



NATIONAL UNITED RESOURCES HOLDINGS LIMITED

國家聯合資源控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code:254)

(the “Company”)

Terms of Reference of Remuneration Committee

(Revised and adopted by the Board on 30 March 2012,
and further revised by the Board on 28 February 2023)

1. CONSTITUTION

The board of directors of the Company (the “**Board**”) has established a committee known as the remuneration committee (the “**Committee**”).

2. MEMBERSHIP

2.1 The members of the Committee (the “**Members**” and each a “**Member**”) shall be appointed by the Board from amongst the directors of the Company and shall consist of not less than three Members and comprise a majority of independent non-executive directors. A quorum shall be two Members, comprising at least one independent non-executive director.

2.2 The chairperson of the Committee shall be appointed by the Board and should be an independent non-executive director. In his absence, the Members shall elect amongst themselves such independent non-executive director Member to chair a Committee meeting.

3. SECRETARY

The company secretary of the Company or his delegate or such other person appointed by the chairperson of the Committee shall be the secretary of the Committee (the “**Committee Secretary**”).

4. FREQUENCY AND CONDUCT OF MEETINGS

4.1 Meetings of the Committee shall be held at least once a year to consider and review the remuneration policies of the Company and make recommendations to the Board.

- 4.2 Meetings of the Committee shall be held as and when required or as requested by the directors of the Company and held by attending in person, telephone or video conference. Members could attend the meetings through telephone conference or similar arrangements by which Members could communicate to each other.
- 4.3 An agenda and accompanying papers should be sent in full to all Members of the Committee in a timely manner and at least 3 business days before the intended date of a meeting of the Committee (or such other period as agreed by its Members).

5. AUTHORITY

- 5.1 The Committee is authorised by the Board to obtain external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Committee shall be provided with sufficient resources to discharge its duties.
- 5.2 The Committee has the authority delegated to it from the Board to deal with the matters set out in clause 6 below.

6. DUTIES

The duties of the Committee shall include:

- 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 reference to the Board's corporate goals and objectives;
- 6.3 to determine, with delegated responsibility, the remuneration packages of individual executive director and senior management;
- 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 that 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 that director's 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 (the "**Stock Exchange**").

7. GROUND RULES

- 7.1 Levels of remuneration should be sufficient to attract and retain the directors needed to run the company successfully, but companies should avoid paying more than is necessary for this purpose.
- 7.2 No director should be involved in deciding his own remuneration.
- 7.3 The Committee should consult the chairman and/or chief executive about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary.

8. MINUTES

- 8.1 The Committee Secretary shall record minutes of all duly constituted meetings of the Committee.
- 8.2 All minutes shall record in sufficient detail the matters considered, decisions reached or recommendations made and any concerns raised by any Member.
- 8.3 The Committee Secretary shall circulate the draft and final versions of the minutes of meetings to all Members for comments and records within a reasonable time after each meeting.
- 8.4 The chairperson of the Committee shall report at the forthcoming regular board meeting any key decisions made by the Committee and shall table before the Board the list of issues discussed.

9. TERMS AVAILABLE

The Committee shall make available these terms of reference, explaining its role and the authority delegated to it by the Board by including them on the websites of the Stock Exchange and the Company.

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