RAYMOND INDUSTRIAL LIMITED

(the "**Company**")

TERMS OF REFERENCE
OF
REMUNERATION COMMITTEE

(As adopted by the Board on 30 March 2012, amended with effect from 7 November 2025)

CONSTITUTION

1. The remuneration committee (the "**Remuneration Committee**") is established pursuant to the resolutions passed by the board of directors of the Company (the "**Directors**" and the "**Board**", respectively) at its meeting held on 30 March 2012.

AUTHORITY

2. The Remuneration Committee may obtain any information it requires from any department of the Company in the performance of its duties and responsibilities.

3. The Remuneration Committee may seek independent professional advice externally in accordance with procedures adopted by the Company from time to time, and shall be provided with sufficient resources to discharge its duties

MEMBERSHIP

4. The remuneration committee must comprise a minimum of three members, and in accordance with Rules 3.13 and 3.25 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**"), the majority of the committee members must be independent non-executive directors ("**INEDs**").

5. The members of the Remuneration Committee shall be appointed by the Board, and the Remuneration Committee shall comprise three independent non-executive Directors and two executive directors ("**EDs**").

6. The Remuneration Committee must be chaired by an INED.

7. The appointment of the members of the Remuneration Committee may be revoked or replaced and additional members may be appointed to the Remuneration Committee by resolutions passed by the Board.

8. The company secretary of the Company shall be the secretary of the Remuneration Committee. The secretary of the Remuneration Committee or in his/her absence, his/her representative or any one member of the Remuneration Committee, shall be the secretary of the meetings of the Remuneration Committee.

MEETINGS

9. Meetings of the Remuneration Committee shall be held at least once a year.

10. A quorum of the meeting of the Remuneration Committee shall be two Remuneration Committee members.

11. Resolutions of the Remuneration Committee at any meeting shall be passed by a majority of votes of members if more than two members are present and by a unanimous vote if only two members are present.

REMUNERATION COMMITTEE'S RESOLUTIONS

12. A resolution in writing signed by all the members of the Remuneration Committee shall be as valid and effective as if it had been passed at a meeting of the Remuneration Committee and may consist of several documents in like form each signed by one or more of the members of Remuneration Committee. Such resolution may be signed and circulated by facsimile or other forms of electronic communications. This provision is without prejudice to any requirement under the Listing Rules for a meeting of the Board or the Remuneration Committee to be held.

REPORTING PROCEDURES

13. (a) The Remuneration Committee shall report to the Board identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken. At the next meeting of the Board following a meeting of the Remuneration Committee, the chairman of the Remuneration Committee shall report their decisions and recommendations of the Remuneration Committee to the Board.

(b) Full minutes of meetings of the Remuneration Committee shall be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes of the meetings of the Remuneration Committee shall be sent to all members of the Remuneration Committee for their comments and records, in both cases within a reasonable time after each meeting.

(c) Copies of the minutes of meetings of the Remuneration Committee shall be provided to the Board at its meetings.

(d) The Remuneration Committee shall make available at least one of its members to attend the Company's annual general meeting to answer shareholders' questions about remuneration issues.

RESPONSIBILITIES

Directors and Senior Management Remuneration Policy

14. For providing a fair market remuneration to attract, retain and motivate high quality directors and senior management for the Company to achieve its business objectives, a formal and transparent policy must be in place to determine the remuneration packages of its directors and senior management (the "**Senior Management**").

15. According to the terms of reference of the Remuneration Committee of the Company, the Remuneration Committee is responsible for, among others, (i) making recommendations to the Board on the remuneration policy and structure for remuneration of the Directors and the Senior Management and on the establishment of a formal and transparent procedure for developing remuneration policy; (ii) making recommendations to the Board on the remuneration packages of the Directors and the Senior Management; (iii) reviewing and approving 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; and (iv) reviewing and approving compensation payable to executive Directors and the 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. The Board is authorised by the shareholders of the Company to determine the remuneration of Directors.

Key Principles of the Remuneration Policy

16. Remuneration policy is aligned to the overall business strategy, objectives and values of the Group.

17. Remuneration packages are set at levels to ensure comparability and competitiveness with Hong Kong-based companies competing for a similar talent pool and the inflation rate.

18. The Remuneration Committee will review regularly, at least once a year, and recommend to the Board for approval the remuneration packages of the individual executive Directors, non-executive Directors and the Senior Management.

19. In reviewing the remuneration packages of the Directors and the Senior Management, the Remuneration Committee may consider the (i) business performance, (ii) personal performance (both quantitative and qualitative), (iii) market conditions; and (iv) current remuneration assessed against comparable opportunities for an individual.

20. No member of the Remuneration Committee will involve in reviewing his own remuneration package nor recommending the Board for consideration his own remuneration package. The Remuneration Committee will ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration.

21. The Remuneration Committee will review and/or approve matters relating to the share schemes under Chapter 17 of the Listing Rules, if any.

22. Independent professional advice on remuneration related matters will be sought where appropriate.

Remuneration structure

23. Remuneration packages of the executive Directors, non-executive Directors (excluding independent non-executive Directors) and the Senior Management consist of (i) a fixed part (base salary and benefits); and (ii) a variable part (performance-based bonus and share options).

24. Remuneration packages of the INEDs consist of (i) a fixed part (annual retainer fee payable on monthly/a half-yearly basis) and (ii) a variable part (share options).

Adjustment to remuneration packages

25. Each annual adjustment or several adjustments in the 12-month period to the remuneration package of each Director or the Senior Management will be presented to the Renumeration Committee Chairman for review and for the Board to discuss any recommendations from the Renumeration Committee.

REVISION OF THE TERMS OF REFERENCE

26. These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements, including but not limited to the Listing Rules.

Note: If there is any inconsistency between the English and Chinese versions of this document, the English version shall prevail.