



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 28 December 2015

* For identification purpose only

CENTURY LEGEND (HOLDINGS) LIMITED

REMUNERATION COMMITTEE

TERMS OF REFERENCE

TABLE OF CONTENTS

	Page
1. CONSTITUTION	3
2. MEMBERSHIP	3
3. MEETINGS	3
4. ATTENDANCE AT MEETINGS	4
5. FREQUENCY OF MEETINGS	4
6. AUTHORITY	5
7. DUTIES & RESPONSIBILITIES	5
8. REPORTING PROCEDURES	6
9. AVAILABILITY AND UPDATE OF THE TERMS OF REFERENCE	7

Century Legend (Holdings) Limited ("Company")

Remuneration Committee

Terms of Reference

1. CONSTITUTION

- 1.1 The Remuneration Committee (hereinafter referred to as the "Committee") was formed pursuant to the board resolution of the Company passed on 16 September 2005.
- 1.2 The terms of reference for the Committee were revised on 1 April 2012 and 28 December 2015 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 (the "**Listing Rules**").

2. MEMBERSHIP

- 2.1 The members of the Committee shall be appointed by the board of directors of the Company (the "Board") and on the recommendation of the Nomination Committee in consultation with the Committee Chairman from amongst the directors of the Company (the "Directors").
- 2.2 The majority of the members of the Committee shall be Independent Non-executive Directors.
- 2.3 The Chairman of the Committee must be an Independent Non-executive Director.

3. MEETINGS

- 3.1 The company secretary of the Company (the "Company Secretary") shall be the secretary of the Committee (the "Secretary").
- 3.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary.
- 3.3 A quorum of the Committee shall be any two members, at least one of which shall be an Independent Non-executive Director.

- 3.4 Notice of any meetings has to be given at least 14 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 14 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 Committee at any meetings shall be passed by a majority of votes of the members present. In the event of equality of votes, the Chairman of the Committee shall be entitled to a second or casting vote
- 3.7 A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee and may consist of several documents in same form each signed by one or more of the members of the Committee . Such resolution may be signed and circulated by fax or other electronic communications. This provision is without prejudice to any requirement under the Listing Rules for a Board or Committee meeting to be held.

4. ATTENDANCE AT MEETINGS

- 4.1 At the invitation of the Committee, the Chairman of the Board and/or Managing Director, executive directors who are not members of the Committee, Head of the Human Resources Department of the Company and external advisers and other persons may attend the meetings and advise its members as and when appropriate.
- 4.2 Only members of the Committee are entitled to vote at the meetings.

5. FREQUENCY OF MEETINGS

- 5.1 The Chairman of the Committee, in consultation with the Secretary, shall decide the frequency and timing of its meetings. There shall be as many meetings as the Committee's duties and responsibilities require.
- 5.2 The Committee shall meet not less than one meeting a year.

6. AUTHORITY

- 6.1 The 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 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 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 Committee to the Company within its terms of reference.
- 6.4 The Committee shall be provided with sufficient resources to discharge its duties.

7. DUTIES & RESPONSIBILITIES

The 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, 7.9 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 Company and all subsidiaries 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 review and evaluate the performance of individual executive director in the relevant financial year in determining the amount of bonus (if any) to be payable to him/her and determine the time of payment of any such bonus;

- 7.6 to consider the granting of the share options to directors and senior management of the Company pursuant to the share option scheme adopted by the Company;
- 7.7 to make recommendations to the Board on the remuneration of Non-executive Directors;
- 7.8 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- 7.9 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;
- 7.10 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;
- 7.11 to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- 7.12 to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or applicable laws.

8. REPORTING PROCEDURES

- 8.1 The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, copies of the minutes/resolutions setting out the findings, recommendations and decisions of the Committee shall be submitted to the Board.
- 8.2 Full minutes of the Committee meetings shall be kept by the Secretary. Draft and final versions of minutes of the Committee meetings shall be sent to all members of the committee for their comments and records within a reasonable time after the meeting.
- 8.3 The Committee shall make whatever recommendations to the Board on any area within its Terms of Reference where action or improvement is needed.

9. AVAILABILITY AND UPDATE OF THE TERMS OF REFERENCE

The terms of reference of the Committee shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (e.g. the Listing Rules) in Hong Kong. These terms of reference shall be made available to the public by including the information on the website of the Company and The Stock Exchange of Hong Kong Limited.

Adopted on 16 September 2005
Revised on 1 April 2012
Revised on 28 December 2015