

ASM PACIFIC TECHNOLOGY LTD.

Remuneration Committee

Terms Of Reference

1 April 2012

A. Objective

1. To establish a formal and transparent procedure for setting policy on executive directors' remuneration and for fixing the remuneration packages of all directors and senior management.
2. To ensure the remuneration packages are sufficient to attract and retain the directors and senior management needed to run the company successfully and to avoid over-paying.
3. To prevent any director in deciding his own remuneration.

B. Committee Structure

1. The Remuneration Committee consists of the Chairman of the Board of ASM Pacific Technology Ltd. (ASMPT) and comprises a majority of Independent Non-Executive Directors (INEDs).
2. An INED will chair the remuneration committee and may delegate such capacity to any other member of the Remuneration Committee.
3. Each member of the Remuneration Committee is appointed by the Board for a term of three years and is subject to reappointment upon expiry of the term.
4. The secretary of the Chief Executive Officer will provide the necessary administrative support and data to the Remuneration Committee.
5. In the event of a tie in votes, the Chairman of the Remuneration Committee will have a casting vote.
6. The quorum for a meeting of the Remuneration Committee shall be half of the number of Remuneration Committee members.

C. Terms Of Reference

1. To make recommendations to the Board on the Company's policy and structure for remuneration of its directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy.
2. 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.
3. To review and approve performance-based remuneration by reference to corporate goals and objectives.
4. On an annual basis, to review and approve the specific remuneration of the Chief Executive Officer including but not limited to basic salary, performance based discretionary bonus and bonus shares allocation.
5. On an annual basis, to review and approve the recommendations made by the Chief Executive Officer for the remuneration of other executive director(s) and senior management in their basic salary, performance based discretionary bonus and bonus share allocation.
6. To review and approve compensation payable to the 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.
7. 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.
8. To make recommendations to the Board on the remuneration of non-executive directors.
9. To consider salaries paid by comparable companies, time commitment, responsibilities and employment conditions elsewhere in the ASMPT group.
10. To ensure that no director or any of his associates is involved in deciding his own remuneration.

D. Meeting Procedure

1. The Chairman of the Remuneration Committee can call an urgent meeting he/she deems appropriate or necessary, otherwise the Remuneration Committee meeting will be held on the same day of ASMPT's Board meeting.
2. The Chairman and the Chief Executive Officer, supported by the secretary of the latter, are responsible to provide all relevant information four days before the meeting.
3. The meetings and proceedings of the Remuneration Committee shall be governed by the provisions contained in the Articles of Association for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by the express terms of appointment of the Remuneration Committee, or by any such regulations as aforesaid with full minutes taken and recorded.