

**51 Credit Card Inc.**  
**51 信用卡有限公司**

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

---

**51 Credit Card Inc.**  
**51 信用卡有限公司**  
**(the “Company”)**

**TERMS OF REFERENCE FOR THE  
REMUNERATION COMMITTEE**

---

(Adopted on June 24, 2018)

## Definitions

1. For the purposes of these terms of reference (the “**Terms**”):

**Board** means the board of directors of the Company.

**Chief Financial Officer** means the senior officer of the Company responsible for financial management as assigned by the Board from time to time.

**Company Secretary** means the company secretary of the Company.

**Directors** mean the directors of the Board.

**Group** means the Company and its subsidiaries.

**Listing Rules** means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).

**Remuneration Committee** means the remuneration committee established by the resolution of the Board in accordance with Clause 3 of these Terms.

**Senior Management** means Chief Executive Officer, Chief Financial Officer, Vice-presidents and any other officers of the Company as may be appointed by the Board to be senior management of the Company, as well as other employees as may be determined by the Board to be part of senior management of the Company from time to time.

**Shareholders** mean the shareholders of the Company.

**Stock Exchange** means The Stock Exchange of Hong Kong Limited.

2. The word “remuneration”, as used in these Terms, includes but without limitation, any salaries, bonuses, allowances, benefits (in cash or in kind), pension arrangements, reimbursements, compensation payments (including any compensation payable for loss or termination of office or appointment), incentive payments and share options.

## **Constitution**

3. The Remuneration Committee was established by resolutions of the Board on June 24, 2018 and on June 24, 2018, the Board has adopted the following terms as the Terms of the Remuneration Committee.

## **Membership**

4. The members of the Remuneration Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors.
5. The chairman of the Remuneration Committee shall be appointed by the Board and should be an independent non-executive Director. In the absence of the chairman of the Remuneration Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
6. The term of office of a member of the Remuneration Committee shall correspond to that of a Director. If a member of the Remuneration Committee ceases to be a Director during the term of office, his/her qualification as a member of the Remuneration Committee shall lapse immediately and automatically, and the Board shall appoint a new member to fill in the vacancy in accordance with the Terms.
7. Subject to the constitutions of the Company and the applicable laws and regulations, any member of the Remuneration Committee may be re-appointed by the Board and continue to act as a member of the Remuneration Committee upon the expiry of his/her term of appointment relating thereof.
8. 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 such member shall abstain from voting on resolutions of the Remuneration Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions, and shall (if so required by the Board) resign from the Remuneration Committee.

### **Frequency and Procedure of Meetings**

9. Unless otherwise stated herein, the meetings of the Remuneration Committee are governed by the provisions regulating the meeting and proceedings of the Board contained in the Company's memorandum and articles of association.
10. The quorum of a Remuneration Committee meeting shall be any two members of the Remuneration Committee.
11. Meetings shall be held by the Remuneration Committee not less than once a year. The chairman of the Remuneration Committee shall convene a meeting upon the request of any member of the Remuneration Committee. Meetings may be convened by way of onsite meeting or written resolution. Telephone conference or video conference systems or other electronic means may be provided for convenience of the members to attend onsite meetings. The members shall be deemed as attending the onsite meeting in person if attending by any of the aforesaid means. Written resolution refers to the resolution individually delivered or circulated to each of the member for consideration and decision-making.
12. Unless otherwise waived by all members of the Remuneration Committee, notice of each meeting confirming the venue, time and date shall be forwarded to each member of the Remuneration Committee no later than seven days before the date of the meeting.
13. An agenda and accompanying meeting papers should be sent in full to all members of the Remuneration Committee in a timely manner and at least three days before the proposed date of a meeting of the Remuneration Committee (or other period agreed by all members of the Remuneration Committee).

14. Voting in the meeting of the Remuneration Committee may be conducted by a show of hands. Each member shall have one vote. If members attending by means of telephone conference or video conference are unable to sign the resolutions instantly, they shall vote orally and complete the signing procedures on the resolutions as soon as possible. The resolution signed thereafter shall be consistent with the result of oral votes during the meeting. Resolutions of the meeting shall be passed by more than half of all members. In case of an equality of votes, the chairman of the Remuneration Committee shall have a second or casting vote.
15. When a member of the Remuneration Committee is interested in the matter being discussed at the meeting of the Remuneration Committee, he/she shall disclose the nature and materiality of his/her interest to the chairman of the Remuneration Committee as soon as possible. A member shall abstain from the discussion of or voting on the proposals that he/she is supposed to abstain from, and shall leave the meeting temporarily or take other means to this end.
16. The member of the Remuneration Committee in any of the following circumstances shall make disclosure to the chairman of the Remuneration Committee in advance and abstain from discussion of or voting on the relevant proposals:
  - (a) the member is being evaluated or his/her remuneration is being discussed;
  - (b) the associate(s) (as defined under Chapter 14A of the Listing Rules) of the member is/are being evaluated or their remuneration is being discussed; or
  - (c) existence of other conflicts of interest and other circumstances which may affect the member to make objective and fair judgment.
17. If a proposal fails to be resolved due to the abstention of members, the Remuneration Committee shall pass a resolution to submit the proposal to the Board for consideration and deliver it promptly to the Board for review. The Remuneration Committee shall provide the results of its review of the proposal in the resolution to be submitted to the Board and shall include therein the opinions of the independent members regarding the proposal.

18. If the Remuneration Committee considers necessary, it may call other persons who are related to the proposals to be considered at the meeting to attend the meeting, give a brief or express their opinions. However, those persons who are not members of the Remuneration Committee do not have voting rights over the proposals.
19. Members of the Remuneration Committee and other persons attending the meetings shall keep confidential all matters discussed at the meetings. Unauthorized disclosure of relevant information is prohibited.
20. Senior Management is obliged to supply the Remuneration Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a member requires more information than the information provided voluntarily by Senior Management, that member is entitled and encouraged to request further information until satisfied. All members shall have separate and independent access to Senior Management.
21. The Remuneration Committee shall be provided with sufficient resources to perform its duties in accordance with the Terms.
22. The Company Secretary, or in his/her absence, his/her representative or any one member of the Remuneration Committee shall be the secretary of the meeting. The Remuneration Committee may, from time to time, appoint any other person with the appropriate qualification and experience as the secretary of the Remuneration Committee.

### **Annual General Meeting**

23. The chairman of the Remuneration Committee should attend the Company's annual general meeting and be prepared to respond to any Shareholder's question on the Remuneration Committee's activities.
24. If the chairman of the Remuneration Committee is unable to attend an annual general meeting of the Company, he/she or the chairman of the Board shall arrange for another member of the Remuneration Committee, or failing such, his/her duly appointed delegate, to attend in his/her place. Such delegate shall be prepared to respond to any Shareholder's question on the Remuneration Committee's activities.

## **Authority**

25. The Remuneration Committee is authorized by the Board to discharge its duties within these Terms. It is authorized to seek any remuneration information it requires from the Directors and/or Senior Management. All Directors and/or Senior Management are directed to co-operate with the Remuneration Committee.
26. The Remuneration Committee is authorized by the Board to obtain external independent professional advice to perform its responsibilities, at the Company's expense, if it considers necessary. The Remuneration Committee shall be exclusively responsible for establishing the selection criteria and selecting, appointing and setting the terms of reference for any external consultant who advises the Remuneration Committee.

## **Duties**

27. The duties of the Remuneration Committee shall include:
  - (a) making recommendations to the Board on the Company's policy and structure for all Directors' and Senior Management's remuneration and on establishing a formal and transparent procedure for developing remuneration policy;
  - (b) reviewing and approving Senior Management's remuneration proposals with reference to the Board's corporate goals and objectives;
  - (c) being responsible for either:
    - (i) determining with delegated responsibility, the remuneration packages of individual executive Directors and Senior Management; or
    - (ii) making 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 office or appointment;
  - (d) making recommendations to the Board on the remuneration of non-executive Directors;

- (e) considering salaries paid by comparable companies in the industry in which the Group operates, time commitment and responsibilities, and employment conditions elsewhere in the Group;
- (f) reviewing and approving the compensation payable to executive Directors and Senior Management for any loss or termination of office or appointment in order to ensure that such compensation is consistent with the contractual terms and is otherwise fair, reasonable and not excessive;
- (g) reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct in order to ensure they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (h) ensuring that no Director or any of his/her associates (as defined in Chapter 14A of the Listing Rules) is involved in deciding his/her own remuneration;
- (i) reviewing the performance of duties by the Directors and Senior Management and conducting annual performance appraisal; and
- (j) other matters authorized by the Board.

28. In carrying out its duties under these Terms, the Remuneration Committee shall:

- (a) consult the chairman of the Board and/or the chief executive officer about the remuneration proposals for other executive Directors and Senior Management and have access to independent professional advice if necessary;
- (b) provide competitive packages needed to attract, retain and motivate executive Directors of the quality required in line with market practice;
- (c) judge where to position the Group in terms of remuneration relative to other companies in the industry in which the Group operates; the Remuneration Committee shall be aware what comparable companies are paying and shall take account of relative performance;



- (d) be sensitive to local and overseas market practice, including pay and employment conditions within the Group and elsewhere in the industry in which the Group operates, especially when determining annual salary increases;
  - (e) ensure that the performance-related elements of remuneration form a significant proportion of the total remuneration package of executive Directors and Senior Management, are designed to align their interests with those of Shareholders, and give the executive Directors and Senior Management incentives to perform at the highest levels; and
  - (f) ensure that share options offered by the Company to its Directors or Senior Management (if any) are in accordance with Chapter 17 of the Listing Rules (if applicable) and/or the employees incentive schemes are in compliance with applicable laws and regulations, as applicable.
29. Without prejudice to the generality of the terms of reference to the Remuneration Committee set out above, the Remuneration Committee shall:
- (a) operate or oversee the Company's restricted share unit scheme or other incentives schemes (if any), propose, select or determine which eligible person is entitled to an award, determine the amount of the award for each selected eligible person, and make the relevant award to the eligible person under such schemes;
  - (b) liaise with the trustee of any employee share incentive scheme (if any) adopted by the Company for the benefit of employees, Senior Management or Directors;
  - (c) review the terms of executive Directors' service contracts from time to time; and
  - (d) advise the Board in relation to the preparation of the Board's remuneration report (if any) to Shareholders.

## **Reporting Procedures**

30. Minutes shall be recorded for the meetings of the Remuneration Committee and shall be signed by the members present at the meetings. Full minutes of the Remuneration Committee's meetings shall be kept by the secretary of the Remuneration Committee for a period of not less than 10 years. The minutes shall be available for inspection at any reasonable time on reasonable notice by any Director.
31. Minutes of meetings of the Remuneration Committee shall record in sufficient detail the matters considered and decisions reached by the Remuneration Committee, including any concerns raised by the Directors and/or members or any dissenting views expressed. Draft and final versions of such meeting minutes should be sent to all members of the Remuneration Committee for their comments and records respectively, in both cases within a reasonable time after such meetings.
32. Without prejudice to the generality of the duties of the Remuneration Committee set out in these Terms, the Remuneration Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, to the extent that there is no applicable legal or regulatory restrictions. The Board shall have the right to reject a remuneration plan or scheme that jeopardizes the Shareholders' interests.

## **Provision of Terms**

33. The Remuneration Committee shall provide these Terms upon request and upload them to the Stock Exchange's website and the Company's website to explain the role and duties of the Remuneration Committee and the authority delegated to it by the Board.

## **Review of Terms**

34. The Remuneration Committee shall review these Terms when necessary, and may consider and submit to the Board any proposed changes that the Remuneration Committee deems appropriate or advisable.