



Belle International Holdings Limited
百麗國際控股有限公司

TERMS OF REFERENCE FOR THE
REMUNERATION COMMITTEE
薪酬委員會職權範圍書

(adopted on 27 April 2007)
(於 2007 年 4 月 27 日採納)

Committee Members

Committee members: Mr. Chan Yu Ling, Abraham 陳宇齡先生
委員會成員: Mr. Sheng Baijao 盛百椒先生
Dr. Xue Qiuzhi 薛求知博士

Chairman of the Committee: Mr. Chan Yu Ling, Abraham 陳宇齡先生
委員會主席:

Secretary of the Committee: Mr. Leung Kam Kwan 梁錦坤先生
委員會秘書:

TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE

1 Constitution

- 1.1 The Remuneration Committee (“the Committee”) was established in 2007 pursuant to a resolution passed by the board of directors (“the Board”) of Belle International Holdings Limited (“the Company”) at its meeting held on 27 April 2007.

2 Function and Objective

- 2.1 The Committee is responsible for reviewing the remuneration policies and making recommendation to the Board on the remuneration package of directors and senior management. Senior management shall be defined by the Board including but not limited to the category of persons, the relevant particulars of whom are required to be disclosed under paragraph 12 of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“the Listing Rules”).

3 Membership

- 3.1 The Committee shall be appointed by the Board in consultation with the chairman of the Committee from amongst the executive directors and/or the non-executive directors. In the absence of the Chairman and/or his appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 3.2 The Committee shall consist of not less than three members and the majority of which should be independent non-executive directors.
- 3.3 Appointments to the Committee shall be co-terminus with the directorship of the relevant members (whether by retirement, rotation or otherwise).
- 3.4 The Board shall appoint the chairman of the Committee who shall be an independent non-executive director.

4 Secretary

- 4.1 The Company Secretary of the Company shall be the secretary of the Committee. In the absence of the Company Secretary in any meeting of the Committee, the Committee shall appoint any other person to act as the secretary of the meeting of the Committee.
- 4.2 The secretary of the Committee must ensure that full minutes are kept of all meetings.

5 Attendance at meetings

- 5.1 The chairman/chief executive officer and the head of Human Resources Department shall normally attend meetings. Other Board members shall also have the right of attendance.
- 5.2 The quorum necessary for the transaction of the business of the Committee shall be two. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 5.3 As no director or his associate should be involved in setting his own remuneration, relevant members of the Committee should abstain from voting in relation to his own remuneration or that of his associates and, in addition, such member should not be counted for the purpose of constituting a quorum in relation to any resolutions.
- 5.4 Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of communication equipment through which all persons participating in the meeting are able to hear each other.
- 5.5 A resolution in writing signed by all members of the Committee shall be as valid and effective as if the same had been passed at a meeting of the Committee duly convened and held. Any such resolution shall be deemed to have passed at a meeting held on the date on which it was signed by the last member to sign.
- 5.6 Only members of the Committee are entitled to vote at the meetings.
- 5.7 Resolutions of the Committee shall be passed by a majority of votes of the members present.

6 Frequency of meetings

- 6.1 Meetings shall be held not less than once a year.

7 Authority

- 7.1 The Committee is authorized by the Board to act within its terms of reference. It is authorized to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

- 7.2 The Committee is authorized by the Board, subject to prior discussion concerning the cost, 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.
- 7.3 The Committee should consult chairman and/or chief executive officer of the Company about their proposals relating to the remuneration of other executive directors and have access to professional advice if considered necessary.
- 7.4 The Committee should be provided with sufficient resources to discharge its duties.

8 Duties

The Committee is responsible for the following (as may from time to time be varied or supplemented by the Board):

- 8.1 to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- 8.2 to have the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and to make recommendations to the Board of the remuneration of non-executive directors. The Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group and desirability of performance-based remuneration;
- 8.3 to determine performance-based remuneration policy and scheme applicable to directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time, and to review the performance against these corporate goals and objectives;
- 8.4 to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Group;
- 8.5 to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- 8.6 to ensure that no Director or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration;
- 8.7 to advise the shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval under the Listing Rules;

- 8.8 to review the basis of and, if the Committee so decides, approve any significant discretionary payment to an employee who is neither a director nor a member of senior management but who is related to any Director or any member of senior management;
- 8.9 to make recommendations to the Board regarding the content of the Board's annual report to shareholders on directors' remuneration (including the Company's policy on executive directors' remuneration, details of individual remuneration and other terms and conditions); and
- 8.10 to consider other matters that are related to remuneration paid or payable by the Group, as defined or assigned by the Board from time to time.

9 Reporting procedures

- 9.1 Minutes of meetings and all written resolutions of the Committee shall be circulated to all members of the Board.