

TRISTATE HOLDINGS LIMITED

**Terms of reference of Remuneration Committee
- adopted by the Board of Directors on 26 January 2005
and amended on 2 April 2007, 7 April 2008, 26 March 2012
and 23 December 2022**

A. Constitution

- A.1 The Remuneration Committee has been set up by the Board on 26 January 2005 which superseded the Executive Personnel & Compensation Committee set up on 1 September 1998 pursuant to bye-law 102 of the Bye-Laws.
- A.2 These terms of reference with the authority and duties of the Remuneration Committee have been approved by the Board on 26 January 2005 and amended on 2 April 2007, 7 April 2008, 26 March 2012 and 23 December 2022. The Board has the authority to review and amend these terms of reference from time to time.

B. Membership

- B.1 Members of the Remuneration Committee shall be appointed by the Board. The Remuneration Committee shall consist of a minimum of three Members, a majority of whom are independent non-executive Directors.
- B.2 The chairman of the Remuneration Committee shall be appointed by the Board and shall be an independent non-executive Director.

C. Remuneration Committee meetings

- C.1 Unless otherwise stipulated herein, the meetings and proceedings of the Remuneration Committee shall be governed by the provisions contained in the Bye-Laws for regulating the meetings and proceedings of Directors. Unless otherwise determined by the Board, the quorum for meeting of the Remuneration Committee shall be two Members.
- C.2 The Remuneration Committee should meet regularly and Remuneration Committee meetings should be held at least annually. It is expected regular Remuneration Committee meetings will normally involve the active participation, either in person or through electronic means of communication, of a majority of Members entitled to be present.
- C.3 Arrangements should be in place to ensure that all Members are given an opportunity to include matters in the agenda for regular Remuneration Committee meetings.
- C.4 Notice of at least 14 days should be given of a regular Remuneration Committee meeting to give all Members an opportunity to attend. For all other Remuneration Committee meetings, reasonable notice should be given.
- C.5 The Company Secretary or his nominee shall be the secretary of the Remuneration Committee.

- C.6 All Members should have access to the advice and services of the secretary of the Remuneration Committee to ensure that Remuneration Committee procedures, and all applicable laws, rules and regulations, are followed.
- C.7 Minutes of Remuneration Committee meetings should be kept by the secretary of the Remuneration Committee and should be open for inspection at any reasonable time on reasonable notice by any Member or Director. Draft and final versions of minutes should be sent to all Members for their comment and records respectively within a reasonable time after the meeting is held.
- C.8 If a Member has a conflict of interest in a matter to be considered by the Remuneration Committee which the Remuneration Committee has determined to be material, notwithstanding paragraph C.9 below, the matter should be dealt with by a physical meeting rather than a written resolution. The interested Member shall not vote nor shall he be counted in the quorum present at the relevant meeting of the Remuneration Committee.
- C.9 Save for paragraph C.8, a resolution in writing signed by all Members for the time being shall be as effective for all purposes as a resolution of the Members passed at a meeting duly convened, held and constituted.

D. Authority

- D.1 The Remuneration Committee is authorized by the Board to perform any activity within its terms of reference. It is authorized to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Remuneration Committee.
- D.2 The Remuneration Committee is authorized by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Remuneration Committee is to be provided with sufficient resources to perform its duties.
- D.3 There should be a procedure agreed by the Remuneration Committee to enable Members, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expense. The Remuneration Committee should resolve to provide separate independent professional advice to Members to assist them perform their duties to the Company.

E. Duties

- E.1 The duties of the Remuneration Committee should include:
- (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 management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) To determine, with delegated responsibility, 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;
- (d) To make recommendations to the Board on 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;
- (f) To review and/or approve matters relating to share schemes under the Listing Rules;
- (g) 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;
- (h) 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;
- (i) To ensure that no Director or any of their associates is involved in deciding that director's own remuneration;
- (j) The Remuneration Committee should consult the Chairman and/or CEO about their remuneration proposals for other Executive Directors;
- (k) The Remuneration Committee should form a view in respect of service contracts that require shareholders' approval and advise shareholders of the Company (other than shareholders who are Directors with a material interest in the service contracts and their associates) as to whether the terms are fair and reasonable, advise whether such contracts are in the interests of the Company and its shareholders as a whole and advise shareholders on how to vote; and
- (l) The chairman of the Remuneration Committee or in his absence, another Member or failing this his duly appointed delegate, should attend and be available to answer questions at the annual general meeting of the Company.

F. Reporting procedures

- F.1 The secretary of the Remuneration Committee shall circulate the minutes of Remuneration Committee meetings, reports of the Remuneration Committee and relevant information to all Directors.
- F.2 The Remuneration Committee should report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements) .

Definitions:

“Board”	:	board of Directors
“Bye-Laws”	:	the bye-laws of the Company as adopted and amended from time to time
“CEO”	:	chief executive officer of the Company
“Chairman”	:	chairman of the Board
“Company”	:	Tristate Holdings Limited
“Company Secretary”	:	secretary of the Company
“Director(s)”	:	director(s) of the Company
“Group”	:	the Company and its subsidiaries
“Listing Rules”	:	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Member(s)”	:	member(s) of the Remuneration Committee
“Remuneration Committee”	:	remuneration committee of the Company