



銀娛GEG

GALAXY ENTERTAINMENT GROUP LIMITED

銀河娛樂集團有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 27)

Remuneration Committee

**Terms of Reference adopted on 27 January 2006 and
Revised on 15 March 2012**

A. Constitution

- A.1 The Remuneration Committee was established by the Board on 27 January 2006.
- A.2 These terms of reference of the Remuneration Committee were approved by the Board on 27 January 2006 and revised on 15 March 2012. The Board has the authority to review and amend these terms of reference from time to time.

B. Membership

- B.1 The Committee shall consist of three members, a majority of whom shall be INEDs.
- B.2 The Board shall appoint a Member who shall be an INED to be the chairman of the Committee.

C. Term

- C.1 The Board shall determine the term of each Member. If a Member ceases to be a Director, then his office as Member shall ipso facto cease.

D. Meetings

- D.1 The quorum for a meeting of the Committee shall be two Members.

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- D.2 Members may participate either in person or through other electronic means of communication and active participation is expected.
- D.3 The Committee shall meet regularly and, at least, once in every financial year.
- D.4 Notice of at least 7 days shall be given to all Members. An agenda and accompanying meeting papers shall be sent to all Members at least 3 days before the intended date of the Committee meeting (or such other period as agreed).
- D.5 The Committee shall have power to invite any person(s) it wishes, to attend to assist Members in the meeting.
- D.6 The Company Secretary of the Company shall be the secretary of the Committee.
- D.7 All Members shall have access to the services of the Secretary, and (if necessary) independent professional advice in accordance with the policy of the Company.
- D.8 Minutes signed by the Committee chairman are conclusive evidence of the proceedings and subject matters resolved at the relevant Committee meeting.
- D.9 A Member having a conflict of interest in a matter to be considered by the Committee, which the Committee chairman determines to be material, shall declare his interest. All matters involving material conflict of interest shall be dealt with by way of meeting.
- D.10 Members (deciding by majority) have the power to regulate and determine the proceedings of their Committee meeting, including – without limitation – the power to accept short (or dispense with) notice of meeting, abridge any time period. Subject to D.9, if the Committee so decides, a resolution in writing signed by all Members for the time being shall be as effective for all purposes as a resolution of the Members passed at a meeting duly convened, held and constituted.

E. Authority

- E.1 The Committee is authorized by the Board to perform any activity within its terms of reference. It is authorized to seek any information it requires from any employee.
- E.2 The Committee shall consult the Chairman and/or Deputy Chairman and/or Managing Director of the Company about their proposals relating to the remuneration of other executive Directors.

F. Duties

F.1 The duties of the Committee shall include at least the following:-

- a. 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 a remuneration policy;
- b. To review and approve the management's remuneration proposal with reference to the board's corporate goals and objectives;
- c. 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;
- d. To make recommendations to the Board on the remuneration of non-executive Directors;
- e. To consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions required or imposed by other companies;
- f. 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;
- g. 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
- h. To ensure that no Director or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration.

F.2 The chairman of the Committee or in his absence, another Member or failing him, his duly appointed delegate, shall be available to answer questions at the Company's annual general meeting.

G. Reporting procedures

G.1 The Secretary will circulate the minutes of the Committee meetings, reports of the Committee, and relevant information to all Directors.

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G.2 The Committee shall report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).

H. Miscellaneous

H.1 These terms of reference shall be made available by including publication on the websites of Hong Kong Exchanges and Clearing Limited and the Company.

Definitions:

“Board”	:	the board of Directors
“Committee”	:	remuneration committee of the Company
“Company”	:	Galaxy Entertainment Group Limited
“Director(s)”	:	Director(s) of the Company
“Exchange”	:	The Stock Exchange of Hong Kong Limited
“Group”	:	Company and its subsidiaries
“INED”	:	independent non-executive director (within the meaning of the Listing Rules) of the Company
“Listing Rules”	:	Rules Governing the Listing of Securities on the Exchange
“Member(s)”	:	member(s) of the Committee
“Secretary”	:	secretary of the Committee