

Shenzhen Longsys Electronics Co., Ltd.
Terms of Reference of the Strategy and ESG Committee of
the Board of Directors

Chapter 1 General Provisions

Article 1 In order to meet the strategic development needs of Shenzhen Longsys Electronics Co., Ltd. (hereinafter referred to as the “Company”), enhance the core competitiveness of the Company, determine the development plans of the Company, improve investment decision-making procedures, strengthen the scientific nature of decision-making, improve the efficiency and quality of major investment decisions, improve the corporate governance structure and enhance the sustainable development capability of the Company, the Company has established the Strategy and ESG Committee of the Board of Directors and formulated these Terms of Reference in accordance with the Company Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), the Articles of Association of Shenzhen Longsys Electronics Co., Ltd. (hereinafter referred to as the “Articles of Association”) and other relevant provisions.

Article 2 The Strategy and ESG Committee of the Board of Directors is a specialized working body established under the Board of Directors, primarily responsible for studying the medium- and long-term development strategies, major investment decisions and sustainable development policies of the Company and making recommendations thereon.

Chapter 2 Composition

Article 3 The Strategy and ESG Committee shall consist of three directors.

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

Article 5 The Strategy and ESG Committee shall have one chairman (convener), who shall be responsible for presiding over the work of the committee. The chairman (convener) shall be directly elected by the Board of Directors.

Article 6 The term of office of the Strategy and ESG Committee shall be the same as that of the Board of Directors. Upon the expiration of their term of office, the members shall be eligible for re-election. If a member no longer serves as a director of the Company due to resignation or for any other reason, his/her qualification as a member shall automatically lapse from the effective date of his/her resignation as a director. The Board of Directors shall fill the vacancy with a new member in accordance with the Articles of Association and these Terms of Reference. During the term of office of a member, the Board of Directors shall not dismiss him/her from office without cause.

Any member who fails to attend committee meetings in person for two consecutive times, and fails to designate another member to attend on his/her behalf, shall be deemed to have failed to perform his/her duties, and the Board of Directors shall remove and replace such member.

Article 7 The Office of the Board of Directors shall be responsible for organizing meetings and implementing the relevant resolutions of the Strategy and ESG Committee. The secretary to the Board of Directors shall be responsible for the specific coordination between the Strategy and ESG Committee and the Board of Directors.

Chapter 3 Duties and Authorities

Article 8 The Strategy and ESG Committee shall establish an ESG Management Committee and an ESG Execution Working Group. The ESG Management Committee is responsible for formulating the ESG strategic plans and long-term objectives of the Company, reviewing ESG reports, systems and material matters, and supervising the work progress and results of the ESG Execution Working Group. The ESG Execution Working Group is responsible for implementing, coordinating, conducting overall planning, organizing and advancing the execution of various ESG work tasks.

Article 9 The primary duties and authorities of the Strategy and ESG Committee shall be as follows:

(1) to monitor and study the laws, regulations and policies relating to the sustainable development (ESG) of the Company, and to conduct research and make recommendations on the working direction of the environmental protection, social responsibility and standardized governance of the Company;

(2) to conduct research and make recommendations on the medium- and long-term development strategic planning of the Company;

(3) to conduct research and make recommendations on the major investment and financing decisions of the Company;

(4) to conduct research and make recommendations on the major strategic development projects of the Company;

(5) to conduct research and make recommendations on the sustainable development (ESG) strategic plans, expected targets and policy guidelines of the Company, where the ESG strategies include but are not limited to environmental strategies, social strategies and governance strategies;

(6) to identify and monitor ESG-related risks and opportunities that have a material impact on the business of the Company, and to guide management in taking appropriate response measures to such ESG risks and opportunities;

(7) to guide, supervise and inspect the implementation of the environmental, social responsibility and corporate governance work of the Company, to evaluate the overall ESG performance of the Company and make corresponding recommendations;

(8) to review the environmental, social and governance (ESG) related reports of the Company and other material matters related to ESG;

(9) to conduct research and make recommendations on other material matters that affect the development of the Company;

(10) other matters stipulated by laws, regulations, departmental rules, normative documents, the Articles of Association and these Terms of Reference, required by the securities regulatory rules of the places where the shares of the Company are listed, and authorized by the Board of Directors.

Article 10 The Strategy and ESG Committee shall be accountable to the Board of Directors, and proposals of the committee shall be submitted to the Board of Directors for consideration and decision.

Chapter 4 Rules of Procedure

Article 11 Meetings of the Strategy and ESG Committee shall be convened from time to time. Notice shall be given to all members three days prior to the convening of the meeting. Where an extraordinary meeting needs to be convened due to urgent circumstances, notice may be given by means of communication, email or facsimile, provided that at least two-thirds of the members of the Strategy and ESG Committee attend the meeting, and the notice period for convening the meeting shall not be subject to the aforementioned restriction. The meeting shall be presided over by the chairman (convener). If the chairman (convener) is unable to attend, he/she may designate another member (an independent director) to preside over the meeting.

Article 12 Meetings of the Strategy and ESG Committee shall only be held when at least two-thirds of the members are present; each member shall have one vote; resolutions of the meeting must be passed by a majority of all members. Members attending the meeting shall sign the resolutions of the meeting.

Article 13 Voting at meetings of the Strategy and ESG Committee shall be by a show of hands or by poll; meetings may be convened by means of communication voting (including by post, facsimile, telephone and video, etc). Where a meeting is convened by the aforementioned means, provided that members orally express their opinions on the relevant matters and the number of consenting members satisfies the requirements stipulated in these Terms of Reference, the corresponding resolution shall take effect immediately.

Article 14 The Strategy and ESG Committee may, when necessary, invite other directors, senior management and personnel of relevant departments of the Company to attend the meeting as non-voting attendees.

Article 15 Where necessary, the Strategy and ESG Committee may engage intermediary institutions and professionals to provide professional advice for its decision-making, and the expenses thereof shall be borne by the Company.

Article 16 Minutes shall be kept for meetings of the Strategy and ESG Committee, and the members attending the meeting shall sign the meeting minutes. The resolutions and minutes of the meetings shall be kept by the secretary to the Board of Directors of the Company for a period of not less than 10 years.

Article 17 The procedures for convening meetings of the Strategy and ESG Committee, the voting methods and the resolutions passed at the meetings must comply with the relevant laws, regulations, the securities regulatory rules of the places where the Company's shares are listed, the Articles of Association and these Terms of Reference.

Article 18 The resolutions passed at meetings of the Strategy and ESG Committee and the voting results shall be reported to the Board of Directors in writing.

Article 19 Members attending the meetings of the Strategy and ESG Committee and non-voting attendees shall have an obligation of confidentiality in respect of the matters considered at the meeting, and shall not disclose any relevant information without the authorization of the Board of Directors of the Company.

Chapter 5 Supplementary Provisions

Article 20 For those matters which have not been covered in these Terms of Reference, such matters shall be implemented in accordance with the relevant national laws, regulations, normative documents, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association. In the event of any conflict between these Terms of Reference and any laws or regulations subsequently promulgated by the State, the securities regulatory rules of the places where the Company's shares are listed, or the Articles of Association as amended through lawful procedures, the relevant national laws, regulations, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association shall prevail, and these Terms of Reference shall be immediately amended and submitted to the Board of Directors for consideration and approval.

Article 21 For the purpose of these Terms of Reference, the term "independent director" has the same meaning as "Independent Non-Executive Director" under the Hong Kong Listing Rules. Independent directors shall also meet other independence requirements under the Hong Kong Listing Rules and the securities regulatory rules of the places where the Company's shares are listed.

Article 22 These Terms of Reference shall be formulated, amended and interpreted by the Board of Directors of the Company.

Article 23 Upon being considered and approved by the Board of Directors of the Company, these Terms of Reference shall come into effect and be implemented from the date on which the Company's overseas listed foreign shares (H Shares) are issued and listed on the Main Board of The Stock Exchange of Hong Kong Limited. Upon the implementation of these Terms of Reference, the Company's original Terms of Reference of the Strategy and ESG Committee of the Board of Directors (2025 Revision) shall automatically cease to be effective.

**Shenzhen Longsys Electronics Co., Ltd.
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