



TIMES UNIVERSAL GROUP HOLDINGS LIMITED

時代環球集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2310)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

Constitution

1. The board of directors (the “**Board**”) of Times Universal Group Holdings Limited (the “**Company**”) has resolved to establish a committee of the Board known as the remuneration committee (the “**Remuneration Committee**”) with authority, responsibility and specific duties as described below. Terms of Reference of the Remuneration Committee are updated and amended with reference to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) from time to time.

Membership

2. Members of the Remuneration Committee shall be appointed by the Board.
3. The Remuneration Committee shall consist of not less than three members. The majority of the members shall be independent non-executive directors.
4. Chairman of the Remuneration Committee shall be appointed by the Board and should be an independent non-executive director.

Quorum and voting at meetings

5. The quorum of the Remuneration Committee shall be any two members. If only two members are in attendance, both members shall be independent non-executive directors. If more than two members are in attendance, a majority of the members shall be independent non-executive directors.
6. Questions arising at any meetings shall be decided by a simple majority of votes.

Attendance at meetings

7. Meetings could be held in person or through other electronic means of communication, by which all persons participating in the meeting are capable of hearing each other.
8. At the invitation of the Remuneration Committee, the chairman of the Board and/or chief executive officer, external advisers and other persons may be invited to attend all or part of any meeting.
9. The company secretary of the Company or any other person with appropriate qualification and experience as appointed by the Remuneration Committee from time to time shall be the secretary of the Remuneration Committee.
10. Only members of the Remuneration Committee are entitled to vote at the meetings.

Frequency of the meetings

11. At least one meeting of the Remuneration Committee will be held each year provided that any ad hoc meetings shall be convened as and when deemed necessary.

Notice of meetings

12. Meetings of the Remuneration Committee shall be convened by the secretary of the Remuneration Committee at the request of any of its members.
13. Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Remuneration Committee, and to any other person required to attend: (a) in relation to all regular meetings of the Remuneration Committee, at least 14 days before the date of the meeting; and (b) in relation to all other meetings of the Remuneration Committee, within a reasonable time prior to the date of the meeting.
14. An agenda of items to be discussed, together with supporting papers shall be sent to the members and to other attendees as appropriate within a reasonable time prior to the date of the meeting.
15. Any member of the Remuneration Committee shall be entitled, by notice to the secretary of the Remuneration Committee, to include other matters relevant to the functions of the Remuneration Committee in the agenda of a Remuneration Committee meeting.

Minutes of meetings

16. The secretary of the Remuneration Committee (or his/her delegate) in attendance at the meetings of the Remuneration Committee shall prepare minutes in sufficient detail of the proceedings and resolutions of all such meetings, including the names of those present and in attendance. The minutes should also include any concerns raised by any member of the Remuneration Committee and/or dissenting views expressed.
17. The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and record such (if any) accordingly. Any member of the Remuneration Committee ascertained by the secretary to have any conflict of interest shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Remuneration Committee in which he/she and/or his/her associates has/have a material interest.
18. Draft and final versions of minutes of Remuneration Committee meetings shall be sent to all members for their comments and records respectively, in both cases within a reasonable time after the meeting. Once they are agreed, the secretary of the Remuneration Committee shall circulate the minutes and reports of the Remuneration Committee to all members of the Board.
19. Minutes of the Remuneration Committee meetings shall be kept by the secretary of the Remuneration Committee and shall be available for inspection by any member of the Remuneration Committee and/or any director of the Company at any reasonable time on reasonable notice.

Annual general meetings

20. The chairman of the Remuneration Committee or in his absence, another member of the Remuneration Committee or failing this, his duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to respond to questions at the annual general meeting on the Remuneration Committee's work and responsibilities.

Authority

21. The Remuneration Committee shall consult the chairman of the Board and/or chief executive officer of the Company about their remuneration proposals for other executive directors and senior management.
22. The Remuneration Committee shall be provided with sufficient resources to discharge its duties.
23. The Remuneration Committee is authorised by the Board to obtain external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Duties

24. The duties of the Remuneration Committee include:

- (a) 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;
- (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objective;
- (c) 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;

including 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 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 consistent with contractual terms and are otherwise reasonable and appropriate;
- (h) to ensure that no director or any of his 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.

Reporting Procedures

25. The Remuneration Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Remuneration Committee, the chairman of the Remuneration Committee shall report to the Board on findings and recommendations of the Remuneration Committee, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).

(If there is any inconsistency between the English version and the Chinese version, the English version shall prevail.)