

NAN NAN RESOURCES ENTERPRISE LIMITED

(Incorporated in Bermuda with limited liability)

(the “Company”)

REMUNERATION COMMITTEE

TERMS OF REFERENCE

Adopted by the board of directors of the Company on 21 July 2005 with the latest revision approved by the board of directors of the Company on 23 November 2022

1. Constitution

1.1 The board of directors (the “Board”) of the Company has approved to establish a committee of the Board to be known as the remuneration committee (the “Committee”).

2. Membership

2.1 The members of the Committee shall be appointed by the Board and shall consist of not less than three members, a majority of whom should be independent non-executive directors of the Company.

2.2 The chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director.

3. Secretary

3.1 The company secretary of the Company shall be the secretary of the Committee (the “Secretary”).

4. Frequency of meetings

4.1 Meetings shall be held not less than once a year. Additional meetings shall be held if the Committee so demand.

4.2 Except for provided herein, proceedings of the Committee meetings shall be governed by the provisions contained in the Bye-Laws of the Company.

5. Notice of meeting

5.1 Unless otherwise agreed by all the Committee members, notice of meetings shall be given to all members of the Committee at least 7 days before the meeting.

6. Quorum

- 6.1 The quorum of the Committee meeting shall be two members of the Committee and the quorum shall be present at the commencement of and throughout the meeting.

7. Meeting

- 7.1 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the members present.
- 7.2 A resolution in writing signed by all the 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.
- 7.3 The meetings can be held by telephone conference.

8. Consultation

- 8.1 The Committee should consult the chairman and/or chief executive of the Company about their remuneration proposals for other executive directors of the Company. The Committee should have access to independent professional advice if necessary. The Committee should be provided with sufficient resources to perform its duties.

9. Duties

The duties of the Committee shall be:

- 9.1 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;
- 9.2 to make recommendations to the Board on the remuneration packages of individual executive directors and senior management of the Company. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 9.3 to make recommendations to the Board on the remuneration of non-executive directors of the Company;
- 9.4 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;

- 9.5 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 9.6 to review and approve compensation payable to executive directors and senior management of the Company 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;
- 9.7 to review and approve compensation arrangements relating to dismissal or removal of directors of the Company for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- 9.8 to ensure that no director or any of his/her associates 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 Committee, his remuneration should be determined by the other members of the Committee;
- 9.9 to review and/or approve matters relating to share schemes under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules");
- 9.10 to consider other topics as defined by the Board from time to time.

For the purpose of this paragraph 9, "senior management" shall refer to the same category of persons as referred to in the Company's annual report and is required to be disclosed under Appendix 16 of the Listing Rules.

10. Minutes and records

- 10.1 The Secretary shall attend all meetings of the Committee and shall keep record of all minutes of such meetings or, as the case may be, written resolutions of the Committee. The minutes shall be confirmed by the chairman of that particular meeting and other persons present at such meeting signing the same. The minutes shall be circulated to all members of the Committee.

11. Reporting procedures

- 11.1 The Secretary shall circulate the minutes of meetings of the Committee or, as the case may be, written resolutions of the Committee to all members of the Board.