



珠光控股
ZHUGUANG HOLDINGS

ZHUGUANG HOLDINGS GROUP COMPANY LIMITED
(“the Company”)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE
(ALSO KNOWN AS “REMUNERATION COMMITTEE CHARTER”)

(as adopted on 26 April 2005)

MEMBERSHIP

1. The Committee shall be appointed by the Board from amongst the directors of the Company and shall consist of not less than three members. The majority of the members of the Committee should be independent non-executive directors.
2. The Chairman of the Committee shall be appointed by the Board and should be an independent non-executive director.
3. The Head of Human Resources Department or his/her nominee shall act as the Secretary of the Committee.

FREQUENCY OF MEETINGS

4. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
5. The chairman of the Committee may convene additional meetings at his discretion.

PROCEEDINGS OF MEETINGS

6. The quorum of a meeting shall be two members of the Committee.
7. The Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisors or consultants to advise its members.
8. Proceedings of meetings of the Committee shall be governed by the provisions of the Bye-Laws of the Company.

DUTIES, POWERS AND FUNCTIONS

9. The Committee shall:
 - (a) make recommendations to the board on the Company’s policy and structure for all remuneration of directors and senior management (refer to the same category of persons as referred to in the Company’s annual report) on the establishment of a formal and transparent procedure for developing policy on such remuneration;

- (b) have the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and made recommendations to the board of the remuneration of non-executive directors. The remuneration committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group and desirability of performance-based remuneration;
- (c) review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the board from time to time;
- (d) review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- (e) review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- (f) ensure that no director or any of his associates is involved in deciding his own remuneration;
- (g) advise shareholders on how to vote with respect to any service contracts to directors that require shareholders' approval under rule 13.68 of the Listing Rules (i.e. such service contracts is for a duration that may exceed three years; or in order to entitle the Company to terminate the contract, expressly requires the Company to give a period of notice of more than one year or to pay compensation or make other payments equivalent to more than one year's emoluments); and
- (h) be provided with sufficient resources to discharge its duties.

REPORTING PROCEDURES

10. The Committee shall 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 the findings and recommendations of the Committee to the Board.