

MIRAMAR GROUP
美麗華集團

MIRAMAR HOTEL AND INVESTMENT COMPANY, LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock code: 71)

Terms of Reference of the Remuneration Committee
(effective from 1 April 2012)

1. Constitution

The Board of Directors (“Board”) of the Company has established the Remuneration Committee (“Committee”) and adopted this set of Terms of Reference for the Committee.

2. Membership

2.1 The Chairman of the Committee shall be nominated by the Board and should be an independent non-executive director. If at any meeting the Chairman of the Committee is not present, the members present shall elect one of themselves (who is an independent non-executive director) to chair the meeting;

2.2 Members of the Committee shall be appointed by the Board and the Board may, from time to time, at their discretion, revoke the appointment of any members thereof; and

2.3 A majority of the members of the Committee should be independent non-executive directors of the Company.

3. Secretary

The Committee may from time to time appoint one of its members or the Company Secretary as the secretary of the Committee meeting.

4. Meetings

4.1 The Committee shall meet at least once a year;

4.2 The quorum necessary for the transaction of business of the Committee shall be two members of the Committee where one of which must be an independent non-executive director; and

4.3 Any members of the Committee may participate in a meeting of the Committee by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other and such participation shall constitute attendance at the meeting of the Committee as if such members was present in person.

5. Annual General Meeting

The Chairman of the Committee (or one of its members) shall attend the Company’s Annual General Meeting and be prepared to respond to any shareholder questions on the Committee’s activities.

6. Minutes and Records

- 6.1 The secretary of the meeting keeps minutes of the Committee meetings and such minutes should be open for directors' inspection. Draft and final versions of minutes of the Committee meetings should be sent to all members for their comment and records respectively; and
- 6.2 The secretary of the meeting shall circulate the final versions of the minutes of meetings of the Committee to all members of the Board.

7. Reporting procedures

- 7.1 The Committee shall report to the Board after each meeting; and
- 7.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit.

8. Authority

- 8.1 The Committee shall consult the Chairman of the Board and/or Chief Executive Officer about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary, at the company's expense; and
- 8.2 The Committee is authorized by the Board to seek any information it requires from any employee of the Company in order to perform its duties.

9. Duties

The Committee shall:

- 9.1 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;
- 9.2 review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;
- 9.3 determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management, include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 9.4 make recommendations to the Board on the remuneration of non-executive directors;
- 9.5 consider salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the group;
- 9.6 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;
- 9.7 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
- 9.8 ensure that no director or any of his associates is involved in deciding his own remuneration.