

**CIAM GROUP LIMITED**  
**Nomination and Remuneration Committee**  
**Terms of Reference**

*Date of Approval: 17 August 2009*

*Version No.002*

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## **1. Definitions**

*In this document, unless the content otherwise requires, the following expressions have the following meanings: -*

“the Board” means the board of Directors of the Company

“the CEO” means the Chief Executive Officer of the Company

“the Committee” means the Nomination and Remuneration Committee of the Company

“the Company” means CIAM Group Limited

“the Director(s)” means director(s) of the Company

“the Group” means the Company and its subsidiaries

“the INED(s)” means the independent non-executive Director(s) of the Company

“the Member(s)” means the member(s) of the Committee

## **2. Constitution & Membership**

2.1 The Committee is established by the Board.

2.2 The Committee shall comprise of at least three Members appointed by the Board and a majority of the Members should be INEDs.

2.3 The Chairman of the Committee shall be appointed by the Board and shall be an INED. In the absence of the Chairman, the remaining Members present at the meeting shall elect one among themselves to chair the meeting.

2.4 The secretary of the Committee shall be appointed by the Committee. In the absence of any appointment, the Company Secretary will assume the role of the secretary.

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**3. Responsibilities & Authorities**

The Committee shall have the following responsibilities and authorities:

*Regarding the nomination matters:*

- 3.1 To review the structure, size and composition of the Board and make recommendations to the Board with regard to any proposed changes;
- 3.2 To identify and assess individuals suitably qualified to become the Directors and make recommendations to the Board on the selection, appointment and re-appointment of as well as the succession planning for Directors subject to the retirement and rotation requirements under the prevailing laws applicable to the Company and the bye-laws of the Company;

*Regarding the remuneration matters:*

- 3.3 To make recommendations to the Board on the policy and structure for the remuneration of Directors and CEO and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- 3.4 To review and approve the whole remuneration and compensation package of the Directors and the CEO taking into consideration factors such as salaries paid by comparable companies, time commitment and responsibility of the Directors and the CEO, employment conditions elsewhere in the Group and desirability of performance-based remuneration, in particular:
  - 3.4.1 to consider and approve the performance-based remuneration with reference to the annual budget set by the Board according to the corporate goals and objectives; and
  - 3.4.2 to consider and approve any compensation arrangement relating to loss or termination of office or appointment, dismissal or misconduct to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and reasonable, and not excessive for the Company;
- 3.5 To review and sanction proposals for the granting of share options under the prevailing share option scheme of the Company subject to the provisions of the share option schemes and the governing rules and regulations;

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- 3.6 To review and sanction proposals for the incentive schemes of the Company;
- 3.7 To delegate the Committee's power and authorities of granting and allocating share options under the share option scheme and making distribution under the incentive schemes to the Chairman of the Board or the CEO where the Committee deems appropriate within the limit set by the Board or the Committee from time to time (save for granting options or distribution to the Directors and the CEO);
- 3.8 To undertake any other related tasks as the Board may from time to time entrust or delegate to it; and
- 3.9 To obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary as authorised by the Board.

#### **4. Meeting and Proceedings**

- 4.1 Meetings shall be held at least once a year. Ad hoc meetings may be held as required by the Members. If necessary, the Committee may perform its duties by way of written approval.
- 4.2 The meetings and proceedings of the Committee are governed by the provisions contained in the Company's bye-laws for regulating the meetings and proceedings of Directors' meetings.
- 4.3 Three members shall constitute the quorum for the Committee. Any decision or resolution passed by the Committee shall be arrived by simple majority of the Members present at the meeting, with each Member carrying one vote.
- 4.4 Members may attend the meetings of the Committee either in person or through other electronic means of communication.
- 4.5 At each Committee's meeting, the Committee may invite any other Directors, staff member or other persons to attend as it may from time to time consider desirable to assist the Committee in the attainment of its objective.
- 4.6 Any Director sitting in the Committee shall not be involved in deciding his own remuneration.

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- 4.7 Minutes of the Committee's meetings shall be circulated to all Members and made available upon request to other members of the Board.