



*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 371)**

(the “Company”)

**Terms of Reference for Remuneration Committee**  
(effective on 1 January 2023)

**1. Membership**

- (a) The Company shall establish a remuneration committee comprising non-executive directors and executive directors who shall be appointed by the board of directors of the Company (“the Board”).
- (b) The majority of the remuneration committee members must be independent non-executive directors.
- (c) The remuneration committee must be chaired by an independent non-executive director.
- (d) The Board shall from time to time vary the composition of the remuneration committee as may be required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as modified from time to time (“the Listing Rules”).

**2. Authority**

- (a) The remuneration committee shall report directly to the Board and shall consult the chairman of the Board on their proposals in relation to executive directors and senior management.
- (b) The remuneration committee is authorized by the Board to obtain outside independent professional advice in connection with its duties as the Board considers necessary.
- (c) The remuneration committee shall be provided with sufficient resources to discharge its duties.
- (d) The remuneration committee may delegate its responsibility to a subcommittee in performing part of their duties or any specific duties.

**3. Meetings**

- (a) The remuneration committee shall hold any meeting as and when appropriate.
- (b) The quorum for meetings shall be any two members.
- (c) The remuneration committee members shall normally attend meetings either in person or through other electronic means of communication.
- (d) The company secretary shall be the secretary of the remuneration committee. In the absence of the secretary of the remuneration committee, the members present at such meetings shall elect another person as the secretary of such meetings.
- (e) Resolutions of the remuneration committee shall be passed by a majority of votes which can also be passed by way of unanimous written resolutions.
- (f) Unless otherwise specified herein, the provisions contained in the Company’s Bye-laws for regulating director’s meetings and proceedings shall apply to the meetings and proceedings of the remuneration committee.

#### **4. Duties**

The duties of the remuneration committee are as follows:-

- (a) to 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) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) to perform an advisory role to the Board and to make recommendations to the Board on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments including any compensation payable for loss or termination of their office or appointment, with the Board retaining the final authority to approve executive directors' and senior management remuneration;
- (d) to make recommendations to the Board on the remuneration of non-executive directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (f) to 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 and not excessive;
- (g) to 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) to 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 the Listing Rules;
- (j) to consider and implement other matters, as defined or assigned by the Board or otherwise required by the Listing Rules from time to time; and
- (k) to review from time to time as appropriate these Terms of Reference and the effectiveness of the remuneration committee and recommend to the Board any necessary changes.

Note: "senior management" refers to the same persons referred to in the Company's annual report and required to be disclosed under paragraph 12 of Appendix 16 to the Listing Rules

#### **5. Reporting Procedures**

The secretary shall circulate all minutes of meetings of the remuneration committee to all members of the Board.

**6. Publication of the terms of reference of the Remuneration Committee**

The terms of reference of the remuneration committee (as amended from time to time) will be made available by publishing on the Stock Exchange's website and the Company's website.