

**Terms of Reference of the Nomination,  
Remuneration and HR Committee under  
the Board of Directors of  
Jinshang Bank Co., Ltd.**  
(Applicable after the listing of H Shares)

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## Chapter I General Provisions

**Article 1** In order to standardize the election of directors and senior management of Jinshang Bank Co., Ltd. (hereinafter referred to as the Bank), further establish and improve reasonable remuneration for directors and senior management of the Bank, and perfect the corporate governance structure of the Bank, the Board of Directors of the Bank has established the Nomination, Remuneration and HR Committee and formulated these Terms of Reference in accordance with provisions of Company Law of the People's Republic of China, Commercial Banking Law of the People's Republic of China, Guidelines on Corporate Governance of Commercial Banks, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as Hong Kong Listing Rules) and other laws, administrative regulations, departmental rules, regulatory documents, Articles of Association of Jinshang Bank Co., Ltd. (applicable after the listing of H Shares) (hereinafter referred to as Articles of the Bank), and the Rules of Procedure of the Board of Directors of Jinshang Bank Co., Ltd. (applicable after the listing of H Shares).

**Article 2** The Nomination, Remuneration and HR Committee is a specific body established under the Board of the Bank and is accountable to the Board.

The Nomination, Remuneration and HR Committee shall disclose its terms of reference, explain its role and the power delegated to it by the Board.

## Chapter II Composition and Administrative Bodies

**Article 3** Members of the Nomination, Remuneration and HR Committee shall be directors, and shall not be less than three. Members of the Nomination, Remuneration and HR Committee shall have appropriate expertise and work experience. The number of independent non-executive directors in members of the Nomination, Remuneration and HR Committee shall be more than half of the total number of members, and committee members shall not include directors nominated by the controlling shareholders.

**Article 4** The term of office of the Nomination, Remuneration and HR Committee shall be the same as that of the Board of Directors. A member of the Nomination, Remuneration and HR Committee may serve consecutive terms if re-elected upon the expiration of his/her term, but not for more than two terms. If any member ceases to be a director of the Bank or any member who should be an independent director no longer possess such independence as required by relevant laws and regulations, Hong Kong Listing Rules or Articles of the Bank, he/she shall automatically lose his/her position as a member of the Nomination, Remuneration and HR Committee and the Board shall fill the vacancy in accordance with the provisions of Articles of the Bank and other relevant regulations.

**Article 5** Members of the Nomination, Remuneration and HR Committee shall be nominated by the Chairman of the Board in accordance with the regulatory requirements and the professional expertise of the directors, and shall be reviewed and approved by the Board. The Nomination, Remuneration and HR Committee shall have a chairman who shall be an independent director and be responsible for chairing the Committee.

**Article 6** The duties of the chairman of the Nomination, Remuneration and HR Committee shall include but are not limited to:

- (I) leading the Committee and ensuring that the Committee operates effectively and performs its duties;
- (II) convening and presiding over the Committee meetings and determining the agenda for each Committee meeting in accordance with the provisions of these Terms of Reference;
- (III) ensuring that all Committee members are aware of the matters discussed by the Committee and that the members have received complete and reliable information;
- (IV) ensuring that the Committee conducts discussions on all key and appropriate matters in a timely manner, and that each issue discussed has clear and unambiguous conclusions.

**Article 7** When the chairman is unable to or fails to perform his/her duties, more than half of the members shall jointly recommend a member to perform duties on the chairman's behalf.

**Article 8** The Nomination, Remuneration and HR Committee shall have administrative bodies, which shall consist of the working body and the secretarial body.

**Article 9** The Human Resources Department of the Bank shall be the working body of the Nomination, Remuneration and HR Committee, responsible for the organization of meeting proposals and the preparation of draft resolutions, as well as the organization and implementation of meeting resolutions. The Board Office of the Bank shall be secretarial body of the Nomination, Remuneration and HR Committee, responsible for meeting organization, meeting arrangements, meeting notices, meeting resolutions, filing of meeting minutes, keeping and submission of meeting materials, and standardization of meeting documents.

### **Chapter III Job Duties**

**Article 10** The Nomination, Remuneration and HR Committee shall fulfill the following duties:

- (I) formulating the criteria and procedures for the nomination and election of directors and other senior management, and submitting to the Board for determination;
- (II) reviewing the structure, size and composition of the Board (including skills, knowledge and experience) at least once a year and making recommendations on any proposed changes to the Board in accordance with the corporate strategy of the Bank;
- (III) identifying qualified individuals to act as directors, conducting preliminary examination of qualifications of director candidates, president, chief audit (compliance) officer and the secretary to the Board of Directors; and selecting and nominating relevant individuals to take up relevant positions or making recommendations to the Board;

- (IV) assessing the independence of independent non-executive directors;
- (V) making recommendations to the Board on the appointment or re-appointment of directors and succession plan for the directors, in particular the president of the Bank;
- (VI) conducting preliminary examination of qualifications of senior management nominated by the president and making recommendations to the Board;
- (VII) formulating training plans for senior management and key reserve talents;
- (VIII) deliberating the remuneration management system and policy of the Bank; making recommendations to the Board on all remuneration policies and structures of directors and senior management of the Bank and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- (IX) reviewing and approving the recommendations on the remuneration of the management of the Bank pursuant to the corporate policy and objectives developed by the Board;
- (X) formulating the appraisal measures, remuneration plan and remuneration package for directors (including benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of office or appointment)); submitting to the Shareholders' general meeting for determination upon approval by the Board, and supervising the implementation of the plan;
- (XI) organizing the performance appraisal of directors, making recommendations on the remuneration allocation for executive directors and non-executive directors, submitting to the Shareholders' general meeting for determination upon consideration by the Board, and supervising the implementation of the plan;
- (XII) formulating and reviewing the assessment method, remuneration plan and remuneration package of the senior management of the Bank (including benefits in kind, pension rights and compensation payments (including compensation payable for loss or termination of office or appointment)), assessing the performance and act of senior management and submitting to the Board for approval. Matters falling within the scope of authority of the Shareholders' general meeting shall be submitted to and approved by the Shareholders' general meeting; and supervising the implementation of the plan;
- (XIII) considering salaries paid by comparable companies, time commitment and responsibilities and employment conditions of other posts in the Bank;
- (XIV) reviewing and approving the compensation payable to executive directors and senior management for loss or termination of office or appointment to ensure that such compensation is consistent with relevant contractual terms, and if not consistent with relevant contractual terms, such compensation shall be fair and reasonable and not excessive;
- (XV) reviewing and approving compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are consistent with contractual terms, and if not consistent with contractual terms, such compensation shall be reasonable and appropriate;

- (XVI) ensuring that no directors or any of their associates (as defined in the Hong Kong Listing Rules) are involved in deciding their own remuneration;
- (XVII) formulating policies relating to the diversity of the members of the Board (including the measurable goals and the rate to get the goal for implementing such policies), and disclosing the policies or their abstract in corporate governance report;
- (XVIII) other matters stipulated by laws, administrative regulations, departmental rules, regulatory documents, regulatory rules of the place where the Bank's securities are listed and Articles of the Bank, and those authorized or designated by the Board.

## **Chapter IV Working Relationship**

**Article 11** The Nomination, Remuneration and HR Committee shall be responsible to the Board, and report to the Board; the Bank provides necessary work conditions and sufficient resources for the Nomination, Remuneration and HR Committee to perform its duties. The Nomination, Remuneration and HR Committee may, when necessary, engage external experts or intermediary institutions to provide professional opinions on decision-making upon approval by the Board, and the reasonable expenses incurred shall be borne by the Bank.

**Article 12** The Nomination, Remuneration and HR Committee shall forward its review opinions or determination on related issues, which need to be informed to other special committees, to relevant special committees of the Board through secretarial body.

**Article 13** Nomination, Remuneration and HR Committee shall have the rights to request the senior management members of the Bank to provide adequate support to its work and give complete answers to the questions raised by it as soon as possible.

The senior management members and relevant departments shall support and assist the work of the Nomination, Remuneration and HR Committee, provide the Committee with the information necessary for performing its duties in a timely manner, and the information provided shall be accurate and complete, the form and quality shall be adequate enough for the Committee to make decisions with relevant available information.

## **Chapter V Rules of Procedure**

**Article 14** The Nomination, Remuneration and HR Committee shall hold regular meetings and extraordinary meetings. The convening procedure and voting method of the meeting of the Nomination, Remuneration and HR Committee and the resolutions passed at such meetings shall comply with the relevant laws, administrative regulations, the Hong Kong Listing Rules, Articles of the Bank and these Terms of Reference.

**Article 15** Regular meetings shall be held at least twice a year. Regular meetings shall be convened and presided over by the chairman. The Board Office shall give written notice to all members five business days before such meeting.

**Article 16** The chairman shall convene an extraordinary meeting within five business days after the receipt of the proposal when:

- (I) the chairman considers it necessary;
- (II) the Chairman of the Board or the President proposes;
- (III) two or more members propose.

Members may make proposals on the subject matters of the meetings jointly or severally, and the chairman shall arrange to include relevant matters in the agenda of relevant meetings. The Board Office shall give written notice to all members three business days before such meeting.

**Article 17** The Board Office shall provide all members with information relating to the meeting when giving the meeting notice, including relevant background materials for the meeting agenda and information and data assisting the members in making judgments. The Human Resources department shall ensure that the above information provided is timely, accurate and complete.

**Article 18** A formal written notice shall be given to all members after the date and time of the meeting of the Nomination, Remuneration and HR Committee is determined.

**Article 19** Members of the Committee shall attend the Committee meetings in person. If he/she cannot attend the meeting for any reason, he/she shall authorize another member as proxy with written proxy to attend on his/her behalf. Members who do not attend such meeting and do not authorize other members to attend such meeting as his or her proxy, shall be deemed to abstain from voting on such meeting.

**Article 20** The quorum of a meeting of the Nomination, Remuneration and HR Committee shall be more than half of members. Each member shall have one vote. A resolution shall be passed if approved by more than half of all members. Any member who has material interest in the matters deliberated in the meeting shall abstain from deliberating and voting, and the matters shall be approved by more than half of members with no material interest. If the members who participate in the voting are less than half of the members, the Nomination, Remuneration and HR Committee shall submit the relevant matters to the Board for consideration.

**Article 21** The Nomination, Remuneration and HR Committee shall vote by a show of hands or by a poll. Meetings may be convened by way of voting by telecommunications.

**Article 22** When deliberating and voting on relevant matters or proposals, members present at the meeting shall take a serious and responsible attitude towards the Bank by expressing their opinions and suggestions independently and fully on matters discussed and shall be responsible for their voting.

**Article 23** Members of the Nomination, Remuneration and HR Committee shall continuously trace the change and its impact relating to the matters of the Bank within its duties, and bring to the attention of the Nomination, Remuneration and HR Committee in a timely manner.

**Article 24** The Nomination, Remuneration and HR Committee may, if it deems it necessary, invite the Chairman of the Board of Directors, other directors, the Chairman of the Board of Supervisors, other supervisors, the Secretary of the Board of Directors and other senior management personnel and other relevant personnel or professionals to attend its meeting.

**Article 25** The Nomination, Remuneration and HR Committee may, if it deems it necessary, request the head of relevant departments of the Bank or their designated persons to attend its meeting and make statements on matters under consideration and respond to inquiries.

**Article 26** The relevant staff of the Board Office shall attend the meeting of the Nomination, Remuneration and HR Committee and be responsible for the production of the meeting minutes. All members present at the meeting and record keeping personnel shall sign the meeting minutes.

**Article 27** After the meeting, the chairman or the person presiding over the meeting shall inform the Chairman of the Board and the members who do not attend the meeting of the convening and holding of the meeting as soon as possible.

**Article 28** The minutes of the Nomination, Remuneration and HR Committee meeting shall be submitted to the Board in writing and shall be deposited with the Board Office and the officially appointed meeting secretary (which may be the company secretary) as the Bank's archive. The minutes of the Nomination, Remuneration and HR Committee meeting shall include (but are not limited to) the following:

- (I) date and place of the meeting and name of the chairperson;
- (II) names of the attending members;
- (III) agenda of the meeting;
- (IV) summary of statements of the members (which shall include any concerns or objections raised by the directors);
- (V) result of voting on each resolution;
- (VI) other major events.

**Article 29** The persons present and attending the meeting shall be obliged to keep confidential the matters discussed at the meeting, and shall not disclose the relevant information without authorization.

**Article 30** For resolutions of the Nomination, Remuneration and HR Committee that violate laws, administrative regulations, regulatory rules of the place where the Bank's securities are listed, Articles of the Bank and these Terms of Reference and cause the Bank to suffer serious losses, the members participating in the decision-making shall make compensation to the Bank; however, members of the Nomination, Remuneration and HR Committee who are proved to have expressed different views and have a written record for such views may be exempted from relevant liabilities.

## Chapter VI Supplementary Provisions

**Article 31** Unless otherwise stated, the definitions and terms used herein shall have the same meanings as those definitions or terms in Articles of the Bank.

**Article 32** These Terms of Reference shall become effective on the date of the listing of H Shares issued by the Bank on the Stock Exchange of Hong Kong Limited upon approval by more than half of all the directors of the Board. The former Terms of Reference of the Nomination, Remuneration and HR Committee under the Board of Directors of Jinshang Bank Co., Ltd. shall automatically lapse from the effective date of these Terms of Reference.

**Article 33** If these Terms of Reference are in conflict with any laws, administrative regulations, departmental rules, regulatory documents promulgated in the future, regulatory rules of the place where the Bank's securities are listed or Articles of the Bank as amended under legal procedures, the relevant laws, administrative regulations, departmental rules, regulatory documents, regulatory rules of the place where the Bank's securities are listed and Articles of the Bank shall prevail, and these Terms of Reference shall be amended promptly and be submitted to the Board for review.

**Article 34** The Board of the Bank shall have the right to interpret these Terms of Reference.