



EVOC Intelligent Technology Company Limited

(A Joint Stock Limited Company Incorporated in the People's Republic of China)

Rules of Procedure of the Remuneration and Appraisal Committee

(In case of any discrepancy between the Chinese and the English version of these rules of procedure, the Chinese original version shall prevail)

Chapter One General Provisions

Article 1 In order to further establish a solid appraisal and remuneration administration system for the directors and senior management members (hereinafter referred to as the "Management Members") of EVOC Intelligent Technology Company Limited (hereinafter referred to as the "Company") and perfect the corporate governance structure, the Company hereby sets up the Remuneration and Appraisal Committee (hereinafter referred to as the "Committee") under the board of directors of the Company (hereinafter referred to as the "Board") and formulates the rules of procedures herein according to the provisions of relevant laws, regulations and listing rules at the place where the Company is listed and in China, as well as the Articles of Association.

Article 2 In these rules of procedures, the "Directors" refer to the chairman and the deputy-chairman, and the directors remunerated by the Company; the "Management Members" refer to the general manager, the deputy general manager, the company secretary, and the secretary to the Board employed by the Board, and other senior management members proposed by the general manager to the Board for confirmation.

Chapter Two Objectives

Article 3 The Committee is the specific working group established by the Board, with the objectives to assist the Board in the development and execution of a set of fair and transparent procedure. It mainly takes charge of formulating the appraisal standards for the Directors and the Management Members of the Company and conducting appraisal accordingly; formulating and examining the remuneration policy and proposal for the Directors and the Management Members of the Company, and determining their remuneration package. It shall be accountable to the Board.

Chapter Three Composition of Members

Article 4 All members of the Committee (hereinafter referred to as the “Committee Members”) shall be nominated by the Chairman, more than half of the independent directors or one third of all directors, and shall be elected by the Board. The Board may also in its absolute discretion dismiss the Committee Members. The Committee shall comprise at least three directors and the majority of them shall be the independent non-executive directors.

Article 5 Subject to compliance of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Listing Rules”) as amended from time to time, or the rules of any other stock exchange at the place where the shares of the Company are listed and quoted, or other codes, rules or regulations formulated from time to time by applicable regulatory authorities, the Board may change the composition of the Committee members from time to time.

Article 6 The Committee shall have one Chairman (Head of the Committee Members) who shall be an independent non-executive director taking charge of presiding over the work of the Committee.

Article 7 The Committee shall have the tenure same as that of the Board. The Committee Members are eligible for re-election upon expiry of the tenure. During the tenure, if a Committee Member no longer takes up the duties of the Director of the Company, his status as a Committee Member shall be disqualified automatically, and the Committee shall fill up the required number of Committee Members as stipulated in the provisions of Article 4 to Article 6 mentioned above.

Article 8 When the Committee is conducting its work, the Company shall provide the information related to the operation and the relevant information on the personnel being appraised.

Chapter Four Duties and Authorities

Article 9 Authorities

1. The Committee shall report directly to the Board, and shall consult the Chairman and/or the chief executive officer of the Company in respect of their remuneration proposal for other executive directors and the senior management members in order to make clarification as necessary.
2. If necessary, the directors, the supervisors and the senior management members of the Company may be invited by the Committee to attend the Committee meeting.
3. The Committee shall be entitled to consult external parties for independent professional advices, and when it considers necessary, may invite external parties with relevant experience and expertise to attend the meeting, with the costs to be paid by the Company.

4. Where the subject matter of discussion at the Committee meeting is about the Committee Members, the party concerned shall not attend the meeting.
5. The Committee shall be provided with sufficient resources in order to perform its duties.

Article 10 Duties

The duties of the Committee shall include the followings:

1. To make recommendations to the Board in respect of the overall remuneration policy and structure of the directors and the senior management members of the Company, and the establishment of regular formal and transparent procedure for formulating such remuneration policies.
2. To determine, with delegated responsibility, the remuneration package of individual executive director and senior management member, including but not limited to: basic salary, deferred emolument, share option and non-monetary benefits, pension rights and bonus, and the compensation amount (including the compensation for loss or termination of their office or appointment) and to make recommendations to the Board in respect of the remuneration of the non-executive directors. The Committee shall take into consideration of the remuneration paid by comparable companies, the time commitment and the responsibilities, as well as the employment conditions elsewhere in the Company and its subsidiaries.
3. To review and approve the remuneration proposal of the management in light of the Board's corporate goals and objectives.
4. To review and approve the compensation payable for the executive directors and the senior management members for their loss or termination of office or appointment, in order to ensure that such compensation is in consistent with the contract terms and is otherwise fair and reasonable and not excessive.
5. To review and approve the compensation arrangements for relating to the dismissal or removal of the directors for misconduct to ensure that such arrangements are consistent with the contractual terms and are otherwise reasonable and appropriate.
6. To ensure that no directors or any of his associates is involved in determining his own remuneration.
7. Under suitable circumstances, to review the terms of reference herein and the efficiency of the Committee from time to time, and to propose to the Board for any necessary amendments.
8. To handle any other matters as authorized by the Board.

Article 11 The Board shall be entitled to veto any remuneration plan or proposal which jeopardizes the interests of the shareholders.

Article 12 The remuneration plan for the directors of the Company and the remuneration appropriation proposal of the Management Members of the Company presented by the Committee shall be submitted to the Board for its approval before the implementation.

Chapter Five Decision-making Procedure

Article 13 The liaison person of the Committee shall complete properly the preliminary preparation work for decision making by the Committee, and provide the relevant information of the Company, including:

1. the major financial indicators of the Company and its status of achieving the operation goals;
2. the scope of job division and major duties of the senior management members of the Company;
3. the status of achievement involving the indicators in the performance appraisal system for director and the senior management member;
4. the status of the operating results of the business innovation capability and profit-generating capability of the directors and the senior management members;
5. the relevant measurement grounds for the preparation of the remuneration allocation planning and allocation method based on the results of the Company.

Article 14 The appraisal procedure of the Committee for the directors and the senior management members:

1. The directors and the senior management members shall report to the Board their own performance, coupled with self-evaluation;
2. The Committee shall proceed with the performance appraisal for the directors and the senior management members based on the standards and the procedure of performance appraisal;
3. Based on the outcome of the job performance appraisal and the remuneration allocation policy, propose the amount of remuneration and means of incentive for the directors and the senior management members and report to the Board of the Company accordingly after approval by voting.

Chapter Six Rules of Procedure

Article 15 Frequency of meetings

The Committee shall at least hold one meeting annually and hold more meetings upon the request of the Committee Members. The meeting shall be presided over by the Chairman (Head of the Committee Members). If the Chairman (Head of the Committee Members) is unable to attend the meeting, another Committee Member (an independent non-executive director) may be entrusted to preside over the meeting.

Article 16 Notices

Except when unanimously waived by all Committee Members, the notice of any Committee meeting shall be issued 14 days prior to the meeting. Notwithstanding the length of notice, any Committee Member having attended the meeting shall mean that he has waived the requirement to have the notice issued according to the stipulated period. In the event that any meeting is adjourned for less than 14 days, no notice is required to be issued.

Article 17 Quorum

The Committee meeting shall be held only when more than two-thirds of the Committee Members attending the meeting, and the majority of them shall be the independent non-executive directors.

Article 18 Resolutions

Each Committee Member shall have one voting right. The resolution of the Committee shall be passed by more than half of all Committee Members or by means of unanimous approval by resolution in writing. Such written resolutions passed and signed by all Committee Members are valid as if passed in any meeting held.

The means of voting at the Committee meeting shall be by show of hands or by poll. The meeting may be attended in person, by means of telephone conference or video conference.

Article 19 Secretary to the Committee

The company secretary or the secretary to the Board shall be the secretary to the Committee. However, in the event that the company secretary or the secretary to the Board is absent, one of the Committee Members shall take up the role as the secretary to the Committee.

Article 20 Minutes

Committee meetings shall have minutes. Sufficient details of the matters considered and the decisions resolved at the meeting shall be recorded in the minutes, which shall include any concerns or dissenting views raised by the directors. The Committee Members attending the meeting shall sign the minutes. The company secretary and the secretary to the Board shall keep the complete minutes of all the Committee meetings. The minutes of the meetings shall be available for inspection by any director during any reasonable period of time on reasonable notice issued by such director. The initial draft and the final version of the minutes of the Committee meeting shall be sent to all Committee Members within a reasonable period of time after the end of the meeting. The initial draft is for review by the Committee members and its final version is for filing.

Article 21 Miscellaneous

1. The procedure of convening the Committee meeting, the means of voting and the approval of the remuneration policy and allocation proposal at the meeting shall comply with the provisions of relevant laws, regulations, the Articles of Association and these rules of procedure.
2. The resolutions approved at the Committee meeting and the voting outcome shall be reported to the Board of the Company in writing, except when the Committee Members are not allowed to report accordingly due to the legal or regulatory restrictions.
3. The Committee Members attending the meeting shall have the obligation of keeping the matters discussed at the meeting confidential, and shall not disclose the relevant information at their own wills.

Chapter Seven By-laws

Article 22 These rules of procedure shall take effect from the date as approved by the Board resolution.

Article 23 Anything not fully covered by these rules of procedure shall be implemented according to the provisions of relevant laws, regulations, and the Articles of Association. In the event of any contradiction between these rules of procedure and the laws and regulations promulgated in future or the Articles of Association as amended by lawful procedure, the implementation shall be subject to the provisions of the relevant laws, regulations and the Articles of Association, and such rules of procedure shall be amended accordingly and shall be reported to the Board for consideration and approval.

Article 24 The interpretation of these rules of procedures shall be vested to the Board of the Company.

**Adopted by the Board of the Company on 10 October 2009,
1st Amendment on 29 March 2012,
2nd Amendment on 25 February 2019.**