



CHOW SANG SANG HOLDINGS INTERNATIONAL LIMITED

周生生集團國際有限公司*

(“Company”)

(Incorporated in Bermuda with limited liability)

Stock code: 116

REMUNERATION COMMITTEE - TERMS OF REFERENCE

1. Constitution

The Remuneration Committee (“Committee”) is established pursuant to a resolution passed by the Board at its meeting held on 25 January 2005.

2. Functions and Objectives

The Committee is responsible for reviewing the remuneration policies and making recommendation to the Board on the remuneration package of Directors and senior management.

3. Membership

- 3.1 Members of the Committee (“Member(s)”) shall be appointed by the Board from amongst the directors of the Company and shall consist of not less than three members, a majority of which shall be Independent Non-executive Directors (“INED(s)”).
- 3.2 The Chairman of the Committee shall be appointed by the Board and must be an INED.
- 3.3 The appointment of Members may be revoked, or additional Members may be appointed by resolutions passed by the Board.

4. Proceedings of the Committee

- 4.1 Unless otherwise specified hereunder, the provisions contained in the Company’s Bye-Laws (as amended from time to time) for regulating meetings and proceedings of Directors shall apply to the meetings and proceedings of the Committee.
- 4.2 The Committee shall meet at least once a year. Additional meetings of the Committee may be held as and when required.
- 4.3 Unless otherwise agreed by all Members, a meeting shall be called by at least 7 days’ notice. Member may request at any time to summon a Committee meeting.
- 4.4 The quorum for meetings of the Committee shall be two INEDs.
- 4.5 Members or other attendees may attend meetings of the Committee either in person or through other electronic means of communication or in such other manner as the Members may agree.
- 4.6 Agenda and accompanying supporting papers shall be sent to all Members and to other attendees as appropriate at least 3 days before the date of the meeting (or such other period as the Members may agree).
- 4.7 Member may not vote on any resolution of the Committee regarding his/her own remuneration.
- 4.8 The Company Secretary of the Company, or, in the absence of the Company Secretary, his/her delegates or a Member shall act as the secretary of the Committee, and must ensure that full minutes are kept of all meetings.

* For identification purpose only

5. Written resolutions

Without prejudice to any requirement under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), written resolution may be passed and adopted by all Members.

6. Authority

The Committee shall have the following powers:

- 6.1 to seek any information it requires from the Human Resources Department of the Company and its subsidiaries (together, the “Group”);
- 6.2 to require the Group to prepare and submit reports and to attend Committee meetings and to supply information and address any questions raised by the Committee;
- 6.3 to obtain, at the Company’s expenses, outside legal or independent professional advice including their attendance at meetings or any other assistance as it considers necessary. The Committee shall have full authority to commission any report or survey which it deems necessary in performing its duties; and
- 6.4 to investigate any activities within its terms of reference.

7. Duties

The duties of the Committee shall include:

- 7.1 to make recommendations to the Board on the Group’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;
- 7.2 to review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives;
- 7.3 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. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 7.4 to make recommendations to the Board on the remuneration of Non-executive Directors;
- 7.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions in the Group;
- 7.6 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;
- 7.7 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;
- 7.8 to ensure that no Director or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration (see above clause 4.7);
- 7.9 to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- 7.10 to consider other matters that are related to remuneration paid or payable by the Group, as defined or assigned by the Board from time to time.

8. Reporting procedures

- 8.1 The Committee shall report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as restriction on disclosure due to regulatory requirements).
- 8.2 Minutes of meetings and written resolutions of the Committee shall be circulated to all members of the Board.

*** End ***

Last update: 31 January 2023