



# **SINO-TECH INTERNATIONAL HOLDINGS LIMITED**

**泰豐國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 724)**

## **TERMS OF REFERENCE OF REMUNERATION COMMITTEE (the “Committee”)**

Adoption Date: 24 August 2005  
Revised Date: 12 March 2012

### **1. Membership**

- 1.1 The Committee shall consist of not less than three members appointed by the board of directors (the “**Board**”) of the Company, a majority of whom shall be independent non-executive directors.
- 1.2 The Committee shall be chaired by an independent non-executive director and appointed by the Board.

### **2. Frequency and proceedings of meetings**

- 2.1 The Committee should meet at least once every year. Additional meetings should be held as the work of the Committee demands.
- 2.2 The chairman of the Committee may convene additional meetings at his discretion.
- 2.3 The quorum for a meeting shall be two members of the Committee.
- 2.4 The Committee may, from time to time, invite independent advisors to the meeting, including but not limited to external advisors or consultants, to advise its members.
- 2.5 Proceedings of meetings of the Committee shall be governed by the provisions of the bye-laws of the Company.

*\* For identification purpose only*

- 2.6 The company secretary of the Company or a nominee shall act as the secretary of the Committee (the “**Secretary**”).
- 2.7 Full minutes of the Committee meetings should be kept by the Secretary. Draft and final versions of minutes of the meetings should be sent to all committee members for their comment and records within a reasonable time after the meeting.

### **3. Duties, powers and functions**

The Committee shall have the following duties, powers and functions:

- (a) 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) review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives;
- (c) determine, with delegated responsibility, 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) make recommendations to the Board on the remuneration of non-executive directors;
- (e) consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (f) review and approve compensation payable to the 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) 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
- (h) ensure that no director or any of his associates is involved in deciding his own remuneration.

### **4. Reporting procedures**

The Committee should report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report to the Board on the findings and recommendations of the Committee.