



上海瑞威資產管理股份有限公司
Shanghai Realway Capital Assets Management Co., Ltd.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(the “Company”)

(Stock Code: 1835)

(Adopted by the Board on 22 December 2018 and revised on 20 December 2022)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

CHAPTER 1 GENERAL PROVISIONS

- Article 1 In order to establish an effective system of monitoring the remuneration, appraisal and assessment of Directors and senior management of the Company, pursuant to the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the Articles of Association of the Company (the “**Articles of Association**”), the Board has set up the Committee and formulated these terms of reference.
- Article 2 The Committee is a specific working body set up by the Board in accordance with the Articles of Association. Its main responsibilities are to monitor the appraisal criteria for Directors and senior management, conduct appraisals and formulate proposals, establish formal and transparent procedures, study and formulate remuneration plans for Directors and senior management, advise the Board and monitor the implementation of the remuneration plans.
- Article 3 The Committee shall report its work to the Board from time to time.

CHAPTER 2 COMPOSITION

- Article 4 The Committee shall comprise no less than three Directors, the majority of which shall be independent non-executive Directors.
- Article 5 Members of the Committee shall be appointed and removed by the Board.
- Article 6 The Committee shall have a chairman who is an independent non-executive Director. The chairman of the Committee shall be responsible for leading the work of the Committee. Where the chairman cannot perform his/her duties, another member who is an independent non-executive Director shall be appointed to perform duties on his/her behalf. If no such member is appointed by the chairman, an independent non-executive Director shall be elected by the members of the Committee by simple majority to act as chairman. The chairman of the Committee shall be elected by the members of the Committee and be reported to the Board for approval.

Article 7 Each term of office of the Committee shall be the same as that of the Board. A member may serve consecutive terms if re-elected upon expiry of his/her term. If any member no longer holds the position as Director, he/she shall automatically lose his/her position as committee member, and the vacancy shall be filled by the Board in accordance with the provisions of Articles 4 to 6 above.

Article 8 The Committee may have a secretary to assist with the work of the Committee. The human resource department of the Company and its department head or other departments or personnel of the Company designated by the Committee from time to time shall undertake the relevant work as the secretary of the Committee (the “**Secretary**”). The Secretary shall be responsible for collecting and providing information in relation to remuneration policies, performance evaluation and appraisal for Directors and senior management and providing advices to the Committee. The Secretary shall also be responsible for the preparation of relevant meeting documents.

CHAPTER 3 DUTIES AND AUTHORITIES

Article 9 The Committee should make its terms of reference, explaining its role and the authority delegated to it by the Board by including them on the websites of The Stock Exchange of Hong Kong Limited and the Company. The main duties and authorities of the Committee include:

- (1) to make recommendations to the Board on the Company’s policy and structure of all Directors’ and senior management remuneration and on the establishment of formal and transparent procedures for developing such remuneration policy;
- (2) to review and approve the management’s remuneration proposals with reference to the Company’s corporate goals and objectives;
- (3) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management. The remuneration packages to be reviewed by the Board shall include but not limited to benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of their office or appointment);
- (4) to make recommendations to the Board on the remuneration of non-executive Director(s);
- (5) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

- (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 the relevant service agreements or is otherwise fair and not excessive;
- (7) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with the relevant service agreements or are otherwise reasonable and appropriate;
- (8) to review incentives schemes and Directors' service contracts;
- (9) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- (10) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- (11) to handle other matters authorised by the Board.

Article 10 The Directors' remuneration policy, details of any remuneration payable to members of senior management by band and other remuneration related matters shall be disclosed in the annual report. Details of any remuneration payable to members of senior management shall be disclosed on an individual and named basis in the annual report. The remuneration plans for Directors proposed by the Committee shall first be approved by the Board and then be submitted to the shareholders for consideration and approval at a general meeting before they could be implemented. Remuneration plans for senior management shall only be required to be reported to the Board for consideration and approval. The remuneration plans proposed by the Committee shall not impair shareholders' interests.

Article 11 When the Committee conducts an appraisal on a member of senior management, the Secretary shall provide all necessary information to Committee member, including but not limited to:

- (1) major financial indicators and operating goals of the Company;
- (2) scope of work and performance of main duties of such member of senior management;
- (3) achievements in relation to his/her work performance according to the appraisal system for senior management personnel; and
- (4) remuneration plans for senior management and the basis for such plans.

CHAPTER 4 RULES OF PROCEDURES FOR MEETINGS

- Article 12 Regular meetings of the Committee shall be held at least once a year. If possible, Committee meetings should be held concurrently with the regular meetings convened by the Board. A notice of meeting shall be given to all members at least seven days prior to the meeting or such shorter time as may be fixed by the consent of all members.
- Article 13 An extraordinary meeting of the Committee may be convened by the chairman or members representing half of the Committee. A notice of extraordinary meeting shall be given to all members at least five days prior to the meeting, or such shorter time as may be fixed by consent of all members.
- Article 14 The members of the Committee shall attend the meeting in a serious and responsible manner and openly express their views on the proposals considered. In case a member is unable to attend a meeting of the Committee in person, he/she shall appoint another member in writing as a proxy to vote on his/her behalf, and the member giving the proxy shall bear legal responsibility in relation thereto.
- A power of attorney shall state the name of such proxy, the relevant matters, scope of authorisation and validity period, and shall be signed by the appointer or a chop shall be affixed. The member attending a meeting on behalf of other member shall produce such power of attorney and exercise the rights within the scope of authorisation.
- Article 15 If a member of the Committee fails to attend two consecutive meetings of the Committee (either by himself/herself or his/her duly appointed proxy), such member shall be deemed to have failed to perform his/her duties. The Committee shall propose to the Board to remove such member thereof.
- Article 16 A meeting of the Committee can only be held when more than half of its members are present. The meetings shall be held by way of physical meetings or by way of telecommunication or a combination thereof, provided that the members are able to freely express their views and the procedures are in compliance with the relevant regulatory requirements. Any resolution shall be passed by a simple majority of the members present. A written resolution can be adopted if agreed to and signed by all members. Members of the Committee cannot vote in respect of resolutions which conflict with his/her interests.
- Article 17 All meetings shall be chaired by the chairman of the Committee. The chairman of the Committee may appoint another member who is an independent non-executive Director to chair the meeting if he/she is unable to attend this meeting.

- Article 18 The Committee shall vote by a show of hands or by way of a poll, and each member is entitled to one vote. Resolution at a Committee meeting may only be passed by the positive vote of half or more than half of its member.
- Article 19 Directors and senior management of the Company who are not members of the Committee can be invited to attend such meetings if necessary.
- Article 20 Where a meeting of the Committee is convened to review the performance or to evaluate the remuneration of a member of the Committee, such person shall abstain from the meeting.
- Article 21 Minutes of each Committee meeting shall be recorded by the office of the Board or other departments designated by the Board and shall contain the details of the matters considered and decisions made by the Committee over the meeting. Attending members shall have rights to request to add explanatory notes to their speeches in the minutes, including any concerns raised or dissenting views expressed by members. Draft version of the minutes of Committee meetings shall be sent by the office of the Board or other departments designated by the Board to all members of the Committee for their comment within a reasonable time after the meeting and final versions of minutes shall be sent to all Directors. Minutes shall be signed by members of the Committee attending the meeting. The complete minutes of the meeting of the Committee shall be kept by a duly-appointed Secretary.
- Article 22 Resolutions passed at a meeting of the Committee and the voting results thereof shall be reported in writing to the Board.
- Article 23 Members of the Committee and other persons present at a meeting shall be obliged to keep all matters discussed at such meeting confidential, and shall not disclose any relevant information without authorisation.
- Article 24 The Committee shall consult the chairman of the Board in making recommendation on remuneration plans for other executive Directors. The Committee may consult external experts and intermediaries for independent professional advice on the matters to be discussed at a meeting if necessary, and the Company shall bear costs incurred.
- Article 25 The office of the Board or other department designated by the Board shall be responsible for submitting proposals, organising meetings, overseeing the implementation and feedback of the resolutions of the Committee, and liaising and coordinating with the Committee members and the Secretary. The Committee shall be provided with sufficient resources to perform its duties and the relevant departments of the Company shall cooperate accordingly.

CHAPTER 5 SUPPLEMENTARY PROVISIONS

- Article 26 These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements, including those under the Listing Rules.
- Article 27 In the event that these terms of reference contravene any provision of the applicable laws and regulations, Listing Rules or the Articles of Association, the applicable laws and regulations, Listing Rules or the Articles of Association shall prevail.
- Article 28 The power of interpretation of these terms of reference shall be vested in the Board of the Company.

These terms of reference are written in Chinese. If there is any discrepancy between the Chinese version and the English version, the Chinese version shall prevail.