



ELATE HOLDINGS LIMITED

誼礫控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 076)

Elate Holdings Limited Terms of Reference: Remuneration Committee

1. Constitution

The Remuneration Committee (the “Committee”) was established pursuant to a resolution passed by the board of directors (“Board”) of Elate Holdings Limited (the “Company” or when refer to the Company and its subsidiaries, together the “Group”) at its meeting held on 30 August 2005.

2. Membership

- 2.1 The Committee shall be made up of at least three members, the majority of whom are independent non-executive directors.
- 2.2 The Committee members shall be appointed by the board of directors from time to time.
- 2.3 The Committee chairman must be an non-executive director and appointed by the Board.

3. Secretary

The company secretary of the Company shall act as the secretary of the Committee.

4. Notice of Meetings

Unless otherwise agreed, a 7-day notice should be served to all the Committee members

5. Quorum

- 5.1 The quorum necessary for the transaction of business shall be two.
- 5.2 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.

6. Meetings

- 6.1 The Committee shall meet at least once a year and at such other times as the chairman of the Committee shall require.
- 6.2 In the absence of the Committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 6.3 Only members of the Committee have the right to attend Committee meetings. Other individuals may be invited to attend any meetings as and when appropriate.

7. Minutes of Meetings

Written resolutions signed by the majority of the Committee members shall be valid and effectual as a minute duly passed in a Committee meeting.

8. Duties

The Committee shall:

- 8.1 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;
- 8.2 To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 8.3 To make recommendations to the board on the remuneration packages of individual executive directors and senior management;
- 8.4 To make recommendations to the Board on the remuneration of non-executive directors;
- 8.5 To consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- 8.6 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;
- 8.7 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; and
- 8.8 To ensure that no director or any of his/her associates is involved in deciding that director's own remuneration.

9. Reporting Responsibilities

The Committee chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.