



# **SUN HING VISION GROUP HOLDINGS LIMITED**

## **新興光學集團控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 125)**

### **Terms of Reference of the Remuneration Committee**

#### **1. Membership**

1.1 The Remuneration Committee of Sun Hing Vision Group Holdings Limited (the "Company") shall comprise at least three members, each of whom shall be appointed by the board of directors of the Company ("Board").

1.2 A majority of the members of the Remuneration Committee shall be independent non-executive directors who are independent of management of the Company and free from any business or other relationship which could interfere with the exercise of their independent judgment. Members of the Remuneration Committee shall include the Human Resources Manager of the Company.

1.3 The chairman of the Remuneration Committee should be an independent non-executive director and should be appointed by the Board.

1.4 The Human Resources Manager of the Company (or his/her nominee) may act as the secretary to the Remuneration Committee.

#### **2. Meetings**

2.1 The quorum necessary for the transaction of business shall be two, and a duly convened meeting of the Remuneration Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested or exercisable by it.

2.2 The Remuneration Committee should meet not less than once a year and at such other times as its chairman or the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) may require.

2.3 Meetings of the Remuneration Committee may be summoned by the chairman or the secretary of the Remuneration Committee at the request of any committee member.

2.4 Unless otherwise agreed, notice of each committee meeting stating the date, time and venue together with an agenda containing items to be discussed, should be sent to each committee member, together with any other person(s) required to attend and all other independent non-executive directors, no fewer than 5 working days prior to the date of the meeting.

2.5 The chairman of the Board should have the right to attend and speak at meeting of the Remuneration Committee, and other members of the Board may be called upon or be able to speak by prior arrangement with the chairman of the Remuneration Committee.

2.6 Proceedings of the committee meeting shall be governed by the applicable provisions as required by the Company’s bye-laws and the Listing Rules.

### 3. Minutes of Meetings

3.1 The secretary of the Remuneration Committee should record the names of those present and in attendance and keep minutes of the proceedings of all meetings, including all resolutions passed.

3.2 Minutes of meeting should be circulated to all committee members and to all members of the Board.

### 4. Relationship with shareholders

The chairman of the Remuneration Committee should attend the annual general meetings of the Company and be prepared to respond to any questions from shareholders on the Remuneration Committee’s activities.

5. Duties

5.1 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.

5.2 To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives.

5.3 To make recommendations to the Board on the remuneration packages of individual 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.

5.4 To make recommendations to the Board on the remuneration of non-executive directors.

5.5 To consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries (the "Group").

5.6 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.

5.7 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.

5.8 To ensure that no director or any of his associates is involved in deciding his own remuneration.

5.9 To report to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as restriction on disclosure due to regulatory requirements).

5.10 To review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

5.11 To consider and implement other matters, as defined or assigned by the Board or otherwise required by the Listing Rules from time to time.

6. Authority

The Remuneration Committee is authorised by the Board to:

(i) consult the chairman of the Board and/or chief executive about their remuneration proposals for other executive directors;

(ii) seek any information it requires from any employee and accordingly all employees of the Group shall cooperate with any request made by it; and

(iii) obtain external legal and other independent professional advice, including advice of independent professional human resources consultants, at the Company's expenses, and invite the attendance of external third parties with relevant experience and expertise in its meetings if it considers necessary.

*\* For identification purpose only*