



兆邦基地產
Zhaobangji Properties

Zhaobangji Properties Holdings Limited

兆邦基地產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(the “Company”)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

MEMBERSHIP

1. The Remuneration Committee (the “**Committee**”) is established by the board of directors of the Company (the “**Board**”) according to the Articles of Association of the Company (the “**Articles of Association**”) and the establishment would be effective from the date on which the shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).
2. The Committee shall consist of not less than three members appointed by the board of directors of the Company (the “**Board**”) from time to time.
3. The chairman of the Committee shall be appointed by the Board, and must be an independent non-executive director.
4. The Committee shall comprise a majority of independent non-executive directors.
5. The Committee may appoint the company secretary of the Company or any other person with appropriate qualification and experience as the secretary of the Committee. Full minutes of the meetings should be kept by the secretary.
6. The Board may, from time to time, at their discretion, change the composition of the members of the Committee.

FREQUENCY AND PROCEEDINGS OF MEETINGS

7. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
8. Notice of meetings shall be given to all members of the Committee at least three (3) days before the meeting.
9. The chairman of the Committee may convene additional meetings at his discretion.
10. The quorum of a meeting shall be two members of the Committee.

11. The Committee may, from time to time, invite advisors to the meeting, including, but not limited to, Board members and/or senior management of all employing entity subsidiaries, external advisors or consultants to advise its members.
12. The Committee members could attend the meetings in person, by telephone or by video conference.
13. A resolution in writing signed by all the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
14. A member of the Committee must abstain from voting and must not be counted in the quorum of a meeting in respect of the resolution regarding the remuneration payable to that member.
15. Decisions shall be determined by simple majority, and in the event of a tie (if any), the chairman of the Committee shall have the casting vote.
16. Proceedings of meetings of the Committee shall be governed by the provisions of the Articles of Association of the Company.

DUTIES, POWERS AND FUNCTIONS

17. The Committee shall –
 - (a) consider all remuneration matters below for the Company and its employing entity subsidiaries (together referred to as the “**Group**”);
 - (b) formulate remuneration policy for approval by the Board, which shall take into consideration factors such as salaries paid by comparable companies, time commitment and responsibility, employment conditions elsewhere in the Group, and individual performance of the directors, senior management, and the general staff. Performance shall be measured against corporate goals and objectives resolved by the Board from time to time; and implement the remuneration policy laid down by the Board;
 - (c) take into consideration the views of senior management and other experts as necessary on specific conditions regarding each employing entity within the Group;
 - (d) to review and/or approve matters relating to share schemes under Chapter 17 the Rules Governing the Listing of Securities on the Stock Exchange.
 - (e) To ensure that no director or any of his associates is involved in deciding his own remuneration.

- (f) without prejudice to the generality of the foregoing:
- (i) establish guidelines for the recruitment of the chief executive and senior management;
 - (ii) recommend to the Board the policy and structure for the remuneration of directors, chief executive and senior management members, whilst ensuring no director or any of his associates, or any senior management members is involved in deciding his own remuneration;
 - (iii) make recommendations to the Board on the establishment of a formal and transparent procedure for developing remuneration policy;
 - (iv) determine the remuneration of executive directors, chief executive and senior management members, including benefits in kind, pension right, compensation payment (including compensation for loss of office or appointment etc). The chairman and/or the chief executive of the Company shall be consulted respectively about their proposals relating to the remuneration of the chief executive of the Company and/or senior management members, as the case may be;
 - (v) review and approve the compensation arrangements in connection with any loss or termination of their office or appointment to executive directors and senior management which shall be consistent with contractual terms, and otherwise fair and not excessive;
 - (vi) review and approve the compensation arrangements in connection with any dismissal or removal for misconduct to directors and senior management which shall be consistent with contractual terms, and otherwise reasonable and appropriate;
 - (vii) determine the criteria for assessing employee performance, which should reflect the Company's business objectives and targets;
 - (viii) consider the annual performance bonus for executive directors, senior management members, and the general staff, having regard to their achievements against the performance criteria, and by reference to market norms, and make recommendation to the Board;
 - (ix) engage such external professional advisors to assist and/or advise the Committee on issues as it considers necessary;
 - (x) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and

- (xi) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board, or contained in the constitution of the Company, or imposed by legislation.

REPORTING PROCEDURES

- 18. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.
- 19. Full minutes and written resolutions should be kept by the secretary of the Committee. Draft and final versions of minutes of the meetings should be sent to all Committee members for their comments and records, within a reasonable time after the meeting. Written resolutions should be promptly sent to all Committee members for their records after the written resolutions are passed.
- 20. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report to the Board on the works and recommendations of the Committee since the last Board meeting (if any). At least once annually, the Committee should present a report in writing to the Board which addresses the work of the Committee during the year.

OTHERS

- 21. The Company should disclose details of any remuneration payable to members of senior management by band in its annual reports and the Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board by including them on the Stock Exchange's website and the Company's website.
- 22. Any changes to the terms of reference shall be effective after they have been approved by the Board.

If there is any inconsistency between the English and the Chinese versions of this document, the English version shall prevail.

Revised and effective on 31 December 2022