development strategy plan of the Company and each of its specific strategic development plans, and making recommendations to the Board of Directors;
- (II) evaluating the overall development status of various businesses of the Company, and making timely recommendations to the Board of Directors regarding adjustment to the strategic development plan;
- (III) reviewing the business plan, investment and financing plans of the Company, and making recommendations to the Board of Directors;
- (IV) reviewing the annual budget and final accounts, and making recommendations to the Board of Directors;
- (V) supervising and inspecting the implementation of the business and investment plans of the Company;
- (VI) evaluating the governance of the Company, and making recommendations to the Board of Directors;
- (VII) conducting research and making corresponding recommendations on the Company's sustainable development and ESG-related matters;
- (VIII) reviewing reports related to the Company's sustainable development and ESG matters and reporting to the Board of Directors;
- (IX) inspecting the implementation of the above matters;
- (X) other matters stipulated by laws, regulations, rules, normative documents and the Articles of Association and authorized by the Board of Directors.

Chapter 4 Rules of Procedures

Article 8 The Committee shall convene meeting based on actual needs from time to time each year. The Board of Directors, the convener or more than half of the members shall have the right to propose the convening of an extraordinary meeting of the Committee.

Article 9 A notice shall be given to all members 3 days prior to the date of meeting of the Committee together with relevant materials and information. The meeting shall be presided over by the convener. If the convener is unable to attend the meeting, he or she may appoint another member to preside over the meeting. In case of an urgent meeting is required to be convened due to special reasons, the above notification period can be exempt, but the convener shall make an explanation at the meeting.

Article 10 The notice of meeting may be delivered in writing by hand, facsimile, registered mail or e-mail. In urgent case, the notice can be given by telephone, and such notice shall at least include the time and venue of the meeting, the manner to convene the meeting, as well as an explanation on the urgency to convene the meeting as soon as possible, and a supplementary written notice shall be delivered after the meeting.

Article 11 A Committee meeting may only be held if more than half of the members are present. Members shall attend the meetings of the Committee in person. If a member is unable to attend the meeting for any reason, he/she may appoint another member in writing to attend and vote on his/her behalf.

Article 12 In principle, meetings of the Committee shall be convened by way of onsite meetings. If all Directors present at the meeting can fully communicate and express their opinions, the meeting may be held by means of telephone conference, video conference, or written transmission and signature when necessary.

Article 13 Votes may be made by a show of hands or by poll at a meeting of the Committee. Each member shall have one vote. Resolutions adopted at a meeting must be approved by a majority of all members. Any dissenting opinions of the members who voted against the resolution shall be filed for record.

Article 14 Matters approved at the meetings of the Committee that fall within the scope of duties of the Board of Directors shall be submitted in writing to the Board of Directors for review.

Article 15 The Committee may also invite Directors, senior management of the Company and persons involved in the relevant matters under review to present at its meetings if necessary.

Article 16 The Committee may engage external experts to attend the meetings, as needed, with expenses borne by the Company.

Article 17 The external experts engaged by the Committee are mainly responsible for providing consultation opinions and professional recommendations on professional issues involved in the matters discussed at the meetings.

Article 18 The experts engaged by the Committee to attend meetings have the right to make recommendations, but not to vote.

Article 19 The Committee shall keep meeting minutes, and members attending the meeting shall sign the meeting minutes. Members attending a meeting shall have the right to require explanatory notations on the minutes of what he/she said at the meeting.

Article 20 The Committee's meeting minutes, together with the signature book of members attending the meetings and the proxy forms, shall be kept as company records for a period of ten years.

Article 21 Members and other persons attending the Committee meeting shall have a duty of confidentiality with respect to matters discussed at the meeting and shall not disclose relevant information without authorization.

Chapter 5 Supplementary Provisions

Article 22 Unless otherwise specified, terms used in these terms of reference shall have the same meanings as defined in the Articles of Association.

Article 23 For matters not covered in these terms of reference, or conflicts between these terms of reference and the provisions of relevant laws, regulations, rules, normative documents and the Articles of Association, the provisions of such laws, regulations, rules, normative documents and the Articles of Association shall prevail.

Article 24 Subject to the consideration and approval by the Board of Directors of the Company, these terms of reference shall take effect.

Article 25 These terms of reference shall be interpreted and amended by the Board of Directors of the Company.