



中國建築國際集團有限公司 CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 3311)

REMUNERATION COMMITTEE

TERMS OF REFERENCE

1. Constitution

The board of directors (the “Board”) of China State Construction International Holdings Limited (the “Company”) has resolved to establish a Committee of the Board to be known as the Remuneration Committee (the “Committee”).

2. Membership and quorum

- 2.1 The Committee shall be appointed by the Board from amongst the non-executive directors of the Company and shall consist of not less than three members, a majority of whom should be independent. A quorum shall be two members.
- 2.2 The chairman of the Committee and must be an independent non-executive director and shall be appointed by the Board.

3. Frequency and proceedings of meetings

- 3.1 Meetings shall be held not less than once a year.
- 3.2 Notice of meetings shall be given to all members of the Committee at least 7 days before the meeting.
- 3.3 Proceedings of meetings of the Committee should be governed by the provisions contained in the Articles of the Association of the Company.

4. Secretary

The company secretary shall be the secretary of the Committee (the “Secretary”).

5. Casting vote

In the case of an equality of votes, the Chairman of the Committee shall have the casting vote.

6. Consultation

The Committee should consult the chairman and/or chief executive of the Company about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary.

7. *Performance of duties*

The Company should provide the Committee sufficient resources to perform its duties. The budget of such resources should be controlled and approved by the Board. Any additional resources which are not budgeted should be subject to further approval by the Board. Where necessary, the Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

8. *Responsibilities, powers and discretion*

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) either (i) to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; or (ii) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management. This should include but without limitation, basic salaries, 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 consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- (f) 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;
- (g) 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;
- (h) to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration and that, as regards the remuneration of a non-executive director who is a member of the Committee, his/her remuneration should be determined by the other members of the Committee; and

- (i) to review and 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 (the “Listing Rules”).

For the purpose of this paragraph 8, “senior management” shall refer to the same category of persons as referred to in the Company’s annual report and is required to be disclosed under Appendix 16 of the Listing Rules.

9. *Reporting procedures*

The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.