

Minmetals Land Limited

Remuneration Committee Terms of Reference

1. Constitution

The Board of Directors of the Minmetals Land Limited (the “Board”) resolved on 23rd February 2004 to establish the Remuneration Committee (the “Committee”).

2. Objective

To review and discuss the remuneration mechanism and incentive scheme of the Directors and senior management.

To establish and maintain a reasonable and competitive remuneration level in order to attract and retain the Directors and senior management.

3. Membership

The Committee shall comprise no more than 5 members of which include the Chairman of the Board and three Independent Non-executive Directors of whom shall be appointed by the Board.

The Chairman of the Committee must be an Independent Non-executive Director whereas the General Manager of Human Resources and Administration Department shall be the secretary of the Committee.

4. Meetings

The quorum for meetings of the Committee should be any 3 members, of whom 2 have to be the Independent Non-executive Directors.

The General Manager of Human Resources and Administration Department shall attend the meetings. The Committee may invite other director, internal audit manager, experts and professionals to attend meetings of the Committee when necessary.

Members of the Committee may attend the meetings through telephone conference but has to give up their right to vote on the discussion of their own remuneration package.

Each member of the Committee cast one vote in the Committee meeting.

Resolutions of the Committee shall be passed by more than 50% of votes. In the event of equal votes, the Chairman of the Committee shall have the right of second vote or decision vote.

A written resolution which is signed by all members of the Committee shall be valid and useful. It will be equal to a resolution which is passed in a normal physical Committee meeting.

5. Frequency of meetings

The Committee shall meet at least once a year.

6. Authorization

The Committee is authorized by the Board to execute any activity within its terms of reference and to obtain outside professional or independent advice if it considers necessary.

7. Duties

The duties of the Committee shall be, but not limited to the following:

- (a) to make recommendations to the Board on the remuneration policy of the Company and to establish a formal and transparent procedure for developing the remuneration policy.
- (b) to make recommendations to the Board of the remuneration structure and overall remuneration package of the Directors and senior management. With respects to Executive Directors' remuneration, the Committee shall obtain advice from the Chairman of the Board and shall obtain professional advice if it considers necessary.
- (c) to review and approve the overall remuneration of the Company by reference to the corporate goal resolved by the Board and the performance of the Company.
- (d) authorized by the Board to carry out following duties: to determine the remuneration packages of individual Executive Director 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 and employment conditions in other positions in the Company.
- (e) to review and approve the compensation payable to Executive Directors and senior management relating to any loss or termination of office or appointment.
- (f) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct.
- (g) to ensure no Director or any of their associates is involved in deciding their own remuneration.
- (h) to recommend a share option scheme of the Company to the Board and base on the share option scheme to recommend granting of share options of the Company.

- (i) to use the appropriate way to discharge the duties, but should comply with the rules and restrictions make by the Board from time to time.
- (j) the Chairman of the Committee (or one Committee member when the Chairman is unable to attend) should attend the annual general meeting to answer enquiries.

8. Reporting procedure

The Committee should provide a report to the Board on the work performed by the Committee during the period in discharging its duties set out in this Terms of Reference.

The secretary of the Committee should send the draft version of minutes of the meeting to all members of the Committee for their comments within five working days after the meeting. Minutes should record in sufficient details the matters considered and decisions reached. The secretary of the Committee should keep full minutes of the meetings.

The above reporting matters shall not be included matters that cannot be reported as restricted by laws or regulations (for example, disclosure restricted by rules and regulations).

9. Revision and review

Terms of reference shall be reviewed in accordance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited from time to time. Any amendments shall be recommended to the Board for approval.

March 2020