



Huafa Property Services Group Company Limited
華發物業服務集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 982)

(the “Company”)

Terms of Reference for Remuneration Committee

Constitution

1. The board of directors of the Company (the “Board”) has resolved to establish a committee of the Board to be known as the Remuneration Committee (the “Committee”).

Membership and Secretary of the Committee

2. The Committee shall be appointed by the Board and shall consist of not less than three members, a majority of whom should be independent non-executive directors of the Company. A quorum shall be a majority of the members.
3. The chairman of the Committee shall be appointed and removed by the Board and should be an independent non-executive director.
4. Unless otherwise appointed by the Committee, the company secretary of the Company shall be the secretary of meetings of the Committee (the “Secretary”) who shall keep full minutes of the Committee meetings. Draft and final versions of the minutes of the Committee meetings should be circulated to all members of the Committee for their comment and records within a reasonable time after the meeting. All minutes shall record in sufficient details the matters considered, decisions reached or recommendations made and any concerns raised by any member including dissenting views.
5. The Committee may request other relevant personnel of the Company and outside advisers with relevant experience and expertise to attend meetings.

Frequency of Meeting

6. Meetings shall be held at least once a year to consider and review the remuneration policies of the Company and make recommendations to the Board.

Proceedings of Meetings

7. Notice of any meetings has to be given at least 7 clear days prior to any such meeting being held, unless all members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a member shall be deemed waiver of the requisite length of notice by the member. Notice of any adjourned meeting is not required if adjournment is less than 14 days.

8. The Committee member or the Secretary convening a meeting shall provide to other Committee members and the Secretary information about the purposes of the meeting, the time, venue and agenda of the meeting and shall supply to each of them all relevant documents of the meeting and such documents shall be despatched together with the agenda of the meeting. The agenda of the meeting shall be despatched together with the notice convening the meeting (or the written confirmation of the meeting).
9. Meetings may be held in person, by telephone or 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.
10. Each Committee member present in a meeting shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the chairman of the meeting shall have a casting vote.
11. Written resolutions must be passed by all Committee members.

Authority

12. The Committee should consult the chairman and/or the chief executive of the Company in making their recommendations relating to remuneration of other executive directors.
13. The Committee may, from time to time, obtain advice from any person including professional or special personnel consulting groups, whom it regards as competent to give such advice, so as to ensure that the Board remains informed of market trends and practices.

Duties

14. 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 determine, with delegated responsibility, the remuneration packages of individual executive directors and make recommendations to the Board on the remuneration packages of senior management, in both cases including salaries, bonuses, benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
 - (c) to make recommendations to the Board on the remuneration of non-executive directors;
 - (d) to review and approve the management's remuneration proposals with reference to Board's corporate goals and objectives;

- (e) 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;
 - (f) 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;
 - (g) to ensure that no director or any of his associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)) is involved in deciding his own remuneration; and
 - (h) to review and/or approve matters relating to share schemes as set out in Chapter 17 of the Listing Rules (as amended from time to time).
15. In determining any remuneration package, the Committee shall take into account factors such as salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group.
16. The Committee shall exercise such other powers, authorities and discretions, and perform such other duties, of the Directors in relation to the remuneration of the executive Directors and senior management as the Directors may from time to time delegate to it, having regard to the Corporate Governance Code of the Listing Rules.

Approval

17. The Committee was established pursuant to a resolution passed by the Board at a meeting held on 25 June 2008 and its terms of reference were revised by the Board at meetings held on 30 March 2012 and 29 March 2023, respectively.

Publication of the Terms of Reference

18. 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 websites of The Stock Exchange of Hong Kong Limited and the Company.