

Bank of Jinzhou Co., Ltd.

Terms of Reference of the Nomination and Remuneration Committee of the Board of Directors* (2020 Version)

Chapter 1 General Provisions

Article 1 To regulate the election of the directors and senior management of Bank of Jinzhou Co., Ltd. (the “**Bank**”), to improve the reasonable compensation system of the directors and senior management of the Bank and to improve the corporate governance structure of the Bank, the Nomination and Remuneration Committee of the Bank is hereby established and these Terms of Reference are formulated in accordance with relevant provisions of laws and regulations such as Company Law of the People’s Republic of China and the Guidelines on the Corporate Governance of Commercial Banks, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the articles of association of the Bank (the “**Articles of Association**”) and the Rules of Procedures of the board of directors of the Bank.

Article 2 The Nomination and Remuneration Committee is a special working agency under the board of directors of the Bank, which is accountable to the board of directors.

Chapter 2 Composition of the Members

Article 3 The Nomination and Remuneration Committee comprises a minimum of three (3) members, and the majority of them shall be independent directors. The members of the Nomination and Remuneration Committee shall have the professional knowledge and working experience appropriate to the responsibilities of the special committee. The directors nominated by the controlling shareholders of the Bank shall not act as the member of the Nomination and Remuneration Committee.

Article 4 The Nomination and Remuneration Committee members shall be nominated by the chairman of the board of directors or 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 term of office of Nomination and Remuneration Committee is consistent with that of the board of directors. After expiration of such term, a committee member may serve for another term if re-elected. During the term of office, the qualification of a committee member shall be terminated if such member no longer acts as a director of the Bank or loses the independence as stipulated in the Articles of Association which he/she should have possessed, and the board of directors shall fill the vacancy according to Articles of Association and these Terms of Reference.

Article 6 The Nomination and Remuneration Committee shall maintain one (1) chairman, and such chairman shall be an independent director. The chairman shall preside the work of the Nomination and Remuneration Committee. The chairman shall be elected from the Nomination and Remuneration Committee members and submit it for approval by the board of directors.

Article 7 The duties of the chairman of the Nomination and Remuneration Committee shall include:

- (1) taking lead on the Nomination and Remuneration Committee and ensure the Nomination and Remuneration Committee work efficiently and discharge its duty;
- (2) convening and presiding the meeting of the Nomination and Remuneration Committee and determining the meeting agenda for each meeting of the Nomination and Remuneration Committee in accordance with these Terms of Reference;
- (3) to ensure all the Nomination and Remuneration Committee members of relevant meetings understand the subject matters of the meetings and ensure each member can obtain complete and reliable information;
- (4) to ensure the committee members can discuss all key and appropriate matters and make clear conclusion for each subject matter;
- (5) to propose to convene extraordinary committee meetings;
- (6) other matters required by laws, administrative regulations, rules and the Articles of Association and authorized by the board of directors.

Article 8 When the chairman is not able to or does not perform his/her duties, more than half of the committee members shall nominate one committee member to perform such duties.

Article 9 The Nomination and Remuneration Committee shall establish agencies and such agencies shall consist of the working agency and the secretary agency.

Article 10 The human resources department of the Bank is the working agency of the Nomination and Remuneration Committee and shall be responsible for preparing the meeting agenda, implementing the resolutions, attending the Nomination and Remuneration Committee meetings and assisting the Nomination and Remuneration Committee in conducting investigations and research; the secretary office of the board of directors of the Bank is the secretary agency of the Nomination and Remuneration Committee and shall be responsible for the organization of the meetings, arrangement of the meetings, notice of the meetings, preparation of the meeting draft resolutions, filing of the minutes of the meetings, the record and report of the meeting materials and the improvement of meeting documents, as well as assisting the Nomination and Remuneration Committee in conducting investigations and research.

Chapter 3 Principal Duties

Article 11 The Nomination and Remuneration Committee shall principally perform the following duties:

- (1) Duties relating to Nomination:
 - (a) to review the structure, size and composition (including the skills, knowledge and experience) of the board of directors at least annually and make recommendations on any changes to the board of directors to complement the Bank's operating strategy;

- (b) to formulate the selection procedures and criteria for directors and senior management, to identify individuals suitably qualified to become members of board of directors and senior management, and to make recommendations to the board of directors;
 - (c) to conduct preliminary review of the qualifications and conditions of the directors and senior management and make proposal to the board of directors;
 - (d) to assess the independence of independent directors of the Bank;
 - (e) to make recommendations to the board of directors on the appointment or re-appointment of directors of the Bank and succession planning for directors of the Bank, in particular the chairman and the president; and
 - (f) other matters required by laws, administrative regulations, rules and the Articles of Association and authorized by the board of directors.
- (2) Duties relating to the Evaluation and Compensation:
- (a) to review the Bank's remuneration management system and policy, and the policy and structure for remuneration of all directors and senior management, to establish a procedure for remuneration policy, and to make recommendations to the board of directors;
 - (b) to review the management's remuneration proposal and the remuneration package of each director and senior management according to the board of directors' corporate goals and objectives and with reference to salaries paid by comparable companies, time commitment and responsibilities, and employment conditions of other positions in the industry and other factors, and to make recommendations to the board of directors;
 - (c) to review the arrangement of compensation payable to executive directors and senior management due to their departure;
 - (d) to review the compensation arrangements relating to dismissal or removal of directors for misconduct;
 - (e) to ensure that no director or any of his or her associates (as defined in Listing Rules) is involved in deciding his or her own remuneration; and
 - (f) other matters required by laws, administrative regulations, rules and the Articles of Association and authorized by the board of directors.

Article 12 The Bank shall provide the necessary conditions for the Nomination and Remuneration Committee and if needed, the Nomination and Remuneration Committee can engage external experts or agencies to offer professional opinions for its decision-making, and related reasonable fees shall be borne by the Bank.

Article 13 The Nomination and Remuneration Committee shall provide opinions and suggestions based on its investigation and study for the board of directors' reference only when the board of directors reviews relevant resolutions. Such opinions and suggestions shall not constitute proposal of resolution and the board of directors shall not make resolutions on these opinions and suggestions. If the Nomination and Remuneration Committee provides opinions and suggestions to the board of directors in the form of resolutions, then the board of directors shall review and make resolutions accordingly.

The Nomination and Remuneration Committee shall provide opinions and suggestions to the board of directors in written form and shall provide interpretation and explanation on the meeting of the board of directors based on its meeting agenda.

Article 14 The Nomination and Remuneration Committee shall be entitled to request the senior management of the Bank to provide sufficient support for its work and provide full answers timely to the inquiries made by the Nomination and Remuneration Committee.

The senior management and relevant departments shall provide support and coordination to the Nomination and Remuneration Committee for its work and provide information necessary for the Nomination and Remuneration Committee to discharge its duties on a timely basis. The information provided to the Nomination and Remuneration Committee shall be complete and the form and substance of such information shall enable the Nomination and Remuneration Committee to make a decision based on such materials.

Chapter 4 Rules of Procedures

Article 15 The meetings of the Nomination and Remuneration Committee include fixed meetings and extraordinary meetings.

Article 16 The fixed meetings of the Nomination and Remuneration Committee shall be convened at least twice a year. The fixed meetings shall be convened and presided by the chairman of the Nomination and Remuneration Committee. The office of the board of directors shall notify all the members of the Nomination and Remuneration Committee five (5) days prior to the fixed meetings and such notice period can be waived with the consent of all the members of the Nomination and Remuneration Committee.

Article 17 The extraordinary meetings shall be convened and presided by the chairman of the Nomination and Remuneration Committee as required or based on the proposal from the chairman of the board of directors or the president of the Bank. Members of the Nomination and Remuneration Committee can make proposal on the subject matters of the meetings jointly or severally and the chairman shall put these matters into the meeting agenda. Two or more members can propose to the chairman to hold an extraordinary meeting and shall put up with the meeting subject matters. The chairman shall arrange to convene relevant meetings after receiving such proposals. The office of the board of directors shall notify the members prior three (3) days before the extraordinary meetings. If it is a must to convene an extraordinary meeting as soon as possible due to emergencies, a meeting notice may be given by phone or other oral means at any time, but the convener shall make an explanation at the meeting.

Article 18 The office of the board of directors shall provide relevant materials to the members when giving the meeting notice, including the background material, information and data which will help the members make a judgment. The work unit of the Nomination and Remuneration Committee shall ensure the above mentioned material be timely, accurate, complete and formal.

Article 19 Members of the Nomination and Remuneration Committee shall attend the committee meetings in person. If he/she cannot attend the meeting, he/she shall authorize other committee members as proxy with written proxy. The power of attorney shall specify the name of proxy, matters, authority, valid period and brief opinions on each proposal raised by the principal and shall be executed or sealed by the principal.

Members who do not attend such meeting and do not authorize other members to attend such meeting as his or her proxy, will be deemed to abstain from voting on such meeting.

Article 20 The quorum of a meeting of Nomination and Remuneration Committee is two thirds of committee members. Each member shall have one vote. A resolution shall be passed if approved by more than half of the total number of the committee members. Any member who has interests in the matters deliberated in the meeting shall abstain from voting. If due to the above reason, the members who participate in the voting are less than three, the Nomination and Remuneration Committee shall submit the relevant matters to the board of directors for consideration.

Article 21 A meeting of the Nomination and Remuneration Committee may be convened by way of on-site meeting (including video and telephone dial-in) or correspondence. The voting method for the meetings convened by way of on-site meeting is by hand or on a poll, and the voting method for the meetings convened by way of correspondence is by circulation of a written resolution.

Article 22 When reviewing relevant matters or proposals, members who attended such meeting shall take a serious attitude to express advice and suggestions on an independent and sufficient basis and shall be responsible for his or her voting.

Article 23 The Nomination and Remuneration Committee shall continually follow the changes of and effect arising from the relevant matters of the Bank which fall into its duty and request the Nomination and Remuneration Committee to pay particular attention.

Article 24 If members of the Nomination and Remuneration Committee deem necessary, the Nomination and Remuneration Committee can invite the chairman of the board of directors, other directors, supervisors, secretary to the board of directors and other senior management, other relevant personnel or professional parties to attend its meeting as non-voting delegates.

Article 25 If members of the Nomination and Remuneration Committee deem necessary, the Nomination and Remuneration Committee may request the head of relevant departments of the Bank or their designated person to attend its meeting as non-voting delegates and make presentation on the subject matters of the meeting and respond to inquiries.

Article 26 Relevant staff from the office of the board of directors shall attend the meeting of the Nomination and Remuneration Committee as non-voting delegates and shall be responsible for meeting minutes and resolutions (if any). All members attending the meeting shall sign the minutes and resolutions (if any). Members present at a meeting are entitled to incorporate an explanatory statement to his or her speech at the meeting in the minutes. The meeting minutes shall contain detailed records of the matters considered and decisions made by the members at the meeting, and shall include any doubts or objections expressed by the members. For the meeting convened by way of correspondence, the opinions of members of the Nomination and Remuneration Committee shall be recorded or members of the Nomination and Remuneration Committee send such opinions to the person who prepares the meeting minutes through emails. The meeting minutes shall be kept by the office of the board of directors of the Bank for a period of ten years.

Article 27 After the meeting of the Nomination and Remuneration Committee is finished, the chairman or the person who presides such meeting shall report the status of the meeting to the chairman of the board of directors and the members who do not attend such meeting.

Article 28 The resolutions and voting results passed at the meeting of the Nomination and Remuneration Committee shall be submitted to the board of directors in written form.

Article 29 Any person who presents at meetings shall keep the subject matters of such meetings in confidentiality, and shall not disclose the information without authorization.

Article 30 For the resolutions of the Nomination and Remuneration Committee that violate laws, administrative regulations, rules, the Articles of Association and these Terms of Reference and cause severe losses to the Bank, the members of the Nomination and Remuneration Committee who voted on such meeting shall make compensation to the Bank. The members of the Nomination and Remuneration Committee who express different views and have a written record for such views, he or she can be exempted from relevant liabilities.

Chapter 5 Supplementary Provisions

Article 31 Unless otherwise specified, the terms used herein shall have the same meanings as those in the Articles of Association.

Article 32 These Terms of Reference shall become effective upon approval by over half of the board of directors and the amendments shall be the same.

Article 33 Any matters that are not covered herein shall be handled in accordance with laws, administrative regulations, rules, the listing rules of the place where the shares of the Bank are listed and the provisions of the Articles of Association.

Article 34 For the purpose of these Terms of Reference, references to “more” shall include the actual figures, while references to “over” and “more than” shall exclude the actual figures.

Article 35 The board of directors shall have the right to interpret and revise these Terms of Reference.

* *Should there be any discrepancy between the Chinese and English versions of these Terms of Reference of the Nomination and Remuneration Committee, the Chinese version shall prevail.*