



嘉里建設有限公司

KERRY PROPERTIES LIMITED

(Incorporated in Bermuda with limited liability)

Remuneration Policy

1. Policy Statement

- 1.1 This Remuneration Policy (the “**Policy**”) of Kerry Properties Limited (the “**Company**”) aims to provide remuneration levels which shall be sufficient to motivate, attract and retain directors of the Company (the “**Directors**”) and the senior management to maximise shareholder value, through a set of formal and transparent procedures.

2. Responsibilities

- 2.1 The remuneration committee of the Company (the “**Remuneration Committee**”) has the responsibility of determining, with delegated responsibility from the board of directors of the Company (the “**Board**”), the remuneration package of the Directors. In making its decisions, the Remuneration Committee shall have regard to a report circulated by the Chief Executive Officer of the Company setting out, among other things, the Company’s performance, the individual performance, contribution and responsibilities of the Directors, salaries paid by comparable companies in the market and any other factors which the Remuneration Committee deems appropriate.
- 2.2 The Remuneration Committee will receive and note the report submitted by the Human Resources Department setting out the remuneration packages of the senior management of the Company annually.

3. Principles of the Policy

- 3.1 Under the Policy, the Directors and the senior management or their associates shall not be involved in deciding their own remuneration.

3.2 The following principles have been established for the remuneration of the executive directors (the “**Executive Directors**”) of the Company:

- (a) Executive Directors’ salaries shall be reviewed annually by the Remuneration Committee;
- (b) revision to the Executive Directors’ salaries shall be made to reflect the performance, contribution and responsibilities of each Executive Director and/or by reference to market trends;
- (c) Executive Directors shall be eligible to receive a discretionary bonus and/or guaranteed bonus taking into consideration factors such as market conditions as well as corporate and individual performances; and
- (d) the Remuneration Committee shall annually review and recommend, if appropriate, to the Board for approval of the grant of share options and share awards to the Executive Directors under the share option scheme and share award scheme of the Company. Such schemes enable the Executive Directors to obtain an ownership interest in the Company and, thus motivating them to optimise their contributions to the Company.

3.3 The following principles have been established for the fees of the non-executive directors of the Company (the “**Non-Executive Directors**”):

- (a) the Non-Executive Directors’ fees shall be reviewed annually by the Board;
- (b) recommendations shall be made by the Board to the Shareholders (the “**Shareholders**”) to approve at the Shareholders’ meeting any revision to the Non-Executive Directors’ fees according to their responsibilities and/or by reference to market trends; and
- (c) any change of Non-Executive Directors’ fees shall be subject to the approval by the Shareholders pursuant to the bye-laws of the Company.

3.4 The following principles have been established for the remuneration of the senior management of the Company:

- (a) senior management’s salaries shall be received and noted annually by the Remuneration Committee;
- (b) revision to the senior management’s salaries shall be made to reflect the performance, contribution and responsibilities of each senior management and/or by reference to market trends; and

- (c) senior management shall be eligible to receive a discretionary bonus, guaranteed bonus, stock options and/or share awards taking into consideration factors such as market conditions as well as corporate and individual performances.

4. Reporting

- 4.1 The Board will disclose the Policy, details of the Directors' emoluments and other remuneration related matters in the Annual Report of the Company.

5. Review of this Policy

- 5.1 The Remuneration Committee is responsible for monitoring and regular review of this Policy to ensure its relevance and effectiveness. Any subsequent amendment of this Policy shall be reviewed by the Remuneration Committee and approved by the Board.