



# 北京京城机电股份有限公司

Beijing Jingcheng Machinery Electric Company Limited

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

(Stock Code: 0187)

## BEIJING JINGCHENG MACHINERY ELECTRIC COMPANY LIMITED TERMS OF REFERENCE OF THE STRATEGY COMMITTEE OF THE BOARD OF DIRECTORS

(In case of any inconsistency between the Chinese version and the English version,  
the Chinese version shall prevail.)

### Chapter 1 General Provisions

- Article 1 With a view to addressing its strategic development requirements, enhancing its core competitiveness defining its corporate development plans, improving its investment decision-making processes, strengthening viable decision-making, enhancing the major investment decision-making efficiency and quality, rationalizing the Company's governance structure, the Company hereby has established the Directors Board Strategy Committee, and formulated this Enforcement Regulations in accordance with the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, its Articles of Association and the other relevant regulations.
- Article 2 The Strategy Committee of the Board is a dedicated body established under the Board to be primarily responsible for reviewing and advising on the Company's long-term development strategies and significant investment decisions.

### Chapter 2 Personal Composition

- Article 3 The Strategy Committee shall consist of five directors, including at least one independent director.
- Article 4 The members of the Strategy Committee shall be nominated by the Chairman of the Board, at least one half of independent directors, or one-third of the total Board members, and elected by the Board.

- Article 5                    The Strategy Committee shall have one chairman (convener) who shall be the Chairman of the Board of the Company.
- Article 6                    The term of office of the Strategy Committee shall be identical to that of the Board. A member may offer himself/herself for re-election upon the expiration of his/her term of office. Any member of the Strategy Committee who no longer holds office as a director of the Company during the term shall automatically cease to be a member of the Committee, and the vacancy shall be filled by the other Committee member with the arrangement of the Committee in light of Articles 3 to 5 above.

### **Chapter 3   Duties and Authorities**

- Article 7                    The main duties and authorities of the Strategy Committee include: (i) to define and review the Company's development strategies and mid- and long-term plans, and make relevant recommendations to the Board; (ii) to review and advise on projects that must be approved by the Board as required by the Articles of Association, such as major external investments and financing, M&As, infrastructure, key technical transformations and breakthroughs, strategic R&D projects; (iii) to review mergers, demergers, increase or decrease in funding, dissolution and liquidation and other key matters that may affect corporate development, and make relevant recommendations to the Board; (iv) to review and advise on other key matters that may affect corporate development; (v) to inspect the implementation of the items above; and (vi) other matters as authorized by the Board.
- Article 8                    The Secretariat of the Strategy Committee is established under the Strategic Investment Department. The Strategic Investment Department is responsible for the daily strategic planning and daily investment management work. There is an investment review panel under the Strategy Committee, the head of which is held by the Deputy General Manager in charge of investments, and the deputy head is held by the Head of the Strategic Investment Department. The members consist of the heads of the Strategic Investment Department, Corporate Office, Finance Department, Audit and Legal Affairs Department, and other relevant departments.
- Article 9                    The Strategy Committee shall report to the Board and submit its proposals to the Board for review.

## **Chapter 4 Decision-making Procedures**

- Article 10           The Company executive's echelon may make deployment regarding strategic development and investment initiatives as instructed by the Strategy Committee.
- Article 11           The Secretariat of the Strategy Committee is responsible to make preliminary preparation for review by the investment review panel and decision-making by the Strategy Committee and to provide information in respect of the Company: (i) the relevant divisions of the Company or companies of which the Company is the holding company or which are stock-participating companies of the Company offer basic facts concerning the industry, market and implementation of strategies; (ii) to perform external analysis of policies, macro economy, industry and market conditions as well as analysis of the Company's in-house resources and capabilities, develop strategic plans and submit them to the Strategy Committee for review; (iii) to refine and adjust proposed strategic plans based on the allocation of corporate resources by the Strategy Committee so as to create definitive strategic plans, and submit formal proposals to the Strategy Committee; (iv) the relevant divisions or holding (joint stock) businesses of the Company offer basic facts concerning significant investments, capital operation, proposed asset management projects, preliminary feasibility reports and partners.
- Article 12           (1) The Secretariat of the Strategy Committee submits relevant materials for investment projects to the investment review panel. The investment review panel examines the feasibility, risks, and compliance of the investment projects, and signs off on the review opinions upon approval. The Strategy Committee convenes meetings to discuss proposals submitted by the Secretariat of the Strategy Committee and assessment opinions of the investment review panel, and submits the results of discussions to the Board, while giving feedback to the investment review panel.
- (2) For other projects, the Strategy Committee convenes meetings to discuss proposals submitted by the Secretariat of the Strategy Committee, and submits the results of discussions to the Board, while giving feedback to the Secretariat of the Strategy Committee.

## **Chapter 5 Procedural rules**

- Article 13      The Strategy Committee holds meetings on demand from time to time each year. In principle, notice shall be given three days in advance to all members before each meeting. In cases of necessity or emergency requiring the prompt convening of a meeting, the aforementioned notification time limit may be waived. Notification for the Strategy Committee meetings may be given via modes including fax, email, telephone, personal delivery, or postal mail. The chairman of the Committee shall chair the meetings. If he/she is unable to attend, the chairman may authorize any other member to chair the meeting.
- Article 14      Two-thirds of the members are required to constitute a quorum of a Strategy Committee meeting. Each member shall be entitled to one vote. Resolutions at any meetings shall be passed by a simple majority of votes of all the members.
- Article 15      Votes shall be taken on a show of hands or on a poll. Extraordinary meetings may be convened by voting by telecommunication.
- Article 16      The meetings of the Strategy Committee shall be held on-site in principle. If necessary, they may be held by modes of telecommunication including video conference, telephone, fax, or email in accordance with relevant procedures, provided that it can be ensured that all participating directors can fully communicate and express their opinions. If a meeting is held by telecommunication, the signature of a member of the Strategy Committee on the resolutions of the meeting shall be deemed as such member's attendance and agreement with the content of the resolutions.
- Article 17      The chairman of the Secretariat of the Strategy Committee may be present at a Strategy Committee meeting. Where necessary, directors or any other persons whom the Committee believes need to attend the meeting may be invited to be present at the meeting.
- Article 18      Intermediaries may be engaged by the Strategy Committee at the expense of the Company to give professional advice on its decision-making if necessary.
- Article 19      The holding of a Strategy Committee meeting, voting processes and resolutions passed at the meeting shall be compliant with laws, regulations, the Company's Articles of Association and provisions herein.
- Article 20      Minutes shall be taken on all meetings of the Strategy Committee and signed by each attending member. All meeting minutes shall be kept by the Secretariat of the Strategy Committee for ten years.

- Article 21 Resolutions passed at a Strategy Committee meeting and voting results thereon shall be submitted to the Board in writing.
- Article 22 All members present at Strategy Committee meetings shall be obliged to keep confidential all matters discussed at the meeting and shall not disclose such information without authorization.

## **Chapter 6 Addendum**

- Article 23 The Enforcement Regulations shall take effect from the date the resolution is passed by the Board.
- Article 24 In case of matters not covered herein, the relevant state laws, regulations and the Articles of Association shall apply. In case any of the Enforcement Regulations conflicts with the state laws and regulations which are to be issued in the future or the Articles of Association as legally modified, the relevant state laws, regulations and the Articles of Association shall prevail. In such case, corresponding amendments shall be made to the Enforcement Regulations immediately and submitted to the Board for approval.
- Article 25 The Enforcement Regulations shall be construed and interpreted by the Board of the Company.

*The Board of Directors*

**Beijing Jingcheng Machinery Electric Company Limited**

January 2026