



**GUOTAI JUNAN INTERNATIONAL HOLDINGS LIMITED**  
(Incorporated in Hong Kong with limited liability)  
(Stock Code: 1788)

**Terms of Reference of the Remuneration Committee**

Adopted on 19 June 2010  
Amended on 18 March 2019

**Definition**

Board	means the board of directors of the Company
Committee	means the Remuneration Committee of the Board of the Company
Company	means Guotai Junan International Holdings Limited
Director(s)	means director(s) of the Company
Independent Non-executive Directors	means the independent non-executive directors of the Company subject to the independence requirements of the Listing Rules
Listing Rules	means the Rules Governing the Listing of Securities on the Stock Exchange
Remuneration	means (including but not limited to) wages, discretionary bonuses, share options)
Stock Exchange	means the Stock Exchange of Hong Kong Limited

**Purpose of the Committee**

The Committee was established by the Board on 19 June 2010. The purpose of the Committee is to assist and advise the Board on the Remuneration of the Directors and senior management by establishing a set of formal and transparent procedure for setting policy on their Remuneration as well as approving their Remuneration, so as to motivate, retain and attract the best talents for the Company.

**Membership**

1. The members of the Committee shall be appointed by the Board, a majority of whom should be Independent Non-executive Directors.
2. The Chairman of the Committee shall be appointed by the Board and shall be an Independent Non-executive Director.

**Attendance at meetings**

3. The Committee may invite other Directors, senior management of the Company, or external professional expertise to attend the meetings of the Committee if necessary.
4. The company secretary shall be the secretary of the Committee. In the absence of the secretary of the Committee, his/her representative or any one member, shall act as the secretary of the meetings of the Committee.

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

5. The Committee shall meet at least once a year.
6. The quorum of the meetings of the Committee shall be three (3) members.
7. Reasonable notice of meeting shall be given to all members.
8. A resolution must be passed by a simple majority of vote.
9. Unless otherwise specified herein, proceedings of meetings of the Committee shall be governed by the Company's Articles of Association in respect of proceedings of the Directors so far as the same are applicable.

### **Authority and duties**

10. The Committee should consult the chairman of the Board and/or chief executive about their Remuneration proposals for other Directors and senior management. The Committee shall have access to independent professional advice if necessary, at the Company's expenses.
11. The Committee shall be provided with sufficient resources to discharge its duties.
12. The duties of the Committee shall include:
  - (i) to make recommendations 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;
  - (ii) to review and approve the Remuneration proposals reported by the management (including but not limited to the performance-based remuneration) with reference to the Board's corporate goals and objectives;
  - (iii) 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);
  - (iv) to make recommendations to the Board on the Remuneration of non-executive Directors;
  - (v) to consider salary levels paid by comparable companies, time commitment and responsibilities of the Directors and employment conditions elsewhere in the group, the remuneration should make reference to the performance of the Company as well as the individual executive Directors, etc.;
  - (vi) 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;
  - (vii) 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;
  - (viii) to ensure that no Director or any of his/her associates is involved in deciding his/her own Remuneration; and
  - (ix) to consider any other matters as authorised by the Board.

### **Other Matters**

13. Terms of reference of the Committee shall be made available to the public on the website of the Company and the Stock Exchange.

### **Reporting procedures**

14. Draft and final version of minutes of the meetings of the Committee's meetings shall be sent to all members for their comment and record within a reasonable time after the meetings. The minutes of the meetings of the Committee should be kept by the company secretary.

*The Chinese version of this document is for reference only. In case of any discrepancies or inconsistency between the English version and Chinese version, the English version prevails.*

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