

NEW WORLD MOBILE HOLDINGS LIMITED
新世界移動控股有限公司

TERMS OF REFERENCE
OF
THE REMUNERATION COMMITTEE

(Adopted on 28 June 2005)

1. Constitution

The Remuneration Committee (“Committee”) was established by the board of directors (“Board”) of New World Mobile Holdings Limited (the “Company”) on 28 June 2005 to formulate and review the remuneration policies and other remuneration-related matters of the directors and senior management of the Company and to make recommendations to the Board as deemed necessary or take approved action if within its delegated authority.

2. Membership

- 2.1 The members of the Committee shall be appointed by the Board and shall consist of not less than three members, a majority of whom should be independent non-executive directors.
- 2.2 The Chairman of the Committee shall be appointed by the Board among the members of the Committee.
- 2.3 The company secretary of the Company shall be the secretary of the Committee.

3. Meetings

- 3.1 The meeting of the Committee shall be held upon request of the Chairman of the Committee but in no event less than once a year.
- 3.2 The quorum for a meeting of the Committee shall be at least two members (including Chairman of the Committee) present in person.
- 3.3 The meetings and proceedings of the Committee shall be governed by the provisions contained in Articles 123 to 133 (both inclusive) of the Company’s Articles of Association for regulating the meetings and proceedings of the Board.

4. Attendance at meetings

- 4.1 The Head of Human Resources shall normally attend the meetings of the Committee.
- 4.2 The Committee may invite any appropriate person(s) to attend the meeting of the Committee if it considers necessary and appropriate.

5. Duties

The scope of duties of the Committee shall be as follows:-

- (a) to review, consider and approve proposals relating to the remuneration of the directors and senior management;
- (b) to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of formal and transparent procedures for developing policy on such remuneration;
- (c) to have the delegated responsibility to determine the specific remuneration packages of all 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, and make recommendations to the Board of the remuneration of non-executive directors. The Committee should consider such factors as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group and desirability of performance-based remuneration;
- (d) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- (e) to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- (f) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- (g) to ensure that no director or any of his associates is involved in deciding his own remuneration; and
- (h) to consider other issues with regard to remuneration to directors or senior management as the Board may deem appropriate or necessary.

6. Reporting procedures

Within reasonable time after meetings of the Committee, the secretary shall send the draft minutes for review and confirmation by the members of the Committee. Final minutes of the meeting shall be sent to members of the Committee for record.

7. Corporate Governance Report

The Corporate Governance Report in the Annual Report shall include the following information:

- (a) the role and function of the Committee;
- (b) the composition of the Committee (including names of the Chairman and members of the Committee);
- (c) the number of meetings held by the Committee during the year and the record of individual attendance of members, on a named basis, at meetings held during the year; and
- (d) a summary of work, including determining the policy for the remuneration of executive directors, assessing performance of executive directors and approving the terms of executive directors' service contracts, performed by the Committee during the year.

8. Effective

These terms of reference shall have full force and effect from its adoption date until revocation or variation by the Board.