

# **ESG Governance and Oversight Charter**

**Nexus Intelligent Systems, Inc.**

## **1. PREAMBLE**

### **1 Purpose**

This ESG Governance and Oversight Charter ("Charter") establishes the comprehensive framework for Environmental, Social, and Governance (ESG) management and strategic oversight at Nexus Intelligent Systems, Inc. (the "Company"), reflecting our commitment to responsible corporate citizenship and sustainable business practices.

### **2 Scope**

This Charter applies to all corporate operations, subsidiaries, and material business activities of Nexus Intelligent Systems, Inc., and provides a definitive guide for ESG integration across organizational functions.

## **2. GOVERNANCE STRUCTURE**

### **1 ESG Steering Committee**

The Company shall establish a dedicated ESG Steering Committee, reporting directly to the Board of Directors, with the following composition:

- a) Chief Strategy Officer (Committee Chair)
- b) Chief Executive Officer
- c) Chief Financial Officer
- d) Chief Technology Officer
- e) Independent External ESG Advisor (Non-Voting)

### **2 Committee Responsibilities**

The ESG Steering Committee shall:

- Develop and approve comprehensive ESG strategy
- Monitor ESG performance metrics
- Review and validate annual ESG reporting
- Recommend strategic ESG investments
- Assess emerging ESG risks and opportunities

### **3. ENVIRONMENTAL COMMITMENTS**

#### **1 Carbon Neutrality Objectives**

The Company commits to:

- Achieving carbon neutrality by 2030
- Reducing operational carbon emissions by 50% by 2025
- Implementing comprehensive carbon tracking and reporting mechanisms

#### **2 Sustainable Technology Development**

All product development initiatives must:

- Incorporate energy efficiency considerations
- Minimize electronic waste through modular design
- Prioritize sustainable technology solutions

### **4. SOCIAL RESPONSIBILITY FRAMEWORK**

#### **1 Diversity and Inclusion**

The Company shall:

- Maintain a minimum 40% gender diversity in leadership roles
- Implement unconscious bias training annually
- Establish mentorship programs for underrepresented groups

#### **2 Employee Well-being**

Comprehensive programs will address:

- Mental health support
- Flexible work arrangements
- Competitive compensation and benefits
- Professional development opportunities

### **5. GOVERNANCE MECHANISMS**

#### **1 Ethical Standards**

The Company adopts a zero-tolerance approach to:

- Corruption
- Fraud

- Unethical business practices
- Conflicts of interest

## 2 Compliance and Reporting

- Annual ESG performance report
- Quarterly ESG metric reviews
- Independent third-party ESG audits

## **6. RISK MANAGEMENT**

### 1 ESG Risk Assessment

Annual comprehensive risk assessment covering:

- Climate-related financial risks
- Technological obsolescence
- Regulatory compliance
- Reputational risks

### 2 Mitigation Strategies

Proactive risk mitigation through:

- Scenario planning
- Continuous monitoring
- Adaptive strategic frameworks

## **7. IMPLEMENTATION AND REVIEW**

### 1 Charter Review

This Charter shall be reviewed and potentially amended:

- Annually by the ESG Steering Committee
- Upon significant organizational changes
- In response to material ESG developments

### 2 Enforcement

Non-compliance with this Charter may result in:

- Performance management interventions
- Potential disciplinary actions

- Revised organizational responsibilities

## **8. DISCLAIMER**

This Charter represents a strategic commitment and does not constitute a legally binding contract. The Company reserves the right to modify this Charter as necessary to reflect evolving business needs and ESG best practices.

## **9. EXECUTION**

Approved and executed this 22nd day of January, 2024.

Dr. Elena Rodriguez

Chief Executive Officer

Nexus Intelligent Systems, Inc.

Michael Chen

Chief Technology Officer

Nexus Intelligent Systems, Inc.