

ORIENT SECURITIES INTERNATIONAL HOLDINGS LIMITED
東方滙財證券國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8001)

**TERMS OF REFERENCE AND MODUS OPERANDI OF
THE REMUNERATION COMMITTEE
REVISED AND ADOPTED BY THE BOARD ON 30 DECEMBER 2022**

A. MEMBERSHIP

1. The Remuneration Committee (hereinafter referred to as the “**Committee**”) shall be appointed by the board of directors (the “**Board**”) of the Orient Securities International Holdings Limited (the “**Company**”).
2. The Committee shall consist of not less than three members, a majority of whom should be independent non-executive directors (the “**INED**”) who shall meet and maintain the independence requirements set out in the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”). The constitution of the Committee shall comply with the requirements of the GEM Listing Rules from time to time.
3. The chairman of the Committee shall be an INED and a member of the Committee appointed by the Board.
4. The company secretary of the Company or his/her nominee shall act as the Committee’s secretary.

B. FREQUENCY OF AND ATTENDANCE AT MEETINGS

5. Meetings shall be held not less than once a year. Any member of the Committee may request a meeting if he/she/they consider(s) that one is necessary and upon the receipt of such request, the secretary of the Committee shall convene a meeting as soon as reasonably practicable and having regard to the convenience of all members with priority given to the INEDs.
6. Unless otherwise stated herein, the meetings of the Committee are governed by the provisions contained in the Company’s articles of association for regulating the meetings and proceedings of directors of the Company (the “**Directors**”).
7. The quorum of a meeting of the Committee shall be two members, both of whom must be INEDs.

* For identification purposes only

8. The chairman of the Board (the “**Chairman**”) may attend meetings of the Committee, provided always that he/she shall not be in attendance when his/her own remuneration package or benefits are being discussed.
9. The Committee may, from time to time, when appropriate, invite external advisors to attend the meeting.
10. Notice of meeting shall state the purpose time and venue of the meeting. An agenda together with other documents which may be required to be considered by the members of the Committee for the purposes of the meeting should generally be delivered to all Committee members seven days before the intended date of the Committee meeting (or such other period as all the Committee members may agree).
11. Members of the Committee may participate in a meeting of the Committee by means of telephone conference or similar communications equipment by means of 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.

C. AUTHORITIES

11. The Committee is authorised by the Board to review, assess and make recommendations upon any issue within its terms of reference. It is authorised to seek any information it requires from any employee or executive Director and such persons are directed to co-operate with any request made by the Committee.
12. The Committee is authorised by the Board, and at the reasonable expense of the Company, to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.
13. The Committee is to be provided with sufficient resources to discharge its duties.

D. PURPOSE AND GENERAL RESPONSIBILITIES

14. The purpose of the establishment of the Committee is to ensure the presence of a formal and transparent procedure for setting policy on the remuneration packages of the Chairman, the executive Directors and the senior management of the Company.

15. The Committee is to review and make recommendations concerning the remuneration packages and benefits of the Chairman, the executive Directors and the senior management of the Company as an independent and impartial committee, who have no personal financial interest in the package and/or benefits recommended and who, in the setting of those remuneration packages, will consider and give due regard to both the performance levels of, and a fair reward for, the Chairman, executive Directors and the senior management of the Company and to the interest of all the shareholders of the Company (the “**Shareholders**”) in the light of the financial and commercial circumstances of the Company from time to time. No Director shall be involved in deciding his own remuneration.
16. The Committee should utilise information obtained internally and externally to satisfy itself that basic salaries are competitive with current market conditions and that the total remuneration package/benefits are competitive with other companies of a similar size, business nature and scope as the Company.
17. The Committee must ensure that the Chairman, the executive Directors and the senior management of the Company are fairly rewarded in the light of their contribution to the Company and their performance and that they receive suitable incentives to maintain high standards of performance and to improve their, and the Company’s performance.
18. The Committee should consult the Chairman and/or chief executive of the Company about their remuneration proposals for other executive Directors. The Committee should have access to independent professional advice if considered necessary.
19. The Committee should provide the packages needed to attract, retain and motivate the executive Directors of the quality required, but shall not pay more than is necessary for this purpose.
20. The Committee should ensure that a significant proportion of the remuneration of the executive Directors should link rewards to corporate and individual performance and are designed to align their interests with those of the Shareholders and to give Directors the incentives to perform at the highest levels.
21. The Committee should ensure that share options and/or share awards offered by the Company to its Directors or senior management of the Company (if any) are in accordance with Chapter 23 of the GEM Listing Rules, as applicable.

E. DUTIES

22. The duties of the Committee shall be:

- (a) formulate remuneration policy for approval by the Board, which shall take into consideration factors such as salaries paid by comparable companies, time commitment, employment conditions, and responsibilities, and individual performance of the directors, senior management, and the general staff. 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;
- (b) without prejudice to the generality of the foregoing:
 - (i) establish guidelines and procedures for the recruitment of the chief executive and senior management and developing remuneration policy;
 - (ii) to ensure that no Director or any of his/her associates (as defined in the GEM Listing Rules) is involved in deciding his own remuneration;
 - (iii) recommend to the Board the policy and structure for the remuneration of Directors (including non-executive directors, and the chief executive as an ex-officio member) and senior management whilst ensuring no Director or any of his associates is involved in deciding his own remuneration;
 - (iv) determine the remuneration of executive Directors (including the chief executive who is an ex-officio member) and senior management, including benefits in kind, pension right, compensation payment (including compensation for loss of office or appointment etc). The chairman of the Committee and/or the chief executive shall be consulted respectively about their proposals relating to the remuneration of the chief executive and/or senior management, as the case may be;
 - (v) review and approve the management's remuneration proposals, the compensation payable to executive Directors and senior management for any loss or termination of office or appointment and compensation arrangements in connection with dismissal or removal of Directors for misconduct which shall be fair, reasonable and not excessive and are consistent with contractual terms;
 - (vi) determine the criteria for assessing employee performance, which should reflect the Company's business objectives and targets;

- (vii) consider the annual performance bonus for executive Directors, senior management, and the general staff, having regard to their achievements against the performance criteria and by reference to market norms, and make recommendation to the Board;
- (viii) engage such external professional advisors to assist and/or advise the Committee on issues as it considers necessary;
- (ix) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board;
- (x) conform to any requirement, 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 legislation;
- (xi) to ensure the chairman of the Committee, or in the absence of the chairman, another member of the Committee or failing this his duly appointed delegate, to be available to answer questions at the annual general meeting of the Company; and
- (xii) to review and/or approve matters relating to share schemes under Chapter 23 of the GEM Listing Rules.

F. REPORTING PROCEDURES

23. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the Committee's chairman shall report the findings and recommendations of the Committee to the Board unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).
24. 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 and may consist of several documents in like form each signed by one or more of the Committee members.
25. Full minutes of the Committee meetings shall be kept by the secretary of the Committee. Draft and final versions of minutes of the meetings should be sent to all members of the Committee for their comments and records within a reasonable time after the meeting.

G. AVAILABILITY AND UPDATE OF THE TERMS OF REFERENCE

26. These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (e.g. the GEM Listing Rules) in Hong Kong. These terms of reference shall be made available to the public by including the information on The Stock Exchange of Hong Kong Limited's website and the Company's website.
27. The Company should disclose the remuneration policy for the Directors, details of any remuneration payable to members of senior management of the Company by band and other remuneration-related matters in its annual report.

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