



**POWERLONG**

宝龙

# **POWERLONG REAL ESTATE HOLDINGS LIMITED**

**寶龍地產控股有限公司**

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

**(Stock Code: 1238)**

(hereafter the “**Company**”)

(Revised and approved by the board of directors of the Company on 21 March 2019)

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

### **1. Members**

- 1.1 The remuneration committee of the Company (the “**Remuneration Committee**”) should be established by the board of directors of the Company (“**Board**”).
- 1.2 The majority of Remuneration Committee members (“**Members**”) must be independent non-executive director. Members of the Remuneration Committee shall be appointed by the Board.
- 1.3 The Remuneration Committee must be chaired by an independent non-executive director and appointed by the Board.
- 1.4 The term of appointment of the Remuneration Committee members may be determined by the Board at the appointment or from time to time.

### **2. Secretary**

- 2.1 The company secretary of the Company shall act as the secretary of the Remuneration Committee.
- 2.2 The Remuneration Committee may from time to time, appoint any other person with appropriate qualification and experience to act as the secretary of the Remuneration Committee.

### **3. Meeting**

- 3.1 The Remuneration Committee should meet at least once a year. Any member of the Remuneration Committee may, and at the request of a member of the Remuneration Committee the secretary of the Remuneration Committee shall, call for a meeting of the Remuneration Committee.
- 3.2 Notice of at least 14 days should be given for any meeting, unless such notification is waived by all members of the Remuneration Committee. Notwithstanding the notification period, the attendance of the member of the committee at the meeting would be deemed as the waiver by such member of the required notification requirement. If any follow-up meeting takes place within 14 days after the meeting, then no notification is required for such follow-up meeting.

- 3.3 The quorum necessary for the transaction of business of the Remuneration Committee shall be two members of the Remuneration Committee, one of whom must be an independent non-executive director.
- 3.4 A meeting of the Remuneration Committee may be attended in person or via electronic means including telephone or video conferencing provided that all participants are thereby able to communicate contemporaneously by voice with all other participants and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.
- 3.5 Resolutions of the Remuneration Committee shall be passed by more than half of the members.
- 3.6 A resolution passed and signed by all members of the Remuneration Committee is valid, and the validity is the same as any resolution passed at the meeting held.
- 3.7 Full minutes of Remuneration Committee meeting should be kept by a duly appointed secretary of the Remuneration Committee and be available for review by the directors. Draft and final versions of minutes of the meeting should be sent to all committee members for their comment and records, within a reasonable time after the meeting.

#### **4. Meeting attendance**

- 4.1 Upon invitation from the Remuneration Committee, the chairman of the Board and/or the general manager or the chief executive officer of the Company and/or its subsidiaries, external advisors and the other persons can be invited to attend all or part of any meeting.
- 4.2 Only the members of Remuneration Committee can vote in a meeting of the Remuneration Committee.

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

- 5.1 The chairman of the Remuneration Committee or (if absent) the other member(s) of the Remuneration Committee (must be an independent non-executive director) should attend the annual general meetings of the Company to handle the shareholders' enquiry on the activities and responsibilities related to the Remuneration Committee at such meetings.

#### **6. Duties and Powers**

The Remuneration Committee shall have the following duties 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 reference to the Board's corporate goals and objectives;

- 6.3 either: (i) to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; or (ii) 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 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 the 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; and
- 6.8 to ensure that no director or any of his associates is involved in deciding his own remuneration.

## **7. Declaration responsibility**

- 7.1 The Remuneration Committee shall report to the Board every time after any meeting of the Remuneration Committee.

## **8. Authority**

- 8.1 The Remuneration Committee should consult the chairman of the Board and/or the chief executive of the Company about their remuneration proposals for other executive directors.
- 8.2 The Remuneration Committee is authorized to request the senior management of the Company to provide any required information relating to the performance of its duties.
- 8.3 The Remuneration Committee should have access to independent professional advice at the expense of the Company if necessary. The independent professional advice can be sought via the financial controller or the company secretary of the Company.

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

*Remark: In these terms of reference, “senior management” refers to the persons referred to in the prospectus or the interim/annual report of the Company (whichever is the latest) as senior management of the Company. It is the responsibility of the directors of the Company to determine which individual or individuals constitute senior management. Senior management may include directors of subsidiaries, heads of divisions, departments or other appropriate.*

*Last amended by the Board on 21 March 2019*

*In the event of any inconsistency between the English and Chinese language versions of these terms of reference, the English version shall prevail.*