

**TAI SANG LAND DEVELOPMENT LIMITED**  
**(the “Company”)**

**TERMS OF REFERENCE**  
**OF**  
**REMUNERATION COMMITTEE**

**1. Membership**

- 1.1 Members of the Remuneration Committee (the “Committee”) shall be appointed by the Board of Directors (the “Board”) of the Company. The Committee shall consist of not less than 3 members and the majority of whom should be independent non-executive directors.
- 1.2 The Board shall appoint the Committee Chairman who shall be an independent non-executive director. In the absence of the Committee Chairman, the remaining members present shall elect one of themselves (who must be an independent non-executive director) to chair the meeting.

**2. Secretary**

- 2.1 The Secretary appointed by the Board shall be the Secretary of the Committee.

**3. Quorum**

- 3.1 The quorum necessary for the transaction of business shall be 2 and one of them must be independent non-executive director. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretions vested in or exercisable by the Committee.

**4. Frequency of Meetings**

- 4.1 The Committee shall meet at least once a year or at such other times as the Committee Chairman shall require.

**5. Notice of Meetings**

- 5.1 Meetings of the Committee shall be called by the Committee Chairman.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and any other person required to attend, no fewer than 5 working days prior to the date of the meeting.

**6. Minutes of Meeting**

- 6.1 Full minutes of the Committee meetings shall be kept by the Secretary.

**7. Annual General Meeting**

- 7.1 The Committee Chairman, or in his absence, another member of the Committee or failing this, his duly appointed delegate shall attend the Annual General Meeting of the Company prepared to respond to any shareholder’s questions at the meeting.

## **8. Duties and Responsibilities**

The Committee shall:

- 8.1 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;
- 8.2 review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;
- 8.3 make recommendations to the Board on the remuneration packages of individual executive directors and senior management. The remuneration package should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office of appointment;
- 8.4 make recommendations to the Board on the remuneration of non-executive directors;
- 8.5 consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company's group;
- 8.6 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;
- 8.7 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;
- 8.8 ensure that no director or any of his associates is involved in deciding his own remuneration;
- 8.9 consult the chairman and/or chief executive about their remuneration proposals for other executive directors; and
- 8.10 report regularly to the Board.

## **9. Authority**

- 9.1 The Company shall provide the Committee with sufficient resources to perform its duties. In connection with its duties, the Committee is authorised by the Board to obtain, at the Company's expenses, any independent legal or other independent professional advice if necessary.

(Adopted since April 2005  
and amended on 23 March 2012)