

# SHANGHAI INTERNATIONAL SHANGHAI GROWTH INVESTMENT LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 770)**

## REMUNERATION COMMITTEE TERMS OF REFERENCE

### A. Functions

The Remuneration Committee (the "RC") was established by the Board of Directors (the "Board") of Shanghai International Shanghai Growth Investment Limited (the "Company") in March 2005 to formulate and make recommendations to the Board on the Company's policy and structure for all remuneration of the Company's directors (the "Directors") and senior management and on the establishment of formal and transparent procedures for developing such policy.

### B. Authority

The RC shall discharge and carry out its duties and responsibilities within this Terms of Reference with the following authority as delegated by the Board:

1. to have full access and cooperation by management and discretion to invite any Director or officer to attend its meetings;
2. to, if deemed necessary, obtain external independent professional advice at the Company's expense;
3. to be provided with sufficient resources to enable it to discharge its functions properly; and
4. any other authority that the Board may delegate from time to time.

### C. Responsibilities

1. To review and make recommendations to the Board on the remuneration of the Company's Directors. In so doing, the RC may consider factors such as fees paid by comparable companies, time commitment and responsibilities of the respective Directors;
2. to review and make recommendations to the Board on performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;

3. to 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;
4. to make recommendations to the Board on the remuneration of non-executive Directors;
5. 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;
6. to review and approve compensative 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;
7. to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
8. to review and/or approve matters relating to share schemes under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and
9. to comply with any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the legislature or regulatory bodies as appropriate.

**D. Members**

1. The RC shall be appointed by the Board from amongst the Directors and shall comprise of not less than three members, a majority of whom shall be independent non-executive Directors (“INEDs”).
2. Where there are only three INEDs on the Board, all of them shall be appointed as members of the RC.
3. The Chairman of the RC (“Chairman”) shall be an INED and shall be appointed by the Board.

**E. Meetings**

1. The RC shall meet with such frequency and at such times as it may determine, provided that it shall meet at least once each year.

2. The quorum for meetings shall be two, either present in person or via telephone or video conference, one of whom should be the RC Chairman, unless he/she is unable to attend due to exceptional circumstances. All meetings of the RC may be held via telephone or video conference.
3. The Company Secretary or, in his/her absence, his/her delegate, shall act as the secretary to the RC and must ensure that full minutes are kept of all meetings.
4. Minutes of the RC meetings shall be circulated to all members of the RC and made available upon request to other members of the Board.

**F. Resolutions**

A resolution in writing signed by all RC members shall be as valid and effectual as if it had been passed at a meeting of the RC, and may consist of several documents in like form each signed by one or more of its members.

**G. Availability and update of this Terms of Reference**

This Terms of Reference shall be updated and revised as and when necessary in light of changes in circumstances or in regulatory requirements in Hong Kong. This Terms of Reference shall be made available to the public by including the information on the Company's website and on the website of The Hong Kong Exchanges and Clearing Limited.

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*The Chinese version of this document is for reference only. In case there are any discrepancies or inconsistencies between the English and the Chinese version, the English version shall prevail.*