

TIL ENVIRO LIMITED

達力環保有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1790)

(the “Company”)

Remuneration Committee

Terms of Reference

1. Organisation

The board (“**Board**”) of directors (“**Directors**”) of the Company has resolved to set up a remuneration committee of the Board (“**Committee**”).

2. Objective

The main objective of the Committee is to regularly make recommendations to the Board on the Company’s policy and structure for the remuneration of all Directors’ and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy. The Committee is accountable to the Board.

3. Composition

3.1 The Committee shall comprise three Directors who are appointed or removed by the Board. If any member of the Committee (“**Member**”) ceases to be a Director, he/she will cease to be a Member automatically. The vacancy will be filled by appointment of new Member by the Board.

3.2 The majority of the Members shall be independent non-executive Directors.

3.3 The chairman of the Committee shall be appointed by the Board and shall be an independent non-executive Director.

4. Secretary

Save as otherwise appointed by the Committee, the secretary to the Committee shall be the secretary to the Company.

5. Powers

5.1 The Committee is authorised by the Board to deal with any remuneration matters of the Directors and senior management of the Group within its terms of reference. It is authorised to seek any information it requires from management and management is directed to co-operate with any request by the Committee.

5.2 The Committee should consult the chairman and/or chief executive about their remuneration proposals for other executive Directors and senior management and is authorised by the Board to obtain independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, at the Company's expense, if it considers this necessary.

6. Duties

The duties of the Committee are as follows:

- 6.1 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;
- 6.2 review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 6.3 make recommendations to the Board on the remuneration packages of individual executive Director(s) and senior management. This should, include base salary, bonus, benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 6.4 make recommendations to the Board on the remuneration of non-executive Director(s);
- 6.5 consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- 6.6 review and approve compensation payable to executive Director(s) 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 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 ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- 6.9 advise shareholders on how to vote with respect to any service contracts of Directors that require shareholders' approval under Rule 13.68 of the Rules Governing the Listing of Securities ("**Listing Rules**") on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**");
- 6.10 exercise all the powers of the Board in relation to the Company's share option scheme(s) or other share-based incentive scheme(s) as may be adopted from time to time in accordance with the Listing Rules and its rules as the Members of the Committee may deem necessary or expedient; and

6.11 conform to any requirement, direction, and regulation that may from time to time be contained in the memorandum and articles of association of the Company or imposed by the Listing Rules or applicable law.

7. Meetings of the Committee

7.1 Number of meeting

There shall be at least one meeting of the Committee annually to be convened and held by attending in person, by telephone or video conference. If required, extraordinary meeting could be convened.

7.2 Notice of meeting

Unless waived by all Members on notice, the secretary to the Committee shall give seven days prior notice to all Members for any meeting to be convened and circulate the meeting agenda to the Members.

7.3 Quorum

Meetings of the Committee shall be attended by more than one-half of the Members to be effective.

7.4 Conducting the meetings

Meetings could be convened by attending in person, by telephone or video conference. Members could attend the meetings through telephone conference or similar arrangements which Members could communicate to each other. With consent by all Members, resolutions of the Committee could be passed by written resolutions.

7.5 Resolutions

Any resolution shall be passed by the majority votes of the Members.

7.6 Invitations

The Committee could invite any executive Director(s), external advisers or other individuals to attend the meetings but such executive Director(s), advisers or individuals are not entitled to vote at the meetings.

7.7 Minutes of the meetings

Full minutes of meetings should be kept by the secretary to the Committee. Minutes shall record matters considered and decisions reached by the Members in details, including any doubt or disagreement raised by the Members. Draft and final versions of the minutes of the meetings should be sent to all Members for their comments and record, within a reasonable time after the meetings.

8. Report

Chairman of the Committee or other Member who is authorised by the Chairman of the Committee to chair the meetings shall report to the Board after each meeting of the Committee. The secretary shall make available the minutes of meetings and reports of the Committee to all members of the Board for inspection upon request.

9. Availability and update of the terms of reference

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 Listing Rules) in Hong Kong. These terms of reference shall be made available to the public by including the information on the Company's website and the Stock Exchange's website.

10. Interpretation

Interpretation of these terms of reference shall belong to the Board.

(Adopted by the Company pursuant to the Board's resolutions passed on 4 October 2018 and revised on 6 December 2022)