

UBTECH ROBOTICS CORP LTD
Terms of Reference of the Remuneration and Appraisal Committee of
the Board of Directors

Chapter 1 General Provisions

Article 1 The Remuneration and Appraisal Committee under the Board of Directors was established and these terms of reference was formulated by UBTECH ROBOTICS CORP LTD (the “Company”) in accordance with the Company Law of the PRC (the “Company Law”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) (“The Stock Exchange of Hong Kong Limited” hereinafter referred to as the “Hong Kong Stock Exchange”), the Corporate Governance Code set out in Appendix 14 to the Hong Kong Listing Rules, the Articles of Association of UBTECH ROBOTICS CORP LTD (the “Articles of Association”) and other relevant requirements in order to further establish a sound management system for the evaluation and remuneration of Directors and senior management members of the Company and refine the administration structure of the Company.

Article 2 The Remuneration and Appraisal Committee is a special working body established by the Board of Directors in accordance with the resolution of the Shareholders’ general meetings, and it is mainly responsible for the formulation of the evaluation criteria involving the Company’s Directors and senior management members and the evaluation thereof, and is responsible for formulating and reviewing the remuneration policies and remuneration packages of the Company’s Directors and senior management members, and shall be accountable to the Board of Directors.

Article 3 Directors as mentioned in these terms of reference shall be all the Chairman of the Board of Directors and Directors who receive remuneration from the Company; the senior management Members shall cover the general manager, deputy general manager, Chief financial officer and the Secretary to the Board of Directors appointed by the Board of Directors and other senior management members prescribed in the Articles of Association of the Company.

Chapter 2 Composition

Article 4 The Remuneration and Appraisal Committee is composed of three Directors, including two Independent Non-executive Directors.

Article 5 The members of the Remuneration and Appraisal Committee shall be nominated by the Chairman of the Board of Directors, more than half of the Independent Non-executive Directors or one-third of all the Directors, and shall be elected by the Board of Directors.

Article 6 The Remuneration and Appraisal Committee shall have one chairman (convener) who shall be an Independent Non-executive Director and be responsible for presiding over the work of the Committee; and the chairman shall be appointed by the Board of Directors.

Article 7 The Remuneration and Appraisal Committee shall have the same tenure as the Board of Directors. The members may be re-elected upon the expiration of its term of office. If a member ceases to be a Director of the Company within his/her term of office, he/she shall be automatically disqualified as the committee member, and the vacancy in the committee shall be filled in according to these terms of reference.

Article 8 The Remuneration and Appraisal Committee sets a working group dedicated to providing information about the Company’s operations and relevant information about the evaluated members; it is also responsible for preparing the meetings of the Committee and implementing the relevant resolutions of the Committee.

Chapter 3 Duties and Powers

Article 9 The main duties and powers of the Remuneration and Appraisal Committee are as follows:

- (I) to formulate remuneration plan or program in accordance with the main scope, responsibilities and importance of the management positions of Directors and senior management members and the remuneration level of other relevant positions in the relevant enterprises;
- (II) the remuneration plan or program mainly includes, but is not limited to, performance appraisal standard, procedure and major appraisal system as well as the major award and penalty plan and policy;
- (III) to review the performance of duties by Directors (who are not Independent Non-executive Directors) and senior management members and perform annual performance evaluations on them;
- (IV) to review and approve the management's remuneration proposals with reference to the Board of Directors' corporate policies and objectives;
- (V) to make recommendations to the Board of Directors on the Company's overall performance evaluations, policy and structure for remuneration of Directors and senior management members and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (VI) to acquire the responsibility from the Board of Directors for determining the remuneration packages for individual Executive Directors and senior management members or recommending to the Board of Directors the remuneration packages for individual Executive Directors and senior management Members, which includes non-pecuniary benefits, pension rights and compensation payments (including any compensation payable for loss or termination of their office or appointment);
- (VII) to advise the Board of Directors on the remuneration of Non-executive Directors;
- (VIII) to consider the remuneration paid by similar companies, the hours and responsibilities required, and the employment conditions of other positions within the Group;
- (IX) to review and approve the compensation payable to Executive Directors and senior management Members for their loss or termination of their duties or appointments to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (X) to review and approve the compensation arrangements arising from the dismissal of Directors or removal of certain Directors from office due to the misconduct of the Directors, to ensure that the arrangements are in conformity with the terms of the contract; if the arrangements are not in conformity with the terms of the contract, the compensation is reasonable and appropriate;
- (XI) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;

- (XII) to review the performance of duties by Directors (who are not Independent Non-executive Directors) and senior management Members and perform annual performance evaluations on them;
- (XIII) to supervise the implementation of the Company's remuneration and appraisal policies;
- (XIV) to review and/or approve matters relating to share schemes under Chapter 17 of the Hong Kong Listing Rules;
- (XV) to perform other matters as authorized by the Board of Directors.

Article 10 The Board of Directors has the right to reject remuneration plans or schemes that are detrimental to the interests of shareholders.

Article 11 The remuneration plan for the Directors of the Company proposed by the Remuneration and Appraisal Committee shall be submitted to the Board of Directors for approval and submitted to the Shareholder's general meeting for deliberation and approval before implementation. The remuneration distribution plan for the senior management Members of the Company shall be submitted to the Board of Directors for approval.

Chapter 4 Decision-making Procedures

Article 12 The working group under the Remuneration and Appraisal Committee shall be responsible for preparing the decisions of the Remuneration and Appraisal Committee in advance and providing information on relevant aspects of the Company:

- (I) the completion of the Company's main financial indicators and business objectives;
- (II) the scope of work and main responsibilities of the senior management Members of the Company;
- (III) the completion of the indicators involved in the post performance evaluation system for Directors and senior management Members;
- (IV) business performance of the Directors and senior management Members in terms of business innovation ability and profit-making ability;
- (V) the relevant calculation basis for formulating the Company's remuneration distribution plan and distribution method according to the Company's performance.

Article 13 The Remuneration and Appraisal Committee's evaluation procedures for Directors and senior management Members:

- (I) the Company's Directors and senior management Members shall report work and make self-evaluation to the Committee under the Board of Directors;
- (II) the Committee shall evaluate the performance of Directors and senior management Members in accordance with the performance appraisal standard and procedures;
- (III) the amount of remuneration and reward method for Directors and senior management Members shall be proposed in accordance with the performance evaluation results of the post and the remuneration distribution policies, and shall be submitted to the Board of Directors after being approved by voting.

Chapter 5 Rules of Procedure

Article 14 The Remuneration and Appraisal Committee shall be held at least one meeting every year and notify all members three days before the meeting. The meeting shall be presided over by the chairman of the Remuneration and Appraisal Committee, and where the the chairman of the Remuneration and Appraisal Committee is incapable to attend, he/she may consign another members (Independent Non-executive Directors) to preside over it.

Article 15 The meetings of the Remuneration and Appraisal Committee shall be held only when attended by more than two thirds of the members. Every member shall have one voting right, and resolutions made at the meetings shall be passed by more than half of the members.

Article 16 Voting at meetings of the Remuneration and Appraisal Committee shall be conducted by a show of hands or by poll; extraordinary meetings may be held by voting through correspondence.

Article 17 When necessary, the Remuneration and Appraisal Committee may invite the Directors, Supervisors and senior management Members of the Company to attend the meetings.

Article 18 When necessary, the Remuneration and Appraisal Committee may engage intermediaries to provide professional opinions on its decisions at the expense of the Company. The relevant expenses incurred by the Remuneration and Appraisal Committee to perform its duties shall be borne by the Company.

Article 19 When the Remuneration and Appraisal Committee discusses a proposal relating to relevant members, they shall avoid the discussion.

Article 20 The holding procedures, the voting methods and the remuneration policies and distribution plans passed at the meetings of the Remuneration and Appraisal Committee meeting shall comply with the relevant laws, regulations, listing rules of the stock exchange where the shares of the Company are listed, Articles of Association and these terms of reference.

Article 21 Minutes of the Remuneration and Appraisal Committee meetings shall be prepared. The meeting minutes shall record in sufficient detail the matters considered and the decisions made at the meetings, including any doubts or objections raised by the members. The meeting minutes shall be signed by the members attending the meetings and shall be filed and kept by the Secretary of the Board of Directors. Where a member has any comments or dissidence to the minutes, he/she may refuse to sign it, but shall deliver the aforesaid opinion in writing to the Secretary of the Board of Directors within the specified time stated above. If the minutes are proved to contain errors or omissions, the Secretary of the Board of Directors shall revise the minutes, and members of the committee shall sign the revised minutes.

Article 22 The resolutions and voting results adopted at the meetings of the Remuneration and Appraisal Committee shall be reported in writing to the Board of Directors of the Company.

Article 23 The members of the committee attending the meetings are under a duty of confidentiality with respect to the proceedings of the meetings and shall not disclose the relevant information without authorization.

Chapter 6 Supplementary Provisions

Article 24 Matters not covered in these terms of reference shall follow the related national laws and regulations, the stipulations of the China Securities Regulatory Commission (CSRC), the listing rules of the stock exchange where the shares of the Company are listed and the provisions in the Articles of Association. In case of inconformity, the related national laws and regulations, the stipulations of the China Securities Regulatory Commission (CSRC), the listing rules of the stock exchange where the shares of the Company are listed and the provisions in the Articles of Association shall prevail, and these terms of reference shall be amended in due time.

Article 25 These terms of reference shall be formulated, interpreted and amended by the Board of Directors.

Article 26 After being examined and approved by the Board of Directors, these terms of reference shall come into force as soon as the Company publicly issues overseas listed foreign shares which become listed on the Hong Kong Stock Exchange. As of the effective date of these terms of reference, the former terms of reference of the Remuneration and Appraisal Committee under the Board of Directors shall automatically become invalid.