



**TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE¹ OF
SA SA INTERNATIONAL HOLDINGS LIMITED**
(together with its subsidiaries, the “COMPANY” unless the context otherwise requires)

A. INTRODUCTION

1. These Terms of Reference are adopted by the board (“Board”) of directors (“Directors”) of the Company by resolution passed on 20 February 2017 to govern the operations of the Remuneration Committee.

B. MEMBERSHIP AND QUORUM

2. The members of the Remuneration Committee should be appointed by the Board amongst its members and should consist of not less than three (3) members. A majority of the members of the Remuneration Committee should be independent non-executive Directors. A quorum should be two (2) members provided that if any member of the Remuneration Committee is interested in any matter submitted to the Remuneration Committee for consideration or approval, such member should declare the nature of his interest and should not be counted in the quorum present at the meeting and his vote should also not be counted. R.3.25
3. The chairman of the Remuneration Committee (“Chairman”) should be an independent non-executive Director as appointed by the Board. R.3.25

C. MEETINGS OF REMUNERATION COMMITTEE

4. The Chairman of the Company should normally attend meetings of the Remuneration Committee. The Remuneration Committee may invite any person, including any other Director or member of the senior management it deems appropriate to attend its meetings.
5. Arrangement should be in place to ensure that all Remuneration Committee members are given an opportunity to include matters in the agenda for regular meeting. A.1.2
6. Notice of at least 14 days together with an agenda should be given of a regular meeting to give all Remuneration Committee members an opportunity to attend. For all other meetings, reasonable notice should be given. A.1.3

¹ formerly known as the Compensation Committee. The Board approved the change of name from the Compensation Committee to the Remuneration Committee on 27 February 2012.

7. All Remuneration Committee members and attendees should be provided with an agenda and accompanying papers in full in a timely manner and at least 3 days before the intended date of meeting to enable them to make informed decisions. A.7 Principle
A.7.1
8. The company secretary of the Company (“Company Secretary”) should be the secretary of the Remuneration Committee. In the absence of the Company Secretary in any meeting of the Remuneration Committee, members of the Remuneration Committee should be entitled to appoint any other person to act as the secretary of such a meeting of the Remuneration Committee. All Remuneration Committee members should have access to the advice and services of the Company Secretary to ensure that Board committee procedures, and all applicable law, rules and regulations, are followed. F.1.4
9. Draft and final versions of minutes of the Remuneration Committee meetings should be sent to all members of the Remuneration Committee for their comment and records respectively, within a reasonable time after the meeting is held. Full minutes of the Remuneration Committee meetings should be kept by a duly appointed secretary of the meeting (who should normally be the Company Secretary). A.1.4
A.1.5
10. Remuneration Committee papers and minutes should be open for inspection at any reasonable time on reasonable notice by any Director. A.1.4

D. MEETING SCHEDULE

11. Meetings of the Remuneration Committee should be held not less than once a year.

E. AUTHORITY

R.3.26

12. In order to perform its responsibilities, upon reasonable request, the Remuneration Committee members should be able to seek independent professional advice at the Company’s expense in appropriate circumstances or where necessary pursuant to the Guidelines for Directors to Obtain Independent Professional Advice adopted by the Board and as amended from time to time. The Remuneration Committee should be provided with sufficient resources to perform its duties. A.1.6
B.1.4
13. The Remuneration Committee is authorized by the Board:
 - 13.1 to determine the policy for the remuneration of executive Directors and to determine or make recommendations to the Board the remuneration for all Directors and senior management; B.1.2(c)
L.(d)(i)
 - 13.2 to delegate its authority and duties to sub-committees, or individual members of the Remuneration Committee, as it deems appropriate;
 - 13.3 to do any such things to enable the Remuneration Committee to discharge its authority and duties conferred on it by the Board; and
 - 13.4 to conform to any requirement, direction and regulation that may from time to time be prescribed by the Board, contained in the Memorandum and Articles of Association of the Company or imposed by law, regulations or the Listing Rules.

F. DUTIES

R.3.26

14. The duties of the Remuneration Committee should primarily include, among others, the following:
 - 14.1 to determine the policy for the remuneration of executive Directors, assess their performance and approve the terms and conditions of their service contracts, and it has to be considered that a significant proportion of executive Directors' remuneration should link rewards to corporate and individual performance; B.1.7
L.(d)(i)
 - 14.2 to consult the Chairman of the Company and/or Chief Executive Officer about their remuneration proposals for other executive Directors. It should have access to independent professional advice if necessary; B.1.1
 - 14.3 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.1.2(a)
 - 14.4 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; B.1.2(b)
 - 14.5 to determine, with delegated responsibility, 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; B.1.2(c)
 - 14.6 to make recommendations to the Board on the remuneration of non-executive Directors; B.1.2(d)
 - 14.7 when considering the remuneration proposals for Directors and senior management, to consider salaries paid by comparable companies, time commitment and responsibilities and, if applicable, employment conditions of such Directors and senior management elsewhere in the group of companies; B.1.2(e)
 - 14.8 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; B.1.2(f)
 - 14.9 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; B.1.2(g)
 - 14.10 to ensure that no Director or any of his associates is involved in deciding his own remuneration; B.1.2(h)
 - 14.11 to advise on any issue including policy formulation relating to the design of suitable remuneration and benefits scheme for all staff of the Company;
 - 14.12 to advise on the design of suitable share option and incentive schemes for all staff of the Company;

14.13 subject to the terms and conditions of the share option scheme of the Company adopted on 29 August 2002 or any other share option or incentive scheme, the Listing Rules (as may be amended from time to time) and other applicable laws and regulations,

- (i) to consider and if deemed appropriate, to grant option(s) or incentive shares of up to one million shares of the Company;
- (ii) to specify the terms of the grant which may at the discretion of the Remuneration Committee include:-
 - (a) a minimum holding period; and/or
 - (b) performance target(s) or other conditions that must be satisfied before the shares may be vested; and
 - (c) any other terms the Remuneration Committee considers to be appropriate on a case by case basis or generally.
- (iii) to fix and notify the grantee(s) (if deemed appropriate) upon cessation of their employment the exercise period of their option(s) provided that the exercise period must not exceed 6 months from their last day of employment;

14.14 to report back to the Board on its findings, decisions or recommendations, if any unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements). D.2.2

15. For the purpose of the Terms of Reference, “senior management” refers to the staff designated by the Company as belonging to 01-03 grades.

G. ATTENDANCE IN ANNUAL GENERAL MEETING

16. The Chairman, or in his absence, another member of the Remuneration Committee or failing him, a duly appointed delegate of the Chairman, should attend the annual general meeting of the Company and be available to answer questions at the annual general meeting of the Company. E.1.2

H. AVAILABILITY OF TERMS OF REFERENCE

17. The Remuneration Committee should make available its Terms of Reference, explaining its role and the authority delegated to it by the Board by including them on the Exchange’s website and the Company’s website. B.1.3

I. LANGUAGE VERSION

18. The text of this Terms of Reference appears in both English and Chinese languages. In case of discrepancy, the English version shall prevail.