



Xuan Wu Cloud Technology Holdings Limited

玄武云科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2392)

REMUNERATION COMMITTEE TERMS OF REFERENCE

(Revised and adopted by the Company on 30 December 2022)

CONSTITUTION

1. The board (the “**Board**”) of directors (collectively, the “**Directors**” and individually, a “**Director**”) of Xuan Wu Cloud Technology Holdings Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) has established a Remuneration Committee (the “**Committee**”) with authority, responsibility, and specific duties as described below.

MEMBERS

2. The Committee shall comprise not less than three Directors, a majority of whom shall be Independent Non-executive Directors.
3. The chairperson of the Committee shall be appointed by the Board and shall be an Independent Non-executive Director.
4. The secretary of the Committee shall be the Company’s company secretary or any person designated as such by the Committee from time to time.

PROCEEDINGS

5. The quorum for meetings of the Committee shall be two members.
6. The chairperson of the Committee may convene meetings at his discretion, but in any event meetings of the Committee are to be held not less than once every year, or at such frequency as required under the Listing Rules or other regulatory requirements applicable to the Company from time to time.
7. The meetings and proceedings are governed by the provisions of the Articles of Association of the Company for regulating the meetings and proceedings of the Board so far as the same are applicable.

ANNUAL GENERAL MEETINGS

8. The chairperson of the Committee (or in his/her absence, his/her duly appointed delegate) shall attend the Company's annual general meeting and be prepared to respond to any Shareholders' questions on the Committee's activities.

AUTHORITY

9. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

10. The Committee is authorised by the Board to obtain outside legal or other independent professional advice at the Company's expense and to secure the attendance of any person with relevant experience and expertise at Committee meetings as it considers appropriate.

RESPONSIBILITY AND DUTIES

11. The responsibilities and duties of the Committee include:

11.1 to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

11.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

11.3 to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

11.4 to make recommendations to the Board on the remuneration of the non-executive Directors;

11.5 to consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors and senior management and employment conditions elsewhere in the Group, and to evaluate and benchmark compensation in the different functions, zones and business unit;

11.6 to review and approve 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;

11.7 to review and approve 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;

- 11.8 to ensure that no Director or any of their associates is involved in deciding that Director's own remuneration;
- 11.9 to consult with the Company's chairperson and/or the president/managing director/chief executive officer about their remuneration proposals for other executive Directors;
- 11.10 to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules;
- 11.11 to ensure that share schemes offered by the Company to its Directors or senior management (if any) are in accordance with Chapter 17 of the Listing Rules, as applicable;
- 11.12 to administer, review and/or approve the Company's share schemes (if any) as they apply to Directors and/or senior management (subject to compliance with the provisions of the Listing Rules). It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to Directors and/or senior management to be at the discretion of the Committee) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);
- 11.13 to determine the remuneration packages needed to attract, retain and motivate executive Directors and senior management of the quality required to run the Company successfully, but avoid paying more than necessary; and
- 11.14 to consider all other matters as referred to the Committee by the Board.

MISCELLANEOUS

12. Minutes of meetings of the Committee shall record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed and shall be kept by the secretary to the meetings of the Committee and the Company's company secretary and shall be open for inspection at any reasonable time on reasonable notice by any Director. The secretary to any meeting of the Committee shall circulate the minutes of the meeting of the Committee for which he has acted as secretary in draft and final forms to all members of the Committee within a reasonable time after such meeting is held.
13. The Committee shall report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so.
14. The Committee shall make these terms of reference available by inclusion on the websites of the Company and The Stock Exchange of Hong Kong Limited in order to explain its role and the authority delegated to it by the Board.