



**恒安國際集團有限公司**  
**HENGAN INTERNATIONAL GROUP CO., LTD**

*(Incorporated in the Cayman Islands with limited liability)*  
*(Stock Code:1044)*

**Terms of Reference of Remuneration Committee**

**1. Constitution**

The board of directors (the “Board”) of Hengan International Group Company Limited (the “Company”) resolved to establish a committee of the Board known as the Remuneration Committee (the “Remuneration Committee”) on 21 July 2005.

**2. Composition**

- 2.1 The Remuneration Committee shall be appointed by the Board and must consist of a minimum of three members (the “**Members**”).
- 2.2 The majority of the Members must be independent non-executive Directors (“**INEDs**”).
- 2.3 The chairman of the Remuneration Committee shall be appointed by the Board and must be an INED.

**3. Secretary**

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

**4. Meetings**

- 4.1 The Remuneration Committee shall meet at least once a year.
- 4.2 The quorum necessary for the transaction of business of the Remuneration Committee shall be two members of the Remuneration Committee and one of them must be independent non-executive directors.

4.3 Full minutes or written resolutions 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 a meeting.

## **5. Attendance at Meetings**

Only Members are entitled to vote at meetings.

## **6. Proceedings at meetings**

Unless otherwise specifically provided for in these terms of reference, all of the provisions of the Articles of Association of the Company regulating meetings and proceedings of the Board shall, mutatis mutandis, govern the meetings and proceedings of the Committee.

## **7. Duties**

The Remuneration Committee shall have the following duties:

- 7.1 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;
- 7.2 to review and approve the management's remuneration proposal with reference to the Board's corporate goals and objectives;
- 7.3 either (a) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or (b) to make recommendations to the board on the remuneration packages of individual executive Directors and senior management. This should include, but 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;

- 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 elsewhere in the Company and its subsidiaries;
- 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 their associates is involved in deciding that Director's own remuneration;
- 7.9 to review and/or approve matters relating to share schemes (other than share award scheme) under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and
- 7.10 to review from time to time as appropriate these Terms of Reference and the effectiveness of the Remuneration Committee and recommend to the Board any necessary changes.

## **8. Reporting Responsibilities**

The Remuneration Committee shall report to the Board as and when appropriate.

## **9. Authority**

- 9.1 The Remuneration Committee shall consult the chairman of the Board and/or the Chief Executive Officer about their remuneration proposals for other executive Directors and senior management.

- 9.2 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.
- 9.3 The Remuneration Committee is authorized by the Board to have access to independent professional advice where necessary at the Company's expense.
- 9.4 The Remuneration Committee shall be provided with sufficient resources to perform its duties.

## **10. Supplemental Provisions**

In case of any discrepancy between the Chinese and English version of these Terms of Reference, the English version shall prevail.

## **11. Publication of Terms of Reference**

These Terms of Reference will be posted on the websites of the Company and Hong Kong Exchanges and Clearing Limited.

12 April 2024