



## **ARTA TECHFIN CORPORATION LIMITED**

### **裕承科金有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 279)**

## **TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE**

### **1. Membership**

- 1.1 The Remuneration Committee shall be appointed by the Board of Directors (the “Board”) and shall consist of not less than three Members.
- 1.2 The majority of the members (the “Members”) of the Remuneration Committee shall be independent non-executive Directors (“INEDs”).
- 1.3 The Chairman of the Remuneration Committee shall be appointed by the Board and must be an INED.

### **2. Secretary**

- 2.1 The Company Secretary shall be the secretary of the Remuneration Committee.
- 2.2 Notwithstanding any other provisions in this terms of reference, the Remuneration Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Remuneration Committee.

### **3. Meeting**

- 3.1 The Remuneration Committee shall meet at least once each year.
- 3.2 Notice of any meetings has to be given at least 7 days prior to any such meeting being held provided that if a meeting is called by a shorter notice, it shall be deemed to have been duly called if it is so agreed by a majority of the Members. A Member who attends such a meeting shall deem to agree to the shorter notice.

- 3.3 The quorum of the Remuneration Committee shall be two Members.
- 3.4 Meetings could be held in person, by telephone or by other electronic means.
- 3.5 Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of the Members present.
- 3.6 A resolution in writing signed by all the Members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
- 3.7 Minutes 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 respectively, in both cases within a reasonable period of time after the meeting.

#### **4. Attendance and Voting at Meeting**

- 4.1 At the invitation of the Remuneration Committee, the Chairman of the Board and/or the Chief Executive (if not a member of the Remuneration Committee), external advisers and other persons may attend all or part of any meetings.
- 4.2 Only Members of the Remuneration Committee are entitled to vote at the meetings.

#### **5. Annual General Meeting**

- 5.1 The Chairman of the Remuneration Committee or a Member of the Remuneration Committee shall attend the Company's Annual General Meeting and be prepared to respond to shareholders' questions on the Remuneration Committee's activities and its responsibilities.

## **6. Responsibility and Powers**

The Remuneration Committee shall have the following responsibilities and powers:

- 6.1 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;
- 6.2 to review and approve the management's remuneration proposals with the reference to the Board's corporate goals and objectives;
- 6.3 to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 6.4 to make recommendations to the Board on the remuneration of non-executive Directors;
- 6.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- 6.6 to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure it is consistent with contractual terms and is otherwise fair and not excessive;
- 6.7 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;
- 6.8 to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- 6.9 to review and/or approve matters relating to share schemes under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## **7. Reporting**

7.1 The Remuneration Committee shall report to the Board after each meeting.

## **8. Authority**

8.1 The Remuneration Committee shall consult the Chairman of the Board and/or Chief Executive about their proposals relating to the remuneration of other executive Directors and senior management.

8.2 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;

8.3 The Remuneration Committee is authorized by the Board where necessary to have access to independent professional advice.

8.4 The Remuneration Committee shall be provided with sufficient resources to perform its duties.

## **9. Publication of the Terms of Reference**

9.1 This terms of reference will be posted on both the websites of the Company and Hong Kong Exchanges and Clearing Limited.

*(If there is any inconsistency or ambiguity between the English version and the Chinese version, the English version shall prevail.)*