



瑞聲科技控股有限公司
AAC Technologies Holdings Inc.

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2018)

Sustainability Committee Terms of Reference (“ToR”)

(Adopted by the Board on 15 July 2024)

The Sustainability Committee (“Committee”), established pursuant to the resolutions passed by the Board of Directors (the “Board”) of AAC Technologies Holdings Inc. (“the Company”, together with its subsidiaries, the “Group”), is responsible for assisting the Board in overseeing the Group’s Environmental, Social and Governance (“ESG”) aspects, climate risks and opportunities in a holistic manner and the performance of the Sustainability Working Group (“SWG”).

I. Functions

- (a) The objective of the Committee is to oversee management and advise the Board on the latest development of ESG initiatives and regulatory policies. The Committee shall ensure:
 - (i) the Company to operate on a sustainable basis for the benefit of current and future generations;
 - (ii) sustainable growth by maintaining and enhancing the Company’s economic, environmental, human, technological and social capital in the long term;
 - (iii) forward-thinking mindset embedded in the sustainable business growth with the consideration of the Group’s impact on its value chain; and
 - (iv) disclosure and communication of the Group’s sustainability progress and objectives in with the due regard to the stakeholders’ expectations and in compliance with applicable rules and regulations.

II. Responsibilities, Powers and Discretion

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

- (a) To review, endorse and report to the Board on the Company's sustainability standards, priorities and goals and to oversee the Company's strategies, policies and practices on sustainability matters to attain those standards and goals;
- (b) To review and evaluate the adequacy and effectiveness of the Group-level policies related to sustainability matters including:
 - (i) climate change;
 - (ii) code of business conduct and ethics;
 - (iii) labour standards;
 - (iv) supplier code of conduct, procurement regulations;
 - (v) any other sustainability-related framework, guidelines, policies, or standards as updated from time to time by the Company's management;
- (c) To oversee, review and evaluate actions taken by the Group in furtherance of the sustainability priorities and goals, including coordinating with the business divisions of the Group and ensuring that their operations and practices adhere to the relevant priorities and goals;
- (d) To monitor and review emerging sustainability issues and trends in national and international standards that could impact the business operations and performance of the Group, such as:
 - (i) key international ESG trends in legislation, regulation, litigation and public debate;
 - (ii) peers analysis on ESG performance and ratings;
 - (iii) gap analysis on sustainability stock indexes;
 - (iv) climate related risks and opportunities;
- (e) To monitor and evaluate the impact of the Company's sustainability on its stakeholders, including employees, shareholders, local communities and the environment, and to conduct climate and environmental related risk management and propose corrective action plans when needed;
- (f) To evaluate and advise the Board on the Company's public communication, disclosure and publications (including the sustainability report and ESG abstract at annual report) and maintain the integrity of reporting;
- (g) To evaluate and advise the board, for both the Committee and the SWG, the roles and responsibilities, the structure, size, composition (including the skills, knowledge and experience) on the sustainability governance and propose amendments to their ToRs and remuneration policies of their members; and

- (h) To evaluate and advise the board further functions related or incidental to the foregoing which the Committee deems appropriate.

III. Composition of Members of the Committee

- (a) The Committee shall comprise at least 3 members.
- (b) The Chairman of the Committee shall be a senior executive of the Company.
- (c) The Board may from time to time make changes or appoint additional members to the Committee from among the Directors and such other persons the Board considers to be of relevant experience and expertise.
- (d) The Committee shall, if necessary, invite any executive(s) and external consultant with appropriate qualification and experience to attend any Committee meeting(s) in the attainment of the Group’s sustainability targets and objectives.
- (e) Membership of the Committee at the setup

1.	Mr. Mok Joe Kuen Richard, Executive Director and Managing Director	Chairperson
2.	Mr. Kwok Lam Kwong Larry, Independent Non-executive Director and the Chairman of Audit and Risk Committee	Member
3.	Mr. Peng Zhiyuan, Independent Non-executive Director and the Chairman of Remuneration Committee	Member
4.	Ms. Wu Ingrid Chun Yuan, Non-executive Director	Member
5.	Mr. Pan Kaitai Kelvin, Executive Vice President and Chief Innovation Officer	Member

IV. Meetings

- (a) The Committee shall meet at least once a year and additionally as required.
- (b) Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- (c) Minutes shall be prepared and kept by the Secretary of the Committee, who would be nominated from ESG department of the Company. Draft and final versions of minutes shall be circulated to all Members for their comment and approval, in both cases within a reasonable period of time after the meeting. Such minutes shall be open for Members’ inspection.

- (d) Final minutes shall be signed by the Chairperson of the Committee and submitted to the Board. A copy of the final minutes shall be shared with the SWG for internal reference.

V. Authority

- (a) The Committee, authorized by the Board to investigate all matters that fall within the ToR, shall require senior management of the Company and the business divisions of the Group to perform its duties listed on Section II.
- (b) The Committee shall obtain the sufficient resources available, as determined by the Committee, to run effectively.
- (c) In discharging its responsibilities, the Committee is entitled to have sufficient access to personnel, senior management and relevant data and records as appropriate. All AAC employees, as demonstrated by their understanding of the Sustainability directive, are to assist with the reasonable requests made by the Committee. At the same time, the Committee is aware of confidentiality obligations undertaken by the Company.
- (d) The Committee may employ, instruct, appoint or retain professional advisors as it considers appropriate in connection with its purposes and such appointed advisors may be invited to participate in meetings when the Committee report to the Board.

VI. Publication and Review of ToR

- (a) The ToR of the Committee shall be posted on the websites of the Company and Hong Kong Stock Exchange.
- (b) The ToR shall be reviewed by the Committee periodically and the Committee shall recommend to the Board any necessary changes.