



中國港橋控股有限公司

China HKBridge Holdings Limited

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2323)**

## **TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE OF THE COMPANY (THE “COMMITTEE”)**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has approved the following written terms of reference for the Committee established by the Company which set out the Committee’s authority and duties:

### **1. MEMBERSHIP**

1.1 The Committee shall be appointed by the Board.

1.2 The majority of the members (the “**Committee Members**”) of the Committee shall be independent non-executive Directors.

1.3 The chairman of the Committee must be an independent non-executive Director and shall be appointed by the Board.

### **2. SECRETARY**

2.1 The Committee may from time to time appoint any person with appropriate qualification and experience as its secretary.

### **3. MEETINGS**

3.1 The Committee shall meet at least once a year.

3.2 Notice of any Committee meetings has to be given not less than three clear days (including non-working days) prior to any such meeting being held, unless all Committee Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Committee Member shall be deemed waiver of the requisite length of notice by the Committee Member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.

- 3.3 For regular Committee meetings, and as far as practicable in all other cases, an agenda and accompanying board papers should be sent, in full, to all Committee Members in a timely manner and at least three days before the intended date of a Committee meeting (or other agreed period).
- 3.4 Any of the Committee Members can convene a meeting by giving to the Committee secretary a notice. Upon receipt of such notice, the Committee secretary shall notify all other Committee Members about the meeting. Any Committee Members can also convene a Committee meeting by giving a notice directly to all other Committee Members.
- 3.5 Notices referred to above may be given in writing (by letter, facsimile, cable, telex or email) or orally.
- 3.6 The Committee Member or the Committee secretary convening a meeting shall provide to other Committee Members and the Committee secretary information about the purposes of the meeting, the time, venue and agenda of the meeting and shall supply to each of them all relevant documents of the meeting and such documents shall be dispatched together with the agenda of the meeting.
- 3.7 The quorum of the Committee shall be any two Committee Members.
- 3.8 The Committee Members may participate in a meeting of the Committee by means of a conference telephone or similar communications equipment whereby all persons participating in a meeting through such media can clearly hear and understand each other and all persons participating in any meeting pursuant to this provision shall be deemed to be present in person at such meeting.
- 3.9 If within thirty minutes from the time appointed for a meeting, a quorum is not present, upon majority agreement by the Committee Members present, the meeting shall stand adjourned. The Committee secretary or any Committee Member can issue the notice for the adjourned meeting. If within ten minutes from the time appointed for the adjourned meeting, a quorum is not present, the Committee Members present shall duly constitute a quorum and shall be entitled to exercise all the powers conferred upon the Committee.
- 3.10 The chairman of the Committee shall preside as the chairman of a Committee meeting. If within fifteen minutes from the time appointed for the meeting, the chairman of the Committee is not present, other Committee Members present shall choose someone from their number to be the chairman of the meeting.
- 3.11 Each Committee Member present in a meeting shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the chairman of the meeting shall have a casting vote.

3.12 A resolution in writing signed by all the Committee Members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

3.13 Minutes shall be kept by the secretary of the Committee. Draft and final versions of minutes shall be circulated to all Committee Members for their comment and records respectively, in both cases within a reasonable period of time after the meeting. Such minutes shall be open for Directors' inspection.

#### **4. ATTENDANCE OF MEETINGS**

4.1 At the invitation of the Committee, the chairman of the Board and/or managing Director (if any), external advisers and other persons may be invited to attend all or part of any meetings.

4.2 Only Committee Members of the Committee are entitled to vote at the meetings.

#### **5. ANNUAL GENERAL MEETING**

5.1 The chairman of the Committee or another Committee Member of the Committee or their duly appointed delegate(s) shall attend the Company's annual general meeting and be prepared to respond to the Company's shareholders' questions on the Committee's activities and their responsibilities.

#### **6. RESPONSIBILITY, POWERS AND DISCRETION**

The Committee shall have the following responsibilities, powers and discretions:

6.1 to ensure the disclosure by the Company on its directors' remuneration policy and other remuneration related matters. The procedure for setting policy on executive Directors' remuneration and all Directors' remuneration packages should be formal and transparent. Remuneration levels should be sufficient to attract and retain Directors to run the Company successfully without paying more than necessary;

6.2 to consult the chairman of the Board and/or chief executive of the Company about their remuneration proposals for other executive Directors;

6.3 to access to independent professional advice if necessary;

6.4 to make recommendations to the Board on the Company's policy and structure for all Directors and the Company's senior management ("**Senior Management**") remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

- 6.5 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 6.6 either:
- (i) to determine, with delegated responsibility, 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 bonuses, welfare benefits, benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- Where the Board resolves to approve any remuneration or compensation arrangements with which the Committee disagrees, the Board should disclose the reasons for its resolution in its next Corporate Governance Report;
- 6.7 to make recommendations to the Board on the remuneration of non-executive Directors.
- 6.8 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- 6.9 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;
- 6.10 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;
- 6.11 to ensure that no Director or any of his associates is involved in deciding his own remuneration;
- 6.12 to ensure the disclosure by the Company about the details of any remuneration payable to members of Senior Management by band in its annual reports;
- 6.13 to ensure that a significant proportion of executive Directors' remuneration should link rewards to corporate and individual performance;

6.14 to ensure that the Company should disclose details of any remuneration payable to members of Senior Management, on an individual and named basis, in the Company's annual reports; and

6.15 to recommend the Board to conduct a regular evaluation of its performance.

## 7. REPORTING RESPONSIBILITIES

7.1 The Committee shall report to the Board after each meeting.

## 8. AUTHORITY

8.1 The Committee shall consult the chairman of the Board and/or the Company's managing Director (if any) and/or chief executive about their proposals relating to the remuneration of other executive Directors and Senior Management.

8.2 The Committee is authorised by the Board to seek any remuneration related information it requires from Senior Management in order to perform its duties.

8.3 The Committee is authorised by the Board where necessary to have access to professional advice.

*Note: Arrangement to seek professional advice could be made through Company secretary.*

8.4 The Committee should be provided with sufficient resources to discharge its duties.

*Remark: "Senior Management" should refer to the same category of persons as referred to in the Company's annual report and is required to be disclosed under Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Exchange")*

## 9. PUBLICATION OF THESE TERMS OF REFERENCE

9.1 A copy of these Terms of Reference explaining its role and the authority delegated to the Committee by the Board will be made available to any person without charge upon request and be posted on the Exchange's website and the Company's website.