



**Join-Share 中盈盛达**

共创 共享 共成长

**Guangdong Join-Share Financing Guarantee Investment Co., Ltd.\***

**廣東中盈盛達融資擔保投資股份有限公司**

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

**(Stock Code: 1543)**

## **TERMS OF REFERENCE OF THE REMUNERATION AND APPRAISAL COMMITTEE UNDER THE BOARD OF DIRECTORS**

### **CHAPTER 1 MEMBERS**

- Article 1 The remuneration and appraisal committee (the “**Remuneration and Appraisal Committee**”) of Guangdong Join-Share Financing Guarantee Investment Co., Ltd. (the “**Company**”) should be established by the board of directors of the Company (the “**Board**”).
- Article 2 The majority of Remuneration and Appraisal Committee members (the “**Members**”) must be independent non-executive directors.
- Article 3 The Remuneration and Appraisal Committee must be chaired by an independent non-executive director within the Remuneration and Appraisal Committee and appointed by the Board.
- Article 4 The term of office of the members of the Remuneration and Appraisal Committee shall be the same as that of the directors of the Company. A member of the Remuneration and Appraisal Committee may serve consecutive terms if re-elected upon the expiry of his/her term of office. If any member ceases to be a director of the Company during his/her term of office, he/she shall ipso facto cease to be a member of the Remuneration and Appraisal Committee.

A member of the Remuneration and Appraisal Committee may resign before the expiry of his/her term of office. The written resignation report shall include a statement of the reasons for such resignation and if necessary, the matters that shall be brought to the attention of the Board. In the event that the number of members of the Remuneration and Appraisal Committee falls below the quorum provided in this terms of reference, the member who tendered the resignation shall continue to perform the related duties before a newly elected member of the Board takes office.

## **CHAPTER 2 SECRETARY**

- Article 5 The company secretary, any joint company secretary of the Company or his/her delegate shall act as the secretary of the Remuneration and Appraisal Committee.
- Article 6 The Remuneration and Appraisal Committee may from time to time appoint any other person with appropriate qualification and experience to act as the secretary of the Remuneration and Appraisal Committee.

## **CHAPTER 3 MEETING**

- Article 7 The Remuneration and Appraisal Committee should meet at least once a year.
- Article 8 Notice of at least 14 days should be given for any meeting, unless such notification is waived by all Members. Notwithstanding the notification period, the attendance of the Members at the meeting would be deemed to be the waiver of the required notification requirement. If a follow-up meeting takes place within 14 days after the meeting, then no notification is required for such follow-up meeting.
- Article 9 The quorum necessary for the transaction of business of the Remuneration and Appraisal Committee shall be two Members, one of whom must be an independent non-executive director.
- Article 10 Meeting can be attended in person or via electronic means including telephone or videoconferencing. The Members can attend the meeting via telephone or any similar communication device (all persons attending such meeting should be able to hear from such member via such communication device).
- Article 11 Resolutions of the Remuneration and Appraisal Committee shall be passed by more than half of the Members.
- Article 12 A resolution passed and signed by all Members is valid, and the validity is same as any resolution passed in the meeting held.
- Article 13 Full minutes of Remuneration and Appraisal Committee meeting should be kept by a duly appointed secretary of the Remuneration and Appraisal Committee. Draft and final versions of minutes of the meeting should be sent to all Members for their comment and records within a reasonable time after the meeting.
- Article 14 Any member can call for a meeting anytime when it is necessary.

## **CHAPTER 4 MEETING ATTENDANCE**

- Article 15 Upon invitation from the Remuneration and Appraisal Committee, the chairman or chairlady of the Board (if he/she is not a member of the Remuneration and Appraisal Committee) and/or the general manager or the chief executive officer, the chief financial officer, external advisor and the other persons can be invited to attend all or part of any meeting.
- Article 16 Only the Members can vote in the meeting.

## **CHAPTER 5 ANNUAL GENERAL MEETING**

- Article 17 The chairman or chairlady of the Remuneration and Appraisal Committee or (if absent) the other member of Remuneration and Appraisal Committee (who must be an independent non-executive director) should attend the annual general meeting of the Company, handle the shareholders' enquiry on the activities and responsibilities related to the Remuneration and Appraisal Committee.

## **CHAPTER 6 DUTIES AND POWERS**

- Article 18 The Remuneration and Appraisal Committee shall have the following duties and powers:
- (1) to make recommendations to the Board on the Company's policy and structure for the remuneration of all directors' and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;
  - (2) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
  - (3) either:
    - (a) to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; or
    - (b) 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;
  - (4) to make recommendations to the Board on the remuneration of non-executive directors;

- (5) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (6) to review and approve the 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;
- (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;
- (8) to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;
- (9) to review and/or approve matters relating to share scheme under Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”); and
- (10) to consider and implement other matters, as defined or assigned by the Board or otherwise required by the Listing Rules from time to time.

## **CHAPTER 7 REPORTING**

Article 19      The Remuneration and Appraisal Committee shall report to the Board after each of its meetings.

## **CHAPTER 8 AUTHORITY**

Article 20      The Remuneration and Appraisal Committee should consult the chairman or chairlady of the Board and/or the chief executive officer about their remuneration proposals for other executive directors.

Article 21      The Remuneration and Appraisal Committee is authorised to request the senior management of the Company to provide any required resources or information related to the remuneration package to perform its duties.

Article 22      The Remuneration and Appraisal Committee should have access to independent professional advice at the expense of the Company if necessary, in order to fulfill his/her responsibility of being the Member.

*Remark: The independent professional advice can be sought via the chief financial officer or the company secretary or a joint company secretary.*

Article 23      The Remuneration and Appraisal Committee should be provided with sufficient resources to perform its duties.

*Remark: “Senior management” refers to the same persons referred to in the Company’s annual report. It is the responsibility of the directors of the Company to determine which individual or individuals constitute senior management. Senior management 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.*

\* *For identification purposes only*