



# 新華聯合投資有限公司

CHINA UNITED VENTURE INVESTMENT LIMITED  
*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*  
(Stock Code: 8159)

## REMUNERATION COMMITTEE TERMS OF REFERENCE

### CONSTITUTION

1. The board of directors (the “**Board**”) of China United Venture Investment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) has established a remuneration committee (the “**Committee**”) on 26 March 2012. These terms of reference, containing, among others, authority, responsibility, and specific duties of the Committee, were adopted and approved by the Board on 26 March 2012 and amendments to the terms of reference were approved by the Board on 24 April 2020 (effective from 27 April 2020) and 14 November 2022, respectively.

### MEMBERSHIP AND QUORUM

2. The members of the Committee shall be appointed by the Board amongst the directors of the Company and shall consist of not less than three members. A majority of the Committee members shall be independent non-executive directors of the Company. The quorum shall be two members.
3. The chairman of the Committee shall be an independent non-executive director and appointed by the Board. The chairman of the Committee shall also be a member of the nomination committee of the Company.
4. In the case of an equality of votes at a meeting of the Committee, the chairman of the meeting shall have the casting vote. In the absence of the chairman of the Committee at any meeting of the Committee, the remaining members shall elect any other member of the Committee who is an independent non-executive director to be the chairman of the meeting.

### AUTHORITY AND DUTIES

5. The authority of the Committee is derived from the Board, therefore the Committee is obliged to report to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

6. The Committee is authorised by the Board to investigate and undertake any activity within the scope of these terms of reference and shall be provided with sufficient resources to perform its duties. It is authorised to seek any information it requires from any management, officer or employee of the Group and members of the Board in order to perform its duties and all employees of the Group and members of the Board are directed to co-operate with any request made by the Committee within the scope of these terms of reference.
7. Each member of the Committee shall disclose to the Committee:
  - (a) any personal financial interest (other than as a shareholder of the Company) in any matter to be decided by the Committee; or
  - (b) any potential conflict of interest arising from a cross-directorship.

Any such member shall not be counted towards the quorum and shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions, and shall (if so required by the Board) resign from the Committee.

8. The duties of the Committee shall be:
  - (a) to formulate remuneration policy and structure of the Group for the approval of the Board with respect to all Group employees and officers including policies concerning salary or payment, the structure of variable remuneration including annual and long-term incentive arrangements and share plans, which shall take into consideration factors such as salaries paid by comparable companies, employment conditions elsewhere in the Group, time commitment and responsibilities, and individual performance of the directors, senior management and general staff of the Group. Performance shall be measured against corporate goals and objectives resolved by the Board from time to time; and implement the remuneration policy laid down by the Board throughout the Group;
  - (b) to make recommendations to the Board on the Company's policy and structure for all directors (including chief executive who is an ex-officio), senior management, senior staff or officer of the Group's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
  - (c) determine, review and approve, as appropriate, the criteria for assessing performance of senior management, senior staff or officer of the Group which should reflect the Board's goals and objectives;
  - (d) review and approve individual performance targets relevant to the remuneration of the chief executive, the senior management, senior staff and/or officer of the Group;

- (e) to review the actual performance of the Group against the performance targets of the chief executive, senior management, senior staff and/or officer of the Group and consider the performance bonus (if any) for executive directors, senior management, senior staff and/or officer of the Group, having regard to their achievements against the performance criteria and by reference to market norms, the relevant contractual terms and to ensure such performance bonuses is otherwise fair and not excessive, and make recommendations to the Board;
- (f) to review and approve the Group's top ten staff and/or individuals with fixed salary or payment and management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (g) to determine, with delegated responsibility, the remuneration packages of individual executive directors (including chief executive who is an ex-officio), senior management and top ten staff and/or individuals with fixed salary or payment of the Group; or to make recommendations to the Board on the remuneration packages of individual executive directors (including chief executive who is an ex-officio), senior management and top ten staff and/or individuals with fixed salary or payment of the Group, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board on the remuneration of non-executive directors;
- (h) to review and approve compensation payable to executive directors, senior management and top ten staff and/or individuals with fixed salary or payment of the Group 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;
- (i) 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;
- (j) to report to the nomination committee of the Company on the performance and the performance bonus of senior management, senior staff and/or officer of the Group and on any promotion of staff and/or individuals to senior management and/or officer of the Group for the nomination committee's consideration;
- (k) to ensure that no director or senior management of the Group or any of his/her associates is involved in deciding his/her own remuneration;
- (l) to advise shareholders of the Company with respect to any service contracts of directors of the Group that require shareholders' approval under the Rules (the "GEM Listing Rules") Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited;

- (m) to consider other topics and review other documents as may be reasonably requested by the Board from time to time; and
- (n) to review and/or approve matters relating to share schemes under Chapter 23 of the GEM Listing Rules.

## **CONSULTATION**

- 9. The Committee shall consult the chairman of the Board and/or chief executive about their remuneration proposals for other executive directors of the Company, if any, and, at the expenses of the Company, have access to independent professional advice to perform its responsibilities if necessary.

## **SECRETARY**

- 10. The company secretary of the Company (the “**Company Secretary**”) shall be the secretary of the Committee (the “**Secretary**”). In the absence of the Company Secretary at any meeting of the Committee, the members present at the meeting of the Committee shall appoint another person as the secretary of the Committee.

## **MEETINGS**

- 11. The Committee shall meet as and when necessary or as requested by any Committee member. A meeting of the Committee may be convened by any of its members, or by the Secretary at the request of any of its members. The Committee shall meet not less than once a year.
- 12. The Committee may invite any management, officer or employee of the Group and/or external professional advisers to attend all or part of the proceedings of any meetings as considered appropriate (including participation in any discussion and make recommendations at such meetings) but only members of the Committee can vote at the meetings.
- 13. The person(s) in charge of human resources of relevant business segments of the Group shall report to the Committee.
- 14. A duly convened meeting of the Committee at which a quorum is present at the time when the meeting proceeds to business and continues to be present throughout the meeting, shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 15. Resolutions of the Committee at any meeting shall be passed by a majority of votes of the Committee members present. A resolution in writing signed by all the Committee members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

16. Relevant notice, and so far as practicable, an agenda and accompanying papers shall be sent in full to all members of the Committee in a timely manner and at least 3 days before the intended date of the meeting of the Committee (or such other period as agreed by its members from time to time).
17. The meetings and proceedings of the Committee are governed by the provisions of the bye-laws of the Company for regulating the meetings and proceedings of the Board so far as the same are applicable.
18. Meetings of the Committee may be held by means of physical meetings, conference telephone, electronic or other means of communication.

## **REPORTING PROCEDURES**

19. The Secretary shall keep minutes of each Committee meeting.
20. The Secretary shall ascertain, at the beginning of each meeting, existence of any conflicts of interest and minute them accordingly. The relevant member of the Committee shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Committee in which he/she or any of his/her associate (as defined in the GEM Listing Rules) has a material interest unless otherwise permitted under the bye-laws of the Company.
21. Draft and final versions of minutes of the Committee meetings shall be sent to all members of the Committee for their comments and records respectively, in both cases within a reasonable time from such meeting.
22. The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board, unless a conflict of interest exists or for the reasons mentioned in paragraph 5.
23. Minutes of the Committee shall be kept by the secretary of the Committee and shall be available for inspection by any member of the Committee or the Board at any reasonable time on reasonable notice.
24. The Committee should report to the Board on a regular basis. The chairman of the Committee shall report to the Board on the findings and recommendations of the Committee at the next regular meeting of the Board following a meeting of the Committee.

## **PUBLICATION OF THE TERMS OF REFERENCE OF THE COMMITTEE**

25. The Committee shall make available these terms of reference by posting them on the websites of the Company and The Stock Exchange of Hong Kong Limited, and will be made available on request.

The Chinese version of these terms of reference is for reference only. In case of discrepancies or inconsistency between the English and Chinese versions, the English version shall prevail.