



TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

(effective on 1st April, 2012)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE (the “Committee”)

1 Constitution

- 1.1 The Committee was formed pursuant to the Board resolution of the Company passed on 14 September 2005.

2 Membership

- 2.1 The Chairman and members of the Committee shall be appointed by the Board of the Company and shall consist of not less than three members, a majority of whom should be independent non-executive directors.
- 2.2 The Chairman of the Committee should be an independent non-executive director.
- 2.3 The meetings and proceedings of the Committee are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of the Board.
- 2.4 The term of office of the members of the Committee shall be in congruence with the term of the Board and the members may be re-elected for appointment upon the expiry of the current term of office. During the term, any member ceases to hold office as a director will automatically lose the qualification as a member and the Board shall appoint replacement in accordance with articles 2.1 above.

3 Quorum

- 3.1 The quorum of meetings of the Committee shall be at least two independent non-executive directors.

4 Frequency and Proceedings of meetings

- 4.1 The Committee shall hold at least one meeting each year. The Chairman of the Committee shall be chaired in the meeting.
- 4.2 The meetings and proceedings are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of Directors.

5 Authority

- 5.1 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all

employees are directed to co-operate with any request made by the Committee.

- 5.2 The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

6 Duties

The Committee shall have the following duties:

- 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:
- (i) to determine, with delegated responsibilities, the remuneration packages of individual executive directors and senior management; or
 - (ii) 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 consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- 6.5 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;
- 6.6 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;
- 6.7 To make recommendations to the Board on the remuneration of non-executive directors;
- 6.8 To ensure that no director or any of his associates is involved in deciding his own remuneration;
- 6.9 To consult the chairman and/or the chief executive about their remuneration proposals for other executive directors. The Remuneration Committee should have access to independent professional advice if necessary; and
- 6.10 To consider other topics as defined by the Board.