

# MATRIX

## MATRIX HOLDINGS LIMITED

美力時集團有限公司\*

*(Incorporated in Bermuda with limited liability)*  
(the “Company”)

### **Term of Reference for Remuneration Committee**

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#### **Constitution**

The board of directors of the Company (the “Board”) hereby constituted and established the remuneration committee (“Remuneration Committee” or “Committee”), pursuant to the resolution passed in the board meeting with authority, responsibility, and specific duties as described below.

#### **Membership**

The members of the Remuneration Committee shall be appointed by the Board amongst the non-executive directors and executive directors of the Company. All appointment of the Chairman and other members of the Committee shall be subject to prior approval of the Board (provided that the Committee shall be chaired by an independent non-executive director (“INED”) and comprise at least three members with a majority of INEDs). A quorum of the committee meeting shall be two.

#### **Attendance at meetings**

As necessary or desirable, the Committee may invite member of the executive management of the group as they shall deem appropriate to attend the Committee’s meetings. Other Board members shall also have the right of the attendance.

The meetings and proceedings are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of directors.

Duly appointed secretary by the Committee from time to time (who should normally be the Company’s company secretary).

#### **Frequency of meetings**

Meeting shall be held not less than once a year.

#### **Supervision of the Board**

The Committee shall at all times be subject to supervision of the Board. The Board may at any time dissolve the Committee or reorganize the composition thereof or redesignate the powers, authorities or discretions thereof or after its discussion re-establish the same, upon such terms and conditions as the Board shall determine.

## **Authority**

The Committee should consult the chairman of the Board and/or chief executive about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary (LR Appendix 14.B1.1).

## **Duties**

The Committee shall report back to the Board in writing on their decisions or recommendations within a reasonable time after such decisions or recommendations are made, unless there is legal or regulatory restriction on the Committee to do so. The duties of the Committee shall be:

- (a) 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 (LR Appendix 14. B1.2(a));
- (b) review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives (LR Appendix 14.B1.2(b));
- (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, (LR Appendix 14. B1.2(c));
- (d) make recommendations to the Board on the remuneration of non-executive directors. (LR Appendix 14. B1.2(d));
- (e) consider salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the group (LR Appendix 14. B1.2(e));
- (f) 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 (LR Appendix 14.B1. 2(f));
- (g) 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 (Appendix 14.B1. 2(g)); and
- (h) ensure that no director or any of his associates is involved in deciding his own remuneration. (Appendix 14.B1. 2(h)).

*# Note: In this term of reference, "senior management" should refer to the same persons referred to in the Company's annual report.*

## **Reporting procedure**

Full minutes of the Committee meetings should be kept by a duly appointed secretary of the meeting (who should normally be the company secretary). Draft and final versions of minutes of the Committee meeting should be sent to all members of the Committee for their comment and records respectively in both cases within a reasonable time after the meeting.

Hong Kong, 30th March, 2012

*\*For identification purpose only*