

Remuneration Committee Charter of

CIL Holdings Limited

1. Establishment of Committee

This charter sets out the basis on which the Board has established a Remuneration Committee pursuant to the Constitution.

2. Interpretation

“**Board**” means the Board of Directors of CIL Holdings Limited.

“**Chairman**” means the chairman of the Committee.

“**Committee**” means the Remuneration Committee of the Board.

“**Company**” means CIL Holdings Limited.

“**Constitution**” means the constitution of the Company.

“**Directors**” mean the members of the Board.

“**Members**” mean members of the Company.

“**Group**” means CIL Holdings Limited and its subsidiaries.

“**Listing Rules**” means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

“**Senior Executive Team**” means such members of the senior management determined by the Committee from time-to-time.

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited.

2. Objectives

The Remuneration Committee Charter sets out the role, composition, authority, responsibilities and operations of the Remuneration Committee. The Committee assists the Board in establishing remuneration policies and practices which:

- (a) enable the Group to attract and retain executives and Directors (executive and non-executive) who will create sustainable value for Members and other stakeholders;
- (b) fairly and responsibly reward executives and Directors having regard to the performance of the Group, the performance of the executive and the external compensation environment; and
- (c) comply with all relevant legislation and regulations including the Listing Rules.

3. Committee Membership

Structure

- (a) The Committee will consist of at least four members, each of whom will be appointed or removed by the Board, following in each case a review by the Board, in consultation with the Chairman (other than in the respect of the Chairman's own appointment or removal).
- (b) A majority of the members of the Committee must be Independent Non-Executive Directors.
- (c) The Chairman:
 - (i) will be elected by the Board; and
 - (ii) must be a member of the Committee

Expertise

- (a) At least one member of the Committee shall have experience relating to remuneration policies and practices of a company, the securities of which are listed on the Main Board of the Stock Exchange.
- (b) At least one member of the Committee shall have been a Director of the Company for not less than two years.

Company Secretary

The Company Secretary will act as Secretary to the Committee. The Committee may from time to time appoint any other person with appropriate qualification and/or experience as the secretary of the Committee.

4. Proceedings

Frequency

- (a) The Committee shall meet at least once a year and otherwise as required
- (b) Any member of the Committee may call for a meeting of the Committee.

Notice

The dates, times and venues of each meeting of the Committee will be notified by the Secretary to all members of the Committee as far in advance as possible.

Supporting Papers

Supporting papers for each meeting of the Committee will be distributed by the Secretary to all members of the Committee as far in advance as possible and where possible by the last working day of the week preceding the meeting.

Attendance

- (a) Only members of the Committee are entitled to be present at the Committee meeting.
- (b) The Committee may extend an invitation to any person to attend all or part of any meeting of the Committee which it considers appropriate. In particular, the Committee may meet with:
 - (i) external advisers;
 - (ii) any executive or other employee including any Executive Director;
or
 - (iii) any other Non-Executive Director, any may do so with or without executive management being present.

Quorum

A quorum for a meeting of the Committee is three members. A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers or discretions vested in, or exercisable by, the Committee.

Chairman

- (a) In the absence of the Chairman, the remaining members will elect one of their number as chairman of the meeting.
- (b) The Chairman does not have a casting vote.

Minutes

The Chairman shall arrange for keeping of records of resolutions passed at meetings of Committee, and circulate the same to all members of the Committee within a reasonable time (generally within 14 days) after each meeting and, once agreed, to all members of the Board.

Authorities

Access

The Committee has unrestricted access to seek any remuneration related information it requires from senior management of the Company in order to perform its duties.

Independent advice

The Committee or any member of the Committee is authorized to obtain (at the cost of the Company and without any form of limitation) outside legal or other independent professional advice, and to secure the attendance of such advisers if it is considered necessary for the proper performance of the Committee's functions under this Charter. The member should first contact the Chairman of the Committee and the Secretary who will, if required by the Chairman, or by the member of the Committee, assist in procuring that professional advice.

Duties and Responsibilities

Without limiting its role, the specific duties and responsibilities of the Committee include the following:

Executive remuneration policy

The Committee will:

- (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;
- (b) to review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;(c) review the on-going appropriateness and relevance of the remuneration policy;
- (d) ensure that all relevant legal requirements regarding disclosure of remuneration, in all forms, are complied with
- (e) to make recommendations to the board on the remuneration packages of individual executive directors and senior management; and
- (f) to make recommendations to the board on the remuneration of non-executive directors.

Executive Directors and senior management

The Committee will:

- (a) have delegated responsibility to determine the specific remuneration packages of all 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, and make recommendations to the Board of the remuneration of non-executive Directors. The Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities and, employment conditions elsewhere in the Company and/or its subsidiaries;

- (b) to review and approve the compensation payable to executive Directors and senior management for any loss or termination of their office or appointment to ensure that it is consistent with conditional terms and is otherwise fair and not excessive;
- (c) 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 that are otherwise reasonable and appropriate;
- (d) review the depth of the Senior Executive Team and the appropriateness of succession planning policies which are in place;
- (e) to ensure that no director or any of his associates is involved in deciding his own remuneration; and
- (f) to advise shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval under the Listing Rules.

Cash-based executive incentive plans

Insofar as they impact on the Executive Directors the Committee will:

- (a) review and approve the underlying principles of, and determine targets for, all such executive incentive plans; and
- (b) review and approve the total proposed payments from all such executive incentive plans.

Equity-based incentive plans

The Committee will monitor and review:

- (a) the underlying principles of all equity-based plans for approval by the Board;
- (b) all equity based plans in light of legislative, regulatory, taxation and market developments;

- (c) for each equity-based plan, all awards which are proposed under that plan with a view to ensuring compliance with the rules of the relevant plan and the policies of the Committee and the Board in respect of that plan;
- (d) the total proposed awards under each plan;
- (e) the life of each grant of awards, provided that the life of any such award must not exceed 10 years;
- (f) the conditions of grant applicable to each equity-based incentive plan;
- (g) amendments to the rules which are proposed for approval, as permitted under the rules of the plans; and
- (h) the proposed exercise of any discretion under a plan and make such determinations as required to be made under the rules of each plan.

Independent Non-Executive and Non-Executive Directors' remuneration

The remuneration of the Independent Non-Executive and Non-Executive Directors will be determined by the Board, excluding in each case, any Director or Directors with an immediate conflict of interest. The Board may request that the Committee, management or external advisers provide any information required to assist the Board in making its decision.

Board approvals

The Board must approve the following (subject to recommendation by the Committee where required under this Charter):

- (a) the executive remuneration policy;
- (b) the remuneration report to be included in the annual report and accounts;
- (c) the design of all equity-based incentive plans; and
- (d) the remuneration of the Independent Non-Executive and Non-Executive Directors.

Committee approvals

The Committee must approve the following prior to implementation:

- (a) changes to the remuneration or contract terms of Executive Directors;

- (b) the design of new executive equity or cash-based incentive plans and any amendments to current plans;
- (c) the total level of award proposed from equity-based plans or executive cash-based incentive plans; and
- (d) termination payments to Executive Directors and other members of the Senior Executive Team.

Special Projects

The Committee may undertake any special projects or investigations which the Committee considers necessary, or as may be requested by the Board.

Reporting to the Board

The Chairman (or a person nominated by the Chairman for that purpose) must report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

Review of this Charter

The Remuneration Committee Charter is reviewed annually by the Committee to ensure it remains consistent with the Committee's authority, objectives and responsibilities and any changes under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited with significant changes recommended for approval by the Board.