



**Vinda International Holdings Limited**  
**維達國際控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(the “Company”)**

**REMUNERATION COMMITTEE**  
**TERMS OF REFERENCE**

**1. Membership**

- 1.1. Members of the remuneration committee of the Company (the “**Remuneration Committee**”) shall be appointed by the board of directors of the Company (the “**Board**”) from amongst the directors of the Company and shall comprise a minimum of three members, a majority of whom should be independent non-executive directors of the Company.
- 1.2. The chairman of the Remuneration Committee shall be appointed by the Board and be an independent non-executive director of the Company.
- 1.3. The appointment of the members and the secretary of the Remuneration Committee may be revoked, or additional members may be appointed to the Remuneration Committee by separate resolutions passed by the Board.
- 1.4. A member of the Remuneration Committee departing from the Company or ceasing to be a director of the Company shall upon such cessation immediately and automatically cease to be a member of the Remuneration Committee.

**2. Secretary**

The company secretary of the Company or his/her delegate shall be the secretary of the Remuneration Committee (the “**Secretary**”).

**3. Frequency of meetings**

Meetings of the Remuneration Committee shall be held not less than once a year.

#### **4. Notice of meetings**

- 4.1 Unless otherwise agreed by all the Remuneration Committee members, a meeting of the Remuneration Committee shall be called with at least three days' prior notice specifying the date, time and venue/method of the meeting.
- 4.2 A member of the Remuneration Committee may at any time request the Secretary to summon a meeting of the Remuneration Committee. Notice shall be given to each member of the Remuneration Committee orally in person or in writing or by telephone or by facsimile or electronic transmission at the telephone number or facsimile number or address or e-mail address from time to time notified to the Secretary by such member of the Remuneration Committee or by such other means as the members may from time to time determine. Any notice given orally shall be confirmed in writing.
- 4.3 Remuneration Committee meetings shall be convened by the Secretary.
- 4.4 Unless waived by all members of the Remuneration Committee, an agenda of the matters to be discussed shall be sent to each member of the Remuneration Committee at least three days before the date of the meeting. Meeting documents including such meeting agenda shall be sent to the members of the Remuneration Committee and other appropriate attendees at the same time.

#### **5. Proceeding of the meetings**

- 5.1 The quorum of a Remuneration Committee meeting shall be two members. A meeting chairman should be elected if the Remuneration Committee chairman cannot attend the meeting.
- 5.2 Members of the Remuneration Committee may participate in a meeting of the Remuneration Committee by means of a conference telephone or other communications equipment through which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.
- 5.3 Resolutions proposed at any Remuneration Committee meeting shall be passed by the majority of the members present at the meeting. In the case of an equality of votes, chairman of the Remuneration Committee shall have the casting vote.

## **6. Written resolutions**

Subject to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time (the “**Listing Rules**”) and the articles of association of the Company, resolutions of the Remuneration Committee may be passed by all members of the Remuneration Committee in writing.

## **7. Authority**

7.1 The Remuneration Committee should consult the chairman and/or chief executive officer of the Company about their proposals relating to the remuneration of other executive directors of the Company, if any, and, at the expenses of the Company, have access to professional advice if considered necessary.

7.2 The Remuneration Committee is authorised by the Board to investigate any activity within its terms of reference and seek any necessary information which is within its scope of duties from the employees of the Company and its subsidiaries (collectively, the “**Group**”) (including the members of the Board).

7.3 The Remuneration Committee shall be provided with sufficient resources to perform its duties.

## **8. Responsibilities and duties**

8.1. The responsibilities and duties of the Remuneration Committee shall be:

- (a) to make recommendations to the Board on the Group’s overall remuneration policy and structure including the remuneration policy and structure for all directors of the Company and senior management of the Group and on the establishment of a formal and transparent procedure for developing the Group’s remuneration policy;
- (b) to have the delegated responsibility to determine (with advice of the Executive Committee) the remuneration packages of individual executive directors of the Company and senior management of the Group, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

- (c) to make recommendations to the Board of the remuneration of non-executive directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the Group;
- (d) to review and approve the remuneration proposals recommended by the Executive Committee of the Company in respect of the remuneration for senior executives of the Group (not being directors or senior management of the Company) with respective annual basic salary of more than HK\$2.5 million with reference to corporate goals and objectives resolved by the Board from time to time;
- (e) to review and approve the Group's overall salary increase budget;
- (f) to recommend the annual salary increase for executive directors and Chief Financial Officer of the Company to the Board;
- (g) to approve the variable compensation payout to the executive directors of the Company based on the audited company financials on which such variable compensation is based.
- (h) to review and approve the compensation payable to executive directors of the Company and senior management of the Group in connection with any loss or termination of their office or appointment to ensure that such compensation is consistent with relevant contractual terms and that such compensation is otherwise fair and not excessive;
- (i) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are consistent with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- (j) to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration and that, as regards the remuneration of a director who is a member of the Remuneration Committee, his/her remuneration should be determined by the other members of the Remuneration Committee;

- (k) to form a view in respect of any director's service contracts that require shareholders' approval under the Listing Rules, and to advise shareholders:
  - (i) as to whether the terms are fair and reasonable,
  - (ii) whether such contracts are in the interests of the Company and its shareholders as a whole;
  - (iii) on how to vote;
- (l) to report to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements); and
- (m) to make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on the website of The Stock Exchange of Hong Kong Limited and the Company's website. The terms of reference of the Remuneration Committee should be provided upon request and the role and function of the Remuneration Committee shall be explained in the corporate governance report of the Company.

8.2 For the purpose of this paragraph 8, "senior management" shall refer to the same category of persons as referred to in the Company's annual report and is required to be disclosed under Appendix 16 to the Listing Rules.

## **9. Minutes of meetings**

- 9.1 The Secretary shall record all proceedings and resolutions of all meetings of the Remuneration Committee, including the names of those attended and present, prepare and keep minutes recording in sufficient detail the matters considered and decisions reached, including any concerns raised by directors or dissenting views expressed.
- 9.2 The Secretary shall circulate the draft and final versions of minutes of meetings and all written resolutions of the Remuneration Committee to all members of the Remuneration Committee for their comment and records within reasonable time after the meeting or the passing of the written resolutions.

## **10. Continuing application of the Articles of Association of the Company**

The articles of association of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and not inconsistent with the provisions of these Terms of Reference shall apply to regulate the meetings and proceedings of the Remuneration Committee.

## **11. Powers of the Board**

The Board may, subject to compliance with the articles of association of the Company and the Listing Rules, amend, supplement and revoke these Terms of Reference and/or any resolution passed by the Remuneration Committee provided that no amendments to or revocation of these Terms of Reference and/or any resolution passed by the Remuneration Committee shall invalidate any prior act and resolution of the Remuneration Committee which would have been valid if these Terms of References had not been amended or revoked.

## **12. General**

The Remuneration Committee shall have the discretion to, as it deems reasonable and in the interest of the Company, do such things and exercise such powers granted to it in accordance with any rule, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or any applicable law.

*Note: If there is any inconsistency between the English and Chinese versions of this document, the English version shall prevail.*

Revised on 7 April 2017