

Policy on Linking Directors' and Managers' Remuneration to Performance

1. The remuneration policy for directors and managers of the Company is formulated based on their responsibilities, participation in operations and contribution value, and taking into account the Company's operating performance and the usual remuneration levels of industry. It is evaluated by the Remuneration Committee at the beginning of each year. , submitted to the board of directors for approval.

2. Directors' Remuneration:

(1). Pursuant to Article 28 of the Company's Articles of Association, if the Company makes a profit in a given year, the Board of Directors shall decide the amount of directors' remuneration to be paid in accordance with the Company's Articles of Association, which shall not exceed 0.1% of the profit for that year. However, if the company still has accumulated losses, it should reserve the amount to make up for it in advance.

(2).The remuneration of directors shall be increased according to the remuneration level of the same industry and the number of directors serving as members of functional committees. The remuneration and salary of directors are determined by the Board of Directors based on the results of the annual performance evaluation of the Board of Directors and the different responsibilities and risks they bear.

(3).The remuneration of directors of the Company mainly includes directors' remuneration, monthly fixed salary and meeting travel expenses. The relevant contents of directors' remuneration payment shall be evaluated by the Remuneration Committee and submitted to the Board of Directors for approval.

3. Manager remuneration:

(1). Pursuant to Article 28 of the Company's Articles of Association, if the Company makes a profit in a certain year, it shall allocate no less than 5% of the profit for employee remuneration, and the amount of remuneration to be paid shall be decided by the Board of Directors. However, if the company still has accumulated losses, it should reserve the amount to make up for it in advance.

(2). The appointment, dismissal and remuneration of the company's managers shall be handled in accordance with the company's regulations and performance appraisal results, which shall also serve as a reference for the issuance of manager bonuses. The company's manager remuneration is based on the salary management regulations and clearly stipulates various work allowances and bonuses to show sympathy and reward employees for their hard work at work. The relevant bonuses are also determined based on the company's annual operating performance, financial status, operational status and individual work performance;

(3). Manager Remuneration includes fixed salary and variable bonus. Fixed salary is determined based on job duties, responsibilities and professional ability, and is determined with reference to industry standards. Variable bonus is highly linked to the company's operating results, personal job duties and performance.

(4). Manager Performance evaluation items are divided into

I. Financial indicators:

Based on the company's profit and loss statement, each business unit's contribution to the company's profits, and the managers' personal performance and target achievement rate.

II. Non-financial indicators:

Divided into two parts: the practice of the company's core values and operational management capabilities, and participation in sustainable operations. The remuneration based on operating performance is calculated.

(5).The rationality of manager remuneration shall be reviewed by the Remuneration Committee each year and submitted to the Board of Directors for approval. The remuneration system shall be reviewed from time to time based

on the actual operating conditions of the company and relevant laws and regulations to seek a balance between the company's sustainable operation and risk control.

4. The Company's main remuneration principle is to link responsibilities with performance and the Company's sustainable operating results, not to use short-term profits as the only indicator for remuneration and performance evaluation, and to link long-term shareholder value.