



廣州富力地產股份有限公司

GUANGZHOU R&F PROPERTIES CO., LTD.\*

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

**(Stock code: 2777)**

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

### **1. Constitution**

- 1.1 The Remuneration Committee (the “**Committee**”) is established pursuant to a resolution passed by the board of directors of the Company (the “**Board**”) at its meeting held on 27 June 2005.
- 1.2 The Constitution of the Committee shall comply with the requirement of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) from time to time.

### **2. Membership**

- 2.1 The members of the Committee are appointed by the Board. The Committee consists of three members and a majority of the members of the Committee shall be independent non-executive directors (“**INEDs**”).
- 2.2 The Chairman of the Committee shall be appointed by the Board and the Chairman must be an independent non-executive director.
- 2.3 The company secretary of the Company shall be the secretary of the Committee.
- 2.4 The appointment of the members of the Committee may be revoked, or additional members may be appointed to the Committee by separate resolutions passed by the Board and by the Committee.

### **3. Proceedings of the Committee**

#### **3.1 Notice**

- 3.1.1 Unless otherwise agreed by all the Committee members, a meeting shall be called by at least ten days’ notice.

3.1.2 The Chairman of the Committee or any two Committee members may and, on the request of any two Committee members, the secretary to the Committee shall, at any time summon a Committee meeting.

3.1.3 Notice of meeting shall state the time and place of the meeting and shall be accompanied by an agenda together with other documents which may be required to be considered by the members of the Committee for the purposes of the meeting.

### 3.2 Quorum

The quorum of the Committee meeting shall be two members of the Committee; resolutions of the Committee meetings will be passed with the majority of the members of the Committee.

### 3.3 Frequency of meetings

Meetings shall be held at least once every year or more frequently if circumstances require.

## 4. **Overriding principles**

4.1 Remuneration levels should be sufficient to attract and retain directors to run the Company successfully without paying more than necessary.

4.2 No director should be involved in deciding his own remuneration.

4.3 The Committee should consult the chairman and/or chief executive about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary.

## 5. **Proxy**

5.1 A Committee member who is unable to attend the meeting can appoint another Committee member as his proxy to attend the meeting on his behalf or express his views or propose resolutions to the Committee in writing. Attendance at the meeting by a proxy should not be counted as attendance by the Committee member himself.

## 6. **The Committee's Resolutions**

6.1 Within a reasonable period of time after the meeting, both of the draft and final versions of minutes shall be circulated to all members of the Committee for their comment and records respectively. Full minutes of the meeting should be kept by the secretary of the Committee.

6.2 A resolution in writing signed by all the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held and may consist of several documents in like form each signed by one or more of the members of the Committee. Such resolution may be signed and circulated by fax or other electronic communications. This provision is without prejudice to any requirement under the Listing Rules for a Board or Committee meeting to be held.

## **7. Duties**

7.1 The Committee is responsible for the following duties:

7.1.1 The Committee is appointed and authorized by the Board to exercise all its authorities as empowered by the Board. It has the authorities to demand all required information from any employee of the Company. All employees of the Company shall provide their assistance to the Committee as and when require. The Committee is authorized by the Board to seek professional advices on remuneration related to executive directors or other matters (with expenses to be paid by the Company). The Committee will also be provided with sufficient resources to discharge its duties;

7.1.2 to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;

7.1.3 to have the delegated responsibility to determine the specific 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 make recommendations to the board of the remuneration of non-executive directors. The 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 desirability of performance-based remuneration;

7.1.4 to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;

7.1.5 to review and approve 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;

- 7.1.6 to review and approve 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;
  - 7.1.7 to ensure that no director is involved in deciding his own remuneration; and
  - 7.1.8 to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.
- 7.2 In order to perform its duties under the terms of reference, the Committee is required:
- 7.2.1 To devise a formal and transparent procedure to attract, maintain and retain the required executive directors and senior management as needed to run the company successfully;
  - 7.2.2 To be forward looking, particularly when the remuneration package is revised, due considerations to be made in respect of employment and other conditions; and
  - 7.2.3 To structure significant proportion of executive directors' remuneration, so as to link rewards to corporate and individual performance.

## **8. Reporting procedures**

The secretary of the Committee shall circulate the minutes of meetings of the Committee to all members of the Board. The Chairman of the Committee shall report the findings and recommendations of the Committee to the Board.

Adopted on 27 June 2005 and revised on 20 March 2012 and 14 December 2022.

\* for identification purpose only