

**REMUNERATION COMMITTEE
TERMS OF REFERENCE**

Constitution

1. The Board hereby resolves to establish a Committee of the Board to be known as the Remuneration Committee (“the Committee”).

Membership

2. A member of the Committee shall be appointed by the Board. A majority of the Committee members should be independent non- executive directors.
3. The Chairman of the Committee shall be appointed by the Board.

Quorum and Attendance at Meetings

4. Two members of the Committee shall constitute quorum of the Remuneration Committee.

Frequency of Meetings

5. Meetings shall be held not less than once a year.

Authority

6. The Committee is authorized by the Board to review and make recommendation to the board on remuneration of directors and senior management.
7. To assist committee members to discharge their duties, the following procedures for seeking professional advice at the Company’s expenses shall be observed :-
 - (a) The committee members shall submit a request in writing to the chairman of the Board stating the grounds for seeking the independent professional advice;
 - (b) The chairman of the Board would approve the committee member’s request directly. If necessary, the chairman may convene the board meeting to resolve the matter.

Duties

8. The duties of the Committee shall be:

- (a) to make recommendations to the board on the company's policy and structure for all remunerations of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. "Senior Management" should refer to the same category of persons as referred to in the Company's Annual Report.
- (b) to have the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the board on the remuneration of non-executive directors. The remuneration committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors /senior management, employment conditions elsewhere in the group and desirability of performance-based remuneration;
- (c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the board from time to time;
- (d) to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the company;
- (e) to review and approve compensation arrangements relating to 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
- (f) to ensure that no director or any of his associates is involved in deciding his own remuneration.