



**Terms of Reference
for
Remuneration Committee**

1. Constitution

The Board approved the establishment of the Committee on 22 March 2005.

2. Membership

2.1 Members of the Committee shall be appointed by the Board from amongst the non-executive Directors. A majority of the members of the Committee shall be independent non-executive Directors. The Committee shall consist of not less than three members.

2.2 The Committee chairman shall be an independent non-executive Director. In the absence of the Committee chairman, the remaining members present shall elect one of their members to chair the meeting.

3. Secretary

The Committee chairman shall nominate a person as Committee secretary to the meeting.

4. Attendance at meetings

Other than the Committee members, other Board members shall also have the right of attendance. Other individuals such as the chairman of the Board, the executive officer and/or head of human resources may be invited to attend all or part of any meeting as and when appropriate.

5. Quorum

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

6. Frequency of meetings

Meeting shall be held at least once a year. The Committee may request a meeting from time to time if they consider necessary.

7. Notice of Meetings

Unless otherwise agreed, notice of each Committee meeting shall be given to each Committee member at least 14 calendar days before the date of the meeting. As far as practicable, an agenda and accompanying materials shall be forwarded to each member at least 3 working days before the date of the meeting.

8. Minutes of Meetings / Resolutions

8.1 Minutes of Committee meetings / resolutions shall be kept by the Company. Upon receiving reasonable notice, such minutes / resolutions should be open for inspection by any Committee member or Board members.

8.2 Draft and final versions of minutes of Committee meetings shall be circulated to all Committee members for their comment within a reasonable time after each meeting and once signed by Committee chairman of the meeting, the same

shall be circulated to all members of the Board.

9. Communication with shareholders

The Committee chairman shall, as far as practicable, attend the annual general meeting of the Company and make himself available to answer questions at the annual general meeting.

10. Authority

- 10.1 The Committee is authorised by the Board to make recommendation on the Company's policy and structure for all remuneration of Directors and Senior Management. The Committee is also authorised to seek any information if requires from any employees of the Company and all employees are directed to co-operate with any requests made by the Committee.
- 10.2 The Committee shall consult the chairman and/or chief executive officer about their proposals relating to the remuneration of other executive Directors and have access to professional advice if they consider necessary.

11. Duties

- 11.1 The duties of the Committee include:
- 11.1.1 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;
- 11.1.2 to determine, with delegated responsibility, 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, to make recommendations to the Board on the remuneration of non-executive directors and to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- 11.1.3 to review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;
- 11.1.4 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;
- 11.1.5 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;
- 11.1.6 to ensure that no director or any of his associates is involved in deciding his own remuneration;

11.1.7 to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; and

11.1.8 to make appropriate review and update of the terms of reference of the Committee when necessary.

12. Reporting procedures

12.1 The Committee chairman shall report formally to the Board on its proceedings after each meeting on all matters discussed.

12.2 The Committee shall make recommendations to the Board where it deems appropriate for any necessary improvement.

DEFINITIONS

“Board”	the board of Directors
“Committee”	the Remuneration Committee of the Company
“Company”	Singamas Container Holdings Limited, the shares of which are listed and traded on the Stock Exchange of Hong Kong Limited
“Director(s)”	the director(s) of the Company
“Group”	the Company together with its subsidiaries
“Senior Management”	the same category of persons as referred to in the Company’s annual report and is required to be disclosed under Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited