

# **IMPLEMENTATION RULES FOR THE STRATEGIC AND SUSTAINABLE DEVELOPMENT COMMITTEE OF THE BOARD OF DIRECTORS OF SHANDONG CHENMING PAPER HOLDINGS LIMITED**

(Approved by the 21st extraordinary meeting of the 10th session of the  
Board of Directors on October 10, 2025)

## **CHAPTER 1 GENERAL PROVISIONS**

Article 1 In order to meet the strategic and sustainable development needs of Shandong Chenming Paper Holdings Limited (the “Company”), enhance the core competitiveness of the Company, determine the development plans of the Company, build sound investment decision-making procedures, strengthen the scientific nature of decision-making, improve the effectiveness of major investment decisions and the quality of decision-making, continuously enhance the governance structure of the Company, regulate the organization of the Strategic and Sustainable Development Committee of the Board of Directors of the Company and clearly define the functions and powers of the Strategic and Sustainable Development Committee, and in accordance with the Company Law of the People’s Republic of China, Guidelines for Corporate Governance of Listed Companies, the Articles of Association and other relevant provisions, the Company sets up the Strategic and Sustainable Development Committee of the Board and formulates the implementation rules (the “Rules”).

Article 2 The Strategic and Sustainable Development Committee of the Board is established as a specific body of the Board in accordance with the Articles of Association. It is primarily responsible for studying the long-term strategic development, major investment decisions, sustainable development and ESG works of the Company and making recommendations.

## **CHAPTER 2 COMPOSITION**

Article 3 Members of the Strategic and Sustainable Development Committee shall comprise three (3) Directors, of whom one (1) shall be an independent non-executive Director.

Article 4 Members of the Strategic and Sustainable Development Committee shall be nominated by the Chairman of the Board, more than half of the independent non-executive Directors or one-third of all Directors, and shall be elected by the Board.

Article 5 The Strategic and Sustainable Development Committee shall have a chairman (convener) who shall be the Chairman of the Board of the Company.

Article 6 The term of office of the Strategic and Sustainable Development Committee shall be the same as that of the Board. A member of the Strategic and Sustainable Development Committee may serve consecutive terms if re-elected upon the expiration of his term. If any member resigns from the position of Director during his term of office, he shall automatically lose the position of committee members, and the vacancy shall be filled by the committee in accordance with provisions of Articles 3 to 5 above.

Article 7 The Strategic and Sustainable Development Committee shall set up an investment review team with the general manager of the Company as the head of the investment review team. The team shall have one to two deputy heads.

### **CHAPTER 3 FUNCTIONS AND POWERS**

Article 8 The main functions and powers of the Strategic and Sustainable Development Committee:

- (1) to conduct research and submit proposals regarding the long term development strategic plan of the Company;
- (2) to conduct research and submit proposals regarding the financing plans for major investments which require approval from the Board as stipulated in the Articles of Association;
- (3) to conduct research and submit proposals regarding major capital operations and assets operation projects which require approval from the Board as stipulated in the Articles of Association;
- (4) to supervise the Company and its subsidiaries to operate in compliance with the national and local directions, policies, laws and regulations in respect of sustainable development;
- (5) to make recommendation to the Board in respect of material matters on sustainable development and ESG of the Company;
- (6) to guide sustainable development and ESG works, study ESG-related planning, objectives, systems and material matters of the Company, review ESG-related reports and provide consultation recommendations to the Board;
- (7) to conduct supervision and inspection on the execution of ESG works, and provide guidance and opinions in due course;
- (8) to conduct research and submit proposals regarding other material matters that may affect the development of the Company;
- (9) to carry out examination on the implementation of the above matters;
- (10) to deal with other matters as delegated by the Board.

Article 9 The Strategic and Sustainable Development Committee shall be accountable to the Board. The Committee shall submit proposals to the Board for examination and decision.

## **CHAPTER 4 PROCEDURES OF DECISION MAKING**

Article 10 The investment review team shall be responsible for making preliminary preparations for the decision-making of the Strategic and Sustainable Development Committee and providing relevant information of the Company:

- (1) The relevant departments of the Company or the person in charge of the Company's subsidiaries or enterprises in which the Company has equity interests shall submit information about major investment and financing, capital operation, intentions of assets operation projects, preliminary feasibility reports and general information of the partners;
- (2) The investment review team shall carry out preliminary review and put forward a written opinion on the approval of the project, which shall be filed to the Strategic and Sustainable Development Committee;
- (3) The relevant departments of the Company or the Company's subsidiaries or enterprises in which the Company has equity interests shall hold discussions with external parties regarding the agreements, contracts, articles of association, feasibility study reports and other relevant issues and report to the investment review team;
- (4) The investment review team shall review and issue written opinions, and make a formal proposal to the Strategic and Sustainable Development Committee.

Article 11 The Strategic and Sustainable Development Committee shall convene a meeting to discuss the proposals submitted by the investment review team. The results of the discussion shall be submitted to the Board and shall feed back to the investment review team.

## **CHAPTER 5 ORDER OF PROCEEDINGS**

Article 12 Committee members shall be given not less than five days' prior notice before the convening of a Strategic and Sustainable Development Committee meeting. Meetings shall be chaired by the chairman of the committee. If the chairman cannot attend the meeting, he may appoint another member to chair the meeting.

Article 13 Meetings of the Strategic and Sustainable Development Committee shall be convened only with the presence of more than two thirds of the members. Each member has one vote. A resolution shall be decided by a majority of votes.

Article 14 Strategic and Sustainable Development Committee meetings shall principally be held on site. A meeting may be convened by way of video conferencing, telephone, or other means in accordance with the procedures if necessary, provided that all attending members can fully communicate and express their opinions.

Article 15 The head and deputy heads of the investment review team may attend meetings of the Strategic and Sustainable Development Committee. Other Directors and senior management of the Company may be invited to attend such meetings if necessary.

Article 16 If necessary, the Strategic and Sustainable Development Committee may engage an intermediary institution to provide professional opinions on its decision at the costs of the Company.

Article 17 The procedures for convening a meeting, the method of voting and the resolutions passed at the meetings of the Strategic and Sustainable Development Committee shall comply with the provisions of governing laws, regulations, Articles of Association and the Rules.

Article 18 The Strategic and Sustainable Development Committee shall keep minutes of the meetings. Members present at the meetings shall sign the minutes of the meetings that shall be kept by the secretary to the Board of the Company.

Article 19 Proposals passed and voting results at meetings of the Strategic and Sustainable Development Committee shall be reported in writing to the Board of the Company.

Article 20 Members present at meetings shall keep all matters discussed in such meetings confidential, and shall not disclose relevant information without authorization.

## **CHAPTER 6 SUPPLEMENTARY ARTICLES**

Article 21 The Rules shall take effect upon consideration and approval by the Board.

Article 22 Any matters not covered by the Rules shall be implemented in accordance with the provisions of governing national laws and regulations and the Articles of Association. If the Rules contravene any future laws and regulations or the amended Articles of Association, implementation shall be in accordance with the provisions of the relevant laws and regulations of China and the Articles of Association, and the rules shall be amended promptly and reported to the Board for consideration and approval.

Article 23 The power of interpretation of the Rules is vested in the Board of the Company.

**Board of Directors of Shandong Chenming Paper Holdings Limited**

October 10, 2025