

**GUANGDONG TIANYU SEMICONDUCTOR CO., LTD.**  
**Terms of Reference of the Remuneration Committee of the Board**

**CHAPTER 1 GENERAL PROVISIONS**

**Article 1** Pursuant to the Company Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), and other laws, administrative regulations, departmental rules, normative documents, as well as the relevant provisions of the Articles of Association of Guangdong Tianyu Semiconductor Co., Ltd. (the “**Articles of Association**”), the Company hereby establishes the Remuneration Committee of the Board (the “**Remuneration Committee**”) and formulates the terms of reference to further establish and improve the selection and appointment for the Company’s directors and senior management, optimize the composition of the Board, establish and refine the performance assessment and evaluation mechanism for senior management, formulate a scientific and effective performance assessment and remuneration management system, and further enhance its corporate governance structure.

**Article 2** The Remuneration Committee is a specialised working body under the Board, which is principally responsible for formulating the appraisal standards for the Company’s directors and other senior management and conducting the appraisal thereof; and for formulating and reviewing the remuneration plans for the Company’s directors and senior management, and is accountable to the Board.

**Article 3** Directors mentioned in the terms of reference refer to directors who receive remuneration from the Company, and senior management refers to the general manager, the secretary to the Board, deputy general manager and the person in charge of finance appointed by the Board.

**CHAPTER 2 COMPOSITION**

**Article 4** The Remuneration Committee shall comprise three or more directors, the majority of them shall be independent non-executive directors.

**Article 5** Members of the Remuneration Committee shall be nominated by the chairman of the Board, more than half of the independent non-executive directors, or more than one-third of all directors, and shall be elected by the Board.

**Article 6** The Remuneration Committee shall have one chairman (convener), who shall be an independent non-executive director and shall be responsible for presiding over the works of the Remuneration Committee. The chairman shall be elected from among the members of the Committee and shall be reported to the Board for filing purpose.

**Article 7** The term of office of the Remuneration Committee shall be consistent with that of the Board. Each member of the Committee shall be eligible for re-election upon the expiry of his/her term of office. During his/her term of office, if any Committee member ceases to be a director of the Company, his/her qualification as a member of the Committee shall be lost automatically. The Board shall appoint a new member in accordance with the Articles of Association and the terms of reference.

**Article 8** The Remuneration Committee shall form a working group, which is specifically responsible for providing information relating to the Company's operations and the relevant information of the persons to be appraised, and for preparing meetings of the Remuneration Committee and implementing the relevant resolutions of the Remuneration Committee.

### **CHAPTER 3 DUTIES AND AUTHORITIES**

**Article 9** The main duties and authorities of the Remuneration Committee are as follows:

- (I) to formulate remuneration plans or schemes based on the major scope, responsibilities and importance of the respective positions of the directors and senior management, as well as the remuneration standard of other relevant enterprises and relevant positions, and to make recommendations to the Board regarding the overall remuneration policy and structure for the directors and senior management of the issuer, and the establishment of formal and transparent procedures for formulating remuneration plans or schemes;
- (II) to review and approve the management's remuneration proposals with reference to the corporate policies and objectives set by the Board;
- (III) to make recommendations to the Board on the specific remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation amounts (including compensation payable for loss or termination of office or appointment). The factors to be considered by the Committee include requirements of laws and regulations, salaries paid by comparable companies, time commitment and duties of the directors and senior management, the employment conditions of other positions within the Company and necessity of remuneration based on performance;
- (IV) to make recommendations to the Board on the remuneration of non-executive directors;
- (V) to consider remuneration paid by comparable companies, time commitment and duties and the employment conditions of other positions in the Group;

- (VI) to review and approve the compensation payable to executive directors and senior management for any loss or termination of office or appointment, so as to ensure that such compensation is determined in accordance with the relevant contractual terms and is otherwise fair, reasonable and not creating undue burden to the Company;
- (VII) to review and approve compensation arrangements relating to the dismissal or removal of directors for misconduct, so as to ensure that such arrangements are determined in accordance with the relevant contractual terms or are otherwise reasonable and appropriate;
- (VIII) to ensure that any director or his/her associate (as defined in Chapter 14A of the Hong Kong Listing Rules) shall not participate in the determination of his/her own remuneration;
- (IX) to examine the performance of duties by the directors and other senior management of the Company, conduct annual performance appraisals of them;
- (X) to supervise the implementation of the Company's remuneration policies;
- (XI) other relevant requirements of the Articles of Association, other matters authorised by the Board and other relevant laws and regulations, the Hong Kong Listing Rules and other regulatory rules for duties and authorities of the Committee according to listing rules of the stock exchanges in the places where the Company's shares are listed;
- (XII) to review and/or approve matters relating to share schemes under Chapter 17 of the Hong Kong Listing Rules.

**Article 10** The Board shall have the right to reject any remuneration plans that prejudice the interests of the shareholders.

**Article 11** The remuneration plans for the directors of the Company proposed by the Remuneration Committee shall be approved by the Board and submitted to general meeting for consideration and approval before implementation. The remuneration distribution plan for the other senior management of the Company shall be reported to the Board for approval before its implementation.

**Article 12** The Remuneration Committee shall make available the Terms of Reference explaining its role and the authority delegated to it by the Board on the websites of The Stock Exchange of Hong Kong Limited and the Company. (Pursuant to B.1.3 of the Hong Kong Listing Rules)

## CHAPTER 4 DECISION-MAKING PROCEDURES

**Article 13** The working group under the Remuneration Committee shall be responsible for making preliminary preparations for decision-making by the Remuneration Committee and providing information on relevant aspects of the Company:

- (I) the Company's key financial indicators and achievement of operating targets;
- (II) the scope of work and main duties of the senior management of the Company;
- (III) the achievement of the indicators involved in the job performance appraisal system for directors and senior management;
- (IV) the operation performance driven by the business initiatives and profit-making ability of directors and senior management;
- (V) the relevant calculation basis indicating remuneration distribution plans and distribution methods proposed in accordance with the performance of the Company.

**Article 14** The Remuneration Committee shall conduct the following appraisal of directors and senior management based on the following procedures:

- (I) the directors and senior management of the Company shall report his/her work and self-evaluation to the Remuneration Committee of the Board;
- (II) the Remuneration Committee shall appraise the performance of directors and senior management in accordance with the appraisal criteria and procedures;
- (III) the amount of remuneration and forms of incentive of the directors and senior management shall be proposed based on performance appraisal results and remuneration policies, and shall be submitted to the Board of the Company after resolving by voting.

## CHAPTER 5 RULES OF PROCEDURE

**Article 15** A notice shall be given to all members three days before the date of a meeting of the Remuneration Committee (except for special situations). The meeting shall be presided over by the chairman of the Committee, and in case the chairman is unable to attend, he/she may appoint another member of the Committee to preside over the meeting on his/her behalf.

**Article 16** The quorum for meetings of the Remuneration Committee shall be at least two-thirds of the total members of the Committee; each member shall have one vote; the resolutions made at the meetings shall be approved by a majority of all members.

**Article 17** The voting method at meetings of the Remuneration Committee shall be by a show of hands or by way of poll; extraordinary meeting may be convened in the form of vote by communications.

**Article 18** The Company's directors and senior management and its professional consultancy and legal advisors may be invited to be present at the meetings of the Remuneration Committee as observers.

**Article 19** If necessary, the Remuneration Committee may engage independent intermediary institutions to provide professional opinions for its decision-making, at the Company's expenses.

**Article 20** A member of the Remuneration Committee shall avoid attending meetings of the Remuneration Committee for which he/she is the subject matter of the resolution.

**Article 21** The Remuneration Committee may require directors and other senior management to report on their work or answer questions at the meetings and such officers shall make no objection.

**Article 22** The convening procedures, voting method and approved remuneration policies and allocation proposals of the meetings of the Remuneration Committee shall comply with the relevant laws, regulations, the Articles of Association and the terms of reference.

**Article 23** All matters required to be decided or judged by the Remuneration Committee (no matter whether it is adopted at the meeting) shall be reported to the Board for review. The Committee members with objection shall be entitled to present their statement at the meeting of the Board.

**Article 24** Minutes shall be taken for meetings of the Remuneration Committee, which shall be signed by the members present at the meeting. Minutes of meetings shall be kept by the secretary to the Board of the Company for a period of not less than ten years.

**Article 25** Resolutions passed by the Remuneration Committee and the voting results shall be reported to the Board of the Company in writing.

**Article 26** Members present at meetings shall perform a duty of confidentiality regarding matters discussed at such meetings, and no unauthorised disclosure of such information shall be allowed. Otherwise, they shall take the corresponding legal liabilities.

## CHAPTER 6 SUPPLEMENTARY PROVISIONS

**Article 27** The terms of reference shall take effect upon the approval by a resolution of the Board and from the date when the Company's publicly offered overseas listed foreign shares (H shares) are listed and traded on the Hong Kong Stock Exchange. Upon the effectiveness of the terms of reference, the Company's original Terms of Reference of the Remuneration Committee of the Board shall automatically become null and void.

**Article 28** Any matters not covered by the terms of reference shall be implemented in accordance with relevant national laws, regulations, normative documents, the listing rules of the stock exchanges in the places where the Company's shares are listed, and the provisions of the Articles of Association. In case of any inconsistency between the terms of reference and any national laws, regulations, normative documents, the listing rules of the stock exchanges in the places where the Company's shares are listed to be promulgated in the future, they shall be implemented in accordance with the relevant national laws, regulations, normative documents, the listing rules of the stock exchanges in the places where the Company's shares are listed, and the terms of reference shall be immediately revised and reported to the Board for consideration and approval.

**Article 29** The right to construe the terms of reference is vested in the Board of the Company.

**Guangdong Tianyu Semiconductor Co., Ltd.**  
May 19, 2026

*NOTE:* If there is any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.