



Chenqi Technology Limited

如祺出行科技有限公司

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 9680)

Terms of Reference of the Remuneration Committee of the Board of Directors

1. General

- 1.1. In order to further establish a healthy performance assessment and remuneration management system for the directors (the “**Directors**”) and senior executives, and improve our corporate governance structure, these terms of reference are formulated in accordance with normative documents including the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise amended from time to time) (the “**Listing Rules**”) and the memorandum and articles of association (the “**Articles of Association**”) and relevant provisions of the Company.
- 1.2. The remuneration committee (the “**Remuneration Committee**”) is a dedicated working body set up by the board of directors (the “**Board**”) of the Company with major responsibilities of formulation and review of remuneration policies and proposals for the Directors and senior executives, formulation of assessment standards and conducting assessments on the performance of the Directors and senior executives.
- 1.3. The Directors referred to in these terms of reference refer to all members of the board of Directors of the Company (the “**Board**”), and the senior executives refer to the senior executives appointed by the Company.
- 1.4. These terms of reference are subject to the relevant requirements under the Listing Rules.

2. Composition

- 2.1. The Remuneration Committee shall consist of three (3) directors, of which a majority shall be independent non-executive Directors, and its chairman shall also be an independent non-executive Director.
- 2.2. The members of Remuneration Committee shall be nominated by (a) the chairman of the Board, (b) more than one-half of the independent non-executive Directors, or (c) more than one-third of all the Directors and shall be elected by the Board.
- 2.3. The term of office of the Remuneration Committee shall be the same as that of the Board and a member may serve consecutive terms if re-elected. If any member ceases to be a Director of the Company during the period, he/she shall automatically lose his/her qualification as a member, and the committee shall fill up the vacancy in accordance with the provisions of paragraph 2.2 of these terms of reference.
- 2.4. To convene a Remuneration Committee meeting, it shall be coordinated and organized by the Board office, and the relevant functional departments are specifically responsible for and provide information.

3. Duties and Authority

3.1. The scope of authority of the Remuneration Committee include:

- 3.1.1. making recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 3.1.2. reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 3.1.3. making recommendations to the Board on the remuneration packages, which cover benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, of individual executive Directors and senior executives;
- 3.1.4. making recommendations to the Board on the remuneration packages of non-executive Directors;
- 3.1.5. considering salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- 3.1.6. reviewing and approving compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- 3.1.7. reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- 3.1.8. ensuring that no Director or any of their associates is involved in deciding that Director's own remuneration;
- 3.1.9. reviewing and/or approving matters relating to the share schemes under Chapter 17 of the Listing Rules;
- 3.1.10. other matters relating to remuneration as authorized by the Board; and
- 3.1.11. consulting the chairman of the Board and/or the chief executive officer or, if necessary, seeking independent professional advice on the remuneration proposals of other executive Directors.

4. Decision-making Process

- 4.1. The Remuneration Committee shall be provided with sufficient resources to perform its duties. The Board office is responsible for organizing and coordinating the relevant departments and provision of the following relevant information required by the Remuneration Committee to perform its duties:
 - 4.1.1. the Company's major financial indicators and its attainment of business objectives;
 - 4.1.2. the scope of work and major duties of the senior executives of the Company;
 - 4.1.3. the completion status compared to the indicators involved in the job performance appraisal system for the directors and senior executives;
 - 4.1.4. information on the operating performance of the directors and senior executives; and
 - 4.1.5. relevant measurement bases for formulating the Company's remuneration allocation plan and allocation method in accord with the Company's performance.
- 4.2. Appraisal procedures for the directors and senior executives by the Remuneration Committee shall be as follows:
 - 4.2.1. the Directors and senior executives of the Company report to the Remuneration Committee of the Board and make self-evaluation;
 - 4.2.2. the Remuneration Committee conducts performance appraisal on the directors and senior executives in accordance with the performance appraisal standards and procedures;
 - 4.2.3. according to the job performance evaluation results and the remuneration distribution policy, the Remuneration Committee proposes amounts of remuneration and incentive schemes for directors and senior executives, which will be reported to the Board for review and determination upon the Remuneration Committee's approval by voting.

5. Rules of Procedure

- 5.1. The Remuneration Committee shall convene at least one (1) meeting each year, and all members shall be notified of the meeting five (5) days before the meeting. Such meetings shall be chaired by the chairman of the Remuneration Committee. The chairman of the Remuneration Committee can appoint another member of the Remuneration Committee to chair a meeting if he/she is not able to attend the meeting. The meeting agenda to be discussed together with the relevant documents shall be sent to the members of the Remuneration Committee and other persons present, as appropriate, within a reasonable period of time before the meeting date.
- 5.2. A meeting of the Remuneration Committee shall be held only when more than two-thirds of the members are present. Each member shall have one vote. Resolutions made at the meeting must be passed by more than half of all members.
- 5.3. Voting at a meeting of the Remuneration Committee shall be conducted by a show of hands or by ballot. Members or other attendees may participate in the meeting and vote via telephone or video conference, etc.

- 5.4. The Remuneration Committee may invite other directors and senior executives of the Company to attend a meeting of the Remuneration Committee when necessary.
- 5.5. If necessary, the Remuneration Committee may engage an intermediary to provide professional advice for its decision-making at the Company's expense.
- 5.6. When the Remuneration Committee meets to discuss issues concerning a member of the committee or issues related to his/her interests, such member shall withdraw from the discussion.
- 5.7. When the Remuneration Committee convenes a meeting, it may request directors and senior executives to report on their work or answer queries at the meeting and such personnel shall not refuse to join the meeting.
- 5.8. The procedures for convening a meeting of the Remuneration Committee, the voting method and the remuneration policy and distribution plan passed at a meeting must comply with the relevant laws, regulations, the Listing Rules, the Articles of Association and these terms of reference.
- 5.9. Matters which are subject to the decision or judgment of the Remuneration Committee shall be reported to the Board, regardless of whether they have been approved at the meeting, and members with objections have the right to make statements at the Board meeting.
- 5.10. Remuneration Committee meetings should keep minutes which should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Members attending such meetings should sign the minutes. Written documents and electronic documents such as meeting minutes and meeting materials shall be kept by the company secretary as company files.
- 5.11. Draft and final versions of minutes should be sent to all Directors for their comment and records respectively, within a reasonable time after the board meeting is held.
- 5.12. All members present at a meeting and those attending the meeting are obliged to keep confidential the matters discussed at the meeting, and shall not disclose relevant information without the authorization of the chairman of the Board and the Board of the Company. Otherwise, they shall bear all the legal liabilities arising therefrom.

6. Annual General Meeting

- 6.1. At the invitation of the chairman of the Board, the chairman of the Remuneration Committee shall attend the annual general meeting. If the chairman of the Remuneration Committee cannot attend the meeting, another member of the Remuneration Committee shall be invited to attend. If none of the members of the Remuneration Committee can attend the meeting, they shall be attended by an appropriate delegate. The chairman, member or delegate of the Remuneration Committee who is invited to attend shall be prepared to answer questions about the work and duties of the Remuneration Committee at the annual general meeting.

7. By-laws

- 7.1. The Board of the Company is responsible to formulate and amend these terms of reference and they are subject to approval by a resolution of the Board. They are effective from the listing date of the Company's shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").
- 7.2. Matters not covered in these terms of reference shall be implemented in accordance with the relevant laws and regulations and the provisions of the Articles of Association. If these terms of reference contradict the relevant laws and regulations promulgated in the future or the Articles of Association as amended by legal procedures, the relevant laws and regulations and the Articles of Association shall prevail and these terms of reference shall be amended immediately with the Board's consideration and approval.
- 7.3. The right to interpret these terms of reference is vested in the Board of the Company.
- 7.4. The Remuneration Committee shall make available its terms of reference, explaining its role and the authority delegated to it by the Board by including them on the website of the Company and on the website of the Stock Exchange.