



## **YesAsia Holdings Limited**

### **喆麗控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 2209)**

## **TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE**

**(Amended and adopted by the Board on 16 December 2022)**

### **1. Constitution**

The board of directors (the "**Directors**") of YesAsia Holdings Limited 喆麗控股有限公司 (the "**Company**") (the "**Board**") has resolved the establishment of the remuneration committee of the Company (the "**Committee**") on 17 August 2020. Set out below are the terms of reference (the "**Terms of Reference**") of the Committee. The Terms of Reference are available for viewing in English and Chinese. If there is any inconsistency between the English and the Chinese versions of the Terms of Reference, the English version shall prevail.

### **2. Membership**

- 2.1 Members of the Committee shall be appointed by the Board from among the Directors and shall comprise not less than three members and a majority of whom should be independent non-executive Directors.
- 2.2 The term of each Committee member shall be the same as his/her term as a Director. Subject to the constitutions of the Company and the applicable laws and regulations, any member of the Committee may be re-appointed by the Board and continue to act as a member of the Committee upon the expiry of his/her term of appointment relating thereof.
- 2.3 A member of the Committee who ceases to be a member of the Board shall immediately and automatically cease to be a member of the Committee.
- 2.4 The chairman of the Committee (the "**Committee Chairman**") shall be appointed by the Board from time to time and shall be an independent non-executive Director. In the absence of the Committee Chairman (or his/her appointed deputy), the remaining members present shall elect one of themselves who is an independent non-executive Director to chair meetings of the Committee.
- 2.5 The appointment of the members or secretary of the Committee may be revoked, or additional members may be appointed to the Committee by separate resolutions passed by the Board and by the Committee.

### **3. Committee Secretary**

The company secretary of the Company shall act as the secretary of the Committee (the "**Committee Secretary**"). The Committee may, from time to time, appoint any other person with the appropriate qualification and experience as the Committee Secretary. The Committee Secretary or in his/her absence, his/her representative or any one member of the Committee, shall be the secretary of the meeting.

#### **4. Frequency of Meetings**

- 4.1 Meetings shall be held as and when appropriate, but at least once a year.
- 4.2 The Committee Chairman shall convene a meeting upon request by any member of the Committee.

#### **5. Conduct of Meetings**

- 5.1 Unless specified by these terms of reference, meetings and proceedings of the Committee shall be governed by the Company's articles of association regulating the meetings and proceedings of the Directors.
- 5.2 An agenda and accompanying Board papers should be sent in full to all Directors in a timely manner and at least 3 days before the intended date of a meeting of the Remuneration Committee (or other agreed period).
- 5.3 Unless otherwise agreed by all the Committee members (either orally or in writing), a meeting shall be called by giving at least seven days' notice. Notice shall be given to each Committee member and any other person invited to attend in person orally or in writing or by telephone or by email or by facsimile transmission at the telephone or facsimile or address or email address from time to time notified to the Committee Secretary by such Committee member or in such other manner as the Committee members may from time to time determine.
- 5.4 Notice of meeting shall state the purpose, time and place of the meeting and shall be followed by 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. In respect of regular meetings of the Committee to be held as mentioned in clause 4 above, and so far as practicable for all other meetings of the Committee, the agenda and accompanying papers shall be sent in full to all the members of the Committee in a timely manner and at least 3 days before the intended date of the meeting of the Committee (or such other period as all the Committee members may agree).
- 5.5 The quorum of the Committee shall be any two members of the Committee, of whom at least one shall be an independent non-executive Director. Meetings could be held in person, by telephone or by video conference. A duly convened meeting of the Committee at which a quorum is present shall be competent to

exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

- 5.6 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the members of the Committee present. Subject to compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the applicable laws and regulations, a resolution in writing signed by all the 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.
- 5.7 The Committee may invite any member of the senior management of the Company (the "**Senior Management**"), any Director, external advisers or any other persons to attend all or part of any meetings as the Committee considers appropriate, notwithstanding that the aforementioned persons shall not have a right to vote at such meetings.
- 5.8 Each member of the Committee shall disclose to the Committee:
- 5.8.1 any personal financial interest (other than as a shareholder of the Company) in any matter to be decided by the Committee; or
- 5.8.2 any potential conflict of interest arising from directorships held in other companies. Any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions, and shall (if so required by the Board) resign from the Committee.

## **6. Annual General Meetings**

The Committee Chairman, or in his/her absence, another member of the Committee, or failing which his/her duly appointed alternate shall attend the annual general meetings of the Company and be available to answer questions thereat on the Committee's activities and its responsibilities.

## **7. Authority**

- 7.1 The Committee is authorised by the Board to investigate any activity within its Terms of Reference and the Company shall provide the Committee with sufficient resources to perform its duties. It is authorised to seek any information it requires from any employee of the Group and member of the Board in order to perform its duties and all employees of the Group and members of the Board are directed to co-operate with any request made by the Committee within the scope of these Terms of Reference. The Committee is authorised to require any of them and any professional advisers (including auditors) to prepare and submit reports, to attend Committee meetings and to address the questions raised by the Committee.

- 7.2 The Committee is authorised to obtain independent legal and other professional advice from third parties with relevant experience and expertise on any matters within these Terms of Reference as it considers necessary and to secure the attendance of such outsiders at its meetings as it considers necessary.
- 7.3 Management of the Company is obliged to supply the Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a member of the Committee requires more information than the information provided voluntarily by the management of the Company, the relevant member of the Committee should make additional necessary enquiries. Each member of the Committee shall have separate and independent access to the management of the Company.
- 7.4 The Senior Management of the Company is obliged to supply the Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a member of the Committee requires more information than the information provided voluntarily by the Senior Management of the Company, the relevant member of the Committee should make additional necessary enquiries. Each member of the Committee shall have separate and independent access to the Senior Management of the Company.
- 7.5 The role and function of the Committee shall be explained in the corporate governance report in the annual report of the Company.

## **8. Duties**

- 8.1 The duties of the Committee shall include, without limitation, the following:
- 8.1.1 to evaluate the performance of all Directors and Senior Management and 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;
  - 8.1.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
  - 8.1.3 to review any proposed service contract with any Director or Senior Management before such contract is entered into and to make recommendation to the Board for any changes to the proposed terms of such contract;
  - 8.1.4 to make recommendations to the Board on the remuneration packages of individual executive Directors and Senior Management, which should

include benefits in kind, pension rights and compensation payments, and any compensation payable for loss or termination of their office(s) or appointment(s), and to make recommendations to the Board on the remuneration of non-executive Directors;

- 8.1.5 in determining such packages and arrangements, give due regard to any relevant legal requirements, and the provisions, guidelines and recommendations of related regulatory bodies;
- 8.1.6 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and any of its subsidiaries;
- 8.1.7 to review and approve compensation payable to executive Directors and Senior Management for any loss or termination of office(s) or appointment(s) to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- 8.1.8 to review at least annually the appropriateness and relevance of the remuneration policy;
- 8.1.9 to disclose details of any remuneration payable to members of the Senior Management by band in its annual reports;
- 8.1.10 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;
- 8.1.11 to ensure that the remuneration levels are sufficient to attract and retain directors to run the Company successfully without paying more than necessary;
- 8.1.12 to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- 8.1.13 to review and make recommendations on the roles and responsibilities, training and professional development of the Directors and Senior Management;
- 8.1.14 make recommendations to the Board in respect of any service contracts of Directors that require the approval of the shareholders of the Company (the "**Shareholders**") as to whether the terms are fair and reasonable and whether such contracts are in the interests of the Company and the Shareholders as a whole;

- 8.1.15 to consult the chairman of the Board and/or the chief executive of the Company about their remuneration proposals for other executive Directors;
- 8.1.16 to evaluate and make recommendations on any share schemes that may be adopted by the Company from time to time;
- 8.1.17 to ensure that share awards and share options offered by the Company to its Directors or Senior Management (if any) are in accordance with Chapter 17 of the Listing Rules, as applicable;
- 8.1.18 to administer the Company's share schemes (if any) or other incentives schemes (if any) as they apply to Directors and/or Senior Management (subject to compliance with the provisions of the Listing Rules). It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to Directors and/or Senior Management to be at the discretion of the Committee) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);
- 8.1.19 to ensure that all provisions regarding the disclosure of remuneration including pensions, as set out in the relevant provisions of the Listing Rules, are fulfilled;
- 8.1.20 at least once a year, to review its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval;
- 8.1.21 to make recommendations to the Board as it deems appropriate on any area within its scope of duties where action or improvement is needed;
- 8.1.22 to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- 8.1.23 to review annually these Terms of Reference and their effectiveness in the discharge of its duties and to make recommendations to the Board any changes it considers necessary.

## **9. Reporting Procedures**

- 9.1 Full minutes of the Committee's meetings should be recorded and kept by the Committee Secretary and shall be available for inspection at any reasonable time on prior reasonable notice by any Director.
- 9.2 Draft and final versions of the meeting minutes should be sent to all members of the Committee for their comments and records, within a reasonable time after such meetings.

9.3 The Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless prohibited by applicable laws and regulations.

**10. Terms available**

The Committee shall make available these terms of reference on request and by including them on The Stock Exchange of Hong Kong Limited's website and the Company's website.