

VANTAGE INTERNATIONAL (HOLDINGS) LIMITED

Remuneration Committee of the Board of Directors of the Company

Terms of Reference

(Adopted on 16 December 2005, as revised on 27 March 2014 and 31 December 2018)

1. Constitution

- 1.1 The remuneration committee (the “**Committee**”) of Vantage International (Holdings) Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) was established pursuant to a resolution passed by the board of directors of the Company (“**Board**”) at a meeting held on 16 December 2005.

2. Membership

- 2.1 Members of the Committee (“**Member(s)**”) shall be appointed by the Board amongst the members of the Board (the “**Director(s)**”) and shall consist of not less than three members. Majority of Members shall be independent non-executive directors of the Company (“**INED(s)**”).
- 2.2 If a Member shall cease to assume the responsibilities of a Director, that Member shall automatically lose the qualifications as a Member and if this results in the number of Members to fall below the minimum, the Board shall appoint a new Member to complement the number of Members.
- 2.3 The chairman of the Committee (the “**Committee Chairman**”) shall be appointed by the Board and shall be an INED. In the absence of the Committee Chairman in a meeting of the Committee (“**Meeting**”), the remaining Members present shall elect one of them to chair the Meeting.
- 2.4 The secretary of the Committee (the “**Secretary**”) shall be served by the secretary of the Company concurrently. The Secretary should attend all Meetings of the Committee. The Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary.
- 2.5 Each Member shall disclose to the Committee:
- (a) any personal financial interest (other than as a shareholder of the Company) in any matter to be decided by the Committee; and
 - (b) any actual or potential conflict of interest arising from a cross-directorship.

Any such Member shall abstain from voting on resolutions of the Committee in relation to which such actual or potential conflict of interest exists and from participating in the discussions concerning such resolutions, and shall (if so required by the Board) resign from the Committee.

3. **Alternate Members**

3.1 A Member shall not appoint any alternate.

4. **Overriding Principles**

4.1 Remuneration levels should be sufficient to attract and retain Directors to run the Company successfully without paying more than necessary.

4.2 No Director should be involved in deciding his own remuneration.

4.3 The Committee should consult the chairman and/or chief executive officer about their remuneration proposals for other executive Directors. The Committee should have access to independent professional advice if necessary.

4.4 The procedure for setting policy on executive Directors' remuneration and all other Directors' remuneration packages should be formal and transparent.

5. **Duties**

5.1 The Committee shall:

(a) make recommendations to the Board on the Company's policy and structure for the remuneration packages of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;

(b) make recommendations to the Board on 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, and make recommendations to the Board of the remuneration of non-executive Directors. The Committee should consider salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group;

(c) consider what details of the Chairman's, the executive Directors', the non-executive Directors', the INEDs' and the senior management's remuneration/benefits should be disclosed in addition to those required by law or the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (The "**Stock Exchange**") in the Company's annual report and accounts and how those details should be presented;

- (d) review and approve the senior management's remuneration proposals with reference to the Board's corporate goals and objectives resolved by the Board from time to time;
- (e) 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;
- (f) 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;
- (g) ensure that no Director or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration;
- (h) report formally to the Board on its proceedings after each Meeting on all matters within its duties and responsibilities;
- (i) make a statement in the annual report of the Company about its activities;
- (j) review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval; and
- (k) to conform to any requirement, 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 applicable law.

6. **Authority**

6.1 The Committee is authorised to:

- (a) review any proposed service contract with any Director or senior management before such contract is entered into and to make recommendation to the Company for any changes to the proposed terms of such contract;
- (b) make recommendations regarding the remuneration, bonuses and welfare benefits of the executive Directors and the senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (c) at the reasonable expense of the Company, obtain outside legal or other independent professional advice and to securing the attendance of independent professional advisers with the relevant experience and expertise on any matters within these terms of reference as the Committee considers necessary;

- (d) obtain adequate information on any matters within these terms of reference in a timely manner from management to enable the Committee to make informed decisions. The information supplied must be complete and reliable provided by management. Where a Member requires more information than is volunteered by management, the relevant Member should make additional necessary enquiries. Each Member shall have separate and independent access to senior management; and
- (e) review these terms of reference and their effectiveness in the discharge of its duties and to make recommendations to the Board for any changes on these terms of reference.

6.2 The Committee should be provided with sufficient resources to perform its duties.

7. **Proceedings**

7.1 *Notice*

7.1.1 Unless otherwise agreed by all Members, a Meeting shall be called by giving at least seven (7) days' notice. Notice shall be given to each Member in person orally or in writing or by telephone or by email or by facsimile transmission at the telephone or facsimile or address or email address from time to time notified to the Secretary by the Members or in such other manner as the Members may from time to time determine.

7.1.2 In respect of regular Meetings of the Committee to be held as mentioned in clause 7.4 below, and so far as practicable for all other Meetings of the Committee, the agenda and accompanying papers shall be sent to all Members in a timely manner and at least three (3) days before the intended date of the Meeting (or such other period as all Members may agree).

7.2 *Quorum*

7.2.1 The quorum necessary for the transaction of business shall be two Members, and one of whom shall be an INED.

7.3 *Manner*

7.3.1 Meetings may be convened by Members present at the Meetings, participating by telephone or video conferencing or similar communications equipment that allow persons present at the Meeting to hear and communicate with each other at the Meeting, and Members participating at the Meeting through the abovementioned methods are deemed to be present at the Meeting.

7.4 *Frequency*

7.4.1 The Committee shall convene a Meeting at least once a year or more frequently if circumstances require.

7.4.2 A Member may and, on the request of a Member, the Secretary shall, at any time summon a Meeting.

7.5 ***Resolutions***

7.5.1 Resolutions of the Committee shall be passed by a majority vote (excluding 50% vote) of Members present at the Meeting.

7.5.2 No Member may vote on any resolution of the Committee regarding his own remuneration.

7.6 ***Invitation to Meeting***

7.6.1 The Committee may invite executive Directors, external advisors or other persons to attend all or part of any Meeting, as and when appropriate, but those persons shall have no right to vote at the Meeting.

7.7 ***Minutes***

7.7.1 The Secretary shall keep detailed record of matters considered and decisions reached at all Meetings. After the close of each Meeting, the Secretary shall circulate to all Members the draft and final version of the minutes of the Meeting for their comment and record respectively, in both cases within a reasonable time after the Meeting. All written resolutions and full minutes of the Committee's meetings shall be kept by the Secretary, and such documents shall be available for inspection at any reasonable time on reasonable notice by any Director or Member.

8. **Written Resolutions**

8.1 Written resolutions may be passed by all Members in writing. Such resolution shall be as valid and effectual as if it had been passed at a meeting of the Committee and may consist of several documents in like form each signed by one or more of the Members. Such resolution may be signed and circulated by mail, fax or other electronic communications. This provision is without prejudice to any requirement under the Listing Rules for a board or a committee meeting to be held.

9. **Shareholders' Meeting**

9.1 Generally, Members who are INEDs should attend general meetings of the Company to gain and develop a balanced understanding of the views of shareholders and make himself/herself available to respond to any shareholder's questions on the Committee's activities.

10. **Continuing application of the Bye-laws of the Company**

- 10.1 The Bye-laws of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and are not replaced by the provisions in these terms of reference shall apply to the Meetings and proceedings of the Committee.

11. **Power of the Board**

- 11.1 The Board may, subject to compliance with the Bye-laws of the Company and the Listing Rules (including the Corporate Governance Code and practices set out in Appendix 14 to the Listing Rules or if adopted by the Company, the Company's own code of corporate governance practices), amend, supplement and revoke these terms of reference and any resolution passed by the Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.
- 11.2 The power to interpret these terms of reference shall vest in the Board.
- 11.3 These terms of reference shall be made available to the public by including the information on the Company's website and The Stock Exchange's website.

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(If there is any inconsistency between the English and Chinese versions of these terms of reference, the English version shall prevail.)