

Universal Scientific Industrial (Shanghai) Co., Ltd.

Rules of Procedures of Remuneration Committee of the Board of Directors

Chapter 1 General Provisions

- Article 1 To establish and further improve the performance evaluation and remuneration management mechanism for the Board of Directors and senior management of Universal Scientific Industrial (Shanghai) Co., Ltd. (hereinafter referred to as "the Company"), and improve the corporate governance structure, the Company hereby establishes the Remuneration Committee of the Board of Directors and formulates its Rules of Procedures in accordance with the Company Law of the People's Republic of China, Code of Corporate Governance for Listed Companies, and the Articles of Association of Universal Scientific Industrial (Shanghai) Co., Ltd. (hereinafter referred to as the Articles of Association).
- Article 2 The Remuneration Committee is a special committee that is set up under the Board of directors and reports to the Board of directors, mainly in charge of formulating standards for assessing the performance of directors and senior management; formulating and reviewing the remuneration policies and plans for the directors and senior management, and designing the Company's equity incentive and employee stock ownership plans.
- Article 3 The term "senior management" as mentioned in these rules refers to the President, Vice President, Secretary of the Board of Directors, and Chief Financial Officer.

Chapter 2 Composition

- Article 4 The Remuneration Committee consists of five directors, with independent directors accounting for the majority.
- Article 5 The members of the Remuneration Committee shall be nominated by the Chairman of the Board, more than one half of the independent directors or more than one-third of all the directors, and shall be elected by the Board of Directors.
- Article 6 The Remuneration Committee shall have a convenor, who shall be an independent director and shall be responsible for presiding over the work of the Committee; the convenor shall be elected from the members, and report to the

Board of Directors for approval.

Article 7 The Remuneration Committee's term of office shall be the same as that of the Board of Directors. Upon expiration of their term of office, the members may be re-elected. During this period, any member who ceases to hold the post of director of the Company shall automatically lose his or her qualification as a member, and the Committee shall make up the number of members in accordance with the provisions of Articles 4 to 6 above.

Chapter 3 Roles and Responsibilities

Article 8 The Remuneration Committee has the following roles and responsibilities:

- (1) Deliberate on standards for assessing the performance of directors and senior management, conduct the assessment and make relevant recommendations;
- (2) Deliberate on and review the remuneration policies and plans for directors and the senior management;
- (3) Other matters authorized by the Board of Directors.

The Remuneration Committee shall abide by the following principles when performing the above roles and responsibilities:

- (1) The performance evaluation and remuneration of directors and senior managers shall refer to the situation of companies in the same industry and take individual performance, company operating performance and future risks into account to determine the reasonability of the performance evaluation and remuneration;
- (2) Directors and senior management should not be led to engage in behaviors above the Company's acceptable risk level in pursuit of compensation;
- (3) The bonuses to be accrued and distributed or incentives in other forms for directors and senior managers shall be determined by taking into account the characteristics of the industry and the nature of the Company's business;
- (4) The content and amount of remuneration for directors and senior management should be reasonable. The remuneration of directors and senior managers should not deviate significantly from financial

performance. If the Company has a serious decline in profits or long-term losses, the remuneration for directors and senior management should not be higher than that of the previous year.

- (5) The company should set goals related to the Company's sustainable development in environment, social, and governance (ESG) based on the scope of senior management's roles and responsibilities. The performance of these goals shall be combined with the Company's operating goals, stock incentive plans, and performance assessment.

The remuneration referred to in the above items (1), (2) and (3) includes cash remuneration, stock incentive, employee stock ownership, retirement benefits or resignation benefits, various allowances and other measures with substantial rewards; the scope of the remuneration should be consistent with the remuneration of directors and senior management disclosed in the Company's annual report.

Article 9 The Board of Directors has the right to veto any remuneration plan submitted by the Remuneration Committee that damages the interests of shareholders.

Article 10 The remuneration plan for the Company's directors proposed by the Remuneration committee must be reported to the Board of Directors for approval, and submitted to the shareholders' meeting for consideration and approval before implementation; the remuneration distribution plan for the Company's senior management must be reported to the Board of Directors for approval.

Article 11 In order to improve corporate governance and ensure the reliability of the Company's financial results, in the following circumstances, the Company has the right to cancel or reclaim the variable remuneration previously paid to the Company's President and Chief Financial Officer to the extent permitted by applicable laws:

- (1) If the amount of variable remuneration for the President or Chief Financial Officer is calculated based on the performance of the Company's published financial results, and the Company subsequently restates the financial results due to material violations of accounting standards or applicable rules of the China Securities Regulatory Commission or the Shanghai Stock Exchange; and
- (2) Based on the judgment of the Remuneration Committee, the restatement of the above financial results was caused by fraud or other willful material misconduct of the President or Chief Financial Officer; and

- (3) According to the judgment of the Remuneration Committee, if the above financial results are restated after deducting the doubtful part, the variable remuneration of the President or Chief Financial Officer will be significantly reduced.

The Remuneration Committee may appoint lawyers, accountants or other professionals to provide external opinions or consultation services at the Company's expense.

If the Company's Board of Directors decides to reclaim the corresponding variable remuneration of the President or Chief Financial Officer based on the restated financial results, the variable remuneration that should be claimed is the amount of variable remuneration actually obtained by the President or Chief Financial Officer that exceeds the amount that should be obtained based on the restated financial results. The above-mentioned amount is calculated on the after-tax basis.

In this article, variable remuneration refers to the bonus or performance bonus received by the President or Chief Financial Officer from the Company, including but not limited to employee salary, quarterly and annual performance bonuses, incentive equity and share of employee stock ownership plans, etc.; The relevant period refers to the 12 months from the date of the first disclosure of financial documents that materially violate the Accounting Standards for Business Enterprises or the date of reporting to the Shanghai Stock Exchange (whichever occurs earlier).

Penalties or other measures imposed by law enforcement agencies, securities regulatory agencies, exchanges and other authorities shall not affect the Company's exercise of its rights under this article.

Chapter 4 Decision-making procedures

Article 12 Relevant departments shall assist the Remuneration Committee in making preliminary preparations and providing relevant information for its decision-making, including:

- (1) The Company's main financial indicators and the progress towards business goals;
- (2) The scope of work and main responsibilities of the Company's senior

management;

- (3) The progress of completing the indicators involved in the job performance evaluation for directors and senior management;
- (4) Relevant calculation basis for formulating the Company's remuneration distribution plan and methods according to the Company's performance.

Article 13 The Remuneration Committee's assessment procedures for directors and senior management:

- (1) Directors and senior management of the Company make self-evaluations and report on work to the Remuneration Committee;
- (2) The Remuneration Committee evaluates the performance of directors and senior management according to the performance evaluation standards and procedures;
- (3) The amount of remuneration and reward methods for directors and senior management shall be proposed according to the performance evaluation results and the remuneration distribution policy, and after being approved by the Remuneration Committee, reported to the Company's Board of Directors for review or approval.

Chapter 5 Procedural Rules

Article 14 The Remuneration Committee shall hold at least one regular meeting in each fiscal year. The meeting shall be convened by members of the Remuneration Committee. The meeting notice shall be sent five days before the meeting orally, by telephone, email, fax, etc. The meeting shall be presided over by the convener or another member (independent director) when the convener cannot attend the meeting.

Article 15 The meeting of the Remuneration Committee shall be held only in the presence of more than one half of the members; each member shall have one vote; the resolution of the meeting of Remuneration Committee shall be approved by a majority of all the members.

Any member of the Remuneration Committee who has an interest in the matters discussed at the meeting shall abstain from the meeting. If the Remuneration Committee fails to form effective deliberation opinions due to the abstention of some members, the relevant matters shall be directly deliberated by the Board of Directors.

- Article 16 Members of the Remuneration Committee shall vote by means of show of hands, on-site voting or online voting on the meeting.
- Article 17 If necessary, the Remuneration Committee may appoint an intermediary to provide professional advice to its decision-making at the Company's expense.
- Article 18 When the Remuneration Committee holds a meeting, it may request directors and other relevant senior management to attend the meeting to report or answer questions, and such personnel shall not refuse.
- Article 19 The convening procedures, voting methods and remuneration policy and distribution plan adopted by the meeting of the Remuneration Committee must comply with the provisions of relevant laws, administrative regulations, rules, Articles of Association, and the Rules of Procedures of the Remuneration Committee.
- Article 20 The meeting of the Remuneration Committee shall be recorded, and the members present at the meeting shall sign the minutes; the minutes shall be kept by the Secretary of the Board of Directors for no less than ten years.
- Article 21 The opinions adopted by the meeting of the Remuneration Committee after deliberation shall be submitted to the Board of Directors of the Company in the form of writing.
- Article 22 All attendees present at the meeting shall have the obligation to keep confidential the issues discussed at the meeting and shall not disclose relevant information without authorization.

Chapter 6 Supplementary Provisions

- Article 23 These Rules of Procedures shall come into force from the date of their adoption through the resolution of the Board of Directors.
- Article 24 Matters not covered in these Rules of Procedures shall be subject to the provisions of relevant national laws, administrative regulations and rules, and the Articles of Association; in case of any conflict between the Rules of Procedures and the laws, administrative regulations, rules promulgated by the authority in the future or the Articles of Association amended through legal procedures, the

provisions of relevant national laws, administrative regulations, rules and the Articles of Association shall prevail, and these Rules of Procedures shall be amended when necessary.

Article 25 The interpretation right of these Rules of Procedures resides with the Board of Directors of the Company.

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