

Burwill Holdings Limited
(the “Company”)

Remuneration Committee – Terms of reference
(Adopted by the Board of Directors of the Company on 12 September 2006)

1. Constitution, membership and attendance

- 1.1 The Remuneration Committee is constituted pursuant to bye-law 102 of the Bye-Laws of the Company.
- 1.2 The members of the Remuneration Committee shall be appointed by the board of Directors of the Company (the “Board”) from amongst the Directors of the Company, majority of whom must be Independent Non-Executive Directors.
- 1.3 The chairman of the Remuneration Committee (the “Chairman”), who shall be an Independent Non-Executive Director, shall be appointed by the Board amongst the members of the Remuneration Committee. In the absence of the Chairman from any meeting, the remaining members of the Remuneration Committee present shall elect one of their members to be the chairman of the meeting.
- 1.4 The Company Secretary of the Company shall act as the secretary of the Remuneration Committee (the “Secretary”).
- 1.5 Only members of the Remuneration Committee have the right to attend Committee meetings. Other individuals, such as any Directors of the Company and the officers of the personnel department of the Company, may be invited to attend such meetings as and when appropriate.
- 1.6 No Director shall be involved in deciding his own remuneration.

2. Quorum of meetings

- 2.1 The quorum necessary for the transaction of business shall be two members.

3. Frequency of meetings

- 3.1 Meetings of the Remuneration Committee shall be held not less than once a year and at such other times as the Chairman or any other member of the Remuneration Committee shall require. The Chairman of the Company may request a meeting if he reasonably considers that one is necessary.

4. Notice of meetings

- 4.1 Meetings of the Remuneration Committee may be convened by the Secretary at the request of any member thereof, or by any member of the Remuneration Committee, with notice given within a reasonable time as far as practicable.
- 4.2 Notice may be given in writing or by telephone or in such other manner as the Remuneration Committee may from time to time determine. Any member of the Remuneration Committee may waive notice of any meeting either prospectively or retrospectively.

5. Proceedings of meetings

- 5.1 The members of the Remuneration Committee may participate in any meeting of the Remuneration Committee by means of a telephone conference or other forms of communications through which all persons participating in the meeting can communicate with each other and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participants were present in person.
- 5.2 Every matter shall be determined by a majority of votes of the members of the Remuneration Committee present at the meeting. Each member shall have one vote on the question arising at any meeting, provided that no member shall vote on any matter which would constitute a conflict of interest.
- 5.3 A resolution in writing signed by all the members of the Remuneration Committee shall be as valid and effectual as if a resolution had been passed at a meeting of the Remuneration Committee duly convened and held.
- 5.4 All meetings and proceedings of the Remuneration Committee shall be governed by the provisions of the Bye-Laws of the Company regulating proceedings of meetings of the Board unless otherwise provided herein.

6. Minutes of meetings

- 6.1 The Secretary shall keep full records of all resolutions passed at all meetings of or by the Remuneration Committee.
- 6.2 The Secretary shall circulate draft minutes to all members of the Remuneration Committee for their comments, and signed minutes/resolutions in writing (as the case may be) to all members of the Remuneration Committee and to all members of the Board within a reasonable time after the meeting is held.

7. Annual General Meetings

- 7.1 The Chairman should, as far as practicable, attend the annual general meetings of the Company to respond to any shareholder's question on the activities of the Remuneration Committee.

8. Authority

- 8.1 The Remuneration Committee should consult the Chairman, the Managing Director or the Chief Executive Officer of the Company about their proposals and/or recommendations relating to the remuneration of all Executive Directors and senior management (such persons as referred to in the same category of persons in the Company's annual report and are 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 (the "Listing Rules")) ("Senior Management") and have access to professional advice if considered necessary. The Remuneration Committee should also be provided with sufficient resources to discharge its duties.

9. Duties

The duties of the Remuneration Committee shall be:

- 9.1 to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and Senior Management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- 9.2 to have the delegated responsibility to determine the specific remuneration packages, in consultation with the Chairman, the Managing Director or the Chief Executive Officer of the Company, of all 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, and make recommendations to the Board of the remuneration of Non-Executive Directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors and Senior Management, employment conditions elsewhere in the Group and desirability of performance-based remuneration;
- 9.3 to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;

- 9.4 to review and approve the compensation payable to Executive Directors and Senior Management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- 9.5 to review and approve the compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- 9.6 to ensure that no Director or any of his associates is involved in deciding his own remuneration. The Remuneration Committee should advise the shareholders of the Company on how to vote with respect to any service contracts of Directors that require shareholders' approval under Rule 13.68 of the Listing Rules.

10. Availability of this Terms of Reference

- 10.1 The Remuneration Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board on request and by including the information on the Company's website.