



浙江升華蘭德科技股份有限公司

**SHENGHUA LANDE SCITECH LIMITED\***

*(a joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 8106)**

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

Members: Mr. Cai Jiamei (*Chairman*)  
Mr. Wang Feng  
Ms. Huang Xuanzhen

### **Terms of reference**

#### **Members**

1. The members of the remuneration committee (the “**Remuneration Committee**”) of Shenghua Lande Scitech Limited\* (the “**Company**”) shall be appointed by the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company, and shall comprise a majority of independent non-executive Directors.
2. The chairman of the Remuneration Committee shall be an independent non-executive Director and appointed by the Board.
3. The quorum for meetings of the Remuneration Committee shall be two members.

#### **Secretary**

4. The Board secretary or company secretary shall be the secretary of the Remuneration Committee.

#### **Attendance**

5. The chief executive officer shall be invited to attend Remuneration Committee meetings to discuss the performance of executive Directors and where necessary, make recommendations.
6. The chief executive officer shall report to the Remuneration Committee any material changes within the Company and its subsidiaries (the “**Group**”) which may affect the remuneration structure and terms and conditions of other senior management.

## **Frequency of meetings**

7. The Remuneration Committee shall meet at least once a year.

## **Consultation and resources**

8. The Remuneration Committee may seek appropriate independent professional advice as the Remuneration Committee deems necessary.
9. The Company shall provide sufficient and necessary resources to the Remuneration Committee to perform its duties.

## **Duties**

10. The duties of the Remuneration Committee are:
  - (1) to formulate the remuneration policy for all executive Directors and senior management; the substantial part of the remuneration of all executive Directors and senior management must be linked with the operation performance of the Company;
  - (2) to make recommendations to the Board on the remuneration packages of all 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, and on the remuneration of non-executive Directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and the operation performance of the Company for the same period;
  - (3) to review and recommend performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
  - (4) to review and recommend the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
  - (5) to review and recommend compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
  - (6) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;

- (7) to make recommendations to the Board on the Company's policy and structure for remuneration of all employees including salaries, incentive schemes and other share option schemes, and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- (8) to make recommendations to the Board on disclosure of Directors' remuneration (including policy for the remuneration of executive Directors, details of remuneration of certain individuals and other terms and conditions) in the annual report sent to the shareholders;
- (9) to report to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions; and
- (10) to discuss other topics as specified by the Board.

### **Meeting arrangement**

- 11. Meetings of the Remuneration Committee should be conducted through attendance of the members in person (including by means of real-time communication methods such as telephone/video system), and the attending members should adopt the rule of "Few Obey the Majority" to make decisions and approvals on relevant matters. Members of the Remuneration Committee may also adopt the method of circulating (by e-mail, fax or any other means of communication) and signing written resolutions or other non-real time communication methods deemed appropriate by the Remuneration Committee to approve relevant resolutions (which should be unanimously passed by all members).

### **Minutes of meetings**

- 12. Minutes of meetings of the Remuneration Committee shall be sent to all members of the Board to review.

### **Performance review**

- 13. The Remuneration Committee shall review its performance annually with reference to the authorities and duties set out herein and submit to the Board for review and approval.

### **Others**

- 14. The terms of reference of the Remuneration Committee shall be posted both on the Company's website and the website of The Stock Exchange of Hong Kong Limited.

\* *For identification purposes only*