

Shenzhen Kinwong Electronic Co., Ltd.

Terms of Reference of the Strategy and ESG Committee of the Board

Chapter I General Provisions

Article 1 To meet the strategic development needs of Shenzhen Kinwong Electronic Co., Ltd. (the “Company”), elevate the Company’s environmental, social and governance (“ESG”) management standards, enhance the Company’s core competitiveness and sustainability, improve the investment decision-making procedures, strengthen the scientific nature of decision-making, enhance the effectiveness and quality of major investment decisions, and improve the Company’s governance structure, the Company hereby establishes the Strategy and ESG Committee of the Board (the “Committee”) and formulates these terms of reference, in accordance with the Company Law of the PRC (《中華人民共和國公司法》), the Code of Corporate Governance for Listed Companies (《上市公司治理準則》), the Guidelines No. 1 of the Shanghai Stock Exchange for Self-regulation of Listed Companies — Standardized Operation (《上海證券交易所上市公司自律監管指引第 1 號—規範運作》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles of Association of Shenzhen Kinwong Electronic Co., Ltd. (the “Articles of Association”) and other relevant provisions.

Article 2 The Committee is a special working body established by the Board. Its primary duties are studying and making recommendations on the Company’s long-term development strategy, major investment decisions and ESG matters.

Chapter II Composition

Article 3 The Committee shall consist of 3 Directors, at least one of whom shall be an independent Director.

Article 4 Members of the Committee shall be nominated by the chairman, more than 1/2 of the independent Directors or 1/3 of all Directors, and shall be elected by a majority of the Board. If a member becomes unsuitable for office during his or her term of office, that member shall voluntarily resign or be replaced by the Board of the Company.

Article 5 The Committee shall have one chairperson (convener), who shall be the chairman of the Board of the Company responsible for convening meetings of the Committee and presiding over the work of the Committee. When the chairperson (convener) is unable or incapable of performing his or her duties, he or she may delegate another member to perform the duties on his or her behalf.

Article 6 The term of office of the Committee shall be the same as the term of office of the Board. Members may be re-elected upon expiry of their term of office. If, during such term, any member of the Committee ceases to be a Director of the Company, or a member who is required to be an independent Director no longer satisfies the independence requirements under the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association, such member shall automatically cease to be a member of the Committee, and the Committee shall fill the vacancies in accordance with Articles 3 to 5 above.

Article 7 An Investment Review Panel shall be established under the Committee, with the general manager of the Company serving as the head of the Investment Review Panel, and one or two deputy heads shall also be appointed.

Article 8 An ESG Executive Group shall be established under the Committee to provide support for the implementation of the Company's ESG strategy and decisions. The ESG Executive Group shall be jointly composed of multiple ESG-related internal departments of the Company, with the general manager of the Company serving as its head. Under the leadership of its head, the ESG Executive Group shall coordinate the work of various business modules, report to the Committee on all ESG-related matters, provide information required for decision-making, and provide work guidance to various business units.

Chapter III Duties and Powers

Article 9 The main duties and powers of the Committee are as follows:

- (I) To study and make recommendations on the Company's long-term development strategy and plan;
- (II) To study and make recommendations on the major investment and financing plans that are required to be approved by the Board as stipulated in the Articles of Association;
- (III) To study and make recommendations on major capital operation and asset operation projects that are required to be approved by the Board as stipulated in the Articles of Association;
- (IV) To formulate and regularly review the Company's ESG management policies, strategies and framework to ensure they meet the Company's needs and comply with applicable laws and regulatory requirements;
- (V) To review the Company's ESG objectives formulated by the ESG Executive Group, supervise the implementation of such objectives, and track the progress toward their achievement;
- (VI) To identify and assess the Company's ESG risks and opportunities and their material impact on the Company's business, and identify and prioritize material issues involving the Company;
- (VII) To review the Company's annual ESG report and other ESG-related disclosure information, and make recommendations to the Board for approval;
- (VIII) To study and make recommendations on other major matters affecting the Company's development;
- (IX) To inspect the implementation of the above matters;
- (X) Other matters as prescribed by laws, regulations, departmental rules, other normative documents, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, and authorized by the Board.

Article 10 The Committee is accountable to the Board, and the proposals of the Committee shall be submitted to the Board for consideration and approval.

Chapter IV Decision-making Procedures

Article 11 The Investment Review Panel shall be responsible for the preliminary preparatory work for the decision-making procedures of the Committee and providing relevant information. The specific procedures are as follows:

- (I) The person-in-charge of relevant departments of the Company, the controlled enterprises or enterprises in which the Company has equity interests shall submit the intentions of major investment and financing, capital operation and asset operation projects, the preliminary feasibility reports and general information of the partners;
- (II) The Investment Review Panel shall carry out a preliminary review and issue a project initiation opinion, which shall be filed with the Committee;
- (III) The relevant departments of the Company, the controlled enterprises or enterprises in which the Company has equity interests shall conduct negotiations with external parties on agreements, contracts, articles of association, feasibility reports, etc., and submit the same to the Investment Review Panel;
- (IV) The Investment Review Panel shall conduct a review thereon, issue a written opinion, and submit a formal proposal to the Committee;
- (V) The Committee shall convene meetings based on proposals from the Investment Review Panel, conduct discussions, submit the relevant written resolution materials to the Board, and provide feedback to the Investment Review Panel at the same time.

Article 12 With respect to ESG management matters, the ESG Executive Group shall be responsible for the preliminary information collection, compilation of materials, formulation of recommended plans, and preparation of the ESG report for the Committee's decision-making, and shall submit formal proposals to the Committee. The Committee shall convene meetings based on the materials provided by the ESG Executive Group, and shall submit the meeting conclusions and the proposals formed thereby to the Board, while providing feedback to the ESG Executive Group.

Chapter V Rules of Procedure

Article 13 The Committee shall convene meetings as needed based on the Company's operating conditions. Meetings may be held in person or by telecommunication means. In principle, all members of the Committee shall be given 3 days' prior notice of a meeting. The foregoing notice period requirement may be waived with the unanimous consent of all members.

Article 14 The meeting of the Committee shall be held only when more than two-thirds of the members are present. Each member shall have 1 vote. Resolutions made at a meeting must be approved by a majority of all members.

Article 15 Voting at meetings shall be by show of hands or poll. Voting by means of communication may be used for extraordinary meetings, with signatures required after voting for confirmation.

Article 16 The head of the Investment Review Panel and the head of the ESG Executive Group may attend the meetings of the Committee as non-voting participants. Where necessary, Directors and senior management personnel of the Company, as well as personnel from other relevant departments (units), may also be invited to attend the meetings as non-voting participants.

Article 17 If necessary, the Committee may engage intermediaries to provide professional advice for its decision-making, at the Company's expense.

Article 18 The procedures for convening Committee meetings, the methods of voting and the proposals approved at meetings must comply with the relevant laws and regulations, the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association and these terms of reference.

Article 19 Minutes shall be kept of Committee meetings, and members present at a meeting shall sign the meeting minutes. The meeting minutes shall be kept by the secretary of the Board.

Article 20 Proposals adopted at Committee meetings and the voting results shall be reported to the Board in writing.

Article 21 All members present at a meeting and persons attending a meeting shall have a duty of confidentiality in respect of the matters discussed at the meeting and shall not disclose the relevant information without authorisation.

Chapter VI Supplementary Provisions

Article 22 For the purposes of these terms of reference, senior management includes the general manager, deputy general managers, chief financial officer, secretary of the Board and other personnel prescribed in the Articles of Association, as appointed by the Board.

Article 23 Matters not covered by these terms of reference shall be handled in accordance with the relevant national laws, regulations, the securities regulatory rules of the place 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 place where the Company's shares are listed or the Articles of Association amended through lawful procedures, matters shall be handled in accordance with the relevant national laws, regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 24 These terms of reference shall be interpreted by the Board of the Company.

Article 25 These terms of reference shall, following the review and approval by the Board of the Company, become effective on the date on which the H shares issued by the Company are listed on The Stock Exchange of Hong Kong Limited.

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