

# **ALLAN INTERNATIONAL HOLDINGS LIMITED**

**(the "Company")**

## **Terms of Reference of Remuneration Committee**

*(adopted on 12 March 2012)*

### **CONSTITUTION**

1. The board of directors of the Company (the "Board") had resolved to establish a committee known as the Remuneration Committee (the "Committee").

### **MEMBERSHIP & SECRETARY**

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. A quorum shall be two members.
3. The Chairman of the Committee shall be appointed by the Board and should be an independent director.
4. The company secretary of the Company shall act as the secretary of the Committee.

### **MEETINGS**

5. The Committee shall meet not less than once a year.

### **AUTHORITY**

6. The Committee should consult the chairman and/or chief executive about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary.

### **DUTIES**

7. The Committee shall 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.
8. The Committee shall review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives.

9. The Committee shall 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.
10. The Committee shall make recommendation to the Board on the remuneration of non-executive Directors.
11. The Committee shall consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group.
12. The Committee shall 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.
13. The Committee shall 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.
14. The Committee should ensure that no Director or any of his associates is involved in deciding his/her own remuneration.
15. The Committee should be provided with sufficient resources to perform its duties.
16. The Company should disclose details of any remuneration payable to members of senior management by band in annual reports.
17. The Committee shall report to the Directors its activities as the Board may require from time to time.
18. The Committee shall exercise such other powers, authorities and discretions, and perform such other duties, of the Directors in relation to the remuneration of the executive Directors and senior management as the Board may from time to time delegate to it, having regard to the Code set out in the Listing Rules.
19. In exercising its power, authorities and discretions and performing its duties, the Committee shall take full account of the Code and the Listing Rules.