



## **JIWA BIO-PHARM HOLDINGS LIMITED**

**積華生物醫藥控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

(the “Company”)

(Stock code: 2327)

### **TERMS OF REFERENCE REMUNERATION COMMITTEE ("Committee")**

#### **Membership**

1. The Committee shall consist of not less than three members appointed by the board of directors of the Company (the “board”). The Committee should be chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors.
2. The Chairman of the Committee shall be appointed by the board.
3. The Company Secretary or his nominee shall act as the Committee’s Secretary.

#### **Frequency and proceedings of meetings**

4. The Committee should meet at least once per year. Additional meetings should be held as the work of the Committee demands.
5. In addition, the chairman of the Committee may convene additional meetings at his discretion.
6. The quorum for a meeting shall be two members.

*\* For identification only*

7. Proceedings of meetings of the Committee shall be governed by the provisions of the Bye-laws of the Company.

### **Duties, powers and functions**

8. The remuneration committee should perform the following duties:-

(a) to make recommendations to the board on the issuer's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

(b) to review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;

(c) to make recommendations to the board on the remuneration packages of individual executive directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

(d) to make recommendations to the board on the remuneration of non-executive directors;

(e) to consider salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the group;

(f) to 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;

(g) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they consistent with contractual terms and are otherwise reasonable and appropriate; and

(h) to ensure that no director or any of his associates is involved in deciding his own remuneration.

9. The remuneration committee should be provided with sufficient resources to perform its duties.

## **Reporting Procedures**

10. The Committee should 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 to the board on the findings and recommendations of the Committee.

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