

# **Tianjin Development Holdings Limited**

## **Remuneration Committee**

### **Terms of Reference**

*(Adopted by the Board on 17 August 2005 and revised on 29 March 2012)*

#### **1. Membership**

1.1 The members of the remuneration committee (the “**Committee**”) shall be appointed by the board of directors (the “**Board**”) of Tianjin Development Holdings Limited (the “**Company**”) from time to time and shall consist of not less than three members, a majority of whom shall be independent non-executive directors.

1.2 The Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director.

#### **2. Secretary**

The company secretary or his authorized designate shall act as the secretary of the Committee.

#### **3. Quorum**

A quorum of a meeting shall be two members of the Committee, one of whom shall be an independent non-executive director.

#### **4. Attendance at Meetings**

4.1 The Committee may, if necessary, invite the Head of Human Resources or external independent professional advisors to the meetings to advise its members.

4.2 Any member of the Committee or other attendees may participate in a meeting by electronic means (including telephonic or video-conferencing).

#### **5. Frequency and Notice of Meetings**

5.1 Meetings shall be held at least once a year.

5.2 Any member of the Committee may request the Chairman to convene a meeting if it is deemed necessary but a notice of at least 3 days should be given by the Chairman to all members of the Committee unless otherwise agreed by all members of the Committee.

## **6. Authority**

- 6.1 The Committee is authorized by the Board to carry out such matters within its scope of duties as set out in these terms of reference.
- 6.2 The Committee is authorized by the Board to seek any information it requires from the Company or external independent professional advice (if necessary), at the Company's expense, to perform its duties.
- 6.3 The Committee is authorized by the Board to consult the Chairman and/or General Manager of the Company about their remuneration proposals for other executive directors.

## **7. Duties**

The Committee shall:-

- 7.1 make recommendations to the board on the Company's policy and structure for all directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 7.2 review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 7.3 make recommendations to the Board on the remuneration packages of individual executive directors and senior management, which include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 7.4 make recommendations to the Board on the remuneration of non-executive directors;
- 7.5 consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- 7.6 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;
- 7.7 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; and
- 7.8 ensure that no director or any of his associates is involved in deciding his own remuneration.

## **8. Minutes of Meetings**

- 8.1 Minutes shall be kept by the secretary of the Committee and shall be open for inspection at any reasonable time on reasonable notice by any director.
- 8.2 Minutes shall record in sufficient detail the matters considered and decisions reached, including any concerns raised by members of the Committee or dissenting views expressed. Draft and final versions of the minutes shall be sent to all members of the Committee for their comment and records respectively, within a reasonable time after the meeting is held.

## **9. Reporting Procedures**

- 9.1 The Committee shall report to the Board on its decisions or recommendations unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).
- 9.2 The Chairman of the Committee shall attend the annual general meeting of the Company. In his absence, another member of the Committee or failing this his duly appointed delegate shall attend and be available to answer questions at the annual general meeting.

*(The Chinese version is for reference only and in case of any discrepancy between the Chinese and English versions, the English version shall prevail.)*