



TERMBRAY INDUSTRIES INTERNATIONAL (HOLDINGS) LIMITED

添利工業國際(集團)有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 00093)

Terms of reference for Remuneration Committee

Formation

1. The remuneration committee (the “Committee”) was formed pursuant to the board resolution of Termbray Industries International (Holdings) Limited (“the Company”).

Membership

2. The Committee members shall be appointed by the board of directors (the “Board”) of the Company amongst the directors of the Company. The Committee shall consist of not less than 3 members. A majority of the Committee members should be independent non-executive directors.
3. The chairman of the Committee should be independent non-executive director.
4. The company secretary shall be the secretary of the Committee. The secretary of the Committee or in his absence, his representative or any one member, shall be the secretary of the meetings of the Committee.

Frequency and proceedings of meetings

5. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
6. A quorum of the meetings of the Committee shall be two members. Any members of the Committee or other attendees may participate in a meeting of the Committee by attending in person or by means of a telephone conference or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other. 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.
7. The Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisors or consultants, to advise its members.
8. Meetings of the Committee shall be summoned by the secretary of the Committee at the request of any member thereof.

** For identification only*

9. 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, the chief executive officer of the Company, the chief financial officer of the Company, any other person required to attend and all other executive and non-executive directors of the Company, at least three working days prior to the date of the meeting.
10. The chairman of the Board shall have the right to attend and speak at meeting of the Committee and others may be called upon or shall be able to speak by prior arrangement with the chairman of the Committee.
11. The secretary of the Committee shall keep the minutes of the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
12. With consent by all members of the Committee, resolutions of the Committee could be passed by written resolutions.
13. Any resolution shall be passed by the majority votes of the members of the Committee who attend the meeting and a majority vote of the members present shall represent an act of the Committee.

Authority

14. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
15. The Committee shall report directly to the Board and shall, where appropriate, consult the chairman of the Company about their proposals relating to the remuneration of directors and senior management. The Committee shall be provided with sufficient resources to perform its duties and is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Duties

16. 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 review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives.
 - (c) 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.

- (d) To consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group.
- (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 make recommendations to the Board on the remuneration of non-executive directors.
- (h) To ensure that no director or any of his associates is involved in deciding his own remuneration.
- (i) To consult the chairman and/or chief executive about their remuneration proposals for other executive directors and have access to independent professional advice if necessary.
- (j) To consider other topics as defined by the Board.

Reporting Procedures

17. The chairman of the Committee who chair the meetings or other member of the committee who is authorised by the chairman of the Committee to chair the meeting shall report to the Board after each meeting of the Committee.
18. Full minutes of the meetings of the Committee should be kept by the secretary of the Company, which should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Committee members or dissenting views expressed. Draft and final versions of minutes of the Committee meetings should be sent to all members of the Committee for their comment and records respectively within a reasonable time after the meeting.
19. The secretary of the Committee shall circulate the minutes of meetings of the Committee to all members of the Board.

(Note: Last amended on 26 August 2022)