



XIAMEN JIHONG CO., LTD
廈門吉宏科技股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2603)

**Implementation Rules for the Strategy Committee of
the Board of Directors
(Amended in June 2025)**

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to align with the strategic development needs of the Company, enhance our core competitiveness, define our development plans, improve the investment decision-making procedures, strengthen the scientific nature of decision-making, increase the effectiveness and quality of major investment decisions, improve corporate governance structure, achieve coordinated and sustainable development across economic, social and environmental aspects, actively fulfil corporate social responsibilities, and enhance the Company's risk control and value creation capabilities in Environmental, Social and Governance (hereinafter referred to as "ESG") aspects, the Company has established the Strategy Committee under the Board of Directors and formulated these Implementation Rules pursuant to the Company Law of the People's Republic of China, the Articles of Association, and with reference to the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Securities on the Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, Self-regulatory Guidelines No. 1 for Listed Companies on the Shenzhen Stock Exchange – Standardized Operation of Listed Companies on Main Board, and other applicable provisions.

Article 2 The Strategy Committee of the Board of Directors is a dedicated working body established by the Board of Directors in accordance with the resolutions of the shareholders' general meeting, which is primarily responsible for studying and making recommendations on the Company's long-term development strategy, major investment decisions, as well as its risk control capabilities and value creation capacity in relation to ESG aspects.

The ESG responsibilities as referred to in these Rules mean the environmental, social, and governance responsibilities and obligations that the Company shall fulfil during the course of its business development, which mainly include the protection of the natural environment and resources, the undertaking of social responsibilities, and the enhancement and transparency of corporate governance.

CHAPTER 2 COMPOSITION

Article 3 The Strategy Committee shall consist of three directors.

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

Article 5 The Strategy Committee shall have one chairperson (the convener), who shall be the chairman of the Board of Directors.

Article 6 The Strategy Committee shall have the same term of office as the Board of Directors. After the term expires, members of the Strategy Committee can be re-elected. If any member ceases to be a director of the Company during the term of office, he/she automatically loses his/her membership of the Committee and the Committee shall fill the vacancy in accordance with the provisions of Articles 3 to 5 above.

Article 7 The Strategy Committee shall establish the Investment Decision-Making Department and the ESG Decision-Making Department to handle the day-to-day matters relating to the Company's investment decisions. The Chairman of the Company shall serve as the head of both Investment Decision-Making Department and the ESG Decision-Making Department.

Article 8 Members of the ESG Decision-Making Department established under the Strategy Committee shall possess appropriate skills and capabilities to assess the impact of ESG risks and opportunities. The Company's ESG management shall follow the principles set out below:

(1) Integration into Corporate Strategy. ESG responsibilities shall be embedded into the Company's development strategy from a strategic perspective, with unified planning and coordinated advancement. An ESG key performance indicator system tailored to the Company's characteristics shall be established, together with a closed-loop management framework for ESG governance, with a view to achieving coordinated and integrated development across economic, social and environmental aspects of the Company.

(2) Synergy with Business Development. The ESG management philosophy shall be integrated into both internal operations and external business delivery. Coordination, collaboration and vertical interaction across departments and subsidiaries shall be strengthened to ensure an efficient and well-executed ESG implementation network, thereby achieving the organic integration and synergistic development of the Company's ESG responsibilities with its core business operations.

(3) Alignment with Global Standards. The Company shall actively implement international and national ESG standards, regulatory requirements, relevant policies and initiatives. The Company shall advance its ESG management in a systematic, standardized and institutionalized manner across policy formulation, management systems, process mechanisms, action plans and performance management, thereby promoting alignment with global standards from an ESG perspective in the development of sustainable products and services.

CHAPTER 3 DUTIES AND AUTHORITIES

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

- (1) to study and make suggestions on development strategies of the Company;
- (2) to study and make suggestions on the Company's major investment decisions;
- (3) to study and make suggestions on other major issues that may affect the development of the Company;
- (4) to design strategies relating to the Company's ESG risks and opportunities, including:
 1. Assessing and managing ESG-related risks and opportunities of the Company, and reviewing and formulating, among other things, the Company's ESG strategic plans, management structure, systems, policies and implementation rules, so as to ensure the continuous execution and implementation of the Company's ESG policies;
 2. Formulating guidelines on material ESG matters, and reviewing and evaluating the materiality of identified issues;
 3. Identifying key ESG issues;
 4. Reviewing the Company's ESG practices and internal control systems, and providing recommendations on their adequacy and effectiveness;
 5. Reviewing the Company's ESG-related disclosure documents, including but not limited to annual ESG reports;
 6. Monitoring ESG-related risks, investigating significant issues that may affect the Company's ESG performance, formulating appropriate measures, and reviewing and supervising the handling of such issues;
 7. Providing ESG-related training and materials to the Board of Directors.

(5) to inspect the implementation of the above matters;

(6) other matters authorized by the Board of Directors.

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

CHAPTER 4 DECISION-MAKING PROCEDURES

Article 11 The Investment Decision-Making Department shall be responsible for making effective and proactive preparations for decisions of the Strategy Committee and for providing relevant written materials of the Company, including:

(1) Submission by the heads of relevant departments or controlling subsidiaries (or participating associates) of the Company of project intentions, preliminary feasibility reports, and basic information of potential partners in respect of major investment and financing activities, capital operations, and asset management projects;

(2) Performance of a preliminary review by the Investment Decision-Making Department, issuance of a project initiation opinion, and filing of reports to the Strategy Committee;

(3) Negotiations by relevant departments or controlling subsidiaries (or participating associates) of the Company on agreements, contracts, articles of association and feasibility reports, and submission of the same to the Investment Decision-Making Department;

(4) Evaluations by the Investment Decision-Making Department, issuance of written opinions, and submission of formal proposals to the Strategy Committee.

ESG risk management shall be conducted in accordance with the following framework:

(1) The relevant departments of the Company shall be responsible for implementing and executing ESG risk management policies and carrying out day-to-day risk management practices. Each department shall identify and assess the risks related to its respective scope of responsibility. To ensure standardized risk management across the Group and to establish common levels of transparency and performance in risk management, the relevant departments shall: (i) identify sources of risk and their potential impacts; (ii) monitor the development of such risks; and (iii) prepare regular risk management reports for review by the ESG Decision-Making Department.

(2) The ESG Decision-Making Department shall coordinate, supervise and manage the overall risks associated with the Company's business operations and quality control, mainly including: (i) assessing corporate risks based on the Company's risk tolerance; (ii) maintaining a list of key risks and leading the corresponding risk management efforts; and (iii) organizing the revision and updating of the key risk list. The ESG Decision-Making Department shall be responsible for collaborating with relevant departments in risk prevention and management and conducting ad hoc reviews.

(3) The Board of Directors shall be responsible for: (i) reviewing risk management information; (ii) reviewing the Company's annual risk management report; and (iii) overseeing the ESG Decision-Making Department's issuance of the annual risk assessment.

(4) The Company shall conduct an enterprise risk assessment at least once a year, covering both current and potential risks, including but not limited to ESG risks and disruptive strategic risks such as those related to climate change. The Board of Directors shall, either independently or with the assistance of external experts, assess such risks, review existing strategies, targets and internal controls, and implement necessary improvements to mitigate risks. The Board of Directors and the ESG Decision-Making Department shall continuously monitor the Company's risk management approach, including climate-related risks and other risks monitored as part of standard operating procedures, to ensure that appropriate mitigation measures are implemented through regular management reviews.

(5) The Company shall incorporate climate-related matters, including analysis of physical and transition risks, into its risk assessment process and risk appetite framework. Where such risks and opportunities are deemed material, they shall be taken into account in the Company's strategic and financial planning. Following the annual review of environmental, social and climate-related risks and the Company's performance in managing such risks, the Company may, as it sees fit, revise and adjust its ESG strategy.

Article 12 The Strategy Committee may convene meetings to discuss the proposals as submitted by the Investment Decision-making Department and ESG Decision-making Department, and submit the discussion results to the Board of Directors with feedback relayed to the Investment Decision-making Department.

CHAPTER 5 RULES OF PROCEDURE

Article 13 The Strategy Committee shall meet from time to time in accordance with its duties, and shall notify all members three days in advance of the meeting. The meeting shall be presided over by the chairperson or, if the chairperson is unable to attend, he/she may appoint another member (being an independent director) to chair the meeting.

Article 14 Meetings of the Strategy Committee shall only be held when more than two-thirds of the members are present. Each member shall have one vote, and resolutions proposed shall be approved by more than half of members present at the meetings.

Article 15 The voting at the meetings of the Strategy Committee shall be undertaken by poll. At ad hoc meetings, the voting will be conducted by way of communication means.

Article 16 The Head of the Investment Decision-making Department shall observe the meeting of the Strategy Committee, and directors and other senior management of the Company may also be invited to observe the meeting if necessary.

Article 17 The Strategy Committee may, if necessary, engage an intermediary to provide professional advice on its decision-making at the Company's expense.

Article 18 The procedures for convening meetings of the Strategy Committee, voting methods and resolutions approved at the meeting must comply with the provisions of the relevant laws, regulations, the Articles of Association and these Rules.

Article 19 Minutes shall be prepared for the meetings of the Strategy Committee and shall be signed by the members present at the meetings. Meeting minutes should be kept as company files by the secretary of the Board of Directors of the Company.

Article 20 Resolutions passed at the meetings of the Strategy Committee and the voting results shall be submitted in writing to the Board of Directors of the Company.

Article 21 Members who attend the meeting shall keep confidential the matters discussed at the meeting, and shall not disclose relevant information.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 22 These Implementation Rules shall come into effect upon approval by the Board of Directors.

Article 23 Matters not covered in these Rules shall be implemented in accordance with the provisions of the relevant laws, regulations of the PRC, the securities regulatory rules of places where the shares of the Company are listed, and the Articles of Association; In case of any conflict between these Rules and any future laws and regulations of the PRC, the securities regulatory rules of places where the shares of the Company are listed, or the Articles of Association as amended by legal procedures, the relevant laws and regulations of the PRC, the securities regulatory rules of places where the shares of the Company are listed, or the Articles of Association shall prevail, and these Terms of Reference shall be amended immediately and submitted to the Board of Directors for approval.

Article 24 The right of interpretation of these Rules belongs to the Board of Directors of the Company.

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June 2025

Note: In case of any inconsistency between the English and Chinese version of these Implementation Rules, the Chinese version shall prevail.