Terms of Reference of the Nomination and Remuneration Committee of the Board of Directors of Yibin City Commercial Bank Co., Ltd

Chapter I General Provisions

Article 1 In order to further establish and enhance the management system of the election, assessment and remuneration management system of the Directors and senior management of Yibin City Commercial Bank Co., Ltd (hereinafter referred to as "**the Bank**") and to improve the corporate governance structure of the Bank, the Nomination and Remuneration Committee of the Board of Directors has been established, and the Terms of Reference are hereby formulated in accordance with the Company Law of the People's Republic of China, the Law of the People's Republic of China on Commercial Banks, the Law of the People's Republic of China on Banking Regulation and Supervision and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Listing Rules**") and other relevant laws and regulations, as well as the articles of association of the Bank.

Article 2 The Nomination and Remuneration Committee is a special working body established by the Board of Directors to conduct work under the leadership of the Board of Directors, and is responsible to the Board of Directors. It is primarily responsible for formulating the procedures and criteria for the election of Directors and senior management of the Bank, conducting preliminary review on the qualifications and conditions of the proposed candidates and making recommendations; studying the standards of evaluation of Directors and senior management, and conducting evaluations and making recommendations; researching and formulating remuneration packages of the Directors and senior management, making recommendations to the Board of Directors, and supervising the implementation of the plans.

Article 3 For the purpose of these Terms of Reference, Director shall refer to a Director of the Bank, while senior management shall refer to the President, Vice President, Assistant to the President, Chief Information Officer, Chief Financial Officer and other senior management as determined by the Board of Directors.

Chapter II Organizational Structure

Article 4 The Nomination and Remuneration Committee shall consist of five to seven Directors, and the majority of the members shall be Independent Directors.

Article 5 The committee members of the Nomination and Remuneration Committee shall be nominated by the Chairman of the Board, more than one-half of the Independent Directors or one-third of all directors, and shall be elected by the Board of Directors.

Article 6 The Nomination and Remuneration Committee shall have in place a chairperson who is responsible for presiding over the work of the Nomination and Remuneration Committee. The chairperson of the Nomination and Remuneration Committee shall be an Independent Director. When the chairperson is unable to preside over the meeting, he/she may entrust a member to preside over the meeting on his/her behalf.

Article 7 The term of office of the Nomination and Remuneration Committee shall be the same as that of the Board of Directors, and committee members may serve consecutive terms if re-elected upon expiration of their term of office. During the period, if a member ceases to serve as a Director of the Bank, he/she shall automatically be disqualified from being a member of the Committee, and the Board of Directors shall fill the casual vacancy in accordance with the provisions of Articles 4 to 6 stated above.

Article 8 The Committee shall have an office in place. The office of the Committee shall be located at the Human Resources Department of the Bank, whose principal person in charge shall serve as the secretary of the Committee to assist the Committee in carrying out relevant work.

Chapter III Duties and Powers

Article 9 The primary duties and powers of the Nomination and Remuneration Committee shall include:

(1) to review the staffing and composition of the Board of Directors and senior management (including skills, knowledge and experience) at least annually in accordance with the business activities, asset size and shareholding structure of the Bank, to assist the Board of Directors in preparing a board skills matrix, and to make recommendations to the Board of Directors on any proposed changes to align with the corporate strategies of the Bank;

(2) to study and formulate the procedures and criteria for the selection of Directors and senior management;

(3) to identify individuals with suitable qualifications to serve as Directors, conduct a preliminary review of the qualifications and conditions of the proposed candidates, and make recommendations to the Board of Directors;

(4) to assess the independence of Independent Directors;

(5) to make recommendations to the Board of Directors on the appointment, removal and succession of Directors;

(6) to formulate the remuneration management system and structure for Directors and senior management, make recommendations to the Board of Directors, and supervise its implementation;

(7) to review the performance of Directors and senior management, to make recommendations to the Board of Directors on such assessment and evaluation, and support the Bank's regular evaluation of the performance of the Board;

(8) to review and approve the remuneration proposals of senior management in accordance with the policies of the Bank and objectives established by the Board of Directors;

(9) to propose and submit recommendations to the Board of Directors for its approval on the remuneration packages (including non-pecuniary benefits, pension rights and compensation (including compensation for loss or termination of office or appointment)) for executive Directors and senior management in light of their individual performance and fulfillment of duties;

(10) to make recommendations to the Board of Directors on the remuneration of non-executive Directors;

(11) to consider the remuneration paid by comparable companies, the time commitment and responsibilities, as well as the terms and conditions of employment for other positions within the Bank and its subsidiaries;

(12) to review and approve the compensation payable to the executive Directors and senior management for their loss or termination of office or appointment to ensure that such compensation is in line with contractual terms or is otherwise fair and reasonable and not excessive;

(13) to review and approve the compensation arrangements relating to the dismissal or removal of Directors due to misconduct, to ensure that such arrangement is in line with contractual terms or is otherwise fair and reasonable;

(14) to ensure that no Director or any of his/her associates (as defined in the Hong Kong Listing Rules) shall be involved in determining his/her own remuneration;

(15) to review or approve matters in relation to share schemes as set out in Chapter 17 of the Hong Kong Listing Rules;

(16) to review the primary system covering all wages and benefits of the Bank, make recommendations to the Board of Directors, and supervise its implementation; and

(17) other matters authorized by laws, regulations, the securities regulatory rules of the place where the securities of the Bank are listed, or by the Board of Directors.

Article 10 The Nomination and Remuneration Committee's recommendations and opinions on the procedures and criteria for the selection and appointment of the Bank's Directors and senior management, as well as its review of their qualifications for appointment, shall be approved by the general meeting or the Board of Directors prior to implementation. The remuneration package of Directors of the Bank shall be approved by the Board of Directors and submitted to the general meeting for deliberation and approval prior to implementation. The remuneration package of senior management shall be approved by the Board of Directors prior to implementation. The remuneration package proposed by the Committee shall not be detrimental to the interests of shareholders of the Bank.

Article 11 The Nomination and Remuneration Committee may request information from the Bank for the performance of its duties and is entitled to request assistance from the relevant departments and staff of the Bank.

Chapter IV Working Procedures

Article 12 The Nomination and Remuneration Committee shall formulate an annual work plan in accordance with the strategic deployment and working rules of the Board of Directors.

Article 13 The procedures for selection of proposed Directors and senior management by the Nomination and Remuneration Committee shall comprise:

(1) to study the Bank's demand for Directors and senior management in accordance with the business development and management needs of the Bank;

(2) to accept the proposals put forward by the authorized persons as stipulated in the articles of association of the Bank;

(3) to collect information on the occupations, academic qualifications, professional titles, detailed work experience, part-time jobs, and other circumstances of the above-mentioned candidates, and to solicit the opinions from candidates;

(4) to convene committee meetings to review the qualifications and conditions of the candidates in accordance with the laws, regulations, rules, normative documents, the securities regulatory rules of the place where the securities of the Bank are listed and the terms and conditions of employment for Directors and senior management as stipulated in the articles of association of the Bank;

(5) to make recommendations to the Board of Directors on candidates for proposed Directors and senior management; and

(6) to carry out other follow-up work in accordance with the decisions and feedback from the Board of Directors.

Article 14 The Nomination and Remuneration Committee shall study and formulate policies and plans for the remuneration of Directors and senior management of the Bank in accordance with the relevant laws and regulations, the securities regulatory rules of the place where the securities of the Bank are listed and the articles of association of the Bank, and taking into account the actual situation of the Bank, and submit its resolution to the general meeting or the Board of Directors for approval, and then implement such policies and plan accordingly.

Article 15 Procedures for the evaluation of Directors and senior management by the Nomination and Remuneration Committee shall comprise:

(1) the Directors and senior management of the Bank shall report on their work and self-evaluation to the Nomination and Remuneration Committee of the Board of Directors;

(2) the Committee shall make recommendations on the appraisal and evaluation of Directors and senior management in accordance with the relevant appraisal methods formulated by the Board of Directors; and

(3) the Committee shall propose the amount of remuneration and methods of reward for Directors and senior management based on the results of the comprehensive appraisal and the remuneration distribution policy and submit them to the Board of Directors for approval.

Chapter V Rules of Procedure

Article 16 The Nomination and Remuneration Committee shall convene meetings at least twice a year, and shall notify all committee members of the subject, place and time of the meeting three days prior to the meeting. The meetings shall be presided by the chairperson of the Committee, and where the chairperson cannot attend, by another committee member as delegated by the chairperson.

Article 17 A meeting of the Nomination and Remuneration Committee shall be held only when at least two-thirds of the members are present. Decisions made by the meeting shall be resolved by vote, where each committee member is entitled to one vote, and shall be approved by two-thirds of all members to take effect.

Article 18 Committee members of the Nomination and Remuneration Committee shall attend the meetings of the Committee in a conscientious and responsible manner and express clear views on the matters discussed. If a committee member happens to be genuinely unable to attend a meeting of the Committee in person, he/she may entrust another committee member in writing to vote on his/her behalf in accordance with the opinion of the appointer, and the appointer shall bear independent legal responsibility.

The power of attorney shall clearly indicate the name of the agent, matters to be represented, scope of authorization, and period of validity, and shall be signed or sealed by the appointer. When the proxy attends the meeting, he/she shall show such power of attorney and exercise his/her rights within the scope of the authorization.

Article 19 Members of the Committee shall conscientiously perform their duties, participate in the meetings and activities of the Committee on schedule. Attendance shall be included as one of the criteria for assessing the Directors.

A member of the Nomination and Remuneration Committee shall be deemed incapable of performing his/her duties if he/she fails to attend or delegate other committee members to attend meetings of the Committee on two consecutive occasions. Recommendations shall be made by the Committee to the Board of Directors for the replacement of such member.

Article 20 Regular meetings of the Nomination and Remuneration Committee shall be held as on-site meetings, and voting shall be conducted by a show of hands or by registered vote. On the premise of guaranteeing the full expression of opinions by committee members, extraordinary meetings may be convened by means of voting via correspondence, except for major matters such as the appointment or dismissal of directors and senior management.

"On-site meetings" include meetings held by means such as video or telephone that ensure real-time communication and discussion among participants. "Voting via correspondence" refers to making a resolution by delivering the proposals separately or by circulation.

Article 21 The Nomination and Remuneration Committee may invite Directors, Supervisors and senior management of the Bank who are not members of the Committee to attend its meetings as non-voting delegate if necessary.

Article 22 The Bank shall provide sufficient resources to the Nomination and Remuneration Committee to perform its duties. If necessary, the Nomination and Remuneration Committee may engage intermediaries to provide professional advice on its decision-making at the expense of the Bank, with the premise that it shall be reported to the Board of Directors prior to the meeting.

Article 23 The convening procedures, means of voting and remuneration policies and distribution plans adopted by the Nomination and Remuneration Committee meetings shall comply with the relevant laws, regulations, the securities regulatory rules of the place where the securities of the Bank are listed, the articles of association of the Bank and the provisions of the Terms of Reference.

Article 24 Minutes of the meeting of the Nomination and Remuneration Committee shall be made, and the committee members attending the meeting shall sign the minutes. The minutes shall be maintained by the secretary of the office of the Committee.

Article 25 The Nomination and Remuneration Committee shall implement a recusal system for its meetings, and if a member of the Committee is of the view that he/she has a material conflict of interest with the content of the meeting, he/she shall take the initiative to explain the situation to the Board of Directors or the Committee and apply to the chairman for recusal. If the Committee believes that a committee member may have a material conflict of interest with the content of the meeting, it may ask such member to recuse himself/herself from the committee meeting, or not to inform him/her to attend the relevant meeting, but such committee member should be notified thereof.

Article 26 The committee members of the Nomination and Remuneration Committee and the non-voting delegates shall have the obligation to keep confidential the matters discussed at the meeting and shall not disclose relevant information without authorization.

Article 27 The Committee shall submit a work summary report for the year to the Board of Directors annually and may as well submit an interim report to the Board of Directors as appropriate.

Chapter VI Supplementary Provisions

Article 28 The Board of Directors of the Bank reserves the right to interpret the Terms of Reference.

Article 29 Matters not covered herein shall be implemented in accordance with the relevant national laws and regulations, the securities regulatory rules of the place where the securities of the Bank are listed and the articles of association of the Bank. In case of any conflict between the Rules and the relevant national laws and regulations promulgated in the future, the securities regulatory rules as amended from time to time in the place where the securities of the Bank are listed, or the articles of association of the Bank as revised through due procedures, such provisions shall be implemented in accordance with the relevant national laws and regulations, the securities regulatory rules of the place where the securities of the Bank are listed and the articles of association of the Bank, and are to be immediately revised and submitted to the Board of Directors for review and approval.

Article 30 The Terms of Reference shall come into effect from the date of consideration and approval by the Board of Directors. The original "Terms of Reference of the Nomination and Remuneration Committee of the Board of Directors of Yibin City Commercial Bank Co., Ltd" (Yibin Commercial Bank Dong [2024] No. 53) shall be repealed at the same time.