



**CHINA WANTIAN HOLDINGS LIMITED**  
**中國萬天控股有限公司**

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

**(Stock Code: 1854)**

(the “**Company**”)

**TERMS OF REFERENCE  
OF  
THE REMUNERATION COMMITTEE**

These terms of reference of the Remuneration Committee (the “**Committee**”) have been prepared based on the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

**Composition**

1. The Committee is established by the board of directors of the Company (the “**Director(s)**” or “**Board**”) according to the articles of association of the Company (the “**Articles of Association**”) on 26 September 2016.

**Members**

2. The members of the Committee (the “**Member(s)**”) must be appointed by the Board and shall consist of not less than three Members. The majority of the Members must be independent non-executive Directors (the “**INED(s)**”).
3. The chairman of the Committee shall be appointed by the Board and must be an INED.
4. Subject to Rules 2 and 3 above, the Board may, from time to time, at their discretion, change the composition of the Members.

**Secretary**

5. The Committee may appoint the company secretary of the Company or any other person with appropriate qualification and experience as the secretary of the Committee. Full minutes of the meetings should be kept by the secretary.

**Frequency and proceedings of meetings**

6. The Committee shall meet at least once a year. Additional meetings may be held as and when required.
7. The quorum of a meeting shall be two Members.
8. A Member must abstain from voting and must not be counted in the quorum of a meeting in respect of any resolution which he/she is an interested party.

9. Meetings of the Committee may be held either in person or through electronic means of communication or in such other manner as the Members may agree.
10. Resolutions of the Committee shall be passed by more than half of the Members.
11. A resolution in writing signed by all Members shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
12. Unless otherwise stated herein, proceedings of meeting of the Committee shall be governed by the relevant provisions of the Articles of Association (as amended from time to time).

### **Authority**

13. All Members should have access to the advice and services of the company secretary who is responsible to the Committee for ensuring that procedures of the Committee, and all applicable law, rules and regulations, are followed.
14. The Committee shall be provided with sufficient resources to perform its duties and may seek independent professional advice upon reasonable request at the Company's expenses to perform its duties.
15. The Committee is authorised by the Board to investigate any activity within its terms of reference and seek any necessary information which is within its scope of duties from the employees of the Company and its subsidiaries (including the members of the Board).

### **Duties**

16. Main duties of the Committees should include: -
  - (a) to make recommendations to the Board on the 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 compensation payable for loss or termination of their office or appointment. The Committee should consult the Chairman and / or Chief Executive (if any) of the Company about their proposals relating to the remuneration of other executive Directors;
  - (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 in determining and recommending remuneration;
- (f) to review and approve the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that it is consistent with contractual terms and that such compensation is otherwise fair and not excessive;
- (g) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are consistent with contractual terms and otherwise reasonable and appropriate;
- (h) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- (i) to advise shareholders of the Company with respect to any service contracts of Directors that require shareholders' approval under the Listing Rules;
- (j) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- (k) any other duties applicable to the Committee as specified in the Corporate Governance Code contained in Appendix 14 to the Listing Rules or as delegated to the Committee by the Board from time to time.

### **Reporting Procedures**

17. The Committee should report to the Board, identifying any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken.
18. Full minutes and written resolutions should be kept by the secretary of the Committee. Draft and final versions of minutes of the meetings should be sent to all Members for their comments and records, within a reasonable time after the meeting. Written resolutions should be promptly sent to all Members for their records after the written resolutions are passed.
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 and recommendations of the Committee since the last Board meeting (if any). At least once annually, the Committee should present a report in writing to the Board which addresses the work of the Committee during the year.

## **Others**

20. The Company should disclose details of any remuneration payable to members of senior management by band in its annual reports and the Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board by including them on the Stock Exchange's website and the Company's website.
21. Any changes to the terms of reference shall be effective after they have been approved by the Board.

*(Amended and adopted by the Company pursuant to the Board's resolutions passed on 21 December 2022)*

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