



美高梅中國控股有限公司
MGM China Holdings Limited

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(Incorporated in the Cayman Islands with limited liability)

(Stock code : 2282)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

(Adopted by a Resolution of the Board passed on February 16, 2012)

1. ESTABLISHMENT

- 1.1. The Remuneration Committee (“Remuneration Committee”) of MGM CHINA HOLDINGS LIMITED (the “Company”) is established by the board of directors of the Company (“Board”) to recommend to the Board on the Company’s policy and structure for all remuneration of the Board member and senior management, on the establishment of a formal and transparent procedure for developing policy on such remuneration and to determine specific remuneration packages for the Company’s directors (“Directors”) and senior management.
- 1.2. Subject to the regulations contained in the Companies Law (as amended) of the Cayman Islands, the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Articles of Association of the Company (“Articles”), the procedures of the Remuneration Committee shall be regulated by the provisions set out in these Terms of Reference (the “Terms of Reference”).

2. COMPOSITION

- 2.1. The Remuneration Committee shall have at least three members who shall be appointed by the Board, the majority of whom must be Independent Non-Executive Directors of the Company.
- 2.2. The Chairman of the Remuneration Committee shall be an Independent Non-Executive Director nominated by the Board.

3. FUNCTIONS, POWER AND DUTIES

The Remuneration Committee shall:

- 3.1. recommend 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;
- 3.2. review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 3.3. determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management in accordance with the policies guidelines in relation to the duties of the Remuneration Committee approved by the Board from time to time; This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their offices or appointment.
- 3.4. recommend to the Board on the remuneration packages of Non-Executive Directors;
- 3.5. consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group.
- 3.6. 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.
- 3.7. 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;
- 3.8. ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- 3.9. recommend to the Board the disclosure of details of the Company remuneration policies and details of the specific remuneration packages of the Directors and senior management of the Company as required by the Listing Rules;
- 3.10. consider and make recommendations on any other issues as requested by the Board.

4. RESOURCES

- 4.1. Subject to the Remuneration Committee not being able to have a member who has knowledge in executive compensation, the Remuneration Committee may have access to expert advice within the Company (from the Company's human resources function) or from independent external research and appoint professional consultants to obtain independent professional advice as necessary to carry out its functions and to perform its duties when necessary upon reasonable request and under agreed procedures. Expenditure for obtaining professional consultancy shall be subject to the Board's approval.
- 4.2. The Remuneration Committee shall be provided with sufficient resources to perform its duties.

5. MEETINGS

- 5.1. The Remuneration Committee shall hold at least one meeting in each financial year of the Company to discharge its duties set forth in these Terms of Reference. The Chairman or the joint company secretaries on the requisition of the Chairman shall at any time summon a meeting of the Remuneration Committee.
- 5.2. Seven days' notice or such shorter notice as may be agreed by the Remuneration Committee will be given by the joint company secretaries specifying the place, date, time and agenda of the meeting.
- 5.3. The Chairman of the Remuneration Committee shall chair all the Remuneration Committee meetings.
- 5.4. The quorum necessary for the transaction of the business of Remuneration Committee shall be two, at least one of them must be an independent non-executive director.
- 5.5. Attendance may be in person or through electronic means of communication or as may be determined by the Board from time to time.
- 5.6. When necessary, written resolutions are circulated to all Remuneration Committee members for approval in between meetings. Such written resolutions signed by all Remuneration Committee members shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
- 5.7. Unless otherwise provided in these Terms of Reference, meetings and proceedings of the Remuneration Committee shall be governed by the Company's Articles of Association regulating the meetings and proceedings of Directors and committees.
- 5.8. Questions arising at any Remuneration Committee meeting shall be determined by a majority of votes given that no member of the Remuneration Committee shall vote on any recommendation on his/her remuneration.

5.9. The Chairman (or in his/her absence, an alternative member) of the Remuneration Committee shall attend the annual general meetings of the Company and be prepared to answer questions concerning the remuneration of any Director or the Remuneration Committee's activities and their responsibilities.

5.10. The joint company secretaries shall minute the proceedings and resolutions of all meetings as well as keep appropriate records. Any minutes signed by the chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts stated therein. Draft and final versions of minutes of all meetings shall be circulated to all the Remuneration Committee members for their comment and records within a reasonable time after the meeting and to other Director(s) who is/are not member(s) of the Remuneration Committee for inspection.

6. REPORTING RESPONSIBILITIES

6.1. The Remuneration Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

6.2. The Remuneration Committee shall make whatever recommendations to the Board it deems appropriate on any area within its ambit where action or improvement is needed.

6.3. The Remuneration Committee should consult the Chairpersons and/or Chief Executive Officer about their remuneration proposals for other Company's Executive Directors before seeking the approval of the Board.

7. PUBLICATION OF THE TERMS OF REFERENCE

7.1. The terms of reference will be posted on the websites of the Company and the Stock Exchange.