

**Aurum Pacific (China) Group Limited**  
**奧栢中國集團有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8148)**

**REMUNERATION COMMITTEE – TERMS OF REFERENCE**

Revised and readopted on 28 March 2012 by resolution of the board (the "Board") of directors (the "Directors") of Aurum Pacific (China) Group Limited (the "Company").

**1. Membership**

- a. The Remuneration Committee shall be appointed by the Board.
- b. The majority of the members ("Members") of the Remuneration Committee must be independent non-executive Directors ("INEDs").
- c. The chairman of the Remuneration Committee shall be appointed by the Board and must be an INED.

**2. Secretary**

- a. The company secretary shall be the secretary of the Remuneration Committee (the "Secretary").
- b. The Remuneration Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary.

**3. Meetings**

- a. The Remuneration Committee shall meet at least once a year.
- b. Notice of any meetings has to be given a reasonable time prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.

- c. The quorum of the Remuneration Committee shall be any two Members.
- d. Meetings could be held in person, by telephone or by 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.
- e. Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of the Members present.
- f. A resolution in writing signed by all the Members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
- g. Minutes shall be kept by the Secretary. Draft and final versions of minutes shall be circulated to all Members for their comment and records respectively, in both cases within a reasonable period of time after the meeting. Such minutes shall be open for Directors' inspection.

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

- a. At the invitation of the Remuneration Committee, other members of the Board or any other persons may attend all or part of any meetings.
- b. Only Members of the Remuneration Committee are entitled to vote at the meetings.

#### **5. Responsibility, Powers and Discretion**

The Remuneration Committee shall have the following responsibilities, powers and discretion:

- 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 with reference to the board's corporate goals and objectives;

- c. 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 of 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 their office or appointment to ensure that it is determined consistent with contractual terms and are 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 determined consistent with relevant contractual terms and are otherwise reasonable and appropriate;
- h. to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- i. to advise shareholders on how to vote with respect to any service contracts of Directors that requires shareholders' approval under the GEM Listing Rules.

## **6. Reporting Responsibilities**

The Remuneration Committee shall report to the Board after each meeting.

## **7. Authority**

- a. The Remuneration Committee shall consult the chairman of the Board and/or chief executive officer about their proposals relating to the remuneration of other executive Directors and senior management.
- b. The Remuneration Committee is authorised by the Board to seek any remuneration related information it requires from senior management of the Company in order to perform its duties.
- c. The Remuneration Committee is authorized by the Board where necessary to have access to independent professional advice.  
Note: Arrangement to seek independent professional advice could be made through Company Secretary.
- d. The Remuneration Committee shall be provided with sufficient resources to perform its duties.

## **8. Publication of Terms of Reference**

The terms of reference will be posted on the website of the Company. A copy of the terms of reference will be made available to any person without charge upon request.

\*Remark: "senior management" refers to the same persons referred to in the Company's annual report and required to be disclosed under Chapter 18 of the GEM Listing Rules.

*Note:* If there is any inconsistency between the English and Chinese versions of this Terms of Reference, the English version shall prevail.