



# WING ON COMPANY INTERNATIONAL LIMITED

永安國際有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 289)

(the “Company”)

## TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

### 1. Constitution

- 1.1 The remuneration committee of the Company (together with its subsidiaries, the “Group”) (the “Remuneration Committee”) is established pursuant to a resolution passed by the board of directors of the Company (the “Board”) at the meeting held on 30 June 2005.

### 2. Membership

- 2.1 The Remuneration Committee shall consist of not less than three members appointed by the Board and a majority of whom shall be independent non-executive directors (“INEDs”).
- 2.2 The chairman of the Remuneration Committee (the “Chairman”) shall be appointed by the Board and shall be an INED.
- 2.3 The Company Secretary of the Company, or may be otherwise appointed by the Board, shall be the secretary of the Remuneration Committee.

### 3. Frequency and proceedings of meetings

- 3.1 The Remuneration Committee shall meet at least two times a year. Additional meetings shall be held as the work of the Remuneration Committee demands.
- 3.2 The Chairman may convene additional meetings at his/her discretion.
- 3.3 The quorum for a meeting shall be two members.
- 3.4 Proceedings of meeting of the Remuneration Committee shall be governed by the provisions of the Bye-Laws of the Company.

#### **4. Minutes of meetings**

- 4.1 The secretary of the Remuneration Committee should keep full records of all resolutions passed by the Remuneration Committee.
- 4.2 Draft and final versions of minutes of the meetings should be sent to all Remuneration Committee members for their comment and records, within a reasonable time after the meeting.

#### **5. Reporting**

- 5.1 The Remuneration Committee should report to the Board after each of its meetings.
- 5.2 The Remuneration Committee should disclose the directors' remuneration policy, details of any remuneration payable to members of senior management by band and other remuneration related matters in the Company's annual reports.

#### **6. Authority**

- 6.1 The Remuneration Committee shall consult the Chairman of the Board and/or the Chief Executive Officer of the Company about their remuneration proposals for other executive directors.
- 6.2 The Remuneration Committee should be provided with sufficient resources to perform its duties and have access to independent professional advice if necessary.

#### **7. Duties**

- 7.1 The duties of the Remuneration Committee shall be:-
  - (a) 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 a formal and transparent procedure for developing remuneration policy;
  - (b) to review and approve the senior management's remuneration proposals with reference to the Board's corporate goals and objectives;
  - (c) to have the delegated responsibility to determine the specific remuneration packages of all 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) to make recommendations to the Board of the remuneration of non-executive directors;
  - (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group and desirability of performance-based remuneration;

- (f) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- (g) to ensure that no equity-based remuneration (e.g. share options or grants) with performance-related elements is granted to INEDs as this may lead to bias in their decision-making and compromise their objectivity and independence;
- (h) 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 that is otherwise fair and not excessive;
- (i) 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;
- (j) to ensure that no director or any of their associates is involved in deciding that director's own remuneration;
- (k) to ensure that a significant portion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance; and
- (l) to ensure that the Company discloses details of any remuneration payable to members of senior management in the Company's annual reports.

## **8. Availability of this terms of reference**

- 8.1 The Remuneration Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board and by including them on The Stock Exchange of Hong Kong Limited's website and the Company's website.

Hong Kong, 8 December 2022