

Hopson Development Holdings Limited
(the “**Company**” and together with its subsidiaries, the “**Group**”)

TERMS OF REFERENCE

OF

REMUNERATION COMMITTEE
(the “**Committee**”)

Membership

1. The Committee shall consist of three independent non-executive directors of the Company appointed by the board of directors (the “**Board**”) from time to time.
2. The Board shall nominate one of the three members as the chairman of the Committee.
3. The Secretary of the Committee shall be appointed by the Committee members.

Frequency and proceedings of meetings

4. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
5. The chairman of the Committee may convene additional meetings at his discretion.
6. The quorum of a meeting shall be two members of the Committee.
7. The Committee may, from time to time, invite advisors to the meeting to advise its members.
8. Proceedings of meetings of the Committee shall be governed by the provisions of Bye-Law 114-123 of the Bye-Laws of the Company.

Authority

9. The Committee is authorized by the Board:
 - (a) to review, assess and make recommendations upon any issue within its terms of reference;
 - (b) to obtain independent professional advice to assist and/or advise the Committee on issues as it considers necessary; and

- (c) to be provided with sufficient resources to discharge its duties.

Duties, powers and functions

10. The Committee shall:

- (a) formulate remuneration policy for approval by the Board, which shall take into consideration factors such as salaries paid by comparable companies, employment conditions, and responsibilities, and individual performance of the directors, senior management, and the general staff. Performance shall be measured against corporate goals and objectives resolved by the Board from time to time; and implement the remuneration policy laid down by the Board; and to that purpose the Committee shall have power to form a Performance Evaluation Sub-Committee to report from time to time to the Committee on the performance of the directors and senior staff members of the Company.
- (b) without prejudice to the generality of the foregoing:
 - (i) establish guidelines for the recruitment of the chief executive and senior management;
 - (ii) recommend to the Board on the Group's policy and structure for the remuneration of all directors (including non-executive directors, and the chief executive) and senior management whilst ensuring no director or any of his associates is involved in deciding his own remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
 - (iii) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
 - (iv) determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payable for loss or termination of their office or appointment. The Chairman and/or the chief executive shall be consulted respectively about their proposals relating to the remuneration of other executive directors, the chief executive and/or senior management, as the case may be;
 - (v) make recommendations to the Board on the remuneration of non-executive directors;
 - (vi) consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
 - (vii) 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;

- (viii) review and approve compensation arrangements relating to dismissal or removal of directors and senior management for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (ix) determine the criteria for assessing employee performance, which should reflect the Company's business objectives and targets;
- (x) consider the annual performance bonus for Executive Directors, senior management, and the general staff, having regard to their achievements against the performance criteria and by reference to market norms, and make recommendation to the Board;
- (xi) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
- (xii) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Bye-Laws of the Company or imposed by legislation.

Reporting Procedures

11. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.