

# **CIMC Vehicles (Group) Co., Ltd.**

## **中集車輛(集團)股份有限公司**

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

### **RISK CONTROL COMMITTEE UNDER THE BOARD OF DIRECTORS**

#### **TERMS OF REFERENCE**

(Considered and approved by the sixth meeting of the second session of the board of directors of 2024 on 17 May 2024)

#### **Chapter 1 General Provisions**

- Clause 1 In order to strengthen the risk management, enhance the risk identification and control capabilities, optimise the corporate governance structure and perfect corporate governance of CIMC Vehicles (Group) Co., Ltd. (the “Company”), the Risk Control Committee (the “Risk Control Committee” or “Committee”) under the board (the “Board”) of directors (the “Director(s)”) of the Company is established with these terms of reference (these “Terms”) in accordance with the Company Law of the People’s Republic of China, the Standards on Corporate Governance of Listed Companies, the Guidelines of Self-Regulatory Regulations for Listed Companies on the Shenzhen Stock Exchange No. 2-Standardized Operation of ChiNext Market Listed Companies, the Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange, the Articles of Association of CIMC Vehicles (Group) Co., Ltd. (the “Articles of Association”) and other relevant laws, regulations and regulatory documents.
- Clause 2 The Risk Control Committee is a special committee established under the Board. It serves as an advisory organization of the Board in respect of risk management and internal control system related matters, provides advices and recommendations to the Board in relation to risk areas involving corporate strategy, operation, market, finance, law and etc., and shall be accountable and report to the Board.

#### **Chapter 2 Composition of the Committee**

- Clause 3 The Committee shall consist of three Directors.
- Clause 4 Members of the Risk Control Committee (“Member(s)”) shall be nominated by the chairman of the Board, and shall be approved by the Board.
- Clause 5 The Risk Control Committee shall have a chairman who shall be responsible for leading the work of the Committee. The chairman shall be nominated by the chairman of the Board, and shall be approved by the Board.
- Clause 6 The term of office of the Members shall be the same as that of the Board for the same session, and the term of office of the Members shall be the same as that of the Directors. A Member may serve consecutive terms if re-elected upon expiry of his/her term. If a Member resigns from the position of a Director during his/her term of office, he/she shall automatically cease to hold the position as a Member.

- Clause 7 A Member may submit resignation to the Board prior to the expiration of his/her term of office, and the resignation report shall include necessary explanation of the reasons for his/her resignation as well as matters requiring the attention of the Board. When the number of Committee Members is less than the minimum number as stipulated in the Terms, the resigning Member shall continue to fulfill the relevant duties until the alternate Member of the Board assumes office.
- Clause 8 The Members may be adjusted during their term of office upon the nomination of the chairman of the Board and the approval of the Board.
- Clause 9 When the number of Committee Members is less than the number as stipulated in the Terms, the Board shall supplement the number of Members in accordance with the provisions of the Terms.
- Clause 10 The secretary of the Risk Control Committee (the “Secretary of the Committee”), as the working body of the Committee, shall provide support and services for the Committee and undertake the relevant work assigned by the Committee. The Company shall provide the necessary working conditions for the Risk Control Committee and equip specialized personnel or institutions to undertake the daily work of the Risk Control Committee, such as work liaison, meeting organization, material preparation, and file management.

### **Chapter 3 Duties of the Committee**

- Clause 11 Principal duties of the Risk Control Committee are as follows:
- (1) to supervise, provide guidance on, and inspect the risk management and internal control system of the Company;
  - (2) to consider the planning for the risk management and internal control system, as well as the annual work report and plan of the Company;
  - (3) to consider the relevant rules and regulations and work flows of the risk management and internal control system of the Company;
  - (4) to consider the Company’s strategies on risk management and its risk management solutions for significant risks;
  - (5) to study the risks and risks control of significant issues in major investment, major transaction contracts and operation management, making recommendations to the Board in respect thereof;
  - (6) to study the significant findings of investigations on major risk emergency events or other risk management and internal control related issues as well as the feedback from the management;

- (7) to guide and promote the legal construction of the Company, supervise the behavior of the Company's Directors and senior management in their execution of the Company's duties, and require them to rectify their behaviors when they are detrimental to the Company's interests; and to put forward relevant recommendations to the Board (including, but not limited to, criticisms, warnings, dismissals, etc.) for the Company's Directors and senior management who have violated the laws, regulations and the Articles of Association; and
- (8) to handle other affairs as authorised by the Board concerning risk management and control.

Clause 12 Duties of the chairman of the Committee shall include:

- (1) to convene and preside over the meetings of the Committee;
- (2) to supervise and examine the work of the Committee;
- (3) to sign the relevant documents of the Committee;
- (4) to report to the Board on the work of the Committee;
- (5) to ensure the effective operation of the Committee and fulfillment of its duties; and
- (6) to perform other duties as required by the Board.

Clause 13 Primary duties of the Members shall include:

- (1) to attend the meetings of the Committee on time, express opinions on matters discussed at the meetings and exercise the right to vote;
- (2) to propose topics for discussion at the Committee meetings;
- (3) to attend or observe relevant meetings of the Company, conduct investigation and research, and obtain reports, documents, materials and other relevant information as required for the purpose of performing his/her duties;
- (4) to fully understand the duties of the Committee and his/her own duties as a Member, and to familiarize himself/herself with the state of management, business activities and development of the Company relevant to his/her duties, so as to ensure his/her ability to perform his/her duties;
- (5) to adequately guarantee his/her working time and energy for the performance of his/her duties; and
- (6) to perform laws and regulations, regulatory rules of the place where the Company's shares are listed, the rules of procedure of the Board of the Company, the Terms and other powers and functions granted by the Board.

## Chapter 4 Meetings of the Committee

- Clause 14 Meetings of the Committee can be classified as regular meetings and extraordinary meetings.
- Clause 15 Regular meetings of the Committee shall be held at least once a year, and all Members shall be notified in writing three days prior to the meeting.
- Clause 16 The Committee shall hold extraordinary meetings as needed. The chairman of the Committee shall issue a notice to convene a meeting within three days from the date of the fact in any of the following cases:
- (1) when the Board deems it necessary;
  - (2) when the chairman of the Committee deems it necessary;
  - (3) when two or more members make a proposal.
- Clause 17 When the Committee convenes a meeting, the Company shall, in principle, provide relevant materials and information no later than three days prior to the Committee meeting. The Secretary of the Committee shall be responsible for delivering the notice of the meeting in writing to each Member and relevant persons invited to attend the meeting three days prior to the meeting (except for special circumstances that may exempt the obligation of advance notice, but the chairman of the meeting shall make an explanation at the meeting). The content of the notice of the meeting shall include the manner, time, place, duration, topic, time of the notice, contact person and contact information of the meeting and relevant data.
- Clause 18 Upon receipt of the notification of the meeting, Members shall promptly confirm and provide relevant feedback (including but not limited to whether they will attend the meeting, their itinerary, etc.) in an appropriate manner.
- Clause 19 Meetings of the Committee shall be held in the presence of at least two Members.
- Clause 20 Members shall attend the meetings in person. When a Member is unable to attend the meeting in person, he/she may submit a form of proxy signed by him/her to authorize other Members of the Committee to attend the meeting and express opinions on his/her behalf. The form of proxy shall explicitly state the scope of authorization and the effective duration. A Member may only appoint one other Member each time to act on his/her behalf to exercise his/her voting right. If two or more persons are appointed to act on his/her behalf to exercise the voting right, such proxy is void. At the same time, each Member cannot accept appointments by proxy from two or more Members.

The Member who attends the meeting on behalf of another Member shall exercise his/her rights within the scope of authorization. A Member who is unable to attend the meeting in person, fails to appoint another Member of the Committee to exercise his/her rights on his/her behalf, and fails to submit his/her opinions in writing before the commencement of the meeting, shall be deemed to have waived his/her rights. A Member shall be deemed to be present at a meeting if he/she entrusts another Member of the Committee to exercise his/her rights on his/her behalf or if he/she submits his/her views in writing prior to the meeting in accordance with the provisions of this rule.

A Member who is unable to attend the meeting in person may also submit his/her opinions in writing on the matters to be discussed to exercise his/her rights, but the opinions in writing shall be submitted to the Secretary of the Committee no later than commencement of the meeting.

Clause 21 If a Member fails to attend two consecutive meetings of the Committee in person, and fails to appoint other Members to attend on his/her behalf, and fails to submit his/her opinions in writing before the meetings; or if the number of Committee meetings attended by him/her in person within one year is less than 3/4 of the total number of meetings held, he/she shall be deemed to have failed to perform his/her duties in the Committee, and the Board may adjust the members of the Committee according to these Terms.

Clause 22 A meeting of the Committee shall be presided over by the chairman of the Committee. If the chairman of the Committee is unable to attend the meeting, he/she may appoint other Members to chair the meeting on his/her behalf. In the event that the chairman of the Committee neither performs his or her duties nor designates another Member to perform his or her duties in his or her place, any one of the Members may report the situation to the Board, which shall designate a Member to perform the duties of the chairman of the Committee.

### **Chapter 5 Procedures of Meetings**

Clause 23 Each Member shall be entitled to one vote. A majority of all Members shall be required to pass resolutions at the meeting. If an effective resolution cannot be formed due to the recusal of a Member, the relevant matter shall be considered directly by the Board.

Clause 24 Meetings of the Committee shall generally be held onsite and voting shall be by show of hands or by poll. Under the premise of ensuring that all participating Members can fully communicate and express their opinions, if necessary, the meeting may be held by video, telephone or other means in accordance with the procedures, and in the case of adopting the aforesaid means, the Members shall submit to the Board written opinions on the matters to be considered within the period of time required by the notice of the meeting.

Clause 25 The Committee shall conduct research and discussion on the relevant matters at the meeting, and the Members shall express their opinions clearly, independently and fully based on their own judgment; if there is any disagreement, it shall be set out in the minutes of the meeting submitted to the Board.

- Clause 26 The Committee may invite the Company's Directors, relevant senior management, relevant experts or social experts, scholars and intermediary organizations and relevant personnel to attend the meetings. Persons attending the meeting shall provide such explanations and clarifications as the Members may request.
- Clause 27 The procedures for convening Committee meetings, the voting method and the resolutions adopted at the meetings shall comply with the relevant laws and regulations, the regulatory rules of the place where the Company's shares are listed, the Articles of Association and these Terms.
- Clause 28 When a Member has an interest in the matters discussed by the Committee, he/she shall recuse himself/herself from the matter.
- Clause 29 All persons attending the meeting are under a duty of confidentiality with respect to the matters discussed in the meeting and shall not disclose relevant information without authorization.

### **Chapter 6 Working Organization of the Committee**

- Clause 30 Minutes of meetings of the Committee shall be made. Minutes shall be taken by the Secretary of the Committee and include the following:
- (1) the number of the meeting and the manner, date, place and name of the chairman;
  - (2) attendance and absence of members in person and by proxy;
  - (3) names and titles of persons attending the meeting;
  - (4) meeting agenda;
  - (5) points of presentation made by Members and relevant attendees;
  - (6) name of minutes taker; and
  - (7) the withdrawal of interested Members from voting, if any, shall be noted in the minutes or resolutions.

The Directors, the secretary of the Board and the minutes taker attending the meeting shall sign the meeting minutes.

- Clause 31 After the meeting of the Committee, the Secretary of the Committee shall be responsible for producing minutes of the Committee meetings based on the research and discussion at the meeting.

The minutes of the meeting shall be sent to the Members, the secretary to the Board, the Company's management department of information disclosure affairs and other relevant departments and personnel in addition to the Board.

Clause 32 The records of meetings, minutes of meetings, letters of proxy, written opinions of the Members and other meeting materials formed at the meetings of the Committee shall be managed by the Secretary of the Committee in accordance with the relevant regulations and backed up by the Company's management department of information disclosure affairs.

### **Chapter 7 Supplementary Provisions**

Clause 33 Unless otherwise specified, the terms used herein shall have the same meaning as defined in the Articles of Association.

Clause 34 In the event of any matters not specified in these Terms or in the event of any conflict with the laws, administrative regulations, normative documents, relevant regulatory rules of the places where the Company's shares are listed or the Articles of Association as amended through lawful procedures enacted after the effective date of these Terms, the relevant laws, administrative regulations, normative documents, relevant regulatory rules of the places where the Company's shares are listed and the Articles of Association shall prevail, and these Terms shall be immediately amended and submitted to the Board for consideration and approval.

Clause 35 These Terms shall come into force since the date of consideration and approval by the Board. When this system is revised, the Board shall propose a revised plan and have it considered and approved before it becomes effective.

Clause 36 The right to interpret and amend these Terms is vested in the Board.

Clause 37 Where both the English and Chinese versions of these Terms are available, the Chinese version shall prevail in the event of discrepancies between the English and Chinese versions.

CIMC Vehicles (Group) Co., Ltd.  
May 2024