



吉利汽車控股有限公司

**GEELY AUTOMOBILE HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

Stock codes: 175 (HKD counter) and 80175 (RMB counter)

## **TERMS OF REFERENCE OF REMUNERATION COMMITTEE**

### **Composition of the Remuneration Committee (the “Committee”)**

Please refer to the “List of Directors and their Role and Function” as in force from time to time and published on the websites of both the Company and The Stock Exchange of Hong Kong Limited for identification of the Committee members.

### **Constitution of the Committee**

The Committee shall comprise not less than three members with a majority of independent non-executive directors.

The Chairman of the Committee (the “**Committee Chairman**”) shall be appointed by the board of directors of the Company (the “**Board**”) and shall be an independent non-executive director.

The Board may from time to time appoint additional members to the Committee from the directors, provided that the independent non-executive directors constitute the majority of the Committee and the Committee Chairman is an independent non-executive director.

### **Meetings and Quorum**

The Committee shall meet at least once a year to review remuneration policies and packages, and at such other times as it deems appropriate.

The quorum for meetings shall be two Committee members, one of whom should be the Committee Chairman, unless they are unable to attend due to exceptional circumstances.

Full minutes of the Committee meetings shall be kept by a duly appointed secretary of the meetings. Draft and final versions of minutes of the Committee meetings shall be sent to all Committee members for their comment and records within a reasonable time after the meetings.

## **Role and Authority of the Committee**

The Committee should consult the Chairman of the Board and/or the Chief Executive regarding remuneration proposals for other executive directors and senior management.

The Committee should have access to independent professional advice, at the Company's expense, if necessary, and shall be provided with sufficient resources to perform its duties.

The Committee is dedicated to making recommendations to the Board on remuneration policies and packages for directors and senior management that are sufficient to attract and retain talent to run the Company successfully without being excessive, with reference to the time commitment and responsibilities outlined in their respective Service Agreements or Appointment Letters.

## **Functions of the Committee**

The Committee shall:

1. make recommendations to the Board on the Company's policy and structure for the remuneration of all directors and senior management, ensuring a formal and transparent procedure for developing such policy, aligned with the Company's corporate strategy and the corporate governance code (the "**Corporate Governance Code**") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**");
2. review and approve management's remuneration proposals, ensuring alignment with the Board's corporate goals, objectives, and environmental, social, and governance ("**ESG**") performance metrics;
3. determine with delegated responsibility, or make recommendations to the Board on the remuneration packages of individual executive directors 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;
4. make recommendations to the Board on the remuneration of non-executive directors, considering market practices, time commitment, and responsibilities;
5. consider salaries paid by comparable companies, time commitment, responsibilities, and employment conditions elsewhere in the Group when determining remuneration packages;
6. review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment, ensuring consistency with contractual terms and that such compensation is otherwise fair and not excessive;

7. review and approve compensation arrangements relating to the dismissal or removal of directors for misconduct, ensuring consistency with contractual terms and that such arrangements are otherwise reasonable and appropriate;
8. ensure that no director or any of their associates is involved in deciding their own remuneration;
9. review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules;
10. ensure that a significant proportion of executive directors' and senior management's remuneration is structured to link rewards to corporate and individual performance, including measurable ESG-related objectives where appropriate;
11. review and approve the disclosure of remuneration details for directors and senior management by band in the annual reports, ensuring compliance with the Listing Rules and transparency requirements of the Corporate Governance Code;
12. conduct regular evaluation of the Board's performance, as it deems appropriate, to inform remuneration decisions;
13. review the general insurance coverage in respect of potential legal actions against individual Board members annually, and make appropriate arrangements if the coverage is found to be inadequate or inappropriate;
14. report to the Board on decisions or recommendations relating to these terms of reference, unless prohibited by legal or regulatory restrictions (e.g., disclosure restrictions due to regulatory requirements), as the Committee deems necessary; and
15. review and monitor the implementation of the remuneration policy to ensure it remains competitive, aligns with market practices, and supports the Company's long-term strategy, including consideration of ESG factors.