

**SINOFERT HOLDINGS LIMITED**  
**(“Company”)**  
**(Stock Code: 297)**

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

**1. Membership**

- 1.1 The Committee shall be appointed by the board of directors (“Board”).
- 1.2 The majority of the members of the Committee shall be independent non-executive directors (“INEDs”).
- 1.3 The chairman of the Committee shall be appointed by the Board and shall be an INED.

**2. Secretary**

- 2.1 The Company Secretary or a nominee shall act as the Secretary of the Committee.
- 2.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Committee.

**3. Meetings**

- 3.1 The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
- 3.2 The chairman of the Committee may convene additional meetings at his discretion.
- 3.3 The quorum of a meeting shall be two members of the Committee. One of whom must be an INED.

**4. Authority and duties**

- 4.1 The Committee shall have the following authority and duties:
  - (a) To make recommendation to the Board on the Company’s policy and structure for all directors’ and senior management’s remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

- (b) To review and approve the executive directors' and senior 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 and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. The Chairman and/or the Chief Executive and/or the responsible person in the human resources department shall be consulted about the remuneration proposals for other executive directors, and/or senior management;
  - (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 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;
  - (g) 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;
  - (h) To ensure that no director or any of his/her associates is involved in deciding his own remuneration; and
  - (i) To review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.
- 4.2 The Committee shall be provided with sufficient resources to enable it to perform its duties, including the resources for seeking independent professional advice.
- 4.3 To address and deal with such other matters as may be delegated by the Board to the Committee from time to time.

## **5. Reporting Procedures**

- 5.1 The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee or as soon as practicable, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.

## **6. Annual review of Terms of Reference**

6.1 The terms of reference of the Committee should be reviewed annually.

*Note: “senior management” shall refer to the same category of persons as referred to in the Company’s annual report and is required to be disclosed under the Listing Rules.*