



萬隆控股集團有限公司
Ban Loong Holdings Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 30)
(the “Company”)

Terms of Reference for Remuneration Committee

(Approved and Adopted by the Board on 29 March 2012 and amended by the Board on 24 June 2019 and 3 February 2023)

1. Constitution

1.1 The board of directors of the Company (the “**Board**”) has resolved to establish a committee of the Board on 29 April 2005 to be known as the Remuneration Committee.

2. Membership

2.1 The Remuneration Committee shall consist of not less than 3 members. The members of the Remuneration Committee shall be appointed by the Board of the Company. A majority of the members of Remuneration Committee shall be independent non-executive directors.

2.2 If a regular member is unable to act due to absence, illness or any cause, the chairman of the Remuneration Committee may appoint another non-executive director of the Company to serve as an alternate member.

2.3 The Board shall appoint the Remuneration Committee chairman who should be an independent non-executive director.

3. Secretary

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

4. Quorum

4.1 The quorum necessary for the transaction of the business of the Remuneration Committee shall be two non-executive directors of the Remuneration Committee. A duly convened meeting of the Remuneration 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 Remuneration Committee.

5. Frequency of meeting

5.1 Meetings of the Remuneration Committee shall be held at least once a year and can either be in person or through other electronic means of communication.

6. Notice of meeting

6.1 Meetings shall be summoned by the Secretary of the Remuneration Committee at the request of the chairman of the Remuneration Committee with reasonable notice given.

6.2 An agenda and accompanying Remuneration Committee papers shall be circulated to all members in a timely manner and at least 3 days before the intended date of a Remuneration Committee meeting insofar as it is practicable. Such papers and related materials shall be in a form and quality as will enable the Remuneration Committee to make an informed decision on the matters placed before it.

7. Attendance at meetings

7.1 The Company's chief executive officer shall attend meetings to discuss the performance of members of the Board who are executive directors and member of the executive directorate and make proposals as necessary. The director is responsible for the human resources function ("**human resources director**") of the Company shall attend meetings for the purpose of submitting the Remuneration Committee to perform its duties. As deemed necessary by the Remuneration Committee, other members of the Company may also attend meetings of the Remuneration Committee. However, no member of the Board or the executive directorate shall be involved in any decision or present at any discussions as to his or her own individual remuneration, save for the human resources director of the Company who shall be present and be able to speak at any discussions where he is providing such necessary background as is referred to above.

8. Minutes

- 8.1 The members of the Remuneration Committee shall cause minutes to be made of all resolutions and proceedings of the Remuneration Committee including the names of all those present and in attendance at meetings of the Remuneration Committee. Minutes of Remuneration Committee meetings shall record in sufficient detail the matters considered by the Remuneration Committee members and decisions reached, including any concerns raised by the Remuneration Committee members and dissenting views expressed.
- 8.2 Except where this would violate legal or regulatory requirements, the Remuneration Committee shall promptly report back to the Board all decisions and recommendations.

9. Authority

- 9.1 The Remuneration Committee should consult the chairman and/or chief executive about their remuneration proposals for other executive directors. The Remuneration Committee should have access to independent professional advice if necessary.
- 9.2 The Remuneration Committee should be provided with sufficient resources to perform its duties.
- 9.3 The Remuneration Committee is and may, from time to time, seek advice from special personnel consulting groups so as to ensure that the Board remains informed of market trends and practices.

10. Duties and Reporting to the Board

- 10.1 The Remuneration Committee will take full account of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)
- 10.2 The duties of the Remuneration Committee should include:–
- (a) to make recommendations to the Board on the issuer’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 make recommendations to the Board on the remuneration of non-executive directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (f) 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 otherwise fair and not excessive;
- (g) 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;
- (h) to ensure that no director or any of his associates is involved in deciding his own remuneration;
- (i) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- (j) with respect to any service contracts of Directors that require shareholders' approval under Rule 13.68 of the Listing Rules, to advise shareholders as to whether the terms are fair and reasonable, whether such contracts are in the interests of the Company and its shareholders as a whole, and as to how to vote.

10.3 In determining any specific package, the Remuneration Committee shall take into account factors such as salaries paid by comparable companies, time commitment, responsibilities of directors, employment conditions elsewhere in the group and whether any part of the remuneration package should be performance-based.

10.4 The Remuneration Committee shall report back to the Board on their findings and recommendations or decisions made, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).

11. Reporting to Shareholders

- 11.1 The Remuneration Committee shall prepare and submit to the Board a draft report on remuneration to be considered and approved by the Board. Once approved, the report should form part of, or be annexed to, the Company's annual report and accounts. It should contain the provisions specified in 11.2 below.
- 11.2 The annual report, referred to in 11.1 above, must contain such information as is required to comply with the Listing Rules, all applicable laws and the Remuneration Committee's view of good practice at the relevant time.

(The English text of these terms of reference will prevail over the Chinese text in case of any inconsistency)