



**中國信息科技發展有限公司**

**China Information Technology Development Limited**

*(incorporated in the Cayman Islands with limited liability)*

(the “Company”) (Stock Code: 08178)

## **TERMS OF REFERENCE FOR REMUNERATION COMMITTEE**

*(Adopted by the Company on 23 December 2022 in replacement of the terms of reference of the Committee adopted on 28 March 2012)*

### **1. Members**

- 1.1 Members of the Remuneration Committee (the “Committee”) shall be appointed by the board of directors (the “Board”) of the Company. The Committee shall consist of not less than three members and a majority of its members shall be independent non-executive directors (INED(s)).
- 1.2 The Chairman of the Committee (the “Chairman”) shall be appointed by the Board and should be an INED. In the absence of the Chairman, members present may elect any member (who should be an INED) to conduct the meeting.

### **2. Secretary of the Remuneration Committee**

- 2.1 The company secretary of the Company shall be the secretary of the Remuneration Committee (the “Secretary”)
- 2.2 The Remuneration Committee may from time to time appoint any other person with appropriate qualification and experience to act as the secretary of the Nomination Committee.

### **3. Meetings and Proceedings**

- 3.1 Meetings of the Committee may be held as and when required or as requested by the Chairman. The Committee shall hold at least one meeting a year.
- 3.2 A Committee meeting which is duly convened and at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretions vested in or exercisable by the Committee.
- 3.3 The Chairman may invite (including but not limited to) any director, management, external advisors or consultant to attend Committee meeting if he/she considers necessary.
- 3.4 Meetings of the Committee may be held either in person, by telephone or through electronic means of communication as the members may agree.

- 3.5 Resolutions of the Remuneration Committee shall be passed with a simple majority of votes. A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee.
- 3.6 Minutes of the Remuneration Committee meetings shall be kept by the Secretary and shall be available for inspection by any member of the Remuneration Committee and/or any director of the Company at any reasonable time on reasonable notice. Draft and final versions of minutes of Remuneration Committee meetings shall be sent to all Remuneration Committee members for their comments and records within a reasonable time after the meeting. Once the minutes are agreed, the Secretary shall circulate the minutes and reports of the Remuneration Committee to all members of the Board.
- 3.7 Save as otherwise provided herein expressly, proceedings of meetings of the Committee shall be governed by the provision of the articles of association of the Company for regulating the proceedings of meetings of the Board *mutatis mutandis*.

#### **4. Responsibilities**

The Committee shall:

- 4.1 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;
- 4.2 review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;
- 4.3 make recommendations to the board on the remuneration packages of individual executive directors and senior management. The remuneration packages include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 4.4 make recommendations to the board on the remuneration of non-executive directors;
- 4.5 consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- 4.6 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;
- 4.7 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;

- 4.8 ensure that no director or any of his/her associates (as defined by the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) is involved in deciding his/her own remuneration; and
- 4.9 review and/or approve matters relating to share schemes under chapter 23 of GEM Listing Rules.
- 4.10 consult the Chairman of the Board and/or the Chief Executive Officer in making its recommendations relating to the remuneration of the other executive directors.

## **5. Authorities**

- 5.1 The authorities of the Committee shall include such authorities set out in the relevant code provisions of the Corporate Governance Code as contained in Appendix 15 to the GEM Listing Rules (as amended from time to time).
- 5.2 The Committee is authorized by the Board to seek any information it requires from the management of the Company in order to perform its duties.
- 5.3 Consult the Chairman of the Board and/or the Chief Executive Officer in making its recommendations relating to the remuneration of the other executive directors.
- 5.4 The Remuneration Committee is authorised by the Board when necessary to seek independent professional advice, at the Company’s expense, to perform its responsibilities.
- 5.5 The Remuneration Committee should be provided with sufficient resources to perform its duties.
- 5.6 The Committee is authorised by the Board to deal with matters within the terms of reference, including authority to enquire and seek relevant information from any employees and secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

## **6. Reporting**

- 6.1 The Committee shall report directly to the board on its findings, decisions and/or recommendations. At the next meeting of the board following a meeting of the Committee, the Chairman shall report the findings, decisions and/or recommendations of the Committee to the board. The Secretary shall also circulate the minutes of meetings, reports and/or written resolutions (if any) of the Committee to all members of the board.

## **7. Corporate governance report**

- 7.1 The work of the Committee during each financial year shall be summarized in the corporate governance report which constitutes part of the annual report.
- 7.2 The Company should disclose details of any remuneration payable to members of senior management by band in its annual reports.

## **8. Annual general meeting**

- 8.1 The Chairman or in his/her absence, his/her duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to answer questions on the Committee's work.

## **9. Amendment**

- 9.1 Subject to the articles of association of the Company and the GEM Listing Rules, any amendment to these terms of reference shall be authorized by the Board.

## **10. Publication**

- 10.1 The Committee shall make available these terms of reference by publishing them on the websites of The Stock Exchange of Hong Kong Limited and the Company.

## **11. Others**

- 11.1 If there is any inconsistency between English and Chinese version of this term of reference, the English version shall prevail.

*Note:*

Senior management refers to the same category of persons as referred to in the most recent annual report published by the Company from time to time.