

## **Attachment 5**

Report of the Nomination and Remuneration Committee

## REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

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The Nomination and Remuneration Committee (“NRC”) of Laguna Resorts & Hotels Public Company Limited comprises three independent directors and has the following objectives:

1. To formulate and align HR policies and programs for senior management to business goals and market practices;
2. To attract and retain the right people for senior management positions in the Company;
3. To ensure that the Company’s senior management remuneration and benefit package remain competitive with the industry’s benchmark;
4. To advise the Board on matters relating to the composition of the Board and its committees so that the Board is able to adequately discharge its responsibilities and duties; and
5. To resolve and/or advise on any employee's remuneration which have conflict-of-interest issues.

**In the pursuit of its objectives, the NRC is empowered to perform the following functions:**

1. To propose guidelines and make broad recommendations for the annual salary increment and bonus policies for the Company;
2. To review and award the bonus, salary increment and incentives of the Company Chairman and his relatives who are employees of the Company;
3. To review and approve the expense claims of the Company Chairman;
4. To review and if necessary, propose changes to the remuneration of the Company’s directors serving on the Board of Directors, Audit and Risk Committee and Nomination and Remuneration Committee;
5. To review and if necessary, propose changes or additions to senior management welfare, benefits (such as employee stock options and other employee welfare allowances, subsidies and schemes), salary increment and bonus policies. The emolument of individual employees shall be determined by the management of the Company;
6. To establish criteria for Board membership;
7. To formulate a standard and transparent process for the selection of directors;

8. To propose and/or evaluate directorial candidates and Board committee members for consideration by the Board when there is a vacancy;
9. To assess independent directors to identify if the independence of any is compromised and if new independent directors are required under the Board's policy;
10. To inform the Board of the names of directors and Board committee members who are retiring by rotation and make recommendations to the Board as to whether the Board should support the re-nomination of those retiring directors and committee members;
11. To review the Committee charter at least once a year and recommend modifications to the Board of Directors as needed; and
12. To report to the Board of Directors on the Committee's activities and findings.

The NRC met four times in 2013 to consider and make recommendations to the Board regarding the appointment of Deputy Chairman of the Board including committee member upon vacancy, re-nomination of those retiring directors by rotation and the remuneration for the directors and sub-committee members. Additionally, the NRC reviewed and approved the expenses claims by the Chairman of the Company and the amount of annual bonus and salary increment for the Company's employees. The NRC also reviewed and approved the welfare benefits for employees of the Company and the new incentive scheme which is designed to motivate and encourage better individual and business unit performance by the use of individual Balanced Scorecard.

Dr. Jingjai Hanchanlash

Nomination and Remuneration Committee Chairman

10 January 2014