Pacific Basin Shipping Limited

(incorporated in Bermuda with limited liability)
(Stock Code: 2343)

REMUNERATION AND PEOPLE COMMITTEE

TERMS OF REFERENCE

Approved and adopted on 3 August 2026

The Board of Directors (the "Board") of Pacific Basin Shipping Limited (the "Company") hereby delegates to the Remuneration and People Committee (the "RPC") such powers and authorities as it shall reasonably require to perform its duties and without prejudice to the following.

1. Authority

1.1 Investigate or perform any activity within its terms of reference.

1.2 Seek any information it requires from any employee of the Group in order to perform its duties.

1.3 Consult the Chairman and/or Chief Executive Officer about their remuneration proposals for other Executive Directors and retain outside experts and professional advisers, as the committee deems appropriate at the Company's expense.

1.4 Delegate any of its responsibilities to sub-committees when it deems appropriate.

2. Reporting Procedures

2.1 The RPC shall report to the Board concerning its activities, either verbally or in writing, at regular meetings of the Board or more frequently if required.

2.2 The meetings and proceedings of the RPC will be governed by the provisions of the Company's bye-laws for regulating the meetings and proceedings of directors (as amended from time to time).

3. Roles and responsibilities

The RPC should perform the following duties:

3.1 make recommendations to the Board on the Company's policy and structure for all directors', senior management's and other employees' remuneration and desirability of performance-linked remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

3.2 (a) determine, through authority delegated from the Board, the remuneration packages including base salary, bonus, benefit in kind, pension rights, share awards and compensation payments (including any compensation payable for loss or termination of office or appointment) of:

(i) Executive directors;
(ii) Members of management selected by the committee; and
(iii) Any proposed new hire to whom an award of equity on commencement is being made.

3.2 (b) review and approve any compensation arrangement regarding the termination of employment contract or for loss of office or for removal for misconduct to any person referred to in paragraph 3.2(a)(i)-(iii).

In reviewing the proposals from management, the RPC should consider the Board's corporate goals and objectives, salaries paid by comparable companies, time commitment and responsibilities of the directors and senior management and employment conditions elsewhere in the group;

Senior management are personnel who have global or group responsibility and include Executive directors and may from time to time also include other personnel as determined by the Chief Executive Officer.

3.3 review and approve performance-linked remuneration for Executive directors and selected members of management, including determining targets for performance-linked remuneration where applicable;

3.4 consider and endorse the overall annual pay review proposal for all employees of the Group;

3.5 make recommendations to the Board on the remuneration of non-executive Directors;

3.6 review and make recommendations to the Board on terms of appointment for directors when considered necessary;

3.7 make recommendations to the Board on compensation and related arrangements for directors and senior management in connection with the following, to ensure such compensation or arrangements are fair , reasonable and appropriate and are consistent contractual terms:
(i) any loss or termination of office or appointment; and
(ii) dismissal or removal for misconduct.

3.8 to review and/or approve matters relating to share schemes under the relevant Listing Rules, and administer and / or oversee the Company's employee share incentive scheme(s) and other equity or cash-based schemes of the Company in place from time to time and explicitly review and approve the granting of share awards to Executive directors and any staff members in the group;

3.9 review and approve disclosure statements of the Company's policy and remuneration for directors and senior management;

3.10 ensure that no director or any of their associates is involved in deciding their own remuneration and that, as regards the remuneration of a non-executive director who is a member of the RPC, their remuneration should be determined by the other members of the RPC;

3.11 oversee the Company's culture and people strategy and their alignment with the Company's long-term business objectives and ESG considerations;

3.12 oversee and make recommendations to the Board on material people-related matters, including major changes to people policies and practices, significant Group-wide organisational restructuring, and leadership development and succession planning; and

3.13 perform such other remuneration, people and culture-related duties as may be delegated by the Board from time to time.

4. Organisation

Membership

4.1 The Board will nominate the RPC members and its chairman.

4.2 The RPC will comprise at least 3 members and the majority of the members shall be independent non-executive directors of the Company.

4.3 The chairman of the RPC shall be an independent non-executive director.

4.4 A quorum of any RPC meeting will be 2 members.

4.5 The secretary of the RPC will be the company secretary or such other person nominated by the Board.

Meetings

4.6 The RPC may invite the Chief Executive Officer, any director, any member of senior management or any other individuals to attend meetings of the RPC as it considers necessary.

4.7 Meeting shall be held not less than once a year.

4.8 Agendas and accompanying papers regarding RPC meetings should be sent in full to all RPC members in a timely manner (at least three days) in advance of each meeting.

4.9 Draft meeting minutes should be circulated to all committee members for their comments and records within a reasonable time after the meeting is held.

Notes:
(i) "Senior management" should refer to the same category of persons as is referred to in the Company's annual report and is required to be disclosed under paragraph 12 of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.
(ii) The RPC shall advise shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval under Rule 13.68 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.