

# **Stelux Holdings International Limited**

(the “Company”)

## **Terms of Reference of Remuneration Committee**

The Remuneration Committee (the “Committee”) of the Company was set up on 20th December 2005.

### **Membership**

1. The Committee shall comprise a majority of 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.
3. The Company Secretary of the Company shall be the secretary of the Committee.

### **Quorum**

1. The quorum of a meeting shall be three members of the Committee.

### **Frequency and proceedings of meetings**

1. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.

### **Authority**

1. The Committee is authorised by the Board to consult the Chairman and/or Chief Executive of the Company about their remuneration proposals for other executive directors.
2. The Committee is authorised by the Board where necessary to have access to independent professional advice.
3. The Committee is to be provided with sufficient resources to perform its duties.

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

1. The Committee is:-
  - (a) to make recommendations to the Board on the Company’s policy and structure for all directors’ 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 determine, with delegated responsibility, the remuneration packages of individual executive directors;  
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 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;
- (g) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they consistent with contractual terms and are otherwise reasonable and appropriate; and
- (h) to ensure that no director or any of his associates is involved in deciding his own remuneration.

### **Reporting procedures**

1. The secretary shall circulate the minutes of meetings and reports of the Committee to all members of the Board.

### ***Notes***

*In the event of discrepancies between the English version and the Chinese version of this document, the English version shall prevail.*

Adopted by the Board on 7 December 2018 and to take effect from 7 December 2018.