



**Goodbaby International Holdings Limited**  
**好孩子國際控股有限公司**  
(Incorporated in the Cayman Islands with limited liability)  
**(Stock code: 1086)**  
(hereinafter referred to as “the Company”)

### **Remuneration Committee – Terms of Reference**

#### **1. Memberships**

- 1.1 The Remuneration Committee shall be appointed by the board (the “Board”) of directors of the Company.
- 1.2 The majority of Remuneration Committee members (the “Members”) shall be independent non-executive directors (“independent non-executive director”) of the Company.
- 1.3 The Board shall appoint the chairman of the Remuneration Committee. The chairman must be an independent non-executive director.
- 1.4 The term of appointment of each member to the Remuneration Committee shall be determined by the Board upon appointment.

#### **2. Secretary**

- 2.1 The company secretary of the Company shall be the secretary of the Remuneration Committee.
- 2.2 The Remuneration Committee may from time to time appoint another secretary with appropriate qualification and experience.

#### **3. Meetings**

- 3.1 The Remuneration Committee shall meet at least once a year.
- 3.2 Notice of each meeting of the Remuneration Committee shall be dispatched at least fourteen (14) days before the date of the meeting, unless otherwise agreed unanimously by all members of the Remuneration Committee, to waive such

notification. Notwithstanding the notification period, the attendance of the Member of the Remuneration Committee at the meeting shall be deemed as a waiver of the required notification period. In relation to any continued meetings held within fourteen (14) days, no notice is required.

- 3.3 The quorum of Remuneration Committee meetings must be two members, one of whom should be an independent non-executive director.
- 3.4 Meetings may be held in person, by way of telephone or video conferencing. The Members may attend meetings either in person, by telephone or through other electronic means of communication (all parties participating in the meeting should be audible during the meeting).
- 3.5 Resolutions of the Remuneration Committee shall be passed with a majority of votes.
- 3.6 Resolutions signed by all members of the Remuneration Committee will be treated valid as if it is passed in the meeting held by the Remuneration Committee.
- 3.7 Full minutes of the Remuneration Committee meetings shall be kept by the duly delegated secretary of the meeting. Draft and final versions of minutes shall be sent respectively to all Members. Draft version is for Members' comments; the final version is for record purpose.

#### **4. Attendance of Meetings**

- 4.1 Upon invitation by the Remuneration Committee, the chairman of the Board and/or the general manager or the chief executive officer, external consultants and others may attend all or any of the meetings.
- 4.2 Only the Remuneration Committee members shall have the voting powers at the meetings.

#### **5. Annual General Meetings**

The chairman of the Remuneration Committee (in case of his absence), a member of the Remuneration Committee (who must be an independent non-executive director) shall attend the annual general meetings of the Company and be prepared to respond to any shareholders' questions on the Remuneration Committee's activities and responsibilities.

## **6. Responsibilities and Powers**

The duties and responsibilities of the Remuneration Committee shall be:

- 6.1 to make recommendations to the Board on the Company's policy and structure for all directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 6.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 6.3 either: (i) to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; or (ii) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 6.4 to review and approve compensation payable to 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;
- 6.5 to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with relevant contractual terms and are otherwise reasonable and appropriate; and
- 6.6 to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration; and
- 6.7 to recommend the way of voting on any directors' service contract to be approved by shareholders in compliance with rule 13.68 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## **7. Reporting Responsibilities**

After each meeting, the Remuneration Committee shall report formally to the Board.

## 8. Authority

- 8.1 The Remuneration Committee shall consult the chairman and/or chief executive of the Company about their remuneration proposals for other executive directors.
- 8.2 The Remuneration Committee is authorized by the Board when necessary to seek any remuneration information it requires from senior management of the Company in order to discharge its duties.
- 8.3 The Remuneration Committee is authorized by the Board when necessary to seek independent professional advice, to discharge its duties to the Company as the responsibility of Remuneration Committee members at the Company's expense.

Note: The arrangement for obtaining such independent professional advice may be made through the company secretary of the Company.

- 8.4 The Remuneration Committee shall have access to sufficient resources in order to perform its duties.

*Note: "Senior management" refers to the same persons referred to in the Company's annual report. The Directors of the Company shall be responsible for determining which individual (one or more) is/are the senior management. The senior management includes the Directors of subsidiaries of the Company; as well as the officers in-charge of other divisions, departments or operating units in the Group, considered by the Directors of the Company as appropriate.*