

## Remuneration Committee Charter for Company ABC

Date Approved by the Board: DD/MM/YYYY

### Objective

1. The Board of Directors (“Board”) of the Company has resolved to establish a Remuneration Committee (the “Committee”).
2. The primary responsibilities of the Committee are to assist the Board in:
  - a) **discharging** the Board’s responsibilities relating to the remuneration of the Chief Executive (“CEO”), the executive directors, the company secretary and such other members of the management as it is designated to consider by the Board;
  - b) **overseeing** the administration of the Company’s compensation and benefits plans[, in particular the incentive compensation and equity-based plans of the Company]; and
  - c) **preparing** an annual report on remuneration policy and practices which will form part of the Company’s Annual Report.
3. For the avoidance of doubt, the remuneration of non-executive directors shall remain a matter for the chairman and executive members of the Board.

### Membership

1. The Committee shall be appointed by a majority vote of the Board from among its members, based on the recommendations of the [Corporate Governance] and [Nominations Committee] and in consultation with the Chairman of the Committee. The Committee shall consist of no fewer than [three] members, the exact number to be determined from time to time by the Board, all of whom shall be non-executive directors and shall meet the independence requirements set out in [*relevant law and codes*].
2. As long as they remain directors of the Company, members shall serve for a period of [three] years, extendable by no more than [two] additional [three]-year periods, and only so long as each member continues to be independent.
3. The Board shall designate one member of the Committee to act as its Chairman. The Chairman, with input from the other members of the Committee, shall set the agenda for Committee meetings, which shall be distributed to the Board, and shall attend the annual general meeting of the Company to discuss with shareholders matters within the responsibility of the Committee. Where the Chairman or his designee is unable to attend a Committee meeting, the remaining members present should elect one of their number present to chair the meeting.
4. The Chairman shall not chair the Committee when it is dealing with the appointment of a successor to the chairmanship.
5. The secretary of the Company or his designee shall act as secretary to the Committee.
6. The Committee may request that any directors, officers or other employees of the Company, or any other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee and provide such pertinent information as the Committee requests. The Committee may exclude from its meetings any persons it deems appropriate in order for it to fulfil its responsibilities.

## Procedures for Meetings

1. The Committee shall meet as often as it deems necessary but in any case at least three times a year, at such times and places determined by the Committee Chairman, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its Chairman. Special meetings may be convened upon the request of the Board and CEO. The Committee shall develop and approve the annual calendar of its meetings.
2. [Meetings of the Committee may be conducted when the members are physically present or in the form of either video- or audio-conferences.]
3. Notice and details of meetings shall be given to members of the Committee at least 7 working days in advance, unless otherwise agreed.
4. [Two] members of the Committee shall constitute a quorum. When more than [two] members are present, the act of a majority of such members at a meeting at which a quorum exists shall be the act of the Committee, and when only [two] members are present, the unanimous vote of the [two] members shall constitute the act of the Committee. In addition, the Committee can take action at any time by unanimous written consent.
5. The Committee shall keep minutes of its meetings which shall be circulated to members for objections and approval. If no objection is lodged within X business days, the minutes shall be approved. Once approved, such minutes shall be provided to the Board.
6. Except as expressly provided, the Committee shall set its own rules of procedure.

## Compensation

No member of the Committee may receive, directly or indirectly, any compensation from the Company other than (i) any fees paid to directors for service on the Board, (ii) additional fees paid to directors for service on a committee of the Board (including the Committee) or as the Chairman of any committee and (iii) a pension or other deferred compensation for prior service that is not contingent on future service on the Board as long as it does not compromise the Committee member's independence.

## Authority and Responsibilities

The Committee shall have such authority as it may require to carry out any functions and obligations as may be stipulated by internal regulations of the Company or recommended or required of it by the [relevant law and codes], including to seek any information that it requires from any employee of the Company to carry out its duties, and all employees are directed to cooperate with any request made by the Committee. In particular, and without limitation to the foregoing, the Committee shall have the following specific authority (in addition to any other authority that the Board may from time to time delegate to the Committee):

### **1. Remuneration**

The Committee shall determine and agree with the Board general remuneration and benefit policies of the Company, including the CEO, the executive directors, the company secretary and such other members of the executive management, having due regard to the [relevant law and codes], and associated guidance. In determining such policy, the Committee shall take into account all factors that it deems necessary. The objective of such policy shall be to ensure that members of the executive management are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company.

### **2. Specific Executive Compensation**

- a) The Committee shall at least annually (a) review and approve the corporate goals and objectives relevant to the compensation of the CEO, (b) evaluate the CEO's performance in light of these goals and objectives and (c) set the CEO's compensation level based on this evaluation.
- b) The Committee shall, in consultation with the CEO, at least annually review and approve the compensation for the executive directors (other than the CEO), the company secretary and such other members of the executive management, including (a) the annual base salary, (b) the annual incentive opportunity, (c) the long-term incentive opportunity, and (d) any special or supplemental benefits, including share options.
- c) The Committee shall review, negotiate and make a proposal to the Board on the employment contract of the CEO and contracts of other executive officers.
- d) The Committee shall agree the policy for authorising claims for expenses from the CEO and Chairman of the Board.
- e) The Committee shall review and note annually the remuneration trends across the Company, having regard to any major changes in employee benefit structure, and review the ongoing appropriateness and relevance of the remuneration policy adopted by the Committee and the Company.
- f) The Committee shall annually review executive compensation trends and policies at peer groups of companies and make relevant modifications to its own policies and practices to take into account market practice.

### **3. Compensation Plans**

- a) The Committee shall oversee any major changes in employee benefit structures throughout the Company.
- b) The Committee shall oversee the implementation and administration of the compensation plans of the Company, including [pension, savings, incentive and equity-based plans, and setting the targets for any performance related-pay schemes of the Company]; provided that the Committee shall not exercise any of its authority with respect to any of its members.
- c) The Committee shall review and make recommendations to the Board with respect to, or approve, any incentive compensation plans and equity-based plans for the Company to be adopted. The Committee shall ensure that performance-based compensation efficiently focuses on the long-term success of the Company and is not able to be manipulated through short-term reporting mechanisms.
- d) [The Committee shall review and make recommendations to the Board with respect to, or approve, all awards of shares or share options pursuant to the Company's equity-based plans; provided that, the Committee shall not exercise any of its authority with respect to any of its members.]

### **Committee Performance Evaluation**

The Committee shall review its own performance at least annually in such manner as it deems appropriate, and submit such evaluation, including any recommendations for change, to the [Corporate Governance] and [Nominations Committee] and to the full Board for review, discussion and approval.

### **Access to Advisors and Training**

1. The Committee shall have its own budget and authority to (i) to retain and terminate the engagement of any outside consultant used to assist in the evaluation of CEO or other executive directors or officers' remuneration, and (ii) to obtain advice and assistance from internal or external legal or other advisors, in each case without having to seek Board approval and at the Company's expense, for matters within these Terms of Reference.
2. The Committee shall select the criteria for choosing such consultants, and shall have authority to approve the consultant's fees and other retention terms.

3. Members of the Committee shall receive appropriate training on taking office and on an ongoing and timely basis to ensure that they can carry out their functions.

### Reporting Obligations

1. The Committee shall maintain minutes of its meetings and shall give regular reports to the Board, including on the Committee's actions, conclusions and recommendations and such other matters as the Board shall from time to time specify. Reports to the Board may take the form of oral reports by the Chairman of the Committee or any other member of the Committee designated by the Committee to give such report.
2. The Committee shall ensure that provisions regarding disclosure of remuneration, including pensions, as may be set out in [*relevant law and codes*] (as each may be amended or reissued from time to time) and other relevant rules and guidance are fulfilled, and shall report the frequency of, and attendance by members at, the Committee's meetings in the Company's Annual Report.
3. In addition to the Committee's reporting obligations above, it shall prepare a report describing the Committee's work in discharging its responsibilities to be included in the Company's Annual Report.
4. These terms, as the same may be amended from time to time, shall be posted on the website of the Company.

### Other

1. The Committee shall give due consideration to laws, Codes and regulations, including the provisions of [*relevant law and codes*], as appropriate.