



珠光控股
ZHUGUANG HOLDINGS

ZHUGUANG HOLDINGS GROUP COMPANY LIMITED
(the “Company”)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE
(ALSO KNOWN AS “REMUNERATION COMMITTEE CHARTER”)

(Revised on 30 December 2022 and effective on 1 January 2023)

1. CONSTITUTION OF THE COMMITTEE

1.1 The board (the “**Board**”) of directors (the “**Directors**”) of the Company (together with its subsidiaries, the “**Group**”) has resolved to establish a committee of the Board known as the remuneration committee (the “**Committee**”).

2. MEMBERSHIP OF THE COMMITTEE

2.1 Committee members shall be appointed by the Board from amongst the members of the Board and shall consist of not less than three members and a majority of which should be independent non-executive Directors.

2.2 The chairman of the Committee shall be appointed by the Board and shall be an independent non-executive Director.

2.3 The company secretary of the Company shall be the secretary of the Committee.

2.4 The appointment of Committee members may be revoked, or additional members may be appointed to the Committee by resolutions passed by the Board.

3. PROCEEDINGS OF THE COMMITTEE

3.1 *Notice:*

(a) Unless otherwise agreed by all the Committee members, a meeting of the Committee shall be called by at least 14 days’ notice.

* For identification purpose only

(b) A Committee member may and, on the request of a Committee member, the secretary of the Committee shall, at any time summon a Committee meeting. Notice of a meeting shall be deemed to be duly given to a Committee member if it is given to such Committee member orally (including in person or by telephone) or in writing or by electronic means to an electronic address from time to time notified to the secretary of the Committee by such Committee member or (if the recipient consents to it being made available on a website) by making it available on a website or in such other manner as the Committee members may from time to time determine.

(c) A notice of meeting shall state the time and place of the meeting.

(d) An agenda together with other documents which may be required to be considered by the Committee members for the purposes of the meeting, should be sent in full, in a timely manner and at least three days before the intended date of the Committee meeting (or other agreed period), to all Committee members.

3.2 **Quorum:** The quorum of the Committee meeting shall be two Committee members, of whom one has to be an independent non-executive Director.

3.3 **Frequency:** Meetings shall be held at least once every year. Additional meetings should be held if the Committee shall so request.

4. OVERRIDING PRINCIPLES OF THE COMMITTEE

4.1 Levels of remuneration should be sufficient to attract and retain the Directors needed to run the Company successfully, but the Company should avoid paying more than is necessary for this purpose.

4.2 No Director should be involved in deciding his own remuneration.

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

5. WRITTEN RESOLUTIONS OF THE COMMITTEE

5.1 Written resolutions may be passed by all Committee members in writing.

6. ALTERNATE MEMBERS OF THE COMMITTEE

6.1 A Committee member may not appoint any alternate.

7. AUTHORITY OF THE COMMITTEE

7.1 The Committee may exercise the following powers:

- (a) to review any proposed service contract with any Director or senior management before such contract is entered into and to make recommendation to the Board or the Company's human resources department for any changes to the proposed terms of such contract;
- (b) to make recommendations regarding the remuneration, bonuses and welfare benefits of the executive Directors and the senior management;
- (c) to request the Board to convene a shareholders' meeting for purposes of revoking the appointment of any Director and to dismiss any employees if there is evidence showing that the relevant Director and/or employee has failed to discharge his duties properly;
- (d) to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise at its meetings, if necessary; and
- (e) to exercise such powers as the Committee may consider necessary and expedient so that its duties under section 8 below can be properly discharged.

7.2 The Committee should be provided with sufficient resources to perform its duties.

8. DUTIES OF THE COMMITTEE

8.1 The duties of the Committee shall be:

- (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) either (i) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or (ii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. Such remuneration packages should include 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 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 contractual terms and otherwise fair and not excessive;
- (g) 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 otherwise reasonable and appropriate;
- (h) to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- (i) 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 (the “**Listing Rules**”).

9. MINUTES AND RECORDS OF THE COMMITTEE

- 9.1 Full minutes of the meetings of the Committee and all written resolutions of the Committee should be kept by the secretary of the Committee.
- 9.2 The secretary of the Committee shall circulate the draft and final versions of the minutes of the meeting of the Committee or, as the case may be, written resolutions of the Committee to all members of the Committee for their comment and records respectively within a reasonable time after the meeting or before the passing of the written resolutions.
- 9.3 The secretary of the Committee shall keep record of all meetings of the Committee held during each financial year of the Company and records of individual attendance of members of the Committee, on a named basis, at meetings held during that financial year.

10. CONTINUING APPLICATION OF THE BYE-LAWS OF THE COMPANY

- 10.1 The bye-laws of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and are not replaced by the provisions in these terms of reference shall apply to the meetings and proceedings of the Committee.

11. POWERS OF THE BOARD

- 11.1 The Board may, subject to compliance with the bye-laws of the Company and the Listing Rules (including the Corporate Governance Code set out in Appendix 14 to the Listing Rules or if adopted by the Company, the Company's own code of corporate governance practices), amend, supplement and revoke these terms of reference and any resolution passed by the Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.