



ENM HOLDINGS LIMITED

安寧控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00128)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

Membership

1. The Remuneration Committee (the “Committee”) shall be appointed by the Board and shall consist of not less than three members, a majority of whom shall be Independent Non-Executive Directors.
2. The Chairman of the Committee shall be appointed by the Board and should be an Independent Non-Executive Director.
3. The Secretary of the Committee shall be appointed by the Board.

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 quorum of a meeting shall be two members of the Committee.
6. The meetings and proceedings of the Committee are governed by the provisions of the Articles of Association of the Company for regulating the meetings and proceedings of the Directors.
7. Questions arising at any meetings of the Committee shall be decided by a majority of votes of the members present and, in case of an equality of votes, the chairman of a meeting shall have a second or casting vote.
8. The Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisors or consultants to advise its members.

Annual General Meeting

9. The Chairman of the Committee should, as far as practicable, attend the Annual General Meeting of the Company and make himself/herself available to respond to any shareholder questions on the Committee’s activities.

Authority

10. The Committee is to be provided with sufficient resources to discharge its duties.
11. The Committee is authorised by the Board to obtain independent professional advice at the Company's expense if it considers this necessary.

Duties

The duties of the Committee shall include:

12. to formulate remuneration policy and succession policy for approval by the Board and implement such remuneration policies laid down by the Board.
13. Without prejudice to the generality of the foregoing:
 - (i) to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
 - (ii) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
 - (iii) to have the delegated responsibility to determine the specific remuneration packages of all Executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
 - (iv) to make recommendations to the Board on the remuneration of Non-Executive Directors;
 - (v) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
 - (vi) to review and approve the compensation payable to Executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
 - (vii) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
 - (viii) to ensure that no Director or any of his associates is involved in deciding his own remuneration;

- (ix) to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation; and
- (x) to review the Terms of Reference of the Committee periodically.

Reporting Procedures

14. 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 work, decision and recommendations of the Committee to the Board.