



重慶長安民生物流股份有限公司  
**Changan Minsheng APLL Logistics Co., Ltd.\***  
(「the Company」)

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 01292)

**Terms of Reference and Modus Operandi of Remuneration  
Committee  
(the “Committee”)**

**Membership**

1. The Committee shall consist of at least three directors appointed by the board of directors (“the Board”) from time to time and over half of them must be independent non-executive directors.
2. The chairman of the Committee must be an independent non-executive director.
3. The Board Secretary shall act as the Secretary of the Committee.
4. The term of the Committee shall be consistent with the term of the Board. Upon expiry, members can be re-appointed by re-election. If any member ceases to be a director, he/she will lose the qualification of the Committee member automatically and the Board will appoint a new member to fill the vacancy.

**Frequency and proceedings of meetings**

5. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
6. The chairman of the Committee may convene additional meetings at his discretion.
7. The quorum of a meeting shall be three members of the Committee.
8. The Committee should consult the chairman and/or general manager about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary. The Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisors or consultants to advise its members; the fees are paid by the Company.

9. Proceedings of meetings of the Committee shall be: the Committee shall be held only when over half of the whole members attend the meeting; the member who is unable to attend the meeting can entrust the other members to fulfill his duties in written forms. Each member has one voting right; the resolutions shall be effective only approved by over half of the whole members.

### **Duties, powers and functions**

10. The Committee shall:

(a) 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;

(b) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

(c) determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management. These should include stock appreciation stimulating plan, benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

(d) make recommendations to the Board on the remuneration of non-executive directors;

(e) consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;

(f) 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 is otherwise fair, reasonable and not excessive;

(g) 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;

(h) ensure that no director or any of his associates is involved in deciding his own remuneration;

(i) to review and/or approve matters relating to share schemes under Chapter 17 of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including any grants of options or awards to directors or senior management, and to make disclosure and give explanation on the appropriateness to such material matters (if any) being approved in the corporate governance report; and

(j) consider other topics, as authorized by the Board.

Besides, the chairman of the Committee should attend, or in his/her absence, another member of the Committee or failing this his duly appointed delegate, should attend the annual general meeting to answer the questions from shareholders according to the invitation from the chairman of the Board.

### **Reporting Procedures**

11. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.

12. The Committee must report back to the Board on their decisions or recommendations, unless such reporting is prohibited by law or regulatory restrictions.

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*\* For identification purpose only*