



1957 & Co. (Hospitality) Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8495)

Remuneration Committee

Terms of Reference

(Adopted on 6 November 2017 and revised with effect from 28 December 2022)

Preamble

1. 1957 & Co. (Hospitality) Limited (the “*Company*”) was listed on the GEM of The Stock Exchange of Hong Kong Limited (the “*HKEx*”) on 5 December 2017.

In compliance with the code provisions of the Corporate Governance Codes issued by the HKEx, a remuneration committee (the “*Remuneration Committee*”) needs to be established with the terms of reference as set out and adopted herein.

Constitution

2. The Remuneration Committee was established by resolutions of the board of directors of the Company (the “*Board*”, and each director of the Board, a “*Director*”) on 6 November 2017.

Membership

3. The members of the Remuneration Committee shall be appointed by the Board from time to time from among the Directors and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors.
4. The chairman of the Remuneration Committee (the “*Chairman*”) shall be appointed by the Board and should be an independent non-executive Director.
5. The term of office of a member of the Remuneration Committee shall be determined by the Board.
6. The appointment of the members and the secretary of the Remuneration Committee may be revoked, or additional members may be appointed to the Remuneration Committee by separate resolutions passed by the Board.
7. Each member of the Remuneration Committee shall disclose to the Remuneration Committee:
 - (a) any personal financial interest (other than as a Shareholder of the Company) in any matter to be decided by the Remuneration Committee; or
 - (b) any potential conflict of interest arising from a cross-directorship.

Any such member shall abstain from voting on resolutions of the Remuneration 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 Remuneration Committee.

8. A member of the Remuneration Committee departing from the Company or ceasing to be a Director shall upon such cessation immediately and automatically cease to be a member of the Remuneration Committee.

Secretary

9. The company secretary, any joint company secretary of the Company or his/her delegate shall act as the secretary of the Remuneration Committee (the “**Secretary**”).

Frequency of Meetings

10. Meetings of the Remuneration Committee shall be held at least once a year. The Chairman shall convene a meeting upon request by any member of the Remuneration Committee.

Notice of Meetings

11. Unless otherwise agreed by all the Remuneration Committee members, a meeting of the Remuneration Committee shall be called with at least three days’ prior notice specifying the date, time and venue/method of the meeting.
12. A member of the Remuneration Committee may at any time request the Secretary to summon a meeting of the Remuneration Committee. Notice shall be given to each member of the Remuneration Committee orally in person or in writing or by telephone or by facsimile or electronic transmission at the telephone number or facsimile number or address or e-mail address from time to time notified to the Secretary by such member of the Remuneration Committee or by such other means as the members may from time to time determine. Any notice given orally shall be confirmed in writing.
13. Remuneration Committee meetings shall be convened by the Secretary.
14. Unless waived by all members of the Remuneration Committee, an agenda of the matters to be discussed shall be sent to each member of the Remuneration Committee at least three days before the date of the meeting. Meeting documents including such meeting agenda shall be sent to the members of the Remuneration Committee and other appropriate attendees at the same time.
15. The Company is obliged to supply the Remuneration Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a Director requires more information than information provided voluntarily by the senior management, the relevant Director should make additional necessary enquiries. The Board and individual Directors shall have separate and independent access to the senior management.

Proceeding of Meetings

16. The quorum of a Remuneration Committee meeting shall be three members, one of whom must be an independent non-executive Director. A meeting chairman should be elected if the Remuneration Committee chairman cannot attend the meeting.
17. Members of the Remuneration Committee may participate in a meeting of the Remuneration Committee by means of a conference telephone or other communications equipment through which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.
18. Resolutions proposed at any Remuneration Committee meeting shall be passed by the majority of the members present at the meeting. In the case of an equality of votes, chairman of the Remuneration Committee shall have the casting vote.

Annual General Meeting

19. The Chairman shall attend the Company's annual general meeting and be prepared to respond to any shareholder's questions on the Remuneration Committee's activities.
20. If the Chairman is unable to attend an annual general meeting of the Company, he shall arrange for another member of the Remuneration Committee, or failing this, his duly appointed delegate, to attend in his place. Such person shall be prepared to respond to any shareholder's questions on the Remuneration Committee's activities.

Written Resolutions

21. Subject to the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited as amended from time to time (the "***GEM Listing Rules***") and the articles of association of the Company, resolutions of the Remuneration Committee may be passed by all members of the Remuneration Committee in writing.

Authority

22. The Remuneration Committee is authorised by the Board to discharge its duties within these terms of reference. It is authorised to seek any remuneration information it requires from relevant parties of the Company. The Remuneration Committee is authorised and encouraged by the Board to obtain external independent professional advice from reputable internationally recognised advisors, at the Company's expense, and to secure the attendance of such external advisors with relevant experience and expertise. The Remuneration Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external remuneration consultant who advises the Remuneration Committee. The Remuneration Committee shall have the full authority to commission any report or survey which it seems necessary to fulfill its obligations.

Responsibilities and Duties

23. The responsibilities and duties of the Remuneration Committee shall include:

- (a) making 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) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) being responsible for either:
 - (i) determining, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or
 - (ii) making 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;
- (d) making recommendations to the Board on the remuneration of non-executive Directors;
- (e) considering salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group;
- (f) reviewing and approving the compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that such compensation is consistent with the contractual terms and is otherwise fair and not excessive;
- (g) reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct in order to ensure they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (h) ensuring that no Director or any of his associates (as defined in the GEM Listing Rules) is involved in deciding his own remuneration; and
- (i) reviewing and/or approving matters relating to share schemes under Chapter 23 of the GEM Listing Rules.

24. In carrying out its duties under these terms of reference, the Remuneration Committee should:
- (a) consult the chairman of the Board and/or the chief executive officer of the Company about their remuneration proposals for other Directors, executive officers and senior management and to consult independent professional advice if necessary;
 - (b) provide competitive packages needed to attract, retain and motivate executive Directors and senior management of the quality required in line with market practice;
 - (c) judge where to position the Group relative to other companies in the industry in which the Group operates. The Remuneration Committee should be aware what comparable companies are paying and should take account of relative performance;
 - (d) be sensitive to market practice, including pay and employment conditions within the Group and elsewhere in the industry in which the Group operates, especially when determining annual salary increases;
 - (e) ensure that the performance-related elements of remuneration form a significant proportion of the total remuneration package of the Directors, executive officers and senior management and are designed to align their interests with those of the shareholders and to give the Directors, executive officers and senior management incentives to perform at the highest levels; and
 - (f) ensure that share options or share awards offered by the Company to its Directors or senior management (if any) are in accordance with Chapter 23 of the GEM Listing Rules, as applicable.
25. Without prejudice to the generality of these Terms of Reference for the Remuneration Committee set out above, the Remuneration Committee shall:
- (a) operate the Company's share scheme (if any) or other incentive schemes (if any) as they apply to, and recommend to the general meeting of shareholders, grants of options to be made to Directors and/or senior management. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);
 - (b) liaise with the trustee of any employee share scheme which is created by the Company for the benefit of employees, senior management or Directors;
 - (c) review the terms of executive Directors' service contracts from time to time; and
 - (d) advise the Board in relation to the preparation of the Board's remuneration report (if any) to the shareholders.

Reporting Procedures

26. Full minutes of the Remuneration Committee's meetings shall be kept by the secretary of the Remuneration Committee, and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Director.
27. Minutes of meetings of the Remuneration Committee shall record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes should be sent to all members of the Remuneration Committee for their comment and records respectively, in both cases within a reasonable time after such meetings. The minutes of the meeting shall be signed and sealed or electronically signed, by all committee members present.
28. Without prejudice to the generality of the duties of the Remuneration Committee set out in these terms of reference, the Remuneration Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on doing so.

Continuing Application of the Articles of Association of the Company

29. The articles of association of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and not inconsistent with the provisions of these terms of reference shall apply to regulate the meetings and proceedings of the Remuneration Committee.

Powers of the Board

30. The Board may, subject to compliance with the articles of association of the Company and the GEM Listing Rules, amend, supplement and revoke these terms of reference and/or any resolution passed by the Remuneration Committee provided that no amendments to or revocation of these terms of reference and/or any resolution passed by the Remuneration Committee shall invalidate any prior act and resolution of the Remuneration Committee which would have been valid if these terms of references had not been amended or revoked.

Provision of Terms of Reference

31. The Remuneration Committee shall make available these terms of reference on request and by inclusion on the HKEx's website and the Company's website, thereby explaining the role of the Remuneration Committee and the authority delegated to it by the Board.

Approval of Disclosure Statements

32. The Remuneration Committee shall be responsible for approving all disclosure statements in relation to the Remuneration Committee, including but not limited to relevant disclosure statements in annual reports, interim reports and information uploaded on the HKEx's website and the Company's website.

Review of Terms of Reference

33. The Remuneration Committee shall review these Terms of Reference annually, and may consider and submit to the Board any proposed changes that the Remuneration Committee deems appropriate or advisable.

General

34. The Remuneration Committee shall have the discretion to, as it deems reasonable and in the interest of the Company, do such things and exercise such powers granted to it in accordance with any rule, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the GEM Listing Rules or any applicable law.

Note: If there is any inconsistency between the English and Chinese versions of these terms of reference, the English version shall prevail.