



THE CROSS-HARBOUR (HOLDINGS) LIMITED

港通控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 32)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

DEFINITIONS

In these terms of reference (the “Terms”), if not inconsistent with the subject or context:

“Board”	means the board of Directors.
“Chairman”	means the chairman of the Committee.
“Committee”	means the remuneration committee of the Company.
“Committee Secretary”	means the secretary of the Committee.
“Company”	means The Cross-Harbour (Holdings) Limited.
“Directors”	means the directors of the Company.
“Group”	means the Company and its subsidiaries.
“INEDs”	means the independent non-executive Directors.
“Listing Rules”	means Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Membership, Chairman & Committee Secretary

- Membership:** The Committee shall consist of at least three members, each of whom shall be appointed by the Board and the majority of whom shall be INEDs.
- Chairman:** The Chairman shall be appointed by the Board and shall be an INED.

3. **Committee Secretary:** The Head of Human Resources shall act as the Committee Secretary.

If the Committee Secretary is unable to attend any Committee meeting, he/she shall direct and appoint a person to attend provided that notice of such person acting for the Committee Secretary shall have been given to the Committee members before such meeting.

Authority

The Committee is authorised by the Board

- 4.1 to consult the chairman of the Board and/or chief executive of the Company about their remuneration proposals for other executive Directors;
- 4.2 to obtain outside legal or other independent professional advice (including the advice of independent remuneration consultants) and to secure the attendance of external professional advisers at its meetings if it considers this necessary, in each case, at the Company's expense; and
- 4.3 to be provided with sufficient resources to perform its duties.

Duties

The Committee's duties shall include the following:

- 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 determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management. This shall include 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 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/her own remuneration; and
- 5.9 to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

Conduct of Business

- 6. **Frequency of meetings:** The Committee shall meet at least annually.

A meeting of the Committee may be convened by the Committee Secretary on request of a member or by any member.
- 7. **Quorum:** The quorum shall be three members.

Members may participate in any Committee meeting by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.

8. **Voting:** Questions arising at any Committee meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes, the Chairman shall have a second or casting vote.
9. **Resolutions:** A resolution in writing signed by all Committee members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution may be contained in a single document or may consist of several documents all in like form.
- The Committee Secretary shall keep full minutes of Committee meetings. Such minutes shall record in sufficient detail the matters considered and decisions reached at the meeting and be open for inspection at any reasonable time on reasonable notice by any Director.
10. **Attendance at meetings:** Only members of the Committee shall have the right to attend Committee meetings. Other Board members who are not members of the Committee and external advisers may be invited to attend all or part of any meeting, as and when appropriate.

Other

11. Without prejudice to the generality of the duties set out in these Terms, 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 to do so.

Communication with Shareholders

12. The Chairman or in his/her absence, another Committee member or failing this his/her duly appointed delegate, shall attend the Company's annual general meeting to answer questions thereat.

Hong Kong, 1 January 2023