



CK Infrastructure Holdings Limited 長江基建集團有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 1038)

REMUNERATION COMMITTEE - TERMS OF REFERENCE

Established on 1st January, 2005 pursuant to the then Code on Corporate Governance Practices (to be renamed as the Corporate Governance Code) effective on 1st January, 2005 with the last revision approved by the board (the “Board”) of directors (the “Directors”) of the Company effective on 1st January, 2012.

1. Membership

- 1.1 The Remuneration Committee shall be appointed by the Board.
- 1.2 The majority of the members (“Members”) of the Remuneration Committee shall be independent non-executive Directors.
- 1.3 The Chairman of the Remuneration Committee shall be an independent non-executive Director and appointed by the Board.

2. Secretary

- 2.1 The Company Secretary shall be the secretary of the Remuneration Committee.
- 2.2 The Remuneration Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Remuneration Committee.

3. Meetings

- 3.1 The Remuneration Committee shall meet at least once a year.
- 3.2 Notice of any meetings has to be given at least 14 days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.
- 3.3 The quorum of the Remuneration Committee shall be any two Members.
- 3.4 Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

- 3.5 Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of the Members present.
- 3.6 A resolution in writing signed by all the Members of the Remuneration Committee shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
- 3.7 Minutes shall be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes shall be circulated to all Members for their comment and records respectively, in both cases within a reasonable period of time after the meeting. Such minutes shall be open for Directors' inspection.

4. Attendance at Meetings

- 4.1 At the invitation of the Remuneration Committee, the Chairman of the Board and/or Group Managing Director, external advisers and other persons may be invited to attend all or part of any meetings.
- 4.2 Only Members of the Remuneration Committee are entitled to vote at the meetings.

5. Annual General Meeting

- 5.1 The Chairman of the Remuneration Committee or another Member of the Remuneration Committee shall attend the Company's Annual General Meeting and be prepared to respond to shareholders' questions on the Remuneration Committee's activities and their responsibilities.

6. Responsibility, Powers and Discretion

The Remuneration Committee shall have the following responsibilities, powers and discretion:

- 6.1 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;
- 6.2 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 6.3 either (a) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or (b) 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;
- 6.4 to make recommendations to the Board on the remuneration of non-executive Directors;

- 6.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- 6.6 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;
- 6.7 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; and
- 6.8 to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration.

7. Reporting Responsibilities

- 7.1 The Remuneration Committee shall report to the Board when appropriate.

8. Authority

- 8.1 The Remuneration Committee shall consult the Chairman of the Board and/or Group Managing Director about their remuneration proposals for other executive Directors and senior management.
- 8.2 The Remuneration Committee is authorised by the Board to seek any remuneration related information it requires from senior management of the Company in order to perform its duties.
- 8.3 The Remuneration Committee is authorised by the Board where necessary to have access to independent professional advice.

Note: Arrangement to seek independent professional advice could be made through Company Secretary.

- 8.4 The Remuneration Committee shall be provided with sufficient resources to perform its duties.

9. Publication of the Terms of Reference

- 9.1 The terms of reference will be posted on the websites of the Company and The Stock Exchange of Hong Kong Limited. A copy of the terms of reference will be made available to any person without charge upon request.

Remark: "senior management" refers to the same persons referred to in the Company's annual report and required to be disclosed under paragraph 12 of Appendix 16 to the Listing Rules.