



# GR PROPERTIES LIMITED

國 銳 地 產 有 限 公 司

*(Incorporated in Hong Kong with limited liability)*

(Stock code: 108)

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## REMUNERATION COMMITTEE – TERMS OF REFERENCE

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### 1. Constitution

- 1.1 The board of directors (the “**Board**”) of GR Properties Limited (the “**Company**”) hereby resolves to establish a committee of the Board to be known as the Remuneration Committee (the “**Committee**”).

### 2. Membership

- 2.1 Members of the Committee shall be appointed by the Board. The Committee shall consist of a minimum of three directors. Majority of the members of the Committee shall be independent non-executive directors.
- 2.2 The quorum for a meeting of the Committee shall be two members.
- 2.3 The Chairman of the Committee shall be appointed by the Board from the members of the Committee and must be an independent non-executive director.

### 3. Attendance at meetings

- 3.1 Other directors may be called upon or be able to speak by prior arrangement with the Chairman of the Committee.
- 3.2 The Secretary of the Committee shall be appointed by the Committee.

### 4. Frequency of meetings

- 4.1 Meetings shall be held at least once a year.
- 4.2 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chairman of the Committee or any of its members who considers it necessary.

### 5. Authority

- 5.1 The Committee should consult the chairman and/or chief executive of the Company about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary.

### 6. Duties

The duties of the 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:
- 6.3.1 to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; or
  - 6.3.2 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 make recommendations to the Board on the remuneration of non-executive directors;
- 6.5 to consider salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the group;
- 6.6 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;
- 6.7 to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
- 6.8 to ensure that no director or any of his associates is involved in deciding his own remuneration.

## **7. Proceedings of the Committee**

The proceedings of the Committee shall be governed by the following rules:-

- 7.1 at all meetings of the Committee, any question shall be decided by a majority of votes cast by members of the Committee on the question;
- 7.2 notice of the time and place of each meeting of the Committee must be given to each member not less than two business days before the time when the meeting is to be held;
- 7.3 except as required by laws, a resolution signed by all of the members of the Committee is as valid as if it had been passed at a meeting of the Committee;
- 7.4 any member of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities that permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously;
- 7.5 if the Secretary of the Committee is absent, the Chairman of the Committee meeting shall appoint a person who need not be a director to act as secretary of that meeting;
- 7.6 if the Chairman of the Committee is not in attendance at any meeting of the Committee, the members in attendance may appoint a chairman for that meeting; and



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7.7 the Chairman of the Committee shall arrange for the keeping of records of minutes of and resolutions passed at Committee meetings, and the circulation of the same to all members of the Committee within a reasonable time after each meeting and, once the minutes have been confirmed, to the Chairman of the Board.

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