



ANTA Sports Products Limited

安踏體育用品有限公司

Directors and Senior Management Remuneration Policy

Effective date of this Policy:

Revised by the Board on 30 December 2022 and effective on 30 December 2022.

1 Introduction

- 1.1 This Policy is aimed to maintain fair and competitive remuneration packages of the Directors and senior management based on the business needs of the Group and industry practice.
- 1.2 The Company shall review the current remuneration policy and structure of the Directors and senior management on an annual basis.

2 Personnel to whom this Policy applies

- 2.1 This Policy is applicable to the Directors and senior management of the Company. Only the Executive Directors, Chief Executive Officer and Chief Financial Officer are currently regarded as members of senior management.

3 Principles on remuneration of Directors and senior management

- 3.1 The remuneration determined in accordance with this Policy shall be sufficient to attract and retain the Directors and senior management to run the Group successfully without paying more than necessary.
- 3.2 The remuneration of the Executive Directors and senior management is determined based on the followings:
 - (1) Duties, workloads and required commitment in the daily operation and management of the Group, including their individual performance or the performance of the respective department(s) and business unit(s) that they are in charge (including the aspect of sustainability);

- (2) Personal qualifications and experience;
- (3) Remuneration paid, time commitment and duties of other similar companies, and the related market levels;
- (4) Terms of employment for other positions within the Group; and
- (5) Other factors including economic and market situations, individual contributions to the Group's results and development (including the aspect of sustainability), as well as individual's potential.

In determining the remuneration packages for the Executive Directors and senior management, the Remuneration Committee would consider the remuneration package of each Executive Director and senior management member on an individual basis.

3.3 The remuneration of the Non-Executive Directors (including the Independent Non-Executive Directors) are determined based on the followings:

- (1) Duties and workloads for providing independent, supervisory and constructive advices at the Board;
- (2) Personal qualifications and experience; and
- (3) Remuneration paid, time commitment and duties of other similar companies, and the related market levels.

In determining the remuneration packages for the Non-Executive Directors (including the Independent Non-Executive Directors), the Remuneration Committee would consider the remuneration package of each Non-Executive Director (including the Independent Non-Executive Directors) on an individual basis.

3.4 The remuneration of the Directors and senior management who are controlling shareholders:

The controlling shareholders' decision to receive remuneration below the market levels (in the capacity of a Director and/or senior management) is beneficial to the shareholders of the Company as a whole, and remuneration is not a major factor for retaining the relevant personnel. Therefore, in this circumstance, their remuneration do not affect the competitiveness of the Company. The Remuneration Committee may take it into account when approving and reviewing their remuneration packages.

4 Discretionary bonus

- 4.1 Annual discretionary bonus of the Executive Directors and senior management shall be determined with reference to the performance of the respective department(s) and business unit(s) that they are in charge of (including but not limited to the key performance indicators) and their individual performance, and shall be approved by the Remuneration Committee.

5 Equity-based remuneration

- 5.1 Remuneration Committee shall approve equity-based remuneration on the individual performance and business objectives of Executive Directors and senior management with the goal of maximising long-term shareholder value (for example, granting share options and share awards in accordance with the Company's share option schemes and share award schemes as appropriate).
- 5.2 Generally, equity-based remuneration with performance-related elements (e.g. share options or share awards) shall not be granted to the Non-Executive Directors (including Independent Non-Executive Directors).

6 Remuneration approval process

- 6.1 The Remuneration Committee is responsible for reviewing and approving the remuneration policy and structure of the Directors and senior management, the remuneration packages, discretionary bonuses for each Executive Director and senior management member and other remuneration-related matters, and making recommendations to the Board on the remuneration packages of Non-Executive Directors (including Independent Non-Executive Directors).
- 6.2 The remuneration of all Directors are subject to regular monitoring and review by the Remuneration Committee to ensure that their remuneration and compensation are reasonable. The Remuneration Committee shall consult the Chairman of the Board and/or the Chief Executive Officer about the remuneration proposal of each Director and assess to external independent professional advice if necessary.
- 6.3 The Remuneration Committee is responsible for ensuring that the long term overall interests of Directors and senior management are aligned with those of shareholders, and that the paid Directors and senior management receive fair and reasonable remuneration (except for the Executive Directors and senior management who are controlling shareholders).
- 6.4 No Director can take part in any discussion of his own remuneration. Directors shall abstain from voting in the resolutions in relation to their individual remuneration at the relevant Board or Remuneration Committee meetings.

7 Clawback Mechanism

- 7.1 In respect of discretionary bonus and equity-share based remuneration of Executive Directors and senior management, to the extent permitted by applicable laws and regulations, the Company may recover and adjust the previous remuneration provided within three (3) years.
- 7.2 The Remuneration Committee shall review the facts and circumstances that led to the clawback and the costs and benefits of seeking recovery and shall determine, in its discretion, the amount to be sought for recovery from such Executive Director or senior management.
- 7.3 The Company may offset the recovery amount against current or future remuneration and through cancellation of unvested or vested equity-based remuneration.

8 Review of this Policy

- 8.1 The Remuneration Committee shall regularly review the implementation and effectiveness of this Policy to ensure that it continues to meet the needs of the Company and reflects both current regulatory requirements and good corporate governance practices, and shall discuss and consider any revisions that may be required.

9 Disclosure of this Policy

- 9.1 Full text of this Policy will be published on the Company's website. A summary of this Policy together with the Remuneration Committee's review of the implementation and effectiveness of this Policy will be disclosed in the corporate governance report as a part of the Company's annual report.

10 Definitions

- 10.1 In this Policy, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Board”	means the board of directors of the Company
“Company”	means ANTA Sports Products Limited
“controlling shareholder(s)”	has/have the meaning scribed to it under the Listing Rules
“Director(s)”	means the director(s) of the Company

“Executive Director(s)”	means the executive director(s) of the Company
“Group”	means the Company and its subsidiaries
“Independent Non-Executive Director(s)”	means the independent non-executive director(s) of the Company
“Listing Rules”	mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Non-Executive Director(s)”	means the non-executive director(s) of the Company
“Policy”	means this directors and senior management remuneration policy
“Remuneration Committee”	means the remuneration committee of the Company
“senior management”	has the meaning ascribed to it under the Listing Rules

11 Language

11.1 If there is any inconsistency between the English and Chinese versions of this Policy, the English version shall prevail.