



TIAN YUAN GROUP HOLDINGS LIMITED

天源集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6119)

(the “Company”)

Remuneration Committee

Terms of Reference

1. Organization

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has resolved to set up a remuneration committee of the Board (the “**Committee**”).

2. Objective

The main objective of the Committee is to regularly make recommendations to the Board on the Company’s policy and structure for the remuneration of all Directors’ and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy. The Committee is accountable to the Board.

3. Composition

3.1 The Committee shall comprise three Directors who are appointed or removed by the Board. If any member of the Committee (the “**Member**”) ceases to be a Director, he/she will cease to be a Member automatically. The vacancy will be filled by appointment of new Member by the Board.

3.2 The majority of the Members shall be independent non-executive Directors.

3.3 The chairman of the Committee (the “**Committee Chairman**”) shall be appointed by the Board and shall be an independent non-executive Director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members shall elect one of themselves to chair the meeting.

4. Secretary

Save as otherwise appointed by the Committee, the secretary to the Committee (the “**Committee Secretary**”) shall be the secretary to the Company. 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.

5. Powers

5.1 The Committee is authorised by the Board to review, assess and make recommendations upon any issue within its terms of reference.

5.2 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 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.

5.3 The Committee shall be provided with sufficient resources to perform its duties.

6. Duties

The duties of the Committee are as follows:

6.1 consult the chairman of the Board and/or chief executive about their remuneration proposals for other executive Directors. The Committee should have access to independent professional advice if necessary;

6.2 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;

6.3 review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives;

6.4 make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. This should, include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

6.5 make recommendations to the Board on the remuneration of non-executive Directors;

- 6.6 consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- 6.7 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;
- 6.8 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;
- 6.9 ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- 6.10 review and/or approve matters relating to share schemes under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”); and
- 6.11 conform to any requirement, direction, and regulation that may from time to time be contained in the memorandum and articles of association of the Company or imposed by the Listing Rules or applicable law.

7. Meetings of the Committee

7.1 Number of meeting

There shall be at least one meeting of the Committee annually to be convened and held by attending in person, by telephone or video conference. If required, extraordinary meeting could be convened.

7.2 Notice of meeting

Unless waived by all Members on notice, the Committee Secretary shall give seven days prior notice to all Members for any meeting to be convened and circulate the meeting agenda to the Members.

7.3 Quorum

Meetings of the Committee shall be attended by more than one-half of the Members to be effective.

7.4 Conducting the meetings

Meetings could be convened by attending in person, by telephone or video conference. Members could attend the meetings through telephone conference or similar arrangements which Members could communicate to each other. With consent by all Members, resolutions of the Committee could be passed by written resolutions.

7.5 Resolutions

Any resolution shall be passed by the majority votes of the Members.

7.6 Invitations

The Committee could invite any executive Directors, external advisers or other individuals to attend the meetings but such executive Directors, advisers or individuals are not entitled to vote at the meetings.

7.7 Minutes of the meetings

Full minutes of meetings should be kept by the Committee Secretary. Minutes shall record matters considered and decisions reached by the Members in details, including any doubt or disagreement raised by the Members. Draft and final versions of the minutes of the meetings should be sent to all Members for their comments and record, within a reasonable time after the meetings.

8. Report

The Committee Chairman or other Member who is authorized by the Committee Chairman to chair the meetings shall report to the Board after each meeting of the Committee.

9. Availability and update of the terms of reference

These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (e.g. the Listing Rules) in Hong Kong. These terms of reference shall be made available to the public by including the information on the Company's website and the Stock Exchange's website.

10. Interpretation

Interpretation of these terms of reference shall belong to the Board.

(Adopted by the Company pursuant to the Board's resolutions passed on 23 December 2022)