



Jiwa Bio-Pharm Holdings Limited
積華生物醫藥控股有限公司
(incorporated in Bermuda with limited liability)

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Terms of reference of the Remuneration Committee

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Constitution

The board of directors (the “**Board**”) of Jiwa Bio-Pharm Holdings Limited (the “**Company**”) hereby resolves to establish a committee of the Board to be known as the Remuneration Committee (the “**Committee**”).

Membership

1. Members of the Committee shall be appointed by the board, where appropriate, in consultation with the Chairman of the Committee. The Committee shall be made up of at least three members;
2. Majority of members of the Committee shall be independent non-executive directors. The Chairman of the board shall not be a member of the Committee;
3. Only members of the Committee have the right to attend Committee meetings. Other individuals such as the Chairman of the board, the Managing Director and Head of Human Resources, may be invited to attend all or part of any meeting as and when appropriate;
4. Appointments to the Committee shall be for such initial period (subject to extension) as prescribed by the boards; and
5. The board shall appoint the Committee Chairman who shall be an independent non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their members to chair the meeting.

Frequency and proceedings of meetings

6. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.

7. The chairman of the Committee may convene additional meetings at his discretion
8. The quorum of a meeting shall be two members of the Committee.
9. Proceedings of meetings of the Committee shall be governed by the provisions of Bye Laws of the Company.

Duties, powers and functions

10. The Committee shall –
 - (a) consider management recommendation, and determine the framework or broad policy for the remuneration (including performance-related pay schemes and long-term incentive arrangements) of the Chairman of the board, the Managing Director, the other executive directors of the Company and such other members of the executive management as it is designated by the board. The remuneration of non-executive directors shall be a matter for the general meeting. No director or any of his associates may be involved in any decisions as to his own remuneration;
 - (b) agree the procedures for establishing a formal and transparent procedure for determining targets for any performance-related pay schemes for executive directors;
 - (c) determine the policy for and scope of pension arrangements for each executive director;
 - (d) ensure that contractual terms on termination, and any payments made to executive Directors, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognized;
 - (e) within the terms of the agreed policy, determine the total individual remuneration package of each executive director including, where appropriate, bonuses, incentive payments, and share options;
 - (f) in determining such packages and arrangements, give due regard to the contents of applicable corporate governance codes as well as the Listing Rules of the Hong Kong Stock Exchange and associated guidance;
 - (g) ensure that provisions regarding disclosure of remuneration in the Company's annual report are fulfilled;
 - (h) be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
 - (i) make available the Committee's terms of reference; and

- (j) when appropriate review and, where necessary, make recommendations to the board for the updating of the Committee's terms of reference.

Reporting Procedures

11. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.

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