

**SUNNY OPTICAL TECHNOLOGY (GROUP) COMPANY LIMITED**  
**(舜宇光學科技(集團)有限公司)**  
**(the “Company”)**

**STRATEGY AND DEVELOPMENT COMMITTEE**

**TERMS OF REFERENCE**

**1. Membership**

- 1.1 Members of the Strategy and Development committee (the “Committee”) shall be appointed by the board of directors (the “Board”), where appropriate, in consultation with the chairman of the Committee (the “Committee Chairman”). The Committee shall be made up of at least three members (“Members”).
- 1.2 Only Members of the Committee have the right to attend Committee meetings. Other individuals such as the chairman of the Board, other directors, head of business unit, and representatives from the finance department, may be invited to attend all or part of any meeting as and when appropriate.
- 1.3 In the absence of the Committee Chairman and/or an appointed deputy (if any), the remaining Members present at the Committee meeting shall elect amongst themselves a Member to chair the meeting.

**2. Secretary**

- 2.1 The company secretary or his/her nominee shall act as the secretary of the Committee.
- 2.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Committee.

### **3. Quorum, Attendance at Meetings and Resolutions**

- 3.1 The quorum necessary for the transaction of business shall be two Members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 3.2 Members may participate in a meeting by means of a conference telephone or similar communications equipments by means of which all persons participating in the meeting are capable of hearing each other.
- 3.3 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Members present.
- 3.4 A resolution in writing signed by all the Members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

### **4. Frequency of Meetings**

The Committee shall meet at least 4 times a year at approximately quarterly intervals or at such times as the Committee may deem appropriate or required.

### **5. Notice of Meetings**

- 5.1 Meetings of the Committee shall be convened by the secretary of the Committee at the request of any of its Members.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each Member of the Committee and any other person required to attend at least 21 days before the date of the meeting. All supporting papers for the purposes of the Committee meetings shall be sent to Committee Members and to other attendees as appropriate at least 5 clear days in advance of the meeting.

## **6. Minutes of Meetings**

The Committee Chairman shall arrange for the keeping of records of resolutions passed at Committee meetings, and circulate the same to all Members of the Committee within a reasonable time (generally within 14 days) after each meeting for their comments and records. Once such records are agreed by the Members, the committee Chairman shall circulate to all members of the Board.

## **7. Annual General Meeting**

The Committee Chairman should, as far as practicable, attend the annual general meeting and make himself available to respond to any shareholder questions on the Committee's activities.

## **8. Responsibility, Powers and Discretion**

The Committee shall have the following responsibilities, powers and discretion:

- 8.1 to review the documents from the senior management of the Company on issues relating to its strategies and developments (such as vision of the Company, mission of the Company, and annual strategy documents) on a regular basis and make recommendations to the Board regarding any proposed changes;
- 8.2 to identify marketing changes and competitions or make recommendations to the Board on issues relating to the Company's strategies and developments, such as Company's market positions, pricing strategies, new markets and strategic partnerships;
- 8.3 to make recommendations to the Board on matters relating to the Company's strategies and developments; and
- 8.4 all such other responsibilities and powers as may be delegated by the Board from time to time.

## **9. Reporting Responsibilities**

- 9.1 The Committee Chairman shall report to the Board [in writing] after each meeting on all matters considered and actions proposed, taken by or to be taken by the Committee.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any areas within its remit where action or improvement is needed.

## **10. Authority**

- 10.1 The Committee is authorised by the Board to seek any information it requires from senior management of the Company in order to perform its duties;
- 10.2 the Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference; and
- 10.3 the Committee shall be provided with sufficient resources to discharge its duties.