

# **ITC PROPERTIES GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock Code : 199)

(the “Company”)

## **Terms of Reference**

for the Remuneration Committee

### **1. Membership**

- 1.1 The members (the “Member(s)”) of the remuneration committee (the “Remuneration Committee”) of the Company shall be appointed by the board of directors (the “Directors”) of the Company (the “Board”) from time to time.
- 1.2 The majority of the Members shall be independent non-executive Directors.
- 1.3 The Remuneration Committee shall consist of not less than three Members.
- 1.4 The chairman of the Remuneration Committee shall be an independent non-executive Director and appointed by the Board.

### **2. Secretary**

- 2.1 The head of the Human Resources Department (or his/her nominee or delegate) shall serve as the secretary of the Remuneration Committee.

### **3. Meetings**

- 3.1 Meetings may be convened by any Member or by the secretary of the Remuneration Committee at the request of a Member. Notice may be given in writing or by telephone or by facsimile or electronic transmission or other similar means or in such other manner as the Remuneration Committee may from time to time determine.
- 3.2 The quorum of the meeting shall be any two Members present in person, by telephone or by video conference.
- 3.3 Meetings can be held in person, by telephone or by video conference. Members may participate in a meeting 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.
- 3.4 Resolutions of the Remuneration Committee at any meetings shall be passed by a simple majority of votes of the Members present in person, by telephone or by video conference.
- 3.5 A resolution in writing signed by all the Members shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.

- 3.6 Save as otherwise provided herein, all the provisions of laws and of the Company's Bye-laws relating to the meetings and proceedings of the Board shall apply mutatis mutandis to the meetings and proceedings of the Remuneration Committee.
- 3.7 The secretary of the Remuneration Committee shall be responsible to circulate the full minutes of meetings of the Remuneration Committee to all Members in draft for comments as soon as reasonably practicable. Final versions of minutes shall be prepared and sent to all Members and the Board as soon as practicable.

#### **4. Attendance at meetings**

- 4.1 At the invitation of the Remuneration Committee, other members of the Board and any other persons may be invited to attend all or part of any meetings.
- 4.2 Only Members are entitled to vote at the meetings.

#### **5. Authority**

- 5.1 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.
- 5.2 The Remuneration Committee is authorised by the Board to obtain independent legal or other professional advice if necessary to perform its duties at the expense of the Company.
- 5.3 The Remuneration Committee shall be provided with sufficient resources to perform its duties.

#### **6. Responsibility and Powers**

The Remuneration Committee shall have the following responsibilities and powers:

- 6.1 to make recommendations to the Board on the Company's remuneration policy and structure for all Directors and senior management of the Company and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 6.2 either (i) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management of the Company; or (ii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management of the Company, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board on the remuneration of non-executive Directors. The Remuneration Committee should consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;

- 6.3 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 6.4 to review and approve compensation payable to executive Directors and senior management of the Company 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;
- 6.5 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;
- 6.6 to ensure that no Director or any of his associates is involved in deciding his own remuneration;
- 6.7 to form a view in respect of service contracts that require shareholders' approval and advise shareholders (other than shareholders who are Directors with a material interest in the service contracts and their associates) as to whether the terms are fair and reasonable, and to advise whether such contracts are in the interests of the Company and its shareholders as a whole, and advise shareholders on how to vote;
- 6.8 to consult the chairman of the Board and/or the managing Director about their remuneration proposals for other executive Directors; and
- 6.9 to review the regular evaluation of the performance of the Board.

## **7. Reporting procedures**

- 7.1 The Remuneration Committee shall report to the Board on discussions or recommendations made (unless there are legal or regulatory restrictions to do so) after each meeting.

25th June, 2014 (Revised)