

THE WHARF (HOLDINGS) LIMITED
(incorporated in Hong Kong with limited liability)
Stock Code: 4

Terms of Reference for Remuneration Committee

Membership

1. The Committee shall be appointed by the Board from amongst Directors of the Company and shall consist of not less than two members a majority of whom should be Independent Non-executive Directors. Any member so appointed shall hold office only until the next Annual General Meeting of the Company. A quorum shall be any two members.
2. The Chairman of the Committee, who shall be a member of the Committee and be an Independent Non-executive Director, shall be appointed by the Board.

Attendance at meetings

3. Other Board members shall also have the right of attendance.
4. The Company Secretary shall be the secretary of the Committee, and, in the absence of the Company Secretary, any such other person as may from time to time be nominated by the Company Secretary, subject to the approval of the Committee, shall act as the secretary of the Committee.

Voting

5. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the Chairman of the Committee shall have a second or casting vote.

Resolutions in writing

6. A resolution in writing signed by all of the members for the time being in Hong Kong shall be as valid and effectual as if it had been passed at a meeting of the Committee. Any such resolution may be contained in a single document or may consist of several documents all in like form. In the event of there being only one member for the time being in Hong Kong, a resolution may be signed by that member and any one other member. In the event of there being no member for the time being in Hong Kong, a resolution may be signed by any two members.

Authority

7. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from the Company and the Management of the Company shall co-operate with any request made by the Committee.

8. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Committee shall be provided with sufficient resources to perform its duties.

Duties

9. The duties of the Committee shall be:
- (a) 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;
 - (b) to review and approve the management's remuneration proposals by reference to the Board's corporate goals and objectives;
 - (c) either:
 - (i) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or
 - (ii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

- (d) to make recommendations to the Board on the remuneration of non-executive Directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (f) 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;
- (g) 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;
- (h) to ensure that no Director or any of his/her associates is involved in deciding that director's own remuneration;
- (i) to advise Shareholders on how to vote with respect to any service contracts of Directors that require Shareholders' approval under the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"); and

- (j) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

Without prejudice to the generality of the foregoing, the Committee shall report back 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). The reporting shall be done by the Chairman of the Committee or any such other person designated by the Committee.

Circulation of Minutes

- 10. The secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

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