

Guangdong Yueyun Transportation Company Limited (the “Company”) Working Rules for the Remuneration Committee of the Board

(The amendments were approved by the Board on 5 September 2023)

Chapter 1 General Provisions

Article 1 Implementation purposes: In order to establish a sound remuneration management system for directors (“**Directors**”) and senior management (“**Senior Management**”) of the Company and improve the corporate governance structure, the Company established the Remuneration Committee (“**Remuneration Committee**” or “**Committee**”) of the board of Directors (“**Board**”) and formulated the Rules in accordance with the “Company Law of the People’s Republic of China”, the “Articles of Association of Guangdong Yueyun Transportation Company Limited”, the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) and other relevant provisions.

Article 2 Management responsibilities: The Remuneration Committee of the Board is a special organ established by the Board of Directors which shall be mainly responsible for the review of the remuneration policies and structure of the Directors and Senior Management of the Company and shall be accountable to the Board.

Chapter 2 Composition

Article 3 The Remuneration Committee shall comprise three Directors, at least two of which shall be independent non-executive Directors.

Article 4 Members of the Remuneration Committee shall be nominated by the chairman of the Board or more than one half of the independent non-executive Directors or one-third of all Directors and shall be appointed by the Board.

Article 5 The Remuneration Committee shall have one chief member, who shall be an independent non-executive Director and be responsible for the work of the Committee, and the chief member shall be elected by the Board.

Article 6 The term of office of members of the Remuneration Committee shall be in congruence with the term of the Board and the members may be re-elected upon the expiry of the current term of office. If during the term, any members of the Committee no longer maintain the position as a Director, he/she automatically loses the qualification as a member and the replacement shall be appointed by the Committee in accordance with Articles 3 to 5 above.

Chapter 3 Duties and Authorities

Article 7 The major duties and authorities of the Remuneration Committee are:

1. to make 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;
2. to review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives;

3. to make recommendations to the Board on the remuneration packages of individual executive Directors and Senior Management, which should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
4. to make recommendations to the Board on the remuneration of non-executive Directors;
5. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company;
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 otherwise fair and not excessive;
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;
8. to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration; and
9. to review and/or approve matters related to the share scheme (if any) stated in Chapter 17 of the Listing Rules in accordance with the requirements of the Listing Rules.

Article 8 The Remuneration Committee shall make available its terms of reference, explaining its role and the authority delegated to it by the Board on the websites of the Hong Kong Stock Exchange and the Company.

Chapter 4 Decision-making Procedure

Article 9 The Remuneration Committee shall be responsible for performing the preliminary works for decision-making and the Company shall provide the Committee with the following relevant information:

1. results of operation as compared with the major financial targets and operation objectives of the Company;
2. the management scope and the major functions and duties of each of the Company's Senior Management;
3. results of performance of the Directors and the Senior Management as compared with the working targets of these personnel in their position working performance assessment system;
4. the basis of measurement and calculation in relation to formulating the Company's remuneration distribution plan and method according to the operating results of the Company.

Article 10 Procedures for the assessment of Directors and the Senior Management to be performed by the Remuneration Committee are as follows:

1. the Remuneration Committee conducts performance assessment on the Directors and the Senior Management according to the performance appraisal related requirements and procedures;
2. the Remuneration Committee proposes the amount of remuneration and award method for the Directors and the Senior Management based on the results of the position performance assessment and remuneration distribution policy. After the proposal is approved by the Committee, it shall be reported to the Board.

Chapter 5 Rules of Procedure

Article 11 Meetings of the Remuneration Committee shall be convened at least once a year and notice shall be given to all members 7 days prior to the meeting. The meeting shall be presided over by the chief member. In case that the chief member is unable to attend the meeting, he/she shall authorize another member, who shall be an independent non-executive Director, to preside over the meeting.

Article 12 The meeting of the Remuneration Committee shall not be held unless over two-thirds of members attend the meeting. Each member shall have one vote and the resolutions made by the meeting must be approved by over half of all members.

Article 13 The voting method of the meeting of the Remuneration Committee shall be voting by a show of hands or by poll. A provisional meeting may be held by way of voting by correspondence.

Article 14 The Directors, supervisors and Senior Management may be invited by the Remuneration Committee to attend its meetings as non-voting delegates when necessary.

Article 15 The Remuneration Committee shall be provided with adequate resources in discharging its duties. If necessary, the Committee may appoint intermediate institutions to provide independent professional advice for its decision-making at the expense of the Company.

Article 16 The Remuneration Committee shall consult the advice of the chairman of the Board or the general manager on the remuneration of other executive Directors.

Article 17 When the remuneration of a member of the Committee is discussed at the aforementioned meeting, the person concerned shall be absent from such discussion.

Article 18 The convening procedure and voting method of the meeting of the Remuneration Committee and the resolutions on the remuneration policy and distribution passed at such meetings shall comply with the relevant laws, regulations, the Articles of Association and the Rules.

Article 19 The meeting of the Remuneration Committee shall have minutes. Draft and final versions of minutes of the meeting shall be sent to all Committee members for their comment and records within 7 days after the meeting and members of the Committee attending the meeting shall sign their names on the minutes of meeting. The minutes of meeting shall be kept by the Secretary to the Board.

Article 20 Resolutions passed by and voting results of the meeting of the Remuneration Committee shall be reported to the Board in written form.

Article 21 The Committee shall arrange the chief member (in the absence of the chief member, at least one member) to attend the annual general meeting of the Company and to address any audit issues raised by the shareholders at the meeting.

Article 22 All members of the Committee attending the meeting shall have the obligation for keeping the discussed matters confidential and shall not disclose the relevant information.

Chapter 6 Supplementary Provisions

Article 23 The Company shall disclose details of any remuneration payable to Senior Management by band in the annual reports.

Article 24 For the matters which are not covered by the Rules, they shall be executed in accordance with the relevant laws and regulations of the State, the Articles of Association and the Listing Rules. In the event that the Rules are not in congruence with the laws and regulations promulgated by the State or the Articles of Association amended through valid procedure or the Listing Rules, the relevant laws and regulations of the State, the Articles of Association and the Listing Rules shall prevail, and the Rules shall be revised immediately and the revised Rules shall be reported to the Board for consideration and approval.

Article 25 For references of title in the Rules, Directors shall mean the salaried Directors of the Company, and the management shall mean the general manager, deputy general managers, Secretary to the Board and other senior management members nominated by the general manager for the Board's approval.

Article 26 The right to interpret and amend the Rules shall reside with the Board.

Article 27 The Rules shall come into force since the date of promulgation.

(If there is any inconsistency or ambiguity between the English version and the Chinese version, the Chinese version shall prevail.)