

## **Objectives**

The purpose of the Remuneration Committee (the “Committee”) of the Board of Directors (the “Board”) is to develop and implement a formal and transparent procedure for setting policy on executive directors’ and senior management’s remuneration and for fixing the remuneration packages for all directors. The Remuneration Committee should ensure that the levels of remuneration should be sufficient to attract and retain the directors needed to run the company successfully, but the company should avoid paying more than is necessary for this purpose.

## **Constitution**

The Board of Beijing Beida Jade Bird Universal Sci-Tech Company Limited (the “Company”) has resolved to establish a Committee of the Board to be known as the Remuneration Committee.

## **Membership**

The Committee shall be appointed by the Board from amongst the directors of the Company (the “Directors”) and shall consist of not less than three members.

A majority of Committee members should be independent non-executive Directors. The Committee must be chaired by an independent non-executive Director.

## **Chairman**

The Chairman of the Committee (the “Chairman”) shall be appointed by the Board.

## **Secretary**

The Committee may from time to time appoint any person (includes Company Secretary) with appropriate qualification and experiences as the secretary of the Committee (the “Secretary”).

## **Quorum**

Two members shall constitute a quorum.

## **Frequency of meetings**

Meetings of the Committee shall be held not less than once a year.

## **Proceedings of Meetings**

Notice of at least fourteen days should be given of a regular Committee meeting.

An agenda and accompanying meeting papers should be sent in full to all Committee members at least three days before the intended date of Committee meeting.

Questions arising at the Committee meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes, the Chairman shall have a second or casting vote.

### **Minutes**

The Secretary must ensure that full minutes are kept of all the Committee meetings.

Draft and final versions of minutes of the Committee meetings shall be sent to all Committee members for their comment and records respectively, in both cases within a reasonable time after the meeting is held.

Minutes of the Committee meetings shall be opened for inspection at any reasonable time on reasonable notice by any Director.

Minutes of the Committee meetings shall record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed.

The Committee shall circulate its meeting minutes to the Board (within a reasonable time period after the meeting), thereby keeping them informed of the Committee's activities and recommendations on a regular basis. Minutes of the Committee meetings shall be formally approved by the Committee before reporting to the Board.

### **Authority**

The Committee is authorized by the Board to investigate any activity within its terms of reference.

The Committee is authorized by the Board to obtain outside legal or other independent professional advice if it considers this necessary. All such requests shall be processed in accordance with the Company's pre-defined procedures for seeking independent professional advice at the Company's expenses.

The Committee shall be provided with sufficient resources to perform its duties.

## Duties

The duties of the Committee shall be:

- (a) to make recommendations to the Board on the Company's policy and structure for all Directors and senior management of the Company (the "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 determine, with delegated responsibility, the remuneration packages of individual executive Directors and the Senior Management, including 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 Company and its subsidiaries;
- (f) to review and approve compensation payable to executive Directors and the Senior Management for any loss or termination of office or appointment to ensure that it is consistent with relevant 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 are consistent with contractual terms and are otherwise reasonable and appropriate;
- (h) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- (i) to consult the Chairman and/or chief executive of the Company about their remuneration proposals for other executive Directors;

(j) to review and/or approve matters relating to share scheme under Chapter 23 of the Rules governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”); and

(k) to consider other topics, as defined by the Board.

### **Annual General Meeting**

The Chairman, or in his/her absence, another member of the Committee or failing this, his/her duly appointed delegate, shall attend the annual general meeting (the “AGM”) of the Company and be available to answer questions at the AGM on the Committee’s activities and their responsibilities.

### **Reporting**

The Committee shall report to the Board on a regular basis and address the work and findings of the Committee. The frequency of these reports will vary but, as a minimum, be on an annual basis.

The Secretary shall circulate the minutes of meetings and reports of the Committee to all members of the Board.

### **Publication of the terms of reference**

The terms of reference of the Committee (the “Terms of Reference”), explaining its role and authority delegated to it by the Board, will be posted on the websites of the Stock Exchange and the Company. A copy of the Term of Reference will be made available to any person without charge upon request.

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