

Onewo Inc.
萬物雲空間科技服務股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2602)

Terms of Reference of the Remuneration and Evaluation Committee

Chapter 1 General Provisions

Article 1 In order to further establish a sound evaluation and remuneration management system for Directors and senior management members and improve the corporate governance structure of Onewo Inc. (the “Company”), the Board of Directors of the Company has set up the Remuneration and Evaluation Committee (the “Remuneration and Evaluation Committee”) and formulated these Terms of Reference in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”), the Corporate Governance Code in Appendix 14 to the Hong Kong Listing Rules (the “Corporate Governance Code”), the Articles of Association of Onewo Inc. (the “Articles of Association”) and other relevant regulations.

Article 2 The Remuneration and Evaluation Committee is mainly responsible for formulating the assessment standards of and evaluating the Company’s Directors and senior management members. It is also responsible for formulating and reviewing the remuneration policies and plans of the Company’s Directors and senior management members, and shall be accountable to the Board of Directors.

Article 3 The senior management members referred to in these Terms of Reference are general manager, executive deputy general manager, deputy general manager appointed by the Board of Directors and other senior management members as stipulated in the Articles of Association.

Chapter 2 Composition

Article 4 The Remuneration and Evaluation Committee shall comprise three Directors, more than half (excluding half) of whom shall be independent non-executive Directors.

Article 5 The members constituting the Remuneration and Evaluation Committee shall be nominated by the Chairman of the Board of Directors and elected by the Board of Directors.

Article 6 The Remuneration and Evaluation Committee shall have one chairman who shall be an independent non-executive Director and shall be responsible for presiding over the work of the Committee. The chairman is nominated by the Chairman of the Board of Directors and shall be subject to the approval of the Board of Directors.

Article 7 The chairman shall be responsible for leading the Remuneration and Evaluation Committee, including scheduling meetings, preparing agendas and making reports to the Board of Directors. A working group under the Remuneration and Evaluation Committee (the “Working Group”) has been established to assist the chairman in arranging for the meeting time, preparing agendas and reporting to the Board of Directors, and be responsible for providing information on the Company’s operations and relevant information on the persons being examined, prepare for the meetings of the Remuneration and Evaluation Committee, supervise the implementation of the relevant resolutions of the Remuneration and Evaluation Committee, and the implementation of the resolutions and specific work arrangements of the Remuneration and Evaluation Committee by the relevant functional departments of the Company. The Working Group is organized and established by the Company, and its composition shall be reported to the Committee for the record.

Article 8 The term of office of the Remuneration and Evaluation Committee shall be the same as the term of the Board of Directors. A committee member may serve consecutive terms if re-elected upon expiry of his/her term of office. If any committee member ceases to serve as a Director of the Company or the occurrence of other circumstances has prevented him/her from continuing to serve as a Director, or if a member in the capacity of an independent non-executive Director can no longer maintain him/her independence as required by relevant laws and regulations, the regulatory rules of the stock exchange or the Articles of Association, he/she shall be automatically disqualified from acting as a committee member, and such vacancy shall be filled by the Board of Directors in accordance with laws and regulations, rules of the stock exchanges where the Company’s shares are listed, other normative documents, the Articles of Association and these Terms of Reference.

Article 9 If the term of office of a Director expires but no election is made in a timely manner, the Director who is a former member of the Remuneration and Evaluation Committee shall continue to perform his/her duties in accordance with the laws, regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place(s) where the Company’s shares are listed, the Articles of Association and these Terms of Reference until a duly re-elected Director takes office.

Chapter 3 Duties and Authorities

Article 10 The main duties and authorities of the Remuneration and Evaluation Committee are:

- (I) to make recommendations to the Board of Directors on the overall remuneration policies and structure of Directors and senior management members and the establishment of a formal and transparent procedure for developing remuneration policies;
- (II) to be responsible for formulating the remuneration packages for Directors and senior management members of the Company and make recommendations to the Board of Directors. In formulating the remuneration packages for Directors and senior management members, factors to be considered by the Remuneration Committee include the Company’s guidelines and objectives;
- (III) to consider the appraisal criteria, performance evaluation procedures, remuneration and rewards and punishment policies for Directors and senior management members, and submit them to the Board of Directors for approval;

(IV) either:

1. to determine, with authority delegated by the Board of Directors, the remuneration packages of individual executive Directors and senior management members according to the remuneration system; or
2. to make recommendations to the Board of Directors on the remuneration packages of individual executive Directors and senior management members according to the remuneration system considered and approved by the shareholders' general meeting.

this shall include benefits in kind, pension rights and damages, including any compensation for loss or termination of their office or appointment.

- (V) to review and approve the compensation that shall be paid to relevant executive Directors and senior management members for any loss or termination of their office or appointment, and the compensation arrangements with regard to the dismissal or removal of Directors due to their misconduct, so as to ensure the said compensation arrangements conform to relevant contractual terms; in case the compensation arrangements do not conform to relevant contractual terms, the said compensation shall be fair and reasonable and not excessive;
- (VI) to make recommendations to the Board of Directors on the remuneration of non-executive Directors;
- (VII) to evaluate the performance of duties by the Directors and senior management members of the Company and conduct annual performance appraisal and evaluation for them;
- (VIII) to ensure that no Director or any of his/her associate is involved in determining his/her own remuneration;
- (IX) other matters as authorized by the Board of Directors;
- (X) other relevant requirements for powers and duties of the Remuneration Committee according to the securities regulatory rules of the place(s) where the shares of the Company are listed as amended from time to time.

Article 11 The remuneration plans or packages proposed by the Remuneration and Evaluation Committee shall be implemented upon consideration and approval of the Board of Directors if they are within the scope of the duties and powers of the Board of Directors, and shall be implemented upon consideration and approval of the shareholders' general meeting if they are within the scope of the duties and powers of the shareholders' general meeting.

Article 12 The Remuneration and Evaluation Committee shall respond to the invitation by the Chairman of the Board of Directors and have the chairman of the Committee (or another committee member or his/her authorized representative in the absence of the chairman) attend the annual general meeting and answer questions raised thereat.

Article 13 The Remuneration and Evaluation 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 role and powers delegated to it by the Board of Directors in accordance with the relevant requirements under the regulatory rules of the place(s) where the Company's shares are listed.

Chapter 4 Decision-making Procedure

Article 14 The relevant functional departments of the Company shall be responsible for the preparatory work for the decision making of the Remuneration and Evaluation Committee, and provide relevant information of the Company:

- (I) fulfillment of major financial indicators and operation objectives of the Company;
- (II) the scope of work and main duties of the senior management of the Company;
- (III) fulfillment of indicators involved in the work performance evaluation system of Directors and senior management;
- (IV) the relevant calculation basis for formulating the Company's remuneration distribution plan and distribution method with reference to the performance of the Company.

Article 15 The procedures for evaluating Directors and senior management adopted by the Remuneration and Evaluation Committee are:

- (I) the Directors and senior management members of the Company shall report their work and self-assessments to the Remuneration and Evaluation Committee of the Board of Directors;
- (II) the Remuneration and Evaluation Committee shall evaluate the performance of Directors and senior management members in accordance with the performance evaluation criteria and procedures;
- (III) the remuneration plan and reward plan of the Directors and senior management members are proposed based on job performance evaluation results and remuneration distribution policies, and submitted to the Board of Directors of the Company after being passed by voting.

Chapter 5 Rules of Procedure

Article 16 Meetings of the Remuneration and Evaluation Committee are classified as regular meetings and extraordinary meetings. Regular meeting shall be held at least once a year. A written notice shall be given to all committee members by the Working Group three days prior to the convening of a meeting. The meeting notice shall include at least the following contents:

- (I) method, time and venue of the meeting;
- (II) duration of the meeting;
- (III) agenda items to be discussed at the meeting;
- (IV) date of notice of the meeting.

Article 17 An extraordinary meeting of the Remuneration and Evaluation Committee shall be convened when it is proposed by the Chairman of the Board of Directors, the chairman and more than two members of the Remuneration and Evaluation Committee. The chairman of the Remuneration and Evaluation Committee shall convene and chair an extraordinary meeting within three days after receipt of the proposal. In case of emergency that requires an immediate resolution by the Remuneration and Evaluation Committee, the notice of the meeting may be given on the same day by telephone, facsimile, e-mail or personal delivery for the sake of the Company's interests, but the chairman of the Committee must give an explanation at the meeting.

Article 18 Meetings of the Remuneration and Evaluation Committee shall be chaired by the chairman. Where the chairman is unable to attend the meeting, he/she may delegate another committee member (who shall be an independent non-executive Director) to preside over the meeting. Where the chairman cannot or does not fulfill his/her duties, he/she may delegate another committee member who is an independent non-executive Director to convene and preside over the meeting.

Article 19 Meetings of the Remuneration and Evaluation Committee shall be convened only with the presence of more than half of the committee members. Members shall attend the meetings in person or by teleconference or by means of similar communication equipment. Committee members who are unable to attend the meetings for any reason may authorize other committee members in writing to attend the meetings as their proxies, and the scope of authorization shall be stated in the written power of attorney. Members of the Remuneration and Evaluation Committee who neither attend such meetings in person nor authorize other committee members to attend such meetings as their proxies shall be deemed to abstain from voting on such meetings.

Each committee member shall be entitled to one vote. Resolutions made at the meetings shall be adopted by the affirmative votes of more than half of all committee members.

Article 20 Meetings of the Remuneration and Evaluation Committee may be convened in the form of on-site meetings or telephone meetings, video meetings or other communication equipment (provided that all participants can conduct instant communication with other participants) and may be convened in the form of off-site meetings.

Article 21 Voting at the meeting of the Remuneration and Evaluation Committee may be by show of hands, poll, facsimile or e-mail, etc.

Article 22 On the premise of ensuring that the committee members fully express their opinions, meetings of the Remuneration and Evaluation Committee may be convened in the form of written resolutions. Written proposals shall be dispatched by e-mail, facsimile, courier or by hand or otherwise to all committee members, and shall be returned in original copies to the Company for filing after deliberation by the committee members. A proposal signed by consenting committee members satisfying the threshold hereunder shall become a resolution of the Committee.

Article 23 The members of the Working Group may attend the meetings of the Remuneration and Evaluation Committee; the general manager of the Company may attend the meetings of the Remuneration and Evaluation Committee; where necessary, the Remuneration and Evaluation Committee may invite other Directors, Supervisors and senior management members of the Company to attend the meetings.

Article 24 If necessary, the Remuneration and Evaluation Committee may engage an intermediary to provide professional advice for its decision-making, the cost of which shall be borne by the Company.

Article 25 Where an issue involving a member of the Remuneration and Evaluation Committee or associate thereof is being deliberated at a committee meeting, such member shall be absent.

Article 26 The convening procedure of, and voting method and the remuneration policies and distribution plans passed at the meetings of the Remuneration and Evaluation Committee shall comply with the requirements of the relevant laws, regulations, securities regulatory rules of the place(s) where the Company's shares are listed, the Articles of Association and these Terms of Reference.

Article 27 The meetings of the Remuneration and Evaluation Committee shall be arranged by the Working Group; minutes of the meetings shall be recorded and the members present at the meetings shall sign the minutes of the meetings; the minutes of the meetings shall be kept by the Working Group.

Article 28 The resolutions passed and the poll results at the meetings of the Remuneration and Evaluation Committee shall be reported in writing to the Board of Directors of the Company.

Article 29 Committee members present at the meeting and non-voting attendees of the meeting shall be obliged to keep matters discussed at such meeting confidential, and shall not disclose any relevant information without authorization from the chairman of the Company or the Board of Directors.

Chapter 6 Supplementary Provisions

Article 30 Unless otherwise specified, the terms used herein shall have the same meaning ascribed thereto under the Articles of Association or Hong Kong Listing Rules.

Article 31 Upon consideration and approval by the Board of Directors, these Terms of Reference shall come into effect from the day on which the overseas listed foreign shares of the Company are listed on The Stock Exchange of Hong Kong Limited.

Article 32 Any matters not covered herein shall be implemented in accordance with the relevant laws and regulations, departmental rules, regulatory documents, securities regulatory rules of the place(s) where the shares of the Company are listed and relevant provisions of the Articles of Association. Where these Terms of Reference conflict with the latter, the latter shall prevail.

“More than” and “prior to” referred to in a phrase denoting quantity or time period herein shall exclude the number indicated, and the words “within” and “at least” shall include the number indicated.

Article 33 The rights to interpret and amend these Terms of Reference shall be vested in the Board of Directors of the Company.