

CROSBY

CROSBY CAPITAL LIMITED

(高誠資本有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8088)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

Membership

The Remuneration Committee shall comprise at least three members to be appointed by the Board from time to time. All members of the Committee shall be non-executive directors of which at least two are considered by the Board to be independent. A quorum shall be two members.

Frequency of meetings

Meetings shall be held whenever the Chairman of the Committee deems it necessary but not less than twice a year.

Chairmanship

The Chairman of the Committee will be appointed by the Board.

Duties

1. To formulate and recommend to the Board the policy for the remuneration of the executive directors and chairman of the Company and other senior executives as designated by the Board.
2. Within the terms of the agreed policy, the Committee will determine the individual remuneration package of each executive director including base salary, annual bonus plans, the basis of their participation in any long term incentive plans and allocation of share options to them.
3. The Committee will consider and recommend to the Board any payment or compensation commitment to be made to an executive director on termination of his contract.
4. In formulating its policy the Committee shall give due regard to the contents of the Code on Corporate Governance and associated guidance as well as the GEM Listing Rules and shall also consider market forces and external comparisons between remuneration packages paid to directors of other companies of a similar size in comparable industries both in the UK and internationally. The chairman and chief executive of the Company may attend meetings of the Committee when invited to do so, but not when their own remuneration is being discussed.
5. To determine targets for any performance related remuneration schemes, executive share option schemes and ownership plans.
6. To consider and resolve upon all awards under the Company's performance related remuneration schemes, executive share option schemes and ownership plans.

** for identification purposes only*

7. To decide any dispute or question relating to an option or the exercise thereof.
8. To exercise discretion to determine whether and on what terms a participant may exercise options after he has ceased to be in full time service for reasons other than those specified in the scheme rules which could automatically permit exercise after termination.
9. To make such alterations or additions to option scheme rules as do not require shareholders' consent as the Committee considers necessary or desirable subject to the limits set out in such rules.
10. To oversee the preparation of the Directors' Remuneration Report for inclusion in the Annual Report.

Authority

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.

In connection with its duties the committee is required by the board to select, set terms of reference for and appoint remuneration consultants, at the company's expense as the committee deems necessary in order to perform its duties.