

FIH MOBILE LIMITED
(THE “COMPANY”)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

Adopted by the Board on 12 January 2005

Amended and adopted by the Board on 22 March 2012

Amended and adopted by the Board on 12 December 2018

Amended and adopted by the Board on 23 December 2022

DEFINITIONS

1. For the purposes of these terms of references (the *Terms*):

Board means the board of directors of the Company.

Company Secretary means the company secretary of the Company.

Director means any director of the Company.

Executive Directors means the executive directors of the Board.

Independent Non-Executive Directors means the independent non-executive directors of the Board.

Listing Rules means the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time.

Management means, for the purposes of these Terms only, the individuals as determined by the Board from time to time to constitute management who may include the Senior Management and any other officers of the Company who, in the opinion of the Board, are appropriate.

Non-Executive Directors means the non-executive directors of the Board, including the Independent Non-Executive Directors.

remuneration includes, without limitation, any salaries, bonuses, allowances, benefits (in cash or in kind), pension rights, reimbursements, compensation payments (including any compensation payable for loss or termination of office or appointment), incentive payments, share options and share grants.

Remuneration Committee means the remuneration committee established by the resolution of the Board in accordance with clause 2 of these Terms.

Senior Management means the individuals as determined and appointed by the Board from time to time to constitute senior management who may include the President (if any), Vice President (if any), Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary and any other officers of the Company who, in the opinion of the Board, are appropriate.

Stock Exchange means The Stock Exchange of Hong Kong Limited.

MEMBERSHIP

2. The Remuneration Committee shall be appointed by the Board from amongst the Non-Executive Directors and shall consist of not less than three members, a majority of whom shall be Independent Non-Executive Directors. The chairman of the Remuneration Committee shall be appointed by the Board and must be an Independent Non-Executive Director.
3. 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; and
 - (b) any potential conflict of interest arising from a cross-directorship.

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

MEETINGS

4. Meetings shall be held at least once a year (as necessary). The chairman of the Remuneration Committee shall convene a meeting upon request by any member of the Remuneration Committee. A quorum for a meeting of the Remuneration Committee shall be two members. The meeting may be held by way of telephone conference so long as the members present can listen to and talk to each other.
5. The Company Secretary shall be the secretary of the Remuneration Committee.

AUTHORITY

6. The Remuneration Committee is authorised by the Board to perform its duties within these Terms. It is authorised to seek any remuneration or other information it requires from any member of the Board or the Management or any other employee who is directed to co-operate with any request made by the Remuneration Committee.
7. The Remuneration Committee is also authorised by the Board to obtain sufficient resources to perform its duties at the Company's expense, including to have access to independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

DUTIES

8. The Remuneration Committee shall have the following duties:
- (a) to make recommendations to the Board on the Company's policy and structure for all Directors' and Senior Management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
 - (b) subject to clause 8(c) below, to review and approve the Management's remuneration proposals with reference to the Board's corporate goals and objectives;
 - (c) to make recommendations to the Board on the remuneration packages of individual Executive Directors and Senior Management. The Company should disclose details of any remuneration payable to members of Senior Management by band in its annual reports in accordance with the requirements under the Listing Rules;
 - (d) to make recommendations to the Board on the remuneration of Non-Executive Directors;
 - (e) to consider salaries paid by comparable companies, remuneration levels, time commitment and responsibilities and employment conditions within the Company and its subsidiaries;
 - (f) to review and approve compensation payable to the 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 approve compensation arrangements relating to dismissal or removal of the 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 (as defined in the Listing Rules) is involved in deciding his/her own remuneration and that, as regards the remuneration of a Non-Executive Director who is a member of the Remuneration Committee, his/her remuneration shall be determined by the other members of the Remuneration Committee;
 - (i) to 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;
 - (j) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and
 - (k) to make available its terms of reference 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.

9. In carrying out its duties under these Terms, the Remuneration Committee shall:
- (a) consult the Chairman and/or the Chief Executive Officer of the Company about their remuneration proposals for other Executive Directors;
 - (b) in particular, consider the following aspects of remuneration with reference to the information and documents provided from time to time by the Company's human resources department:
 - desired remuneration packages to attract, retain and motivate Directors of the quality required, but shall avoid paying more than is necessary for this purpose;
 - salaries paid by comparable companies, time commitment and responsibilities, employment conditions in the Company and its subsidiaries;
 - appointment and termination terms for Directors and Senior Management to ensure that they are fair; and
 - compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure they are reasonable and appropriate; and
 - (c) ensure that any share options and/or share awards offered by the Company to Directors or the Senior Management and any change to the terms of share options and/or share awards granted are in accordance with Chapter 17 of the Listing Rules.
10. Without prejudice to the generality of the terms of reference for the Remuneration Committee set out above, the Remuneration Committee shall:
- (a) make recommendations to the Board on grants of options and/or grants of shares to be made to the Directors and the Senior Management under the Company's share option scheme and/or share award scheme and/or other incentive schemes (if any) as well as recommendations to the Board on total aggregate amount of any grants to employees (with the specific grant to each individual to be at the discretion of the Board or its authorised officers/delegates); and
 - (b) review the terms of the Directors' respective service agreements or letters of appointment (as the case may be) from time to time.

REPORTING PROCEDURES

11. Without prejudice to the generality of the terms of reference for the Remuneration Committee set out above, the Remuneration Committee shall report to the Board and keep the Board fully informed of its actions, decisions or recommendations, unless there are relevant legal or regulatory restrictions on its ability to do so.
12. Full minutes of the Remuneration Committee meetings shall be kept by the Company Secretary. The Company Secretary shall circulate the draft and final versions of full minutes of meetings and reports of the Remuneration Committee to all members of the Remuneration Committee for their comment and records within a reasonable time after the meeting.