

EVERCHINA INT’L HOLDINGS COMPANY LIMITED

(the “Company”)

Remuneration Committee

Terms of Reference

(As amended & effective on 1 January 2023)

1. Constitution

The board (the “**Board**”) of directors (the “**Directors**”) of the Company resolved to establish a committee of the Board known as the Remuneration Committee on 14 April 2005.

2. Membership

- 2.1 The remuneration committee should be established by the Board.
- 2.2 The majority of the remuneration committee members must be independent non-executive directors of the Company.
- 2.3 The remuneration committee must be chaired by an independent non-executive director and the chairman must be appointed by the Board.
- 2.4 The term of appointment to remuneration committee members are determined by the Board at the appointment date.

3. Secretary

- 3.1 The company secretary of the Company shall act as the secretary of the remuneration committee.
- 3.2 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.

4. Frequency and proceedings of meetings

- 4.1 The remuneration committee should meet at least once a year.
- 4.2 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 to be treated as the waiver of the required notification requirement. If the follow up meeting takes place within 14 days after the meeting, then no notification is required for such follow up meeting.
- 4.3 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.

- 4.4 Meeting can be attended in person or via electronic means including telephonic or videoconferencing. The members of the remuneration committee can attend the meeting via telephonic or any similar communication device (all persons attending such meeting should be able to hear from such member via such communication device).
- 4.5 The resolution of the remuneration committee should be passed, in the case of a meeting by more than half of the members of the remuneration committee attending such meeting.
- 4.6 The resolution passed and signed by all members of the remuneration committee is valid, and the validity is same as any resolution passed in the meeting held.
- 4.7 Full minutes of remuneration committee meeting should be kept by a duly appointed secretary of the remuneration committee and should be open for inspection at any reasonable time on reasonable notice by any director of the Company. Minutes of the meeting should record in sufficient detail the matters considered and decisions reached, including any concerns raised by directors or dissenting views expressed. 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.

5. Meeting attendance

- 5.1 Upon invitation from the remuneration committee, the chairman of the Board and/or the general manager or the chief executive officer, external advisor and the other persons can be invited to attend all or part of any meeting.
- 5.2 Only the member of remuneration committee can vote in the meeting.

6. Annual general meetings

- 6.1 The chairman of remuneration committee or (if absent) the other member of remuneration committee (must be an independent non-executive director) should attend the annual general meeting of the Company and handle the shareholders' enquiry on the activities and responsibilities related to the remuneration committee.

7. Duties and functions

The duties and functions of the remuneration committee shall include such duties and functions set out in the relevant code provisions of the Corporate Governance Code. Without limitation to the foregoing, the remuneration committee shall:

- 7.1 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;
- 7.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 7.3 to make recommendations to the Board on the remuneration packages of individual

executive Director(s) and senior management. This should, include base salary, bonus, benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

- 7.4 to make recommendations to the Board on the remuneration of non-executive Director(s);
- 7.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- 7.6 to review and approve compensation payable to executive Director(s) 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;
- 7.7 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;
- 7.8 to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- 7.9 to advise shareholders on how to vote with respect to any service contracts of Directors that require shareholders' approval under Rule 13.68 of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited;
- 7.10 to consider and approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- 7.11 to conform to any requirement, direction, and regulation that may from time to time be contained in the memorandum and articles of association of the Company or imposed by the Listing Rules or applicable law.

8. Reporting responsibilities

- 8.1 The remuneration committee has to report to the Board after each meeting on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as restriction on disclosure due to regulatory requirements).

9. Authority

- 9.1 The remuneration committee should consult the chairman of the Board and/or the chief executive about their remuneration proposals for other executive directors.
- 9.2 The remuneration committee is authorized to request the senior management of the Company to provide any required resources or information related to the remuneration package to perform its duties.
- 9.3 The remuneration committee member should have access to independent professional

advice at the expense of the Company if necessary, in order to fulfill his responsibility of being a member of the remuneration committee.

- 9.4 The remuneration committee should be provided with sufficient resources to perform its duties.

Note: In the event of discrepancies between the Chinese and the English versions, the English version shall prevail.