



福記食品服務控股有限公司  
**FU JI Food and Catering Services Holdings Limited**  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 1175)

**Terms of Reference of the Remuneration Committee**

**(adopted on 8 July 2013)**

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**(Effective Date: 8 July 2013)**

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**1. Constitution**

1.1 The Board of Directors (the "Board") of FU JI Food and Catering Services Holdings Limited (the "Company") had resolved on 8 July 2013 to establish a committee known as the Remuneration Committee (the "Committee") to assist the Board to formulate and review the remuneration policy and the specific remuneration packages of all executive directors and senior management of the Company and its subsidiaries (collectively, the "Group").

**2. Membership**

2.1 The Committee shall be appointed by the Board from amongst the directors of the Company and shall consist of not less than three members. The majority of the Committee members must be independent non-executive directors.

2.2 The Chairman of the Committee shall be appointed by the Board and should be an independent non-executive director.

2.3 The Company Secretary of the Company, or any person with appropriate qualification and/or experience duly appointed by the Committee, shall act as the secretary of the Committee.

2.4 The terms of office of the Committee members shall be determined by the Board.

**3. Attendance at meetings**

3.1 A quorum shall be two Committee members, of whom at least one is an independent non-executive director.

3.2 Only Committee members have the right to attend Committee meetings. The Committee may invite persons, including the Chairman of the Board, the Chief Executive Officer and other senior management, to attend meetings where appropriate to assist in the effective discharge of the Committee's duties.

**4. Frequency of meetings**

4.1 The Committee shall meet at least one time a year. Any Committee member or the secretary of the Committee may convene Committee meeting if necessary.

## **5. Authority**

- 5.1 The Committee is authorized by the Board to perform duties within its terms of reference. It is authorized to seek any information it requires from any employee and to consult the Chairman of the Board and/or Chief Executive Officer. All employees are directed to cooperate with any request made by the Committee. The Committee should be provided with sufficient resources to discharge its duties.
- 5.2 The Committee is authorized by the Board to obtain outside legal or other independent professional advice at the Company's expense and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

## **6. Terms of Reference**

The specific duties of the Committee shall be:

- 6.1 to make recommendations to the Board on the remuneration policy for of all directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy.
- 6.2 to review and approve on the remuneration policy of the Group proposed by the Chief Executive Officer and make recommendations to the Board.
- 6.3 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives.
- 6.4 to make recommendations to the Board on 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.
- 6.5 to make recommendations to the Board on the remuneration of non-executive directors.
- 6.6 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.
- 6.7 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.
- 6.8 to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they consistent with contractual terms and are otherwise reasonable and appropriate.
- 6.9 to ensure that no director or any of his associates is involved in deciding his own remuneration.

- 6.10 to advise shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval.
- 6.11 to do any such things to enable the Committee to discharge its duties conferred on it by the Board.
- 6.12 to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Company's constitution or imposed by legislation and/ or rules.

## **7. Reporting procedures**

- 7.1 Full minutes of the Committee meetings should be kept by a duly appointed secretary of the meeting. Draft and final versions of minutes of the Committee meetings should be sent to all members of the Committee for their comment and records within a reasonable time after the meeting. The secretary shall circulate the minutes of the meetings and reports of the Committee to all members of the Board.