



**WINOX**  
**WINOX HOLDINGS LIMITED**

盈利時控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 6838)

(the “**Company**”)

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**TERMS OF REFERENCE**  
**OF**  
**THE REMUNERATION COMMITTEE**  
(the “**Committee**”)

*(Adopted pursuant to the board meeting of the Company held on 25 June 2011)*  
*(As amended by the Board of Directors on 30 March 2012)*  
*(As amended by the Board of Directors on 30 December 2022)*

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**Membership**

1. The Committee shall consist of not less than three members appointed by the board of directors of the Company (the “**Board**”), with the majority of the members being independent non-executive directors of the Company.
2. The Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director of the Company.
3. The members of the Committee shall not have personal financial interest (other than being a shareholder and/or a director of the Company) and conflicts of interest arising from cross-directorships.
4. The term of membership will be one year from the date of appointment subject to renewal and shall be governed by the provisions of the Articles of Association of the Company (as amended from time to time) (the “**Articles**”).
5. The appointment of the members of the Committee may be revoked and new members can be appointed in their stead, by resolutions passed by the Board.
6. No alternate member of any member of the Committee can be appointed.
7. The Company Secretary of the Company shall be the secretary of the Committee.

**Frequency and proceedings of meetings**

8. The Committee shall meet at least once a year. Additional meetings should be held as and when the work of the Committee demands.
9. The Chairman of the Committee may convene additional meetings at his discretion.

10. The quorum of a meeting shall be two directors and at least one of them shall be an independent non-executive director.
11. A member of the Committee shall abstain from voting and shall not be counted in the quorum of a meeting in respect of the resolution regarding the remuneration payable to him.
12. Proceedings of meetings of the Committee shall be governed by the provisions of the Articles.
13. The Chairman and the Managing Director of the Company shall be invited to attend the meeting of the Committee to appraise the performance of executive directors and senior management as well as to make recommendations to the Board, if required. The Chairman and the Managing Director of the Company shall report to the Committee on major changes of the Company's policy and structure that may affect the senior management of the Company.

### **Responsibility**

14. The Committee is responsible to review and formulate policies in respect of remuneration structure for all directors of the Company (the "**Directors**") and senior management of the Company (the "**Senior Management**") and make recommendations to the Board for its consideration. Levels of remuneration should be sufficient to attract and retain the Directors needed to run the Company successfully but the Company should avoid paying more than is necessary for this purpose. For the purpose of these terms of reference, "Senior Management" refers to the same category of persons as referred to in the Company's annual report and whose biographical details are required to be disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

### **Duties, powers and functions**

15. The Committee is to:
  - (a) 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, and to consult the Chairman and/or Chief Executive about their remuneration proposals for other executive Directors;
  - (b) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
  - (c) make recommendations to the Board on the remuneration packages of individual executive Directors and Senior Management, which should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
  - (d) make recommendations to the Board regarding remuneration of non-executive Directors;
  - (e) consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries (together, the "**Group**");
  - (f) ensure that a portion of executive Directors' remuneration should be structured so as to link rewards to corporate and individual performance;

- (g) determine the time of payment of any such performance-based bonuses and remuneration;
- (h) review and approve compensation payable to executive Directors and members of 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;
- (i) 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;
- (j) ensure that no Director or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration and that, as regards the remuneration of a non-executive Director who is a member of the Committee, his/her remuneration should be determined by the other members of the Committee;
- (k) advise the Company's shareholders on how to vote with respect to any service contracts of Directors, which is for a duration that may exceed 3 years or not determinable by the Company within one year or without payment of compensation or without other payments equivalent to more than one year's emoluments that require shareholders' approval under Rule 13.68 of the Listing Rules;
- (l) consider the granting of share options to Directors and Senior Management pursuant to any share option scheme adopted by the Company;
- (m) review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules;
- (n) ensure due compliance with any relevant disclosure requirements in respect of the remuneration of Directors as well as other remuneration related matters under the Listing Rules (including without limitation, Appendix 16 to the Listing Rules), the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and any other statutory requirements;
- (o) review and make recommendations to the Board regarding the pension arrangements for Directors and Senior Management;
- (p) review and report to the Board on any suspected irregularities in the reimbursement of unreasonable out-of-pocket expenses of Directors and Senior Management;
- (q) review and approve the interim report, annual report, announcement and circular or any publication of the Company regarding remuneration and service contracts of the Directors prior to approval by the Board;
- (r) to be provided with sufficient resources to discharge its duties;
- (s) make available these terms of reference, explaining its role and the authority delegated to it by the Board;
- (t) engage such external legal, financial or other independent professional advisers or other persons to enable it to discharge its duties as it considers necessary;
- (u) conduct exit interviews with any Directors and Senior Management upon their resignation in order to ascertain the reasons for resignation; and
- (v) consider other matters, as defined or assigned by the Board from time to time.

## **Reporting Procedures**

16. Full minutes of the meetings of the Committee shall be kept by the secretary of the Committee, who shall prepare and send draft and final versions of minutes of meetings and all written resolutions of the Committee to all members of the Committee for their comments and records respectively, in both cases within a reasonable time after the meeting.
17. The Committee should report to the Board on a regular basis on its decisions or recommendations and on the matters set out in these terms of reference.
18. The secretary of the Committee shall circulate the minutes of meetings and all written resolutions of the Committee to all members of the Board, keeping the Board informed of the Committee's activities, decisions and recommendations on a regular basis.
19. At the next meeting of the Board following a meeting of the Committee, the Chairman of the Committee shall report to the Board on the works, significant decisions, findings and recommendations of the Committee since the last Board meeting. At least once annually, the Committee should present a report in writing to the Board which addresses the work and findings of the Committee during the year.