



The Chen Hsong Group  
震雄集團

## **Chen Hsong Holdings Limited** (the “Company”)

### **Remuneration Committee** **Terms of Reference**

**(Amended and adopted by the Company pursuant to  
the Board resolution passed on 23 March 2023)**

#### **1. Constitution**

- 1.1 The board (the “Board”) of directors (the “Directors”, each a “Director”) of the Company resolved to establish a Committee of the Board known as the Remuneration Committee on 9 May 2005.

#### **2. Membership**

- 2.1 The Remuneration Committee shall be appointed by the Board from amongst the Directors.
- 2.2 The majority of the members (the “Members”) of the Remuneration Committee must be independent non-executive Directors.
- 2.3 The Chairman of the Remuneration Committee, who shall be a Member and be an independent non-executive Director, shall be appointed by the Board.

#### **3. Secretary**

- 3.1 The Company Secretary shall be the secretary of the Remuneration Committee.

#### **4. Quorum and Voting at Meetings**

- 4.1 The quorum for meetings of the Remuneration Committee shall be any two Members.
- 4.2 Only Members are entitled to vote at the meetings.
- 4.3 Resolutions of the Remuneration Committee shall be passed by a majority of votes of the Members present.

#### **5. Attendance at Meetings**

- 5.1 At the invitation of the Remuneration Committee, the Chairman of the Board and/or the Chief Executive Officer, external advisers and other persons may attend all or part of any meeting.
- 5.2 Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.



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## **6. Frequency of Meetings**

6.1 The Remuneration Committee shall meet at least once in each financial year and any Member may convene additional meeting if he/she deems fit.

## **7. Notice of Meetings**

7.1 Notice of any meetings has to be given at least 7 days prior to any such meeting being held, unless all Members unanimously waive such notice. Notice of any adjourned meeting is not required if adjournment is for less than 14 days.

## **8. Minutes of Meetings**

8.1 A resolution in writing signed by all the Members shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.

8.2 Minutes shall be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes shall be circulated to all Members for their comment and records, within a reasonable period of time after the meeting. Such minutes shall be open for Directors' inspection.

## **9. Annual General Meeting**

9.1 The Chairman of the Remuneration Committee or in his/her absence, another Member, shall attend the Company's Annual General Meeting and be prepared to respond to shareholders' questions on the Remuneration Committee's activities and their responsibilities.

## **10. Authority**

10.1 The Remuneration Committee shall consult the Chairman of the Board and/or Chief Executive Officer about their remuneration proposals for other executive Directors.

10.2 The Remuneration Committee is authorized by the Board to seek any remuneration related information it requires from senior management of the Company in order to perform its duties.

10.3 The Remuneration Committee is authorized by the Board where necessary to have access to independent professional advice.

*Note: Arrangement to seek independent professional advice could be made through the Company Secretary.*

10.4 The Remuneration Committee shall be provided with sufficient resources to perform its duties.



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## 11. Duties

The Remuneration Committee shall have the following duties:-

- 11.1 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;
- 11.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 11.3 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;

- 11.4 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- 11.5 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;
- 11.6 to make recommendations to the Board on the remuneration of non-executive Directors;
- 11.7 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;
- 11.8 to ensure that no Director or any of their associates is involved in deciding that Director's own remuneration; and
- 11.9 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.



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## **12. Reporting Responsibilities**

- 12.1 The Remuneration Committee shall report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements). The reporting shall be done by the Chairman of the Remuneration Committee or any such other person designated by the Remuneration Committee.