



CHEN XING

# Chen Xing Development Holdings Limited

辰興發展控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 2286)

(the “Company”)

## Remuneration Committee — Terms of Reference

(Amended by the Board with effect from 30 December 2022)

### 1. Members

- 1.1 The remuneration committee members (the “**Member(s)**”) should be appointed by the board of the Company (the “**Board**”).
- 1.2 The majority of remuneration committee Members must be independent non-executive directors of the Company.
- 1.3 The remuneration committee must be chaired by an independent non-executive director of the Company and be appointed by the Board.
- 1.4 The term of appointment of remuneration committee Members is determined by the Board at the appointment.

### 2. Secretary of Remuneration Committee

- 2.1 The company secretary of the Company (the “**Company Secretary**”) shall act as the secretary of the remuneration committee.
- 2.2 The remuneration committee may from time to time, appoint any other person with appropriate qualification and experience to act as the secretary of the remuneration committee.

### 3. Meeting

- 3.1 The Members of the remuneration committee can call for a meeting if necessary and should meet at least once a year.
- 3.2 Notice of at least 14 days should be given for any meeting, unless such notification is waived by all Members of the remuneration committee. Notwithstanding the notification period, the attendance of the Member at the meeting shall be deemed as the waiver of the required notification period as prescribed herein by such Members. If the adjourned meeting takes place within 14 days after the meeting, no notification is required for such adjourned meeting.

- 3.3 The quorum required for a meeting of the remuneration committee shall be two Members, one of whom must be an independent non-executive director.
- 3.4 Meeting can be attended in person or via teleconferencing or videoconferencing. The Members can attend the meeting via telephonic or any similar communication device (all persons attending such meeting should be able to hear from each other via such communication device).
- 3.5 The resolution of the remuneration committee should be passed by more than half of the Members.
- 3.6 The resolution passed and signed by all Members of the remuneration committee is valid, and the validity is same as any resolution passed in the meeting held.
- 3.7 Full minutes of remuneration committee meeting should be kept by a duly appointed secretary of the meeting. Draft and final versions of minutes of the meeting should be sent to all remuneration committee Members for their comment and records, within a reasonable time after the meeting.

#### **4. Meeting Attendance**

- 4.1 Upon invitation from the remuneration committee, the chairperson of the Board and/or the managing director or the chief executive officer, external advisor and other persons can be invited to attend all or part of any meeting.
- 4.2 Only the Members of the remuneration committee are entitled to vote at the meetings.

#### **5. Annual General Meeting**

- 5.1 The chairperson of the remuneration committee or, if absent, another Member of remuneration committee (who must be an independent non-executive director) should attend the annual general meeting of the Company, to respond to shareholders' enquiry on the activities and responsibilities of the remuneration committee.

#### **6. Duties and Powers**

The remuneration committee shall have the following duties and powers:

- 6.1 to make recommendations to the Board on the Company's policy and structure for remunerations of all directors and senior management members, as well as on the establishment of a formal and transparent procedure for developing the remuneration policy;

- 6.2 to review and approve the management's remuneration with reference to the Board's corporate goals and objectives;
- 6.3 to make recommendations to the Board on the remuneration packages of individual executive directors and senior management members. This should include benefits in kind, pension rights and compensation payments, comprising any compensation payable for loss or termination of their office or appointment;
- 6.4 to make recommendations to the Board on the remuneration of the non-executive directors;
- 6.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and/or its subsidiaries;
- 6.6 to review and approve the compensation payable to executive directors and senior management members for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair, reasonable and not excessive;
- 6.7 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;
- 6.8 to ensure that no director or any of his/her associates is involved in determining his/her own remuneration; and
- 6.9 to 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.

## **7. Reporting**

- 7.1 The remuneration committee shall report to the Board after each meeting.

## **8. Authority**

- 8.1 The remuneration committee should consult the chairperson of the Board and/or the chief executive officer about their remuneration proposals for other executive directors.
- 8.2 The remuneration committee is authorised by the Board to request the senior management member of the Company to provide any required resources or information related to the remuneration package to perform its duties.
- 8.3 Each Member of the remuneration committee is authorised by the Board to seek independent professional advice at the expense of the Company, if necessary, in order to fulfill his/her responsibility of being the remuneration committee Member of the Company.

*Note: the independent professional advice can be sought via the Company Secretary.*

8.4 The remuneration committee should be provided with sufficient resources to perform its duties.

*Note: “senior management member(s)” refers to the same persons referred to in the Company’s annual report. It is the responsibility of the directors of the Company to determine which individual or individuals constitute senior management members. Senior management members may include directors of subsidiaries of the Company, heads of divisions, departments or other operating units within the Company and/or its subsidiaries as, in the opinion of the Company’s directors, is appropriate.*