



## PHOENITRON HOLDINGS LIMITED

### 品創控股有限公司

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

*(Stock Code: 8066)*

*(“the Company”)*

## Terms of Reference of Remuneration Committee

### 1. Constitution

- 1.1 The Remuneration Committee (the “Committee”) is a committee of the Board of directors of the Company (the “Board”) established on 14 Nov 2005.
- 1.2 To cater for the new listing rules of Hong Kong Stock Exchange on corporate governance, these amended terms of reference were resolved and adopted by the Board with effect from 1 January 2023.

### 2. Membership

- 2.1 The Committee shall be appointed by the Board from amongst the members of the Board and shall comprise a minimum of three members, with the majority being independent non-executive directors (“INED(s)”).
- 2.2 The chairman of the Committee shall be appointed by the Board from amongst the INEDs.
- 2.3 All members of the Committee can be removed by the Board at its sole discretion. The Board shall from time to time vary the composition of the Committee as may be required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“Exchange”) as modified from time to time (the “GEM Listing Rules”) or the rules of any other stock exchange in respect of which the shares of the Company are listed or quoted, or other codes, rules and regulations as may be prescribed by the applicable regulatory authority from time to time.

### 3. Attendance at meetings

- 3.1 The chairman of the Board, professional advisers or other persons may be invited by the Committee to attend the meetings of the Committee. Other Board members shall also have the right of attendance. However, only members of the Committee are entitled to vote at the meetings of the Committee.
- 3.2 The company secretary or his/her nominee shall act as the secretary of the Remuneration Committee.

#### **4. Frequency of meetings**

- 4.1 The Committee shall meet at least once a year. Additional meetings should be held as the work of the Committee demands.

#### **5. Notice of Meetings**

- 5.1 The meetings of the Committee shall be convened by the secretary of the Committee with a notice of no less than fourteen (14) days prior to any such meeting being held, unless all members of the Committee unanimously waive such notice.
- 5.2 Irrespective of the length of notice being given, attendance of a meeting by a member of the Committee shall be deemed waiver of the requisite length of notice by such member.
- 5.3 Notice of any adjourned meeting is not required if adjournment is for less than fourteen (14) days.

#### **6. Proceedings of meetings**

- 6.1 The quorum necessary for the transactions of business of the Committee shall be two, of whom at least one has to be INED. Meetings may be held in person, by telephone or by video conference.
- 6.2 Resolution(s) shall be passed by simple majority of votes at the meetings of the Committee. In the case of equality of votes, the chairman of the Committee shall have a casting vote.

#### **7. Authority**

- 7.1 The Committee is authorized by the Board:
- (i) to consult the chairman and the chief executive officer about their proposals relating to the remuneration of other executive directors;
  - (ii) to seek any remuneration related information it requires from any senior management who are directed to co-operate with any request made by the Committee; and
  - (iii) to seek independent professional advice, if necessary.
- 7.2 The Committee will be provided with sufficient resources to perform its duties.

#### **8. Duties**

- 8.1 The duties of the Committee shall be:
- (i) to make recommendations to the Board on the Company's policy and structure for all directors and senior management remuneration and on the establishment of formal and transparent procedure for developing remuneration policy on such remuneration;

- (ii) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (iii) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management. These should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (iv) to make recommendations to the Board on the remuneration of non-executive directors.
- (v) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (vi) 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;
- (vii) 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;
- (viii) to ensure no director or any of his/her associates is involved in deciding his/her own remuneration.
- (ix) to review and/or approve matters relating to share schemes under Chapter 23 of the GEM Listing Rules; and
- (x) To consider all other matters as referred to the Committee by the Board or otherwise required to be considered by the Committee under the GEM Listing Rules as implemented from time to time.

## **9. Minutes**

- 9.1 Minutes of each meeting of the Committee should record in sufficient details by the secretary of the Committee, a copy of draft and final version of minutes of such meeting should be sent to its members within a reasonable period of time for their comments and records respectively.
- 9.2 Resolution(s) 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 duly convened and held.
- 9.3 Minutes or resolution(s) in writing shall be kept by the secretary of the Committee and shall be opened for the Board's inspection.

## **10. Reporting Responsibilities**

- 10.1 The Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities by way of minutes or any other appropriate ways.

## **11. Publication of the terms of reference**

- 11.1 The terms of reference will be posted on the website of the Exchange and the Company. A copy of the terms of reference will be made available to any person without charges upon request.