



上海復旦微電子集團股份有限公司

**Shanghai Fudan Microelectronics Group Company Limited\***

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

(Stock Code: 1385)

## **Terms of Reference of Investment Committee**

(Adopted on 16 October 2018)

### **1. Constitution**

- 1.1 The Investment Committee (the “Committee”) is established pursuant to a board resolution passed by the board of directors (the “Board”) of Shanghai Fudan Microelectronics Group Company Limited (the “Company”) at its meeting held on 16 October 2018.

### **2. Members**

Members of the Committee (the “Committee Members”) shall be appointed by the Board from amongst the Directors and shall comprise a minimum of three (3) members.

- 2.2 The chairman of the Committee shall be elected by the Committee Members.
- 2.3 The company secretary of the Company shall be the secretary of the Committee (the “Secretary”).
- 2.4 Any appointment of additional Committee Members or removal of Committee Members must be approved by resolutions of the Board.

### **3. Committee meeting**

#### **3.1 Notice of meeting**

- a) Unless otherwise agreed by all the Committee Members, a meeting shall be called by at least 7 days’ notice, unless all members unanimously waive such notice;
- b) A Committee Member may and, on the request of a Committee Member, the Secretary shall, at any time summon a Committee meeting;
- c) Notice shall be given to each Committee Member in person orally or in writing or by telephone or by telex or telegram or facsimile transmission at the telephone number or facsimile number or address from time to time notified to the Secretary by such Committee Member or in such other manner as the Committee Members may from time to time determine;

- d) Any notice given orally shall be confirmed in writing as soon as practicable and before the meeting; and
- e) Notice of meeting shall state the time and place of the meeting and provide an agenda together with other documents which may be required to be considered by the Committee Members for the purposes of the meeting. In respect of the regular Committee meeting to be held as mentioned in clause 3.4 below, and so far as practicable in all other additional Committee meetings, the papers of the meetings shall be sent in full to all the Committee Members in a timely manner and at least 3 days before the intended date of the Committee meeting (or such other period as all the Committee Members may agree).

3.2 **Quorum:** The quorum of the Committee meeting shall be two members.

3.3 **Attendance:** The Committee may, if necessary and with consent of the majority of the Committee Members, invite other members of the Board, external professional advisors or any other persons to attend all or part of the Committee meetings. The Financial Controller shall normally attend the meetings.

3.31 Any Committee Member or other attendees may participate in a Committee meeting in person or by electronic means (including telephonic or video-conferencing).

3.4 **Frequency:** Committee meeting shall be held at least once a year.

3.5 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Committee Members present. In the case of an equality of votes, the chairman of the meeting shall have a casting vote.

#### **4. Written resolutions**

4.1 Any resolution of the Committee may be passed by all Committee Members in writing.

4.2 A resolution in writing signed by all the Committee Members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

#### **5. Alternate Committee Members**

5.1 Committee Members may not appoint any alternate.

#### **6. Authorities of the Committee**

6.1 The Committee may exercise the following powers:

- a) The Committee is authorised by the Board to deal with matters within the terms of reference and has authority to enquire and seek relevant information from any employees of the Company and its subsidiaries, and any professional advisors and to request for their full co-ordination, including preparation and submission of report, attending Committee meetings, provision of information and reply to queries of the Committee Members;

- b) The Committee is provided by the Board with sufficient resources to perform its duties including authorisation to obtain legal or other independent professional advices from outsiders at the Company's expenses and to secure the attendance of these outsiders if it considers necessary;
- c) To have access to sufficient resources in order to perform its duties;
- d) To review annually these terms of reference and their effectiveness in the perform of its duties and to make recommendation to the Board any changes it considers necessary; and
- e) To exercise such powers as the Committee may consider necessary and expedient for the proper performance of their duties as stated in the section headed "Committee duties" below.

## **7. Committee duties**

- a) To review, evaluate and approve investment project worth not exceeding RMB50 million;
- b) To review, evaluate and propose to the Board for approval investment project worth over RMB50 million;
- c) To supervise the implementation and to keep all investment projects within the limit approved by the Board;
- d) An investment project can fall into either of the following three categories:
  - (i) Investment in real property;
  - (ii) Investment in listed securities and bonds; and
  - (iii) Investment in unlisted securities.
- e) To determine whether the proposed investment project is in the interests of the Company and the shareholders of the Company as a whole;
- f) If the proposed investment projects constitute disclosable transactions, inside information or connected transactions under the Listing Rules, the Secretary must be notified immediately for taking necessary actions and information disclosures; and
- g) To carry out other duties as may be assigned from time to time by the Board.

## **8. Reporting**

- 8.1 Minutes of Committee meetings and all written resolutions of the Committee shall be kept by the Secretary.
- 8.2 The Secretary shall circulate the draft and final versions of minutes of the Committee meetings or, as the case may be, written resolutions of the Committee to all Committee Members for their comment and records after the meeting or the passing of the written resolutions.
- 8.3 The Secretary shall keep record of all meetings of the Committee held during each financial year of the Company and records of individual attendance of the Committee Members, on a named basis, at meetings held during that financial year.
- 8.4 The Committee shall report to the Board the updated information on investment projects once every three months.

## **9. Continuing application of the articles of the Company**

- 9.1 The articles of the Company regulating the meetings and proceedings of the directors so far as the same are applicable and are not replaced by the provisions in these terms of reference shall apply to the meetings and proceedings of the Committee.

## **10. Powers of the Board**

- 10.1 The Board may, subject to compliance with the articles of the Company, amend, supplement and revoke these terms of reference and any resolution passed by the Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.

*\*For identification only*