



BOSSINI INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 592)

Remuneration Committee Terms of Reference

Constitution

1. The Board of Directors (the “Board”) of Bossini International Holdings Limited (the “Company”) establishes a Committee of the Board known as the Remuneration Committee.

Membership

2. The Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than three members, a majority of whom should be independent non-executive directors. A quorum shall be two members.
3. The Chairman of the Committee shall be appointed by the Board and should be an independent non-executive director.

Attendance at meetings

4. The Chairman/Chief Executive and the Head of Human Resources Department shall normally attend meetings.
5. The Company Secretary shall be the secretary of the Committee.

Frequency of meetings

6. Meetings shall be held not less than once a year.

Authority

7. The Committee is authorised by the Board to act within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
8. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.
9. The Committee should consult chairman and/or chief executive of the Company about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary.
10. The Committee should be provided with sufficient resources to perform its duties.
11. The Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board by including them on The Stock Exchange of Hong Kong Limited’s website and the Company’s website.

12. The Company should disclose details of any remuneration payable to members of senior management by band in their annual reports.

Duties

13. The duties of the Committee shall be:

- (a) 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;
- (b) To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) either:
 - (i) to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; or
 - (ii) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management.

This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

- (d) to make recommendations to the Board on the remuneration of non-executive directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (f) 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;
- (g) 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;
- (h) to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration; and
- (i) Company should disclose details of any remuneration payable to members of senior management by band in its annual reports.

Reporting procedures

14. Full minutes of remuneration committee meetings shall be kept by the secretary. The secretary shall circulate the draft and final versions of minutes of meetings and reports of the Committee to all committee members for their comment and records respectively, within a reasonable time after the meeting.

Dated: 21 February 2012