



# YUXING INFOTECH INVESTMENT HOLDINGS LIMITED

## 裕興科技投資控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 8005)**

### REMUNERATION COMMITTEE – TERMS OF REFERENCE

#### 1. Membership

- 1.1 The Remuneration Committee shall be appointed by the board of directors of the Company (the “Board”).
- 1.2 The majority of the members of the Remuneration Committee shall be independent non-executive Directors (“INEDs”).
- 1.3 The Chairman of the Remuneration Committee shall be appointed by the Board and must be an INED.

#### 2. Secretary

- 2.1 The Company Secretary shall be the secretary of the Remuneration Committee.
- 2.2 Notwithstanding any other provisions in this terms of reference, the Remuneration Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Remuneration Committee.

#### 3. Meetings

- 3.1 The Remuneration Committee shall meet at least once each year.
- 3.2 Notice of any meetings has to be given at least 7 days prior to any such meeting being held provided that if a meeting is called by a shorter notice, it shall be deemed to have been duly called if it is so agreed by a majority of the members. A member who attends such a meeting shall be deemed to agree to the shorter notice. Notice of any adjourned meetings is not required if the adjournment is less than 14 days.
- 3.3 The quorum of the Remuneration Committee shall be two members.
- 3.4 Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment provided that all persons participating in the meeting are capable of hearing each other.
- 3.5 Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of the members present.

- 3.6 A resolution in writing signed by all the members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more members.
- 3.7 Full minutes of Remuneration Committee meetings shall be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes of the meetings shall be sent to all Remuneration Committee members for their comment and records within a reasonable period of time after the meeting.

#### **4. Attendance and Voting at Meetings**

- 4.1 At the invitation of the Remuneration Committee, the Chairman of the Board and/or the Chief Executive (if not a member of the Remuneration Committee), external advisers and other persons may attend all or part of any meeting.
- 4.2 Only members of the Remuneration Committee are entitled to vote at the meetings.

#### **5. Annual General Meeting**

- 5.1 The Chairman of the Remuneration Committee (or in his absence, another member of the Remuneration Committee or failing this his duly appointed delegate) shall attend the Company's annual general meeting and be prepared to respond to shareholders' questions on the Remuneration Committee's activities and its responsibilities.

#### **6. Responsibility and Powers**

The Remuneration Committee shall have the following responsibilities and powers:

- 6.1 to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management<sup>Note 1</sup> remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 6.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 6.3 either:
- (i) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or
  - (ii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.

- 6.4 to make recommendations to the Board on the remuneration of non-executive Directors;
- 6.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- 6.6 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;
- 6.7 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;
- 6.8 to review and/or approve matters relating to share schemes under Chapter 23 of the GEM Listing Rules;
- 6.9 to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- 6.10 to advise shareholders on how to vote with respect to any service contracts of Directors that require shareholders' approval under the GEM Listing Rules.

## **7. Reporting**

- 7.1 The Remuneration Committee shall report to the Board after each meeting.

## **8. Authority**

- 8.1 The Remuneration Committee shall consult the Chairman of the Board and/or Chief Executive about their remuneration proposals for other executive Directors;
- 8.2 The Remuneration Committee is authorized by the Board to seek any remuneration related information it requires from senior management of the Company in order to perform its duties;
- 8.3 The Remuneration Committee is authorized by the Board to have access to independent professional advice at the Company's expense if necessary<sup>Note 2</sup>; and
- 8.4 The Remuneration Committee shall be provided with sufficient resources to perform its duties.

Notes:

1. “senior management” refers to the same persons referred to in the Company’s annual report and required to be disclosed under rule 18.39 of the GEM Listing Rules.
2. Arrangement to have access to independent professional advice could be made through Company Secretary.

Revised and effective on 30 December 2022