

ZHEJIANG SANHUA INTELLIGENT CONTROLS CO., LTD.

TERMS OF REFERENCE FOR THE STRATEGY MANAGEMENT AND ESG COMMITTEE OF THE BOARD OF DIRECTORS

Chapter I General Provisions

Article 1 The Strategy Management and ESG Committee (the "Committee") is a specialized committee of the Board of Directors (the "Board") of Zhejiang Sanhua Intelligent Controls Co., Ltd. (the "Company"). The Committee is responsible for formulating and reviewing the Company's strategy management and ESG policies, and for supervising and evaluating the implementation of these policies. The Committee shall report to the Board on its work.

Article 2 The Committee shall be composed of members appointed by the Board. The members shall include representatives from the Company's management, employees, and external experts. The Committee shall elect a chairperson and a vice-chairperson from among its members.

Chapter II Composition of Members

Article 3 The Committee shall consist of five members. The members shall be appointed by the Board for a term of three years. The term of office of the members shall be renewed upon re-election by the Board.

Article 4 The Committee shall elect a chairperson and a vice-chairperson. The chairperson shall be responsible for presiding over the Committee's work and representing the Committee. The vice-chairperson shall assist the chairperson in performing his or her duties. The Committee shall also elect a secretary to handle the Committee's administrative matters.

Article 5 The Committee shall meet at least once a year. The Committee may also meet as needed. The Committee shall hold its meetings in person or by video conference. The Committee shall keep records of its meetings and decisions.

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Chapter IV Decision-making Procedures

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Chapter V Rules of Procedure

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Chapter VI Supplementary Provisions

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