

TERMS OF REFERENCE REMUNERATION COMMITTEE

(adopted on 15 September 2005 and modified on 11 August 2008, 29 February 2012, 28 March 2014 and 23 March 2016)



1. ESTABLISHMENT

- 1.1 The Remuneration Committee (the “Committee”) is established by the Board of Directors (the “Board”) of G-Resources Group Limited (the “Company”).
- 1.2 The Company and its subsidiaries are together referred to as “the Group” in this Terms of Reference.
- 1.3 Subject to Appendix 14 to the Listing Rules (the “Listing Rules”) of The Stock Exchange of Hong Kong Limited, the procedures of the Committee shall be regulated by the provision of this Terms of Reference (the “Terms of Reference”).

2. MEMBERSHIP

- 2.1 The Committee shall have a minimum of three members (the “Members”) who shall be non-executive directors appointed by the Board and that a majority should be independent (as defined by the Listing Rules). The quorum for a meeting shall be two Members.
- 2.2 A member who wishes to retire or resign from the Committee should provide notice to the Company so that a replacement may be appointed before he leaves.
- 2.3 Any member who ceases to be a director of the Company shall also cease to be a member of the Committee and the vacancy shall be filled by the Board as soon as possible.
- 2.4 The Chairman of the Committee shall be appointed by the Board.

3. ATTENDANCE AT MEETINGS

- 3.1 Only members of the Committee have the right to attend Committee meetings. Other individuals such as the Chairman of the Board, the Chief Executive Officer and Head of Human Resources, may be invited to attend all or part of any meeting as and when appropriate.
- 3.2 The Company Secretary shall be the secretary of the Committee.

4. FREQUENCY OF MEETINGS

The Committee shall meet at least once a year and otherwise as required.

5. NOTICE OF MEETINGS

5.1 Meetings of the Committee shall be convened by the secretary of the Committee at the request of any of its Members; and

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, shall be forwarded to each member of the Committee and any other person required to attend at least 14 days before the date of the meeting. Agenda of items to be discussed together with the supporting papers shall be sent to Members and to other attendees as appropriate at least 3 clear days in advance of the meeting.

6. AUTHORITY

6.1 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.

6.2 The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference.

7. DUTIES

The duties of the Committee shall be:-

- (a) 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;
- (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) 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;

- (d) to make recommendations to the Board on the remuneration of non-executive directors;

- (e) to review the proposals for the award of share options to executive directors and senior management based on their performance and contribution to the Company from time to time;
- (f) to recommend to the Board the structure of long-term incentive plans for executive directors and certain senior management;
- (g) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (h) 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;
- (i) 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
- (j) to ensure that no director or any of his associates is involved in deciding his own remuneration.

8. MINUTES OF MEETINGS

- 8.1 the Bye-Laws of the Company on “PROCEEDINGS OF THE DIRECTORS” shall apply to all meetings and proceedings of the Committee unless otherwise decided by the Board;
- 8.2 The secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance;
- 8.3 The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly; and
- 8.4 The secretary shall circulate the minutes of Committee meetings to all Members of the Committee within a reasonable time (generally within 14 days) after each meeting and, once agreed, to all Members of the Board to enable the Board to be informed of the progress of the work performed by the Committee and their findings during the period under review.

9. ANNUAL GENERAL MEETING

The Committee Chairman shall, as far as practicable, attend the Annual General Meeting of the Company each year and make himself available to respond to any shareholders' questions on the Committee's activities.

Note:

Senior management shall include the Chief Financial Officer of the Company.