



# **SOUNDWILL HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 878)**

## **TERMS OF REFERENCE - REMUNERATION COMMITTEE**

### **1 Constitution**

The remuneration committee (the “**Remuneration Committee**”) was formed pursuant to the resolution of the board of Directors (the “**Board**”) of Soundwill Holdings Limited (the “**Company**”).

### **2 Membership**

2.1 The Remuneration Committee shall consist of at least three directors with the majority being independent non-executive directors appointed by the Board from time to time.

2.2 The chairman of the Remuneration Committee shall be an independent non-executive director of the Company and shall be appointed by the Board.

### **3 Frequency and Procedures of Meetings**

3.1 Meetings shall be held at least once every year. Additional meeting shall be held as the Remuneration Committee demands.

3.2 The quorum for the meetings of the Remuneration Committee shall be any two members.

3.3 The company secretary of the Company shall be the secretary of the Remuneration Committee.

3.4 Unless otherwise provided in these terms of reference, all of the provisions of the Bye-Laws of the Company regulating meetings and proceedings of the Board shall govern the meetings and proceedings of the Remuneration Committee.

3.5 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be sent to each

30 March 2012

Remuneration Committee member and any other person required to attend the meeting at least 14 days before the date of the meeting. Supporting/information papers shall be sent to the Remuneration Committee members and to any other attendees at least 3 working days in advance of the meeting or as otherwise agreed.

#### **4 Authority**

4.1 The Remuneration Committee shall consult the Chairman of the Board and/or Chief Executive Officer(s) about their remuneration proposals for other executive directors and senior management.

4.2 The Remuneration Committee is authorized by the Board to seek any remuneration related information it requires from senior management of the Company in order to perform its duties.

4.3 The Remuneration Committee shall be provided with sufficient resources to discharge its duties. Where necessary, the Remuneration Committee should seek independent professional advice, at the Company's expense, to perform its duty.

#### **5 Duties**

The duties of the Remuneration Committee shall be:

5.1 to 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;

5.2 to review and approve the management remuneration with reference to Board's corporate goals and objectives;

5.3 to determine with delegated responsibility the remuneration packages of individual executive 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;

5.4 to make recommendations to the Board on the remuneration of non executive directors;

5.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;

5.6 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;

- 5.7 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; and
- 5.8 to ensure that no director or any of his associates is involved in deciding his own remuneration.

## **6 Reporting procedures**

6.1 The Remuneration Committee shall report to the Board concerning its activities, either orally or in writing, at regular meetings of the Board or at such other times or occasions where the Remuneration Committee considers appropriate.

6.2 The Remuneration Committee shall make whatever recommendation to the Board it deems appropriate on any area within its ambit where action or improvement is needed.