

**Logory Logistics Technology Co., Ltd.**  
(Stock Code: 2482)

**Terms of Reference of the Remuneration Committee  
of the Board of the Company**

**Chapter I General Provisions**

**Article 1** In order to further establish a sound management system for appraisal and remuneration of directors and senior management members of Logory Logistics Technology Co., Ltd. (the “**Company**”), and to improve the corporate governance structure of the Company, the board of directors of the Company (the “**Board**”) has established the remuneration committee (the “**Remuneration Committee**”) and formulated these terms of reference in accordance with the Company Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), the Articles of Association of Logory Logistics Technology Co., Ltd. (applicable after the issuance of H shares) (the “**Articles of Association**”) and other relevant regulations.

**Article 2** The Remuneration Committee is a specialized working body set up by the Board pursuant to the Articles of Association and is accountable to and shall report to the Board, and the Remuneration Committee is mainly responsible for formulating the assessment standards for and evaluating the Company’s directors and senior management members. It is also responsible for formulating and reviewing the remuneration policies and plans for the Company’s directors and senior management members.

**Article 3** The “Remuneration” referred to in these terms of reference includes but not limited to all salaries, bonuses, allowances, benefits (in cash or in kind), pensions (including pension rights), compensations (including the compensation payable for loss or termination of office or appointment), options and gifting of shares.

**Article 4** The directors referred to in these terms of reference represent all directors of the Company, the senior management members refer to the Company’s general manager, chief executive officer, deputy general manager, chief technology officer, chief financial officer, secretary of the Board and other senior management members recognized by the Board.

**Chapter II Composition**

**Article 5** The Remuneration Committee shall be composed of at least three directors and a majority of whom should be independent non-executive directors. Members of the Remuneration Committee shall be determined by the Board upon consideration.

**Article 6** The Remuneration Committee shall have one chairman who shall be an independent non-executive director and in charge of the work of the Remuneration Committee. The chairman shall be nominated by the chairman of the Board and approved by the Board upon consideration. The main duties and powers of the chairman are as follows:

- (1) to convene and preside over regular meetings and extraordinary meetings of the Remuneration Committee;
- (2) to determine the agenda of each meeting of the Remuneration Committee;

- (3) to sign important documents of the Remuneration Committee;
- (4) to ensure the Remuneration Committee reaches clear and definite conclusions for each discussed proposal, including the approval, rejection or reconsideration of supplementary materials; and
- (5) other duties and powers set out in these terms of reference or relevant laws and regulations.

**Article 7** The terms of office of the members of the Remuneration Committee shall be in line with the terms of office of the directors. A member of the Remuneration Committee may serve consecutive terms if re-elected upon the expiration of his/her term.

If a member ceases to be a director of the Company or otherwise is unable to continuously fulfill his/her duty as a director during the period, such member shall be disqualified as a member automatically, or members with independent non-executive director identity have lost the independency stipulated in relevant laws and regulations, the Hong Kong Listing Rules or the Articles of Association, the Board shall appoint a new member to fill the vacancy pursuant to Article 5 of these terms of reference.

### **Chapter III Duties**

**Article 8** The main duties of the Remuneration Committee are as follows:

- (1) to make recommendations to the Board on the Company's policy and structure for all directors and senior management members' remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (2) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (3) to be responsible for preparing remuneration packages for directors including non-executive directors and senior management members of the Company and to make recommendations to the Board on such remuneration packages. In preparing the remuneration packages for directors and senior management members, the Remuneration Committee shall consider such factors as the Company's policies and objectives, salaries paid by comparable companies, time commitment and responsibilities of such directors and senior management members, and employment terms and conditions for other positions in the Company;
- (4) to review and approve compensation payable to executive directors and senior management members for the loss or termination of their office or appointment, and compensation arrangements relating to dismissal or removal of directors for misconduct, to ensure that such compensation is consistent with contractual terms, is fair and reasonable and not excessive;
- (5) to research on the criteria for appraisal of directors and senior management members, performance evaluation procedures, remuneration and methods for rewards and punishment, and to submit them to the Board for approval;

- (6) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management members (this should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment);
- (7) to make recommendations to the Board on the remuneration of non-executive directors;
- (8) to review the performance of directors and senior management members and to conduct performance appraisals for them;
- (9) to ensure that no director or any of his/her associates (as defined in the Hong Kong Listing Rules) is involved in deciding his/her own remuneration;
- (10) at the request of the chairman of the Board, to study and make recommendations on the Company's equity incentive scheme;
- (11) to report to the Board on its decisions or recommendations, unless otherwise limited by laws or regulatory restrictions;
- (12) to review and/or approve matters relating to share schemes under Chapter 17 of the Hong Kong Listing Rules, if any;
- (13) other duties as authorized by the Board; and
- (14) other relevant requirements on the duties and powers of the Remuneration Committee as amended from time to time by the regulatory rules of the place where the Company's shares are listed.

**Article 9** A significant portion of executive directors' remuneration shall be linked to corporate and individual performance.

The Remuneration Committee shall consult the chairman of the Board and/or the general manager about their remuneration proposals for other executive directors. The Remuneration Committee may seek independent professional advice if necessary.

**Article 10** The Remuneration Committee is accountable to the Board and proposal(s) of the Remuneration Committee shall be submitted to the Board for consideration and decision unless otherwise authorized by the Board.

**Article 11** The remuneration plan for the directors of the Company proposed by the Remuneration Committee shall be approved by the Board and submitted to a general meeting for approval before implementation. The remuneration distribution plan for the senior management members of the Company shall be submitted to the Board for approval.

**Article 12** The Board shall have the right to veto a remuneration plan which is in violation of the laws and regulations or against the Company's shareholders' interests.

**Article 13** The Remuneration Committee shall be provided adequate resources to perform its duties and responsibilities and, if necessary, may engage intermediate agencies to provide independent professional opinions on its decisions, and expenses arising therefrom shall be borne by the Company.

**Article 14** At the invitation of the chairman of the Board, the chairman of the Remuneration Committee, or in his/her absence, another member of the Remuneration Committee or his/her authorized representative, shall attend and answer questions at the Company's annual general meetings.

**Article 15** The Remuneration Committee shall make its terms of reference available on the websites of the Company and the Stock Exchange on which the Company's shares are listed to explain its roles and powers delegated to it by the Board in accordance with the relevant requirements under the regulatory rules in the place where the Company's shares are listed.

**Article 16** The Company should disclose details of any remuneration payable to members of senior management by pay grade in its annual reports.

#### **Chapter IV Working Procedures**

**Article 17** The human resources center of the Company shall act as the supporting and liaison department of the Remuneration Committee. It prepares and provides documents and information as required by the Remuneration Committee. The office of the Board assists the human resources center in preparing meeting notices, meeting resolutions and other documents to ensure that relevant meeting agendas and documents fulfill the requirements of the laws, regulations and the Hong Kong Listing Rules. The secretary of the Board, in attendance at meetings of the Remuneration Committee, is responsible for ensuring that the agendas and resolutions of the meetings fulfill the requirements of the laws, regulations and the Hong Kong Listing Rules.

**Article 18** The human resources department of the Company is primarily responsible for the preliminary preparation for the decision-making of the Remuneration Committee and providing complete and truthful written materials in a timely manner as required by the Remuneration Committee, including:

- (1) major financial indicators and fulfillment of operation objectives of the Company;
- (2) division of labor among the Company's senior management members and the performance of their main duties;
- (3) performance of the directors and senior management members in meeting the targets of the performance appraisal system; and
- (4) the basis of measurement and calculation in relation to formulating the Company's remuneration distribution plan and method of distribution with reference to the performance results of the Company.

**Article 19** The Remuneration Committee shall conduct the following appraisal procedures for directors and senior management members:

- (1) the directors and senior management members of the Company shall report his/her work and self-evaluation to the Remuneration Committee;
- (2) the Remuneration Committee shall evaluate the performances of directors and senior management members in accordance with the performance evaluation criteria and procedures; and
- (3) the evaluation of the innovation ability and business potential of the directors and senior management members.

**Article 20** A proposal on the amount of remuneration and method of incentive for the directors and senior management members shall be determined based on performance appraisal results and remuneration distribution policies, and reported to the Board after being passed by voting.

## Chapter V Rules of Proceedings

**Article 21** The Remuneration Committee shall hold at least one regular meeting once a year.

**Article 22** If proposed by the chairman of the Remuneration Committee, two or more members of the Remuneration Committee, the Board, or the chairman of the Board, the Remuneration Committee shall convene an extraordinary meeting.

**Article 23** The meetings of the Remuneration Committee shall be convened by giving three days' prior notice to all members of the Remuneration Committee by the office of the Board together with relevant materials. In case of any emergency for which a meeting needs to be convened by the Remuneration Committee as soon as possible, the notice of the meeting may be given by telephone, facsimile or email on that day, provided the chairman of the Remuneration Committee makes an explanatory statement at the meeting.

**Article 24** The meetings of the Remuneration Committee shall be presided over by the chairman of the Remuneration Committee. If the chairman is unable to attend, he/she may entrust another member (being an independent non-executive director) to preside over the meeting.

**Article 25** The meetings of the Remuneration Committee shall be attended by at least two-thirds of all its members. Members of the Remuneration Committee shall attend the meetings in person or by conference call or via similar communication devices. Any member who is unable to attend the meeting for any reason may appoint another member in writing to attend the meeting on his/her behalf. The written power of attorney shall specify the scope of authorization.

**Article 26** The Remuneration Committee may invite relevant personnel of the Company to sit in a meeting if necessary.

**Article 27** Voting at the meetings of the Remuneration Committee shall be made by show of hands. Each member shall have one vote. Resolutions of the meeting shall be passed by a majority of the committee members.

**Article 28** An extraordinary meeting of the Remuneration Committee may be held by way of written resolutions. The written resolutions shall be dispatched to all members by facsimile, courier or by hand, and returned in original copies to the Company for archiving after voting by the members. A resolution signed by such number of members required hereunder shall become an effective resolution of the Remuneration Committee.

**Article 29** Where a member of the Remuneration Committee is involved in the matter being discussed at a meeting of the Remuneration Committee or a vote is taken thereon, he/she shall be abstained from attending such meeting.

**Article 30** The convening procedures and voting methods of and resolutions passed at the Remuneration Committee meeting shall comply with the provisions under relevant laws, regulations, the Hong Kong Listing Rules, the Articles of Association and these terms of reference.

**Article 31** Resolutions passed at the Remuneration Committee meeting, together with their voting results, shall be submitted to the Board in writing.

**Article 32** All participants who attend the meetings of the Remuneration Committee shall be obliged to keep matters discussed at the meeting confidential and shall not disclose such information without the authorization of the chairman of the Board or the Board.

**Article 33** The supporting and liaison department of the Remuneration Committee shall keep complete minutes of its meetings, which are required to be signed by all committee members of the Remuneration Committee who are present. The supporting and liaison department shall then submit the meeting minutes to the secretary of the Board for filing for the inspection by directors at any time.

## **Chapter VI Supplementary Provisions**

**Article 34** Unless otherwise specified, the terms used herein shall have the same meaning ascribed thereto under the Articles of Association.

**Article 35** If any matters not covered by these terms of reference or are inconsistent with the laws, regulations and the Hong Kong Listing Rules currently in force or issued or amended from time to time after these terms of reference taking effect, or the Articles of Association formulated or amended according to legal procedures, provisions under such laws, regulations, the Hong Kong Listing Rules or the Articles of Association shall prevail, and these terms of reference shall be amended forthwith and submitted to the Board for consideration and approval.

**Article 36** In case of any inconsistency between the Chinese version and the English version of these terms of reference, the Chinese version shall prevail.

**Article 37** Upon consideration and approval by the Board, these terms of reference shall come into effect from the date on which H Shares of the Company are listed and traded on The Stock Exchange of Hong Kong Limited.

**Article 38** The right of interpretation of these terms of reference shall be vested in the Board.