

PineStone 鼎石

PINESTONE CAPITAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(the “**Company**”)

Terms of reference of Remuneration Committee (the “Committee**”)**

Membership

1. The Committee shall consist of at least three directors of the Company with a majority of independent non-executive directors appointed by the board of directors (“**the Board**”) from time to time.
2. The Board shall appoint one of the members as the Chairman of the Committee who shall be an independent non-executive director.
3. The company secretary of the Company or a nominee shall be the Secretary of the Committee.

Frequency and proceedings of meeting

4. The Committee should meet at least once per year. Additional meetings shall be held as the work of the Committee demands.
5. The Chairman of the Committee may convene additional meetings at his discretion.
6. The quorum of the Committee meeting shall be two members of the Committee.
7. The Committee may, from time to time, invite independent advisors to the meeting, including but not limited to external advisors or consultants, to advise its members.
8. Proceedings of meetings of the Committee shall be governed by the provisions of the Articles of Association of the Company in relation to meetings and proceedings of the Board so far as the same are applicable.

Duties, powers and functions

9. The Committee is authorized by the Board to perform its duties within the scope of these terms of reference and seek any necessary information from the Company, and shall be provided with sufficient resources to do so.
10. The Committee shall:
 - (a) formulate remuneration policy for approval by the Board, which shall take into account factors such as salaries paid by comparable companies, employment conditions, and responsibilities, and individual performance of the directors, senior management, and the general staff. Performance shall be measured against corporate goals and objectives resolved by the Board from time to time and the management's remuneration proposals shall be reviewed and approved with reference to such corporate goals and objectives, and the Committee shall implement the remuneration policy laid down by the Board;
 - (b) without prejudice to the generality of the foregoing:
 - (i) establish guidelines for the remuneration of the directors and senior management and a formal and transparent procedure for developing policy in relation to remuneration;
 - (ii) recommend to the Board the overall policy and structure for the remuneration of all directors and senior management whilst ensuring no director or any of his associates is involved in deciding his own remuneration;
 - (iii) determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights, and other compensation payments (including any compensation for loss or termination of office or appointment etc.). The Chairman and/or the Chief Executive Officer shall be consulted respectively about their proposals relating to the remuneration of the individual executive directors and senior management;
 - (iv) review and approve compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that they are consistent with contractual terms and are otherwise fair and not excessive;
 - (v) 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;
 - (vi) make recommendations to the Board on the remuneration of non-executive directors;
 - (vii) determine the criteria for assessing employee performance, which should reflect the Company's business objectives and targets;

- (viii) consider the annual performance bonus for Executive Directors , senior management, and the general staff, having regard to the achievements against the performance criteria by reference to market norms, and make recommendation of the Board;
- (ix) consider salaries payable by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (x) engage such external independent professional advisors to assist and/or advise the Committee on issues as it considers necessary, at the Company's expense;
- (xi) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board;
- (xii) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation;
- (xiii) regularly report back to the Board on decisions or recommendations made, unless there are legal or regulatory restrictions to do so;
- (xiv) ensure the Chairman of the Committee, or in his absence another member of the Committee or failing this his duly appointed delegate, will attend and be available to answer questions at the annual general meeting of the Company; and
- (xv) consider other topics and review other documents as requested by the Board from time to time.

Reporting Procedures

11. The Secretary of the Committee keep full minutes of Committee meetings, and shall circulate draft and final versions of the minutes of the Committee meetings, reports of the Committee and relevant information to all Committee members and directors of the Company for their comment and records within a reasonable time after the meeting.