

VALUE PARTNERS GROUP LIMITED 惠理集團有限公司

Terms of Reference for Remuneration Committee

Purpose

1. The purpose of the Remuneration Committee is to assist the board of directors (the “**Board**”) of Value Partners Group Limited 惠理集團有限公司 (the “**Company**”) in determining the policy and structure for the remuneration of directors, evaluating the performance of directors, reviewing incentive schemes and directors’ service contracts and fixing the remuneration packages for all directors and senior management.

Composition

2. The Remuneration Committee shall be appointed by the Board from time to time and shall consist of not less than three non-executive directors, a majority of which shall be independent non-executive directors who shall meet and maintain the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Board shall appoint one member of the Remuneration Committee as the Chairman and he or she must be an independent non-executive director.

Meetings

3. The Remuneration Committee shall meet at least twice annually, or more frequently if circumstances require.
4. The Chairman (or in his or her absence, a member designated by the Chairman) shall preside at all meetings of the Remuneration Committee. A quorum shall be three members.

Access

5. The Remuneration Committee shall have full access to management and may invite members of management or others to attend its meetings. The Remuneration Committee will consult the chairman and/or chief executive officer of the Company about their remuneration proposals for other executive directors.

Reporting Procedures

6. The Remuneration Committee shall evaluate and assess the effectiveness of the Remuneration Committee and the adequacy of this Remuneration Committee Terms of Reference on an annual basis and recommend any proposed changes to the Board.
7. The Committee shall report back to the Board on its decisions and recommendations unless there are legal or regulatory restrictions on the Committee's ability to do so.

Minutes of meeting

8. Minutes of meetings of the Remuneration Committee and the record of individual attendance at such meetings shall be prepared by the secretary of the Company, the draft and final versions of which shall be sent to all members of the Board as soon as practicable after the conclusion of any meeting of the Remuneration Committee.

Authority

9. The Remuneration Committee is authorised by the Board to determine the remuneration payable to executive directors and members of senior management, the emolument policies and the basis for determining such emoluments.
10. The Remuneration Committee is authorised by the Board to obtain independent professional advice and assistance from internal or external legal, accounting or other advisors at the expense of the Company if necessary.

Responsibilities and Duties

11. The Remuneration Committee shall perform the following duties:–
 - (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 policies;

- (b) to determine, with delegated responsibility, 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 and to make recommendations to the Board on the remuneration of non- executive directors;
- (c) to make recommendations to the Board on the remuneration of non-executive directors;
- (d) to form a view in respect of service contracts that require shareholders' approval and advise shareholders (other than shareholders who are directors with material interest in the service contracts and their associates) as to whether the terms are fair and reasonable, advise whether such contracts are in the interests of the Company and its shareholders as a whole and advise shareholders on how to vote. An independent non-executive director who has material interest in any such contracts shall not attend the committee meeting at which such service contract is considered;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group. The Remuneration Committee shall also ensure that the levels of remuneration should be sufficient to attract and retain the directors needed to run the Company successfully but should avoid paying more than is necessary for this purpose;
- (f) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (g) 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;
- (h) 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;

- (i) to ensure that no director or any of their associates is involved in deciding that director's own remuneration; and
- (j) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

16 March 2023