



## **Chuang's Consortium International Limited**

**莊士機構國際有限公司**

("Company")

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 367)

### **TERMS OF REFERENCE OF REMUNERATION COMMITTEE ("COMMITTEE")**

#### ***Membership***

1. The members of the Committee shall be appointed by the board of directors of the Company ("Board") and shall consist of not less than three members, and a majority of independent non-executive directors. A quorum shall be two members.
2. The chairman of the Committee shall be an independent non-executive director.
3. The term of each Committee member shall be the same as his/her term as a director. Subject to the Bye-laws of the Company and the applicable laws and regulations, any member of the Committee may be re-appointed by the Board and continue to act as a member of the Committee upon the expiry of his/her term of appointment relating thereof.
4. A member of the Committee who ceases to be a member of the Board shall immediately and automatically cease to be a member of the Committee.

#### ***Attendance and proceedings at meeting***

5. The chairman of the Board and/or the chief executive of the Company may be invited to attend the meeting.
6. The company secretary of the Company shall be the secretary of the Committee.
7. Unless specified by these terms of reference, meetings and proceedings of the Committee shall be governed by the Bye-laws of the Company regulating the meetings and proceedings of the directors.

#### ***Frequency of meeting***

8. Meeting shall be held at least once a year and whenever necessary.

#### ***Authority***

9. The Committee should consult the chairman of the Board and/or the chief executive about the remuneration proposals for other executive directors and should have access to independent professional advice, if necessary, to perform its duties.
10. The Committee shall be provided with sufficient resources to perform its duties.

### ***Duties***

11. The duties of the Committee should be:

- (a) 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;
- (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) 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;

- (d) to make recommendations to the Board on the remuneration of non-executive directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (f) 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;
- (g) 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;
- (h) to ensure that no director or any of his associates is involved in deciding his own remuneration; and
- (i) to review and/or approve matters relating to share schemes under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### ***Reporting procedures***

- 12. The secretary of the Committee shall record, keep and circulate final versions of the minutes of meetings to the Board, and drafts and final versions of the minutes to the members of the Committee and make the full minutes available for inspection at any reasonable time on prior reasonable notice by any director.
- 13. The Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless prohibited by applicable laws and regulations.
- 14. The Committee chairman, or in his/her absence, another member of the Committee, or failing which his/her duly appointed alternate shall attend the annual general meeting of the Company and be available to answer questions thereat on the Committee's activities and its responsibilities.