

# **Rosedale Hotel Holdings Limited**

## **珀麗酒店控股有限公司**

*(Incorporated in Bermuda with limited liability)*

### **TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE**

#### *Constitution*

1. The board of directors (the "Board") of Rosedale Hotel Holdings Limited (the "Company") has resolved to establish a committee known as the Remuneration Committee (the "Committee").

#### *Membership*

2. The members of the Committee shall be appointed by the Board. The Committee shall consist of not less than three members, the majority of whom must be Independent Non-executive Directors.

#### *Chairman*

3. The chairman of the Committee shall be appointed by the Board and must be an Independent Non-executive Director.
4. The chairman of the Committee (in his/her absence, another member), shall attend and be available to answer questions on the Committee's activities at the annual general meeting of the Company.

#### *Secretary*

5. The Company Secretary or his/her nominee shall act as the secretary of the Committee unless the Committee determines otherwise.

#### *Quorum*

6. The quorum for the meetings of the Committee shall be two members.

### *Meetings*

7. Meetings of the Committee shall be held at least once a year and at such other times as the chairman of the Committee or any other members of the Committee shall require.
8. The Committee may invite other individuals such as Executive Directors, Head of Human Resources Department and external advisers to attend for all or part of any Committee meeting, as and when appropriate.
9. A resolution in writing signed by all of the members of the Committee is as valid as if it had been passed at a meeting of the Committee.
10. Any member of the Committee may participate in a meeting of the Committee by means of such telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.
11. Proceedings of the Committee's meeting shall be governed by the provisions of the Bye-laws of the Company regulating proceedings of the meetings of the Board, as amended from time to time, unless otherwise provided herein.

### *Authority*

12. The Committee is authorised by the Board to seek any information it requires from any employee of the Company and/or its subsidiaries (the "Group") and all employees are directed to co-operate with any reasonable request made by the Committee.
13. The Committee is authorised by the Board to obtain any outside independent professional advice at the Company's expenses and to invite the attendance of outsiders with relevant experience and expertise if it considers this necessary.
14. The Committee shall be provided with sufficient resources to perform its duties.

## *Duties*

15. The duties of the Committee shall be:

- (a) to make recommendations to the Board on the Company's policy and structure for Directors' and senior management's 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) to determine, with delegated responsibility, 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 associates is involved in deciding his own remuneration; and
- (i) to consult the Chairman of the Board and/or the Managing Director about their remuneration proposals for the Executive Directors.

*Reporting procedures*

16. The Committee shall report to the Board its activities as it may require from time to time, or on its decisions or recommendations, unless there are legal or other regulatory restrictions on disclosure.
17. The secretary of the Committee shall circulate the draft and final versions of the minutes of the meetings and reports of the Committee to all members of the Committee for their comment and records within a reasonable time after the meeting.
18. Full minutes of the Committee meetings and reports should be kept by the secretary of the Committee. The secretary of the Committee shall circulate the minutes of meetings and reports of the Committee to the members of the Board upon their request.

Note: *“senior management” is the same category of persons referred to in the Company’s annual report and is required to be disclosed under paragraph 12 of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.*

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