



## **Planetree International Development Limited**

**梧桐國際發展有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 613)**

### **TERMS OF REFERENCE OF REMUNERATION COMMITTEE**

#### **Constitution**

1. A committee of the board known as the remuneration committee (the “**Committee**”) was established by the board (the “**Board**”) of directors (the “**Directors**”) of Planetree International Development Limited (the “**Company**”) pursuant to a Board resolution passed on 30 June 2005. In compliance with amendments to the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) which will come into effect on 1 January 2023, the Board has further adopted the following revised terms of reference of the Committee (“**Terms of Reference**”) by a resolution of the Board passed on 30 December 2022 and the Terms of Reference will also take effect on 1 January 2023.

## **Membership**

2. A majority of members shall be independent non-executive Directors and must comprise a minimum of three members. The Committee shall be chaired by an independent non-executive Director. All members and the chairman of the Committee shall be appointed and removed by the Board, and the Board may from time to time appoint additional members to the Committee provided that it comprises a majority of independent non-executive Directors.
3. The company secretary of the Company or in his/her absence, his/her delegate, shall be the secretary of the Committee (the “**Secretary**”). If the Secretary cannot attend the meeting, he/she may appoint a person as his/her alternate to attend the meeting and perform his/her duties thereat.

## **Quorum**

4. The quorum necessary for the transaction of business of the Committee shall be two members of the Committee.
5. The meetings and proceedings are governed by the provisions contained in the bye-laws of the Company for regulating meetings and proceedings of Directors.
6. Members may participate in any Committee meeting by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.

## **Attendance at meeting**

7. Attendees shall normally include the Committee members and the Secretary. The Committee may, from time to time, invite the chairman of the Board and/or Managing Director, external advisers and other persons to attend all or part of any Committee meetings.

### **Frequency of meetings**

8. The Committee shall meet not less than once a year.
9. A meeting of the Committee may be convened by the Secretary on request of a member or by any member.

### **Voting**

10. Resolutions of the Committee at any meetings shall be passed by a majority of votes of the members present.

### **Resolutions**

11. A resolution in writing signed by all 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. Any such resolution may be contained in a single document or may consist of several documents all in like form.

### **Authority**

12. The Committee should be provided with sufficient resources to perform its duties.
13. The Committee is authorized by the Board to investigate any activities within its terms of reference.
14. In connection with its duties, the Committee is authorised by the Board to seek information from employees or Directors of the Company in order to perform its duties within its terms of reference.
15. In connection with its duties, the Committee is authorised by the Board to obtain outside legal or other independent professional advice on any matters within its terms of reference, and/or to secure the attendance of outsiders with relevant experience and expertise if it considers necessary. The related professional fees shall be borne by the Company.

16. In seeking independent professional advice or securing the attendance of outsiders with relevant experience and expertise, the Committee shall consult the chairman of the Board in advance and provide with the best estimate of the related fees and expenses prior to any such appointment or engagement.

## **Duties**

17. The duties of the Committee shall be:
  - (a) To make recommendations to the Board on the Company's policy and structure for all Directors' and senior management' remuneration and the establishment of a formal and transparent procedure for developing remuneration policy as the Committee may consider appropriate;
  - (b) To review and if thought fit, approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
  - (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. This should include 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 if thought fit, 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 if thought fit, 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;
- (h) To ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- (i) To consult the chairman and/or Managing Director about their remuneration proposals for other executive Directors;
- (j) To review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
- (k) To consider other topics as defined by the Board.

### **Reporting procedures**

- 18. The Committee shall report its decisions or recommendations to the Board on a regular basis, normally at the next meeting of the Board following a meeting of the Committee.

### **Communication**

- 19. The Chairman or in the absence of the Chairman, another member of the Committee or failing this his/her duly appointed delegate, should attend the Company's annual general meeting to answer any questions that may be raised thereat on the Committee's activities and responsibilities.

### **Publication of These Terms of Reference**

- 20. A copy of these terms of reference will be posted on the websites of HKEX and the Company.

*Note: In this terms of reference, "senior management" should refer to the same persons referred to in the Company's annual report.*