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**Terms of Reference for the Remuneration Committee of  
Okura Holdings Limited  
(the “Company”)  
Revised and Adopted by the Board on 23 December 2022**

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## Definitions

1. For the purposes of these terms of reference (the “**Terms**”):

**Board** means the board of directors of the Company.

**Chairman** means the chairman of the Remuneration Committee.

**Company Secretary** means the company secretary of the Company.

**Directors** means the members of the Board.

**Group** means the Company and its subsidiaries at the relevant time or, where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries and associated companies, the present subsidiaries and associated companies of the Company or the businesses operated by its present subsidiaries and associated companies or (as the case may be) its predecessor.

**Listing Rules** means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).

**Remuneration Committee** (or the “**Committee**”) means the remuneration committee established by the resolution of the Board in accordance with clause 3 of these Terms.

**Senior Management** means the same persons referred to in the Company’s annual report and required to be disclosed under paragraph 12 of Appendix 16 to the Listing Rules which may include directors of subsidiaries, heads of divisions, departments or other operating units within the Group as, in the opinion of the Company’s directors, is appropriate.

**Shareholders** means the shareholders of the Company.

**Stock Exchange** means The Stock Exchange of Hong Kong Limited.

2. The word “remuneration”, as used in these Terms, includes without limitation any salaries, bonuses, allowances, benefits (in cash or in kind), pension arrangements, reimbursements, compensation payments (including any compensation payable for loss or termination of office or appointment), incentive payments, share options and share awards.

## Constitution

3. The Remuneration Committee was established by resolutions of the Board on 10 April 2017.

## **Membership**

4. The members of the Remuneration Committee shall be appointed by the Board from time to time from among the Directors and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors who shall meet and maintain the independence requirements set out in the Listing Rules. The quorum of a Committee meeting shall be any two members of the Committee one of whom must be independent non-executive Director.
5. The Chairman shall be an independent non-executive Director within the Remuneration Committee and shall be appointed by the Board.
6. Each member of the Remuneration Committee shall disclose to the Remuneration Committee:
  - (a) any personal financial interest (other than as a Shareholder of the Company) in any matter to be decided by the Remuneration Committee; or
  - (b) any potential conflict of interest arising from a cross-directorship.

Any such member shall abstain from voting on resolutions of the Remuneration Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions, and shall (if so required by the Board) resign from the Remuneration Committee.

7. The members of the Remuneration Committee should ensure that they devote sufficient time and make contributions to the Company that are commensurate with their role and Board responsibilities.

## **Frequency and conduct of meetings**

8. Unless otherwise stated herein, the meetings are governed by the provisions contained in the Company's articles of association for regulating the meeting and proceedings of Directors.
9. Meetings shall be held at least once a year. The Chairman shall convene a meeting upon request by any member of the Remuneration Committee.
10. The Company Secretary shall be the secretary of the Remuneration Committee.
11. An agenda and accompanying Board papers should be sent in full to all Directors in a timely manner and at least three days before the intended date of a meeting of the Remuneration Committee (or other agreed period).

12. Senior Management has an obligation to supply the Board and the Remuneration Committee with sufficient explanation and adequate information, in a timely manner, to enable it to make informed decisions. The information supplied must be complete and reliable. Where any Director requires more information than is volunteered by the Senior Management, the respective Director should make further enquiries where necessary. The Board and individual Director(s) should have separate and independent access to the Senior Management.

### **Annual General Meetings**

13. Independent non-executive Directors and other non-executive Directors should attend general meetings to gain and develop a balanced understanding of the views of Shareholders. The Chairman shall attend the Company's annual general meetings and be prepared to respond to any Shareholder's questions on the Remuneration Committee's activities.
14. If the Chairman is unable to attend an annual general meeting of the Company, he shall arrange for another member of the Remuneration Committee, or failing this, his duly appointed delegate, to attend in his place. Such person shall be prepared to respond to any Shareholders' questions on the Remuneration Committee's activities.

### **Authority**

15. The Remuneration Committee is authorised by the Board to discharge its duties within these Terms. It is authorised to seek any remuneration information it requires from the Directors and/or Senior Management who are directed to co-operate with the Remuneration Committee.
16. The Remuneration Committee should be provided with sufficient resources to discharge its duties.
17. 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. The Remuneration Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external remuneration consultant who advises the Remuneration Committee.

### **Duties**

18. The duties of the Remuneration Committee shall include:
  - (a) making 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) reviewing and approving the Senior Management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) being responsible for either:
  - (i) determining, with delegated responsibility, the remuneration packages of individual executive Directors and Senior Management; or
  - (ii) making 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) making recommendations to the Board on the remuneration of non-executive Directors;
- (e) considering salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group;
- (f) reviewing and approving the compensation payable to executive Directors and Senior Management for any loss or termination of office or appointment to ensure that such compensation is consistent with the contractual terms and is otherwise fair and not excessive;
- (g) reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct in order to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (h) ensuring that no Director or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration;
- (i) reviewing the Group's policy on expense reimbursements for the Directors and Senior Management;
- (j) advising Shareholders of the Company on how to vote in respect of any service contracts or appointment letters of Directors that require Shareholders' approval in accordance with the Listing Rules;
- (k) conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the Company's articles of association or imposed by legislation;
- (l) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules; and

(m) doing any such things to enable the Remuneration Committee to discharge its powers and functions conferred to it by the Board.

19. In carrying out its duties under these Terms, the Remuneration Committee should:

- (a) consult the chairman of the Board and/or the chief executive about their remuneration proposals for other executive Directors and have access to independent professional advice if necessary;
- (b) provide the packages needed to attract, retain and motivate executive Directors of the quality required, but shall not pay more than is necessary for this purpose;
- (c) judge where to position the Group relative to other companies. They should be aware what comparable companies are paying and should take account of relative performance;
- (d) be sensitive to the wider scene, including pay and employment conditions within the Group and elsewhere, especially when determining annual salary increases;
- (e) ensure that a significant proportion of the executive Directors' remuneration should link rewards to corporate and individual performance and are designed to align their interests with those of Shareholders and to give the Directors incentives to perform at the highest levels; and
- (f) ensure that share options and/or share awards offered by the Company to its Directors or Senior Management (if any) are in accordance with Chapter 17 of the Listing Rules, as applicable.

20. Without prejudice to the generality of the terms of reference to the Remuneration Committee set out above, the Remuneration Committee shall:

- (a) operate the Company's share option and/or share award schemes (if any) or other incentives schemes (if any) as they apply to, and recommend to the general meeting of Shareholders grants of share options and/or share awards to be made to Directors and/or Senior Management. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);
- (b) liaise with the trustee of any employee share option and/or share award scheme which is created by the Company for the benefit of employees, Senior Management or Directors;
- (c) review the terms of executive Directors' service contracts from time to time; and

- (d) advise the Board in relation to the preparation of the Board's remuneration report (if any) to Shareholders.

### **Reporting procedures**

21. Full minutes of the Remuneration Committee's meetings should be properly kept by a duly appointed secretary of the meeting (who should normally be the Company Secretary or his appointed delegate), and such minutes should be open for inspection at any reasonable time on reasonable notice by any Director.
22. Minutes of meetings of the Remuneration Committee shall record in sufficient detail all matters considered and all decisions reached, including any concerns raised by Directors, members of the Remuneration Committee or dissenting views expressed. Draft and final versions of minutes should be sent to all members of the Remuneration Committee for their comment and records respectively, in both cases within a reasonable time after such meetings are held.
23. Without prejudice to the generality of the duties of the Remuneration Committee set out in these Terms, the Remuneration Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to disclosure requirements).

### **Provision of terms of reference**

24. The Remuneration Committee should make available these Terms, explaining its role and the authority delegated to it by the Board by including them on the Stock Exchange's website and the Company's website.

23 December 2022

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