



**Bank of Jiujiang Co., Ltd.\***  
**九江銀行股份有限公司\***

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 6190)

**Terms of Reference of the Nomination and  
Remuneration Committee under the Board of Directors**

**Chapter 1 General Provisions**

**Article 1** In order to regulate the selection of directors and senior management of Bank of Jiujiang Co., Ltd. (the “Bank”), optimise the composition of the Board of Directors, establish a sound system for the selection, appointment and assessment of directors and senior management and for the remuneration management, and improve the corporate governance structure, the Bank has set up the Nomination and Remuneration Committee under the Board of Directors and formulated these Terms of Reference in accordance with the Company Law of the People’s Republic of China, the Corporate Governance Guidelines for Banking and Insurance Institutions, the Articles of Association of Bank of Jiujiang Co., Ltd. (the “Articles of Association”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and other regulations.

**Article 2** The Nomination and Remuneration Committee under the Board of Directors is an internal body specifically set up by the Board of Directors and accountable to the Board of Directors.

**Chapter 2 Composition**

**Article 3** The Nomination and Remuneration Committee under the Board of Directors shall be composed of at least a minimum of three (3) directors, the majority of which shall be independent directors.

**Article 4** Members of the Nomination and Remuneration Committee under the Board of Directors shall either be nominated by the chairman of the Board of Directors, more than half of the independent directors or more than one third of all the directors and shall be elected by the Board of Directors.

**Article 5** The Nomination and Remuneration Committee under the Board of Directors shall have one (1) chairman who is in charge of the work of the Committee; the chairman shall be an independent director and subject to the approval of the Board of Directors.

**Article 6** The term of office of members of the Nomination and Remuneration Committee under the Board of Directors shall be in conformity with that of their directorship. Upon expiration of their term of office, they could be re-elected and re-appointed. During the term of office, any member of the

Committee who ceases to be a director of the Bank or who is qualified as an independent director but lost independence provided in the Articles of Association shall become automatically disqualified and the Committee shall appoint a replacement to fill the vacancy pursuant to the provisions of Articles 3 to 5 above.

**Article 7** The Nomination and Remuneration Committee shall have a permanent office, and daily work of the Committee shall be organised and executed by the office of the Board of Directors and the permanent office of the Nomination and Remuneration Committee.

### **Chapter 3 Duties**

**Article 8** The primary duties and responsibilities of the Nomination and Remuneration Committee include:

- (1) to develop the procedures and standards for the appointment of directors and senior management;
- (2) to perform preliminary review on the qualifications for directors and senior management, and make recommendations to the Board of Directors;
- (3) to review the compensation management systems and policies of the Bank;
- (4) to develop compensation plans for directors and senior management and make recommendations on compensation plans to the Board of Directors;
- (5) to supervise the implementation of compensation plans and review the performance evaluation system and indicator system amended or formulated by related departments on a yearly basis;
- (6) to preliminarily review the annual summary of performance-based resource deductions and submit to the Board of Directors for review;
- (7) to review at least once a year the structure, size and composition (including such aspects as education background, skills, knowledge and experience) of the Board of Directors and make recommendations on any proposed changes to the Board of Directors to complement the corporate strategies of the Bank;
- (8) to identify individuals who are qualified/suitable to become a director and select or make recommendations to the Board of Directors on the selection of individuals nominated for directorship;
- (9) to assess the independence of independent directors;
- (10) to make recommendations to the Board of Directors on the appointment or re-appointment and succession planning for directors (in particular, the Chairman and the Chief Executive Officer);

- (11) to develop and draft the standards and procedures for the selection of candidates for members of special committees of the Board of Directors, and propose to the Board of Directors;
- (12) to make recommendations to the Board of Directors on the Bank's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (13) to review and approve recommendations on compensation of the senior management in line with the corporate directions and objectives charted by the Board of Directors;
- (14) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions for other positions within the Group;
- (15) to review and approve compensation payable to executive directors and senior management for their loss or termination of office or appointment to ensure such compensation conforms with contractual terms and is fair, reasonable and not excessive in case of any inconformity;
- (16) to review and approve compensation arrangements relating to dismissal or removal of related directors for misconduct to ensure such arrangements conform with contractual terms and are reasonable and appropriate in case of any inconformity;
- (17) to ensure that no director or any of his associates is involved in determining his own remuneration;
- (18) the re-election arrangement of the Board shall be commenced before the expiration of terms of office of directors to ensure the terms of office of directors are in compliance with laws, administrative regulations and the Articles of Associations. Directors shall serve a term of three years; and
- (19) other matters as authorized by the Board of Directors.

Senior management in these Terms of Reference refers to the president, vice president, secretary to the Board of Directors, assistant to president, risk director, compliance director, chief auditor, chief accountant, chief information officer and other senior management with the same title.

**Article 9** The Nomination and Remuneration Committee under the Board of Directors shall formulate an annual work plan and proposals of the Committee shall be submitted to, reviewed and determined by the Board of Directors; controlling shareholders shall, without a reasonable justification or reliable evidence, fully respect recommendations put forward by the Nomination and Remuneration Committee.

## **Chapter 4 Working Procedures**

**Article 10** The permanent office of the Nomination and Remuneration Committee is responsible for the preliminary preparation for resolutions of the Nomination and Remuneration Committee, and collecting and providing written information concerning the nomination and remuneration of the Bank.

**Article 11** The Nomination and Remuneration Committee under the Board of Directors shall develop the standards and procedures for selection of directors and senior management of the Bank in accordance with relating laws and regulations and the Articles of Association and with reference to the actual situation of the Bank, submit a resolution to the Board of Directors for review and adhere thereto after such resolution has been passed.

**Article 12** Procedures for selection of directors and senior management: (1) the Human Resources Department shall submit to the Nomination and Remuneration Committee related information for studying the Bank's demand for new directors and senior management and form written materials; (2) collect information concerning primary candidates' occupations, education background, titles, detailed working experience and part-time jobs and form written materials; (3) consider the nominees as candidates for directors and senior management upon their consent; (4) conduct qualification review on the primary candidates in accordance with qualifications for directors and senior management; (5) make recommendations and provide related materials to the Board of Directors within ten (10) working days prior to formal nomination of new directors and engagement of new senior management; (6) carry out other follow-up work based on resolutions and feedbacks of the Board of Directors.

**Article 13** Procedures for assessment of directors and senior management: (1) formulate the assessment plans for directors and senior management of the Bank and submit to the Board of Directors for approval; (2) conduct evaluations on directors and senior management on the basis of assessment plans and submit to the Board of Directors for review; (3) carry out other follow-up work based on resolutions and feedbacks of the Board of Directors.

**Article 14** The Nomination and Remuneration Committee under the Board of Directors shall put forward the compensation plans for the independent directors of the Bank and submit such plans to the Board of Directors for review. Such plans must be implemented after being reviewed and approved by the General Meeting of Stockholders. The compensation plans for senior management of the Bank shall be implemented after being reviewed and approved by the Board of Directors.

## **Chapter 5 Rules of Procedures**

**Article 15** The Nomination and Remuneration Committee shall hold at least two (2) meetings each year and the notice of meeting shall be delivered to all committee members at least five (5) days prior to the meeting. The Nomination and Remuneration Committee meeting shall be presided over by the chairman of the Committee. When the chairman is unable to attend the meeting, he/she may appoint another member of the Committee to preside over the meeting on his/her behalf.

The Nomination and Remuneration Committee meetings shall be held in forms of an on-site meeting or by circulation of written proposals. If the Nomination and Remuneration Committee meeting is held in the form of an on-site meeting, teleconference, videoconference or other forms of instantaneous communication may be adopted for the convenience of the committee members attending the Nomination and Remuneration Committee meeting. Committee members attending the Nomination and Remuneration Committee meetings by the aforementioned means shall be deemed to have attended the on-site meeting.

If the Nomination and Remuneration Committee meetings are held in the form of teleconference, video conference or by other instantaneous communication means, the Nomination and Remuneration Committee must ensure that speeches made by other committee members can be heard clearly by members participating at the meeting and that they can communicate with each other.

In case of an emergency when an extraordinary meeting shall be held as soon as possible, the above-mentioned notice period may be exempted. However, the chairman of the Nomination and Remuneration Committee shall make an explanation at the meeting.

**Article 16** A meeting of the Nomination and Remuneration Committee may only be held if it is attended by more than two thirds of the members of the Committee; each member of the Committee shall have one vote; the Nomination and Remuneration Committee members shall attend the meetings in person. If a member cannot attend in person, he or she shall authorize in writing the attendance by another committee member on his or her behalf. The letter of authorization shall include the name of the authorized person, authorized matters and scope of power, and shall be signed and sealed by the principal.

**Article 17** The Nomination and Remuneration Committee meeting shall vote by a show of hands or ballot; the resolution of the meeting shall be passed by more than half of the votes of all committee members and by the principle of one person one vote.

**Article 18** The Nomination and Remuneration Committee may invite directors, supervisors and other senior officers of the Company to attend its meetings as non-voting attendees when necessary.

**Article 19** The Nomination and Remuneration Committee may, based on needs, engage an intermediary to provide professional advice on its decision-making and the expenses incurred shall be borne by the Bank.

**Article 20** The procedures for convening of the meetings of the Nomination and Remuneration Committee, methods of voting and the proposals to be passed at such meetings must comply with related laws, regulations, the Articles of Association and these Terms.

**Article 21** The Nomination and Remuneration Committee shall prepare meeting minutes for decisions made in respect of matters discussed, including any concerns raised or dissenting views expressed by the members. Meeting minutes of the Nomination and Remuneration Committee meetings shall be permanently kept as the archives of the Bank in accordance with relevant provisions

of the Measures for Archives Management of Bank of Jiujiang Co., Ltd. Draft and finalized version of the meeting minutes should be delivered to all members of the Nomination and Remuneration Committee within a reasonable time after the meeting respectively, the draft is for expression of opinions by members and the finalized version is for their record purpose.

**Article 22** Matters approved at the meetings of the Nomination and Remuneration Committee shall be reported to the Board of Directors for consideration or to the Board of Directors of the Bank for record.

**Article 23** Members attending the meeting of the Committee shall have the obligation to keep confidential, and not to disclose without proper authorization, any of the matters discussed at the meeting.

## **Chapter 6 Supplementary Provisions**

**Article 24** These Terms of Reference shall become effective from the date of being approved by the Board of Directors.

**Article 25** Any matters not provided in these Terms of Reference shall be settled in accordance with relevant national laws, administrative regulations, the Articles of Association, the Listing Rules and other requirements of the securities regulatory authorities of the place where the shares of the Bank are listed. Where these Rules contravene any future laws and regulations promulgated by the People's Republic of China and the place where the Bank's shares are listed or the legally amended Articles of Association, implementation shall be in accordance with the then provisions of the relevant laws and regulations of the People's Republic of China, securities regulatory rules of the place where the Bank's shares are listed and the Articles of Association of the Bank, and these Rules shall be promptly amended and reported to the Board for consideration and adoption.

**Article 26** The right to interpret these Terms shall be vested in the Board of Directors.