



WIN HANVERKY HOLDINGS LIMITED

永嘉集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3322)

REMUNERATION COMMITTEE

Terms of Reference

The board (the “**Board**”) of directors (the “**Directors**”) of Win Hanverky Holdings Limited (the “**Company**”) has resolved to establish the Remuneration Committee (the “**Committee**”) on 18 April 2006. The following terms have been adopted and approved by the Board on 18 April 2006 (as amended by a resolution of the Board on 25 March 2009, 9 March 2012 and 3 May 2023 respectively) as the terms of reference for the Committee.

1. Composition of the Committee

- 1.1 Members of the Committee shall be appointed by the Board from among the Directors and shall comprise a majority of independent non-executive Directors.
- 1.2 The term of each member of the Committee shall be the same as his/her term as a Director. Subject to the constitutions of the Company and the applicable laws and regulations, any member of the Committee may be re-appointed by the Board and continue to act as a member of the Committee upon the expiry of his/her term of appointment relating thereof.
- 1.3 A member of the Committee who ceases to be a member of the Board shall immediately and automatically cease to be a member of the Committee.
- 1.4 Only members of the Committee and the Secretary of the Committee have the right to attend Committee meetings. However, other individuals such as the Chairman of the Board, other Directors, the senior management of the Company (“**Senior Management**”), the chief executive, the head of human resources and other professional advisers may be invited to attend for all or part of any meeting as and when appropriate.
- 1.5 The Board shall appoint the Chairman of the Committee (the “**Committee Chairman**”) who shall be an independent non-executive Director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

2. Secretary

The Company Secretary of the Company shall act as the Secretary of the Committee. The Committee may, from time to time, appoint any other person with appropriate qualification and experience as the Secretary of the Committee. The Secretary of the Committee, or in his/her absence, his/her nominee or any one member of the Committee, shall be the secretary of the meeting.

3. Quorum

The quorum of the meeting of the Committee shall be two members of the Committee. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4. Frequency of Meetings

Meetings of the Committee shall be held as and when appropriate, but at least once a year.

5. Notice and Conduct of Meetings

5.1 Unless specified by these terms of reference, meetings and proceedings of the Committee shall be governed by the Company's Articles of Association regulating the meetings and proceedings of Directors.

5.2 Each member of the Committee shall disclose to the Committee:

5.2.1 any personal financial interest (other than as a shareholder of the Company) in any matter to be decided by the Committee; or

5.2.2 any potential conflict of interest arising from directorships held in other companies.

Any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions, and shall (if so required by the Board) resign from the Committee.

5.3 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members if he/she considers it necessary.

5.4 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than 5 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

- 5.5 Formal meetings of the Committee may be held in person or by electronic means including telephonic or videoconferencing, and the quorum in that event shall be any two Committee members so linked.
- 5.6 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the members of the Committee present. Subject to compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the applicable laws and regulations, 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.

6. Minutes of Meetings and Reporting Procedures

- 6.1 The Secretary of the Committee shall record the proceedings and resolutions of the Committee in sufficient details, including recording the names of those present and in attendance, the matters considered and decisions reached, including any concerns raised by the members of the Committee or dissenting views expressed.
- 6.2 Full minutes of the Committee’s meetings shall be kept by the Secretary of the Committee and shall be open for inspection at any reasonable time on prior reasonable notice by any Director. Draft and final versions of minutes of the meetings shall be sent to all Committee members for their comment and records respectively, within a reasonable time after the meeting.
- 6.3 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 a restriction on disclosure due to regulatory requirements).
- 6.4 The Committee shall produce an annual report of the Company’s remuneration policy and practices which will form part of the Company’s annual report and ensure each year that it is put to shareholders for approval at the Annual General Meeting.

7. Annual General Meetings

The Committee Chairman, or in his/her absence, another member of the Committee, or failing which his/her duly appointed delegate, shall attend the Annual General Meetings of the Company and be available to answer questions thereat on the Committee’s activities and its responsibilities.

8. Duties

- 8.1 The duties of the Committee shall include, without limitation, the following:
- 8.1.1 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;

- 8.1.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 8.1.3 to make recommendations to the Board on the remuneration packages of individual executive Directors and Senior Management. This should include without limitation: basic salaries, benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 8.1.4 to make recommendations to the Board on the remuneration of non-executive Directors;
- 8.1.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- 8.1.6 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;
- 8.1.7 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;
- 8.1.8 to consult the Chairman of the Board and/or the Chief Executive about their remuneration proposals for other executive directors;
- 8.1.9 to ensure that no Director(s) or any of their respective associate(s) is involved in deciding such Director's own remuneration;
- 8.1.10 to form a view in respect of any service contracts of Directors that require the approval of the shareholders of the Company ("**Shareholders**") and advise Shareholders (other than Shareholders who are Directors with material interests in the service contracts and their associates) as to whether the terms are fair and reasonable, whether such contracts are in the interests of the Company and the Shareholders as a whole and advise the Shareholders on how to vote;
- 8.1.11 to make recommendations to the Board as it deems appropriate on any area within its scope of duties where action or improvement is needed; and
- 8.1.12 to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

9. Authority

9.1 The Board authorises the Committee to:

- (a) investigate any activity within these terms of reference and seek any information it requires from any employee of the Company and its subsidiaries and all employees are directed to co-operate with any such request by the Committee;
- (b) obtain, at the Company's expense, outside legal or other independent professional advice in appropriate circumstances and to secure the attendance of outsiders with relevant experience and expertise at meetings of the Committee if it considers necessary; and
- (c) call any employee to be questioned at a meeting of the Committee as and when required.

9.2 Management of the Company is obliged to supply the Committee with adequate information, in a timely manner, to enable it to make informed decisions. The information supplied must be complete and reliable. Where a member of the Committee requires more information than is volunteered by the management of the Company, the relevant member of the Committee should make further enquiries where necessary. Each member of the Committee shall have separate and independent access to the Company's senior management.

9.3 The Committee should be provided with sufficient resources to perform its duties.

10. Terms Available

10.1 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.

(The English text of these Terms of Reference shall prevail over the Chinese text in case of any consistency.)