



RAZER INC.

雷蛇*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1337)

**Terms of Reference for the
Remuneration Committee of
Razer Inc.
(the “Company”)**

* For identification purpose only

Definitions

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

Board means the board of directors of the Company;

Company Secretary means any one of the joint company secretaries of the Company;

Directors means the members of the Board;

Group means the Company and its subsidiaries and associated companies at the relevant time or, where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries and associated companies, the present subsidiaries and associated companies of the Company or the businesses operated by its present subsidiaries and associated companies or (as the case may be) its predecessor;

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 resolutions of the Board in accordance with clause 3 of these Terms;

Senior Management means (where applicable) the chief executive officer, chief financial officer, chief customer officer, senior vice presidents and any other officers of the Group as may be appointed by the Board from time to time; and any other employees of the Group as determined by the Remuneration Committee to be part of the senior management of the Company;

Shareholders means the shareholders of the Company; and

Stock Exchange means The Stock Exchange of Hong Kong Limited.

2. The word “remuneration”, as used in these Terms, includes 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 the resolution of the Board dated October 25, 2017.

Membership

4. The chairman and members of the Remuneration Committee shall be appointed by the Board from time to time from among the Directors and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors. The quorum of the Remuneration Committee meeting shall be any two members of the Remuneration Committee, one of whom must be an independent non-executive Director. LR3.25
5. The chairman of the Remuneration Committee shall be an independent non-executive Director. LR3.25

6. No member of the Remuneration Committee shall receive, either directly or indirectly, any remuneration other than Directors' fees from the Company for any advisory or consultancy role or otherwise.
7. The term of office of a member of the Remuneration Committee shall correspond to that of a Director. During the term of office, any member of the Remuneration Committee who ceases to hold office as a Director will automatically be disqualified as a member of the Remuneration Committee and the Board shall appoint a replacement in accordance with clause 4 of these Terms.
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; or
 - (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 relevant provisions contained in the Company's articles of association for regulating the meeting and proceedings of Directors.
10. Meetings of the Remuneration Committee shall be held at least once a year. The chairman of the Remuneration Committee shall convene a meeting upon request by any member of the Remuneration Committee. The meeting shall be chaired by the chairman of the Remuneration Committee. In the absence of the chairman of the Remuneration Committee, the other members present shall elect one of them to chair the meeting. A.7.1
11. An agenda and accompanying Board papers should be sent in full to all Directors in a timely manner and at least three days before the intended date of a meeting of the Remuneration Committee (or such other period as agreed by the Board). A.7.2
12. The Senior Management is obliged to supply the Board and 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 Director requires more information than the information provided voluntarily by the Senior Management, the relevant Director should make additional necessary enquiries to the Senior Management. The Board, the Remuneration Committee and individual Directors shall have separate and independent access to the Senior Management. A.7.2

13. The Company Secretary shall be the secretary of the Remuneration Committee.

Annual General Meetings

14. The chairman of the Remuneration Committee shall attend the Company's annual general meetings and be prepared to respond to any Shareholder's questions on the Remuneration Committee's activities. E.1.2

15. If the chairman of the Remuneration Committee is unable to attend an Annual General Meeting of the Company, he shall arrange for another member of the Remuneration Committee, or failing this, his duly appointed delegate, to attend in his place. Such person shall be prepared to respond to any Shareholders' questions on the Remuneration Committee's activities. E.1.2

Authority

16. The Remuneration Committee is authorized by the Board to discharge its duties within these Terms. It is authorized to seek any information it requires from the Directors and/or the Senior Management who are directed to co-operate with the Remuneration Committee.

17. The Remuneration Committee is authorized by the Board to obtain external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, at the Company's expense, if it considers it necessary. The Remuneration Committee shall 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. B.1.1

Duties

18. 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 remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; B.1.2(a)

(b) reviewing and approving management's remuneration proposals with reference to the Board's goals and objectives; B.1.2(b)

(c) being responsible for either: B.1.2(c)

(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;

(d) making recommendations to the Board on the remuneration of non-executive Directors; B.1.2(d)

- (e) considering salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group; B.1.2(e)
 - (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 and not excessive; B.1.2(f)
 - (g) reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct in order to ensure that they are consistent with the contractual terms and are otherwise reasonable and appropriate; B.1.2(g)
 - (h) ensuring that no Director or any of his associates is involved in deciding his own remuneration; B.1.2(h)
 - (i) reviewing the Company's policy on expense reimbursements for the Directors and Senior Management; and
 - (j) discussing other topics as specified by the Board.
19. In carrying out its duties under these Terms, the Remuneration Committee should:
- (a) consult the chairman of the Board and/or the chief executive officer about their remuneration proposals for other executive Directors and have access to independent professional advice if necessary; B.1.1
 - (b) determine the packages needed to attract, retain and motivate executive Directors of the quality required, but avoid paying more than is necessary for this purpose;
 - (c) judge where to position the Company relative to other companies, be aware of what comparable companies are paying and should take account of the Company's relative performance;
 - (d) be sensitive to the wider scene, including pay and employment conditions within the Group and elsewhere, 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 are designed to align their interests with those of Shareholders and to give the executive Directors incentives to perform at the highest levels; and B.1.7
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 - (f) ensure that share options offered by the Company to its Directors or Senior Management (if any) are in accordance with the Listing Rules, as applicable.
20. Without prejudice to the generality of these Terms set out above, the Remuneration Committee shall (directly or through any persons so authorized by the Remuneration Committee to do so on its behalf):
- (a) operate the Company's share option scheme or other incentives schemes (if any) as they apply to Directors and/or the Senior Management, and recommend to the general meeting of Shareholders any grants of options to be made to Directors and/or the Senior

Management. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);

- (b) liaise with the trustee of any employee share option scheme which is created by the Company for the benefit of the 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 the Shareholders.

Reporting procedures

- 21. Full minutes of the Remuneration Committee's meetings shall be kept by the Company Secretary or a representative appointed by the Company Secretary, and such minutes shall be made available for inspection at any reasonable time on reasonable notice by any Director. A.1.4
- 22. Minutes of meetings of the Remuneration Committee shall record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors, members or dissenting views expressed. Draft and final versions of such minutes should be sent to all members of the Remuneration Committee for their comment and records respectively, in both cases within a reasonable time after such meetings. A.1.5
- 23. 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, unless there are legal or regulatory restrictions on it to do so. D.2.2

Provision of these Terms

- 24. The Remuneration Committee shall make available these Terms on request and by inclusion on the Stock Exchange's website and the Company's website, thereby explaining its role and the authority delegated to it by the Board. B.1.3

Note: If there is any inconsistency between the English and Chinese versions of these Terms, the English version shall prevail.