

# **AMS Public Transport Holdings Limited (the “Company”)**

## **Term of Reference for Remuneration Committee (“RC”)**

### **1. Role of the RC**

The role of the RC is to assist the Board of Directors (the “Board”) in the effective discharge of its responsibilities through providing guidance to the Board on matters relating to remuneration of directors and senior management. Its role includes ensuring that the Company:

- (i) has remuneration policies and practices that are observed and that enable the Company to attract and retain directors and senior management who will create value for shareholders; and
- (ii) fairly and responsibly rewards directors, and senior management having regard to the performance of the Company, the external remuneration environment, and the performance of the specific area for which directors or senior management are responsible.

### **2. Membership**

The RC is a committee of the Board and will comprise at least three Independent Non-executive Directors (“INEDs”) of the Company, who are independent of management and free of any business or other relationship which could interfere with the exercise of their independent judgment.

The appointment to a member of the RC is made by the chairman of the Board (“Chairman”).

### **3. Meeting**

The RC should meet at least once per year and when requested by the Chairman or any INED.

Only the members of the RC have the right to attend RC’s meetings. The RC may invite persons, including the Chairman and the chief executive of the Company, to attend meetings where appropriate to consult them about their remuneration proposals relating to the remuneration of for other executive directors in order to assist the RC to discharge its duties. The quorum of the committee is any two RC members.

The RC may ask certain parties to withdraw from any part of a meeting.

No party shall be present whilst his or her performance or compensation is discussed, unless specifically invited by the RC and no director should be involved in deciding his own remuneration.

### **4. Authority**

The RC will have whatever access it required to the Company’s personnel, information and documents and it will be provided with sufficient resources to perform its duties.

The RC has the ability to direct any special investigations deemed necessary and to obtain independent professional advice to assist it with its functions, with the cost to be paid for by the Company

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### **5. Responsibilities of the RC**

The RC’s responsibilities include:

- (i) to make recommendations to the Board on the policy and structure for all directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) to review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives;
- (iii) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management.

(Note: This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.)

- (iv) to make recommendations to the Board on the remuneration of non-executive directors;
- (v) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (vi) to review and approve the compensation payable to executive directors and senior management in connection with for any loss or termination of their office or appointment to ensure that such compensation it is determined in accordance consistent with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- (vii) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they such arrangements are determined in accordance consistent with relevant contractual terms and that any compensation payment is are otherwise reasonable and appropriate;
- (viii) to ensure that no director or any of his associates is involved in deciding his own remuneration;
- (ix) to make recommendation to the Board on appropriate means to administer directors and senior management remuneration programs; and
- (x) to review any transaction between the Company (including its subsidiaries) and the directors, or any interest associated with the directors, and to ensure the structure and the terms of the transactions comply with the law and are appropriately disclosed.

*First update on: 22 December 2011*