

# **Wing Tai Properties Limited**

(Incorporated in Bermuda with limited liability)

(Stock Code: 369)

(the “Company”)

## **Terms of Reference of Remuneration Committee**

**(Amended and Approved by the Board on,  
and with effect from, 28 March 2012)**

### **A. Functions and Objectives**

The Remuneration Committee (the “Committee”) was established by the board of directors of the Company (the “Board”) on 12 July 2005 with a view to:-

1. complying with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
2. assisting the Board in developing and applying a fair, formal and transparent procedure for formulating remuneration policies for executive directors and senior management;
3. assisting the Board in fixing the remuneration packages for all directors and senior management; and
4. assisting the Board in reviewing and approving the grant to the directors, senior management and/or management staff of share options and/or awards under the Share Option Scheme and the Share Incentive Scheme adopted by the Company.

### **B. Composition**

1. The Committee shall consist of not less than three members (the “Members”), the majority of them shall be independent non-executive directors.
2. The Chairman and the Chief Executive of the Company for the time being shall be ex-officio Members.

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

**C. Meetings**

1. The Committee shall meet at least once a year. Additional meetings shall be held as or when the circumstances so warrant.
2. The quorum of a meeting of the Committee shall be two Members and both of whom must be independent non-executive members.
3. Only Members are entitled to vote at meetings of the Committee.
4. Any Member may invite external advisers or consultants or any other persons to attend meetings of the Committee.

**D. Representation at Annual General Meetings of the Company**

The Chairman of the Committee or in his absence, another Member shall attend the Company's Annual General Meetings to answer shareholders' questions on the Committee's activities.

**E. Duties and Functions**

The Committee shall :-

1. make recommendations to the Board on the development and application of a fair, formal and transparent procedure for the formulation of remuneration policies for executive directors and senior management;
2. make recommendations to the Board on remuneration policies for executive directors and senior management;

3. review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;
4. review and approve with delegated responsibility the remuneration packages of individual executive directors and senior management (including benefits in kind, pension rights and compensation payments) after having considered the remuneration packages of comparable companies, the time commitment and responsibilities of the directors and senior management and employment conditions elsewhere in the group and after having consulted the Chairman of the Company about his view on the remuneration of the Chief Executive and having consulted the Chief Executive about his view on the remuneration of other executive directors and senior management;
5. make recommendations to the Board on the remuneration of non-executive directors;
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. review and approve compensation arrangement relating to dismissal or removal of directors for misconduct to ensure that it is consistent with contractual terms and is otherwise reasonable and appropriate;
8. ensure that no director or any of his associates is involved in deciding his own remuneration;
9. review and approve the grant to the directors, senior management and/or management staff of share options and/or awards under the Share Option Scheme and the Share Incentive Scheme adopted by the Company (collectively the "Schemes"). For the purpose of the Schemes, the Committee shall have the following powers:
  - (i) the grant of share options and/or awards pursuant to the Schemes; and

- (ii) the delegation of its power to any two executive directors or any one executive director and the secretary of the Company to determine and approve the basis of calculating the number of incentive shares subject to the awards, the vesting dates, the validity period of the awards and to execute and deliver the letters of award and/or to take necessary actions as deemed necessary or desirable in relation thereto.
10. do any such things to enable the Committee to discharge its duties and functions conferred on it by the Board; and
  11. conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Bye-laws of the Company or imposed by legislation.

**F. Reporting Procedures**

The Committee shall report its activities, findings and recommendations to the Board on a regular basis. The Chairman of the Remuneration Committee or his/her delegate shall verbally brief the Board of the results of the Committee meeting at the Board meeting which is held next following the Committee meeting.

**G. Authority**

1. The Committee is authorized by the Board to obtain any remuneration related information required to discharge its duties from senior management of the Company.
2. The Committee is authorized by the Board where necessary to have access to independent professional advice at the Company's costs.
3. The Committee shall be provided with sufficient resources to perform its duties.