

# 新濠影滙 STUDIO CITY

## COMPENSATION COMMITTEE CHARTER

This Compensation Committee Charter (this “**Charter**”) was adopted by the Board of Directors (the “**Board**”) of Studio City International Holdings Limited (the “**Company**”).

### I. Purpose

The purpose of the Compensation Committee (the “**Committee**”) of the Board of the Company is to discharge the Board’s responsibilities relating to compensation of the Company’s directors and Property General Manager (as defined below), including, amongst others, to design (in consultation with management), evaluate and approve the compensation for the Property General Manager; and evaluate and recommend to the Board for approval proposals related to directors’ compensation. The Committee shall recommend compensation programs that are designed to encourage high performance, promote accountability and assure that the interests of directors and senior management are aligned with the business strategy of the Company and the interests of the Company’s shareholders.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board, in relation to matters that the Board believes are appropriate for consideration by the Committee and consistent with this Charter, as amended from time to time, and the Company’s Memorandum and Articles of Association, as amended from time to time (the “**Articles**”). The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

### II. Membership

The Committee shall be comprised of four directors, at least three of whom, as determined by the Board, satisfy the independence requirements of Rule 10C-1 under the U.S. Securities Exchange Act of 1934, as amended (the “**1934 Act**”), and the New York Stock Exchange (the “**NYSE**”), and all of whom have experience, in the business judgment of the Board, that would be helpful in addressing the matters delegated to the Committee. The Committee shall be chaired by an independent non-executive director and be comprised of a majority of independent non-executive directors. The Board shall approve and provide written charter for the Committee which clearly establishes its authority and duties. If the Company fails to set up a compensation committee or at any time has failed to meet these requirements, it shall set

up a compensation committee within three months of such failure.

The initial members of the Committee, including the chair (the “**Chair**”) of the Committee, shall be appointed by the Board and thereafter the members of the Committee, including the Chair of the Committee, shall be appointed by the Board after consideration of the recommendation of the Nominating and Corporate Governance Committee. Members of the Committee shall serve at the pleasure of the Board for such term or terms as the Board may determine. Committee members may be removed from the Committee, with or without cause, by the Board.

In determining whether a director is eligible to serve on the Committee, the Board shall consider all factors specifically relevant to determining whether a director has a relationship to the Company which is material to such director’s ability to be independent from management in connection with the duties of a Committee member, including, (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director and (ii) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

Members of the Committee shall not accept directly or indirectly any consulting, advisory or other compensatory fee (which does not include fees received as a member of the Board, the Committee or any other Board committee or fixed compensation under a retirement plan for prior services (provided such compensation is not contingent in any way on continued service)), from the Company or any of its subsidiaries.

### **III. Structure and Operations**

The Chair (or in his or her absence, a member designated by the Chair or nominated by the other members of the Committee) shall preside at each meeting of the Committee and set the agenda for each Committee meeting. The Chair shall provide notice of any Committee meetings to each member at least three (3) days prior to the scheduled date of such meeting and set forth the date, place, and agenda of the meeting. The notice requirements may be waived with the written or oral consents thereon of all of the members. The presence of more than 50% of all members shall constitute a quorum. The affirmative vote of a majority of the members of the Committee participating in any meeting of the Committee is necessary for the adoption of any resolution or other Committee action.

The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Articles or this Charter.

The Committee shall meet on a regularly scheduled basis at least once per year and more frequently as the Chair deems necessary or desirable. A meeting of the Committee may be conducted in person or via telephone conference or similar communications equipment where all meeting participants can hear one another. Minutes of the meetings shall be kept by a person designated by the Chair. Draft and final versions of the minutes of meetings shall be sent to all Committee members for their comments and records respectively, in both cases within a reasonable time after the meetings.

All non-management directors who are not members of the Committee may attend and observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee may, at its discretion, include in its meetings members of the Company's management, representatives of the independent auditor, the internal auditor, any other financial personnel employed or retained by the Company, or any other person whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, the Company's property general manager or the principal executive officer (the "**Property General Manager**") may not be present during voting or deliberations concerning his or her compensation, and the Committee may exclude from its meetings any person who is not a Committee member, including but not limited to, any non-management director who is not a member of the Committee.

The Committee may create one or more subcommittees and may delegate, in its discretion, all or a portion of its duties and responsibilities to such subcommittee.

#### **IV. Duties and Responsibilities**

The Committee's duties and responsibilities shall include each of the items enumerated in this Section IV and such other matters as may from time to time be delegated to the Committee by the Board.

- (1) The Committee, in consultation with senior management, shall oversee the development and implementation of executive compensation programs of the Company, in this regard, the Committee's responsibilities are limited to oversight. Except with respect to the administration of the Company's share incentive plans (if any), it is not the responsibility of the Committee to implement the compensation programs (which is the responsibility of management) or to supervise management on a daily basis.
- (2) The Committee shall, at least annually, (a) review and approve corporate goals and objectives relevant to the compensation of the Property General Manager, (b) evaluate the performance of the Property General Manager in light of those goals and objectives, and (c) (as applicable) review and approve the Company's incentive-compensation plans (if any) and equity grant (if any) under its share incentive plans (if any) and oversee the administration of these plans and discharge any responsibilities imposed on the Committee by any of these plans.
- (3) The Committee shall, at least annually, (a) make recommendations so as to allow the Board to review and approve all compensation arrangements for the Company's independent directors, and (b) pursuant to the authority delegated to it by the Board, to review and approve, or otherwise determine, all compensation arrangements for the Property General Manager. Such compensation arrangements include, without limitation: (i) the annual base salary or fee level; (ii) the annual incentive opportunity level; (iii) the long-term incentive opportunity level; (iv) director agreements, employment agreements, pension rights, severance arrangements (parachute payments), compensation payments (including any compensation payable for loss or termination of office

or appointment) and change-in-control agreements/provisions, in each case as, when and if appropriate; and (v) any benefits in kind. The Committee may consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors or the executive officers, employment conditions elsewhere in the group and desirability of performance-based remuneration. The Committee shall ensure that no director or any of his or her associates is involved in deciding his or her own remuneration (other than the Committee members to recommend their own compensation for the Board's approval provided that the relevant Committee member shall declare his or her interest in relation to such recommendation for compliance with the constituent documents of the Company).

- (4) The Committee shall review and approve the compensation payable to directors and Property General Manager in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with the relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company.
- (5) The Committee shall review and approve compensation arrangements relating to (a) dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate; and (b) any benefits in kind received by any director or Property General Manager where such benefits are not provided for under the relevant contractual terms or employee handbook, and the value of such benefits received by any of them exceeds HK\$10,000 (or such other amount as the Committee may decide from time to time) in aggregate in a given financial year.<sup>1</sup>
- (6) The Committee shall, as it deems appropriate, review and make recommendations to the Board with respect to the adoption of any share incentive plans of the Company and/or modifications to the terms thereof and carry out its duties and responsibilities as set forth in such share incentive plans (if any), as may be amended from time to time.
- (7) The Committee shall oversee the Company's regulatory compliance with respect to compensation matters, including the Company's policies and restrictions on compensation plans, including loans to officers and directors, and, as and when required, establishing performance goals.
- (8) The Committee shall report to the Board periodically on all matters for which the Committee has responsibility.
- (9) The Committee shall undertake and review with the Board an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this Charter and set

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<sup>1</sup> The approval process prescribed in the General Policy on Related Party Transactions may also apply if the benefits are significant in value.

forth the goals and objectives of the Committee for the upcoming year. Such evaluation shall include an assessment of whether the Committee members have sufficient time and resources to properly discharge their duties and responsibilities as members of the Committee. The Committee shall conduct such performance evaluation in such manner as the Committee and the Board deem appropriate, and may report the results of its performance evaluation through an oral report by the Chair of the Committee or any other member of the Committee designated by the Committee to make such report.

- (10) The Committee shall annually review and reassess the adequacy of this Charter and recommend to the Board for approval such changes as the Committee believes are appropriate.
- (11) The Committee shall exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.
- (12) The Committee shall manage and review executive officer and director indemnification and insurance matters.
- (13) As US laws prohibit the making of loans by the Company to its officers and directors, the Committee will reject any such request made to the Company.
- (14) In the event of any overlap between the duties and responsibilities of the Committee (which is concerned with compensation matters), those of the Company's Audit and Risk Committee (which is concerned with the legal and regulatory oversight of the financial statements of the Company, including the oversight of the independent auditor, the review of the financial statements and related materials, the internal audit process and the procedure for receiving complaints regarding accounting, internal accounting controls or auditing matters) and those of the Company's Nominating and Corporate Governance Committee (which is concerned with matters outside the purview of the other two committees), all three committees shall use their respective best efforts to cooperate in the performance of such duties and responsibilities.
- (15) The Committee shall make available its charter, explaining its role and the authority delegated to it by the Board by including it on the Company's website.

## **V. Authority and Resources**

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, outside accounting adviser, independent legal counsel or other adviser (the "**Consultant**"). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Consultant retained by the Committee.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any compensation consultant or outside accounting

adviser or legal counsel or any other adviser retained by the Committee pursuant to the preceding paragraph.

The Committee may select a Consultant only after taking into consideration, all factors relevant to that person's independence from management as specified in NYSE Rule 303A.05(c)(iv), which include the following:

- (1) the provision of any other services to the Company by the person that employs the Consultant;
- (2) the amount of fees received from the Company by the person that employs the Consultant, as a percentage of the total revenue of the person that employs the Consultant;
- (3) the policies and procedures of the person that employs the Consultant that are designed to prevent conflicts of interest;
- (4) any business or personal relationship of the Consultant with any member of the Committee;
- (5) any stock of the Company owned by the Consultant; and
- (6) any business or personal relationship of the Consultant or the person employing such Consultant with any executive officer of the Company.

Nothing in the preceding paragraph shall be construed to require a Consultant to be independent, only that the Committee consider the enumerated independence factors before selecting or receiving advice from a Consultant. For the avoidance of doubt, the Committee may select or receive advice from any Consultant it prefers including ones that are not independent, after considering the six independence factors as set out above.

The Committee is required to conduct the independence assessment as outlined above with respect to any Consultant that provides advice to the Committee, other than (i) in-house legal counsel; and (ii) any Consultant whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K:

- (a) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; or
- (b) providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the Consultant, and about which the Consultant does not provide advice.

The Committee may ask questions or request for information from any Compensation Committee of the Company's subsidiary (if any) in relation to any compensation matters as covered herein. In the event that the Committee receives any questions or issues raised by any Compensation Committee of the Company's subsidiary (if any) in relation to any such

compensation matters, the Committee shall discuss such matters with such Compensation Committee as appropriate.

Issue No. 5

Approved by: Board of Directors

Approval Date: 7 September 2023

Effective Date: 7 September 2023

Certified to be a true copy by Company Secretary

Signature: [Signed by Tim Sung]

## REVISION HISTORY

ISSUE	DATE APPROVED	APPROVED BY	PAGES REVISED	ND VR.
1	17 October 2018	Board of Directors	N/A	3465-7355-4951v.7
2	27 March 2019	Board of Directors	Pages 3 & 4	3465-7355-4951v.11
3	25 March 2020	Board of Directors	Pages 1 to 7	3465-7355-4951v.12
4	8 December 2021	Board of Directors	Pages 3 & 4	3473-2665-7559v.3
5	7 September 2023	Board of Directors	Pages 1,3,4	3473-2665-7559 v.5