



Century Legend (Holdings) Limited
世紀建業 (集團) 有限公司*

(incorporated in Bermuda with limited liability)

REMUNERATION COMMITTEE
TERMS OF REFERENCE

Revised on 1 April 2012

* For identification purpose only

CENTURY LEGEND (HOLDINGS) LIMITED

REMUNERATION COMMITTEE

TERMS OF REFERENCE

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Century Legend (Holdings) Limited
("Company")

Remuneration Committee

Terms of Reference

1. CONSTITUTION

- 1.1 The Remuneration Committee was formed pursuant to the board resolution of the Company passed on 16 September 2005.
- 1.2 The terms of reference for the Remuneration Committee were further revised on 1 April 2012 pursuant to the Corporate Governance Code set out in the Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**").

2. MEMBERSHIP

- 2.1 The members of the Remuneration Committee shall be appointed by the Board of Directors and on the recommendation of the nomination committee in consultation with the Remuneration Committee Chairman from amongst the Non-executive Directors of the Company.
- 2.2 The majority of the members of the Remuneration Committee shall be Independent Non-executive Directors.
- 2.3 The Chairman of the Remuneration Committee must be an Independent Non-executive Director.

3. MEETINGS

- 3.1 The Company Secretary shall be the secretary of the Remuneration Committee.
- 3.2 The Remuneration Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Remuneration Committee.

- 3.3 A quorum of the Remuneration Committee shall be any two members.
- 3.4 Notice of any meetings has to be given at least 7 days prior to any such meeting being held, unless all members unanimously waive such notice. Irrespective of the length of notice being given, a member attending the meeting shall be deemed waiver of the requisite length of notice of the meeting by the member. Notice of any adjourned meetings is not required if adjournment is for less than 7 days.
- 3.5 Meetings may be held in person, by telephone or video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 3.6 Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of the members present.
- 3.7 A resolution in writing signed by all members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
- 3.8 Full minutes of Remuneration committee meetings should be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes of the Remuneration Committee meetings shall be circulated to all members of the committee for their comments and record within a reasonable time after the meeting. Such minutes of meeting shall be opened for the Board's inspection.

4. ATTENDANCE AT MEETINGS

- 4.1 At the invitation of the Remuneration Committee, the Chairman of the Board and/or Managing Director, external advisers and other persons may attend the meetings.
- 4.2 Only members of the Remuneration Committee are entitled to vote at the meetings.

5. FREQUENCY OF MEETINGS

- 5.1 The Chairman of the Remuneration Committee, in consultation with the secretary, shall decide the frequency and timing of its meetings. There shall be as many meetings as the Remuneration Committee's duties and responsibilities require.

- 5.2 The Remuneration Committee shall meet no fewer than one meeting a year.

6. AUTHORITY

- 6.1 The Remuneration Committee shall consult the Chairman of the Board and/or Chief Executive in respect of their proposals relating to the remuneration of other Executive Directors and senior management;
- 6.2 The Remuneration Committee shall have the right to seek any remuneration related information it requires from senior management of the Company for the purposes of discharging its duties.
- 6.3 A member of the Remuneration Committee may, through the Company Secretary, seek independent professional advice in appropriate circumstances at the Company's expense to discharge his/her duties as a member of the Remuneration Committee to the Company within its terms of reference.
- 6.4 The Remuneration Committee shall be provided with sufficient resources to discharge its duties.

7. DUTIES & RESPONSIBILITIES

The Remuneration Committee shall have the following duties and responsibilities: -

- 7.1 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;
- 7.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 7.3 In regard to 6.1, 6.2, 7.1 above and 7.4, 7.7 below, it is the responsibility of the Board to determine which individual or individuals constitute senior management. Senior management may include directors of subsidiaries; head of divisions, departments or other operating units within the Group as, in the opinion of the Board, is appropriate.
- 7.4 to make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management which should include benefits in kind, pension rights and

compensation payments, including any compensation payable for loss or termination of their office or appointment;

- 7.5 to make recommendations to the Board on the remuneration of Non-executive Directors.
- 7.6 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- 7.7 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;
- 7.8 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; and
- 7.9 to ensure that no Director or any of his associates is involved in deciding his own remuneration.

8. REPORTING PROCEDURES

The Remuneration 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 (such as a restriction on disclosure due to regulatory requirements).

9. PUBLICATION OF THE TERMS OF REFERENCE

The terms of reference of the Remuneration Committee will be posted on the website of the Company and on the website of the Stock Exchange of Hong Kong Limited.