

# **Jiangxi Institute of Biological Products Inc.**

## **Terms of Reference of Strategy and Investment Committee Under the Board of Directors**

### **CHAPTER I GENERAL PROVISIONS**

**Article 1** In order to meet the strategic development needs of the Company, enhance its core competitiveness, improve the decision-making process for strategic planning, strengthen the Company's sustainable development capabilities, improve the quality of major investment decisions, and further refine the Company's corporate governance structure and internal control systems. The Strategy and Investment Committee under the Board of Directors of the Company is established with the Terms of Reference of Strategy and Investment Committee under the Board of Directors of Jiangxi Institute of Biological Products Inc. (hereinafter referred to as these "**Terms of Reference**") in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "**Company Law**"), the Articles of Association of Jiangxi Institute of Biological Products Inc. (hereinafter referred to as the "**Articles of Association**"), regulatory rules of the place where the Company's shares are listed (including 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, regulations, normative documents.

**Article 2** The Strategy and Investment Committee under the Board of Directors is a special committee established by the Board of Directors in accordance with the resolutions of the Board of Directors, and is mainly responsible for conducting research and making recommendations on the Company's long-term development strategy and major investment decisions. The Strategy and Investment Committee shall report its decisions or recommendations to the Board of Directors unless the Strategy and Investment Committee is restricted by national laws, regulations or regulatory restrictions.

### **CHAPTER II COMPOSITION**

**Article 3** The Strategy and Investment Committee shall comprise at least three Directors, including at least one independent non-executive Director.

**Article 4** Members of the Strategy and Investment Committee shall be nominated by the Chairman of the Board of Directors and elected by the Board of Directors.

**Article 5** The Strategy and Investment Committee shall have one chairman of the Committee (convener), who shall be the chairperson of the Board of Directors of the Company. The Board of Directors Office is responsible for the daily work liaison and meeting organization of the Strategy and Investment Committee.

**Article 6** The Strategy and Investment Committee shall have a term of office consistent with that of the current Board of Directors. The term of office of a member is renewable by re-election upon expiry.

**Article 7** Where the number of members of the Strategy and Investment Committee is less than the required number due to resignation or removal or other reasons, the Board of Directors of the Company shall complete the co-option within 60 days from the date of the occurrence of the aforesaid facts.

### **CHAPTER III RESPONSIBILITIES AND AUTHORITIES**

**Article 8** The Strategy and Investment Committee exercises the following responsibilities and authorities:

- (I) to deliberate the Company's medium- and long-term development plan and formulate the Company's development strategy;
- (II) to deliberate the Company's business plans, investment plans and proposals;
- (III) to deliberate major strategic decisions, major investments (including equity investments, major fixed asset investments, asset/equity disposals, etc.), and major equity financing plans as stipulated in the Articles of Association and requiring the Board of Directors approval;
- (IV) to conduct research and make recommendations on major capital operation plans and major production and operation decision-making projects as stipulated in the Articles of Association and requiring the Board of Directors approval;
- (V) to conduct research and make recommendations on other major matters affecting the Company's development;
- (VI) to inspect and supervise the implementation and execution of the above matters;
- (VII) other matters authorized by the Board of Directors;
- (VIII) other matters stipulated by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed (including the Hong Kong Listing Rules), and the Articles of Association.

### **CHAPTER IV WORKING PROCEDURES**

**Article 9** Before making decisions, the Strategy and Investment Committee may instruct the relevant departments of the Company or the persons in charge of its controlled (or affiliated) enterprises to submit materials such as the intent of major investment and financing, capital operation, and asset operation projects, preliminary feasibility reports, and basic information of the counterparty.

**Article 10** When reviewing the projects specified in the preceding article, the Strategy and Investment Committee may require the relevant departments of the Company to provide supplementary materials, and the relevant departments shall actively cooperate.

**Article 11** The Strategy and Investment Committee may engage intermediaries to provide professional opinions for its decision-making at the expense of the Company, when necessary.

## **CHAPTER V RULES OF PROCEDURE**

**Article 12** The Strategy and Investment Committee shall convene non-periodic meetings each year based on the Company's needs and proposals from its members. The Company shall notify all members and provide relevant materials and information at least three days in advance, except for special emergency situations which shall be handled otherwise. Meetings shall be convened and chaired by the Chairman of the Committee, who may appoint another non-independent non-executive Director member to chair the meeting in his/her absence.

**Article 13** Meetings of the Strategy and Investment Committee shall be valid only if attended by two-thirds and more of the members. Each member has one vote, and resolutions shall be adopted by more than half of all members. Where a Director serving as a member of the Strategy and Investment Committee should have ceased performing duties but has not done so, or should have been removed from the directorship but remains in office, any votes cast by such Director at the Strategy and Investment Committee meeting shall be invalid and excluded from the quorum count.

**Article 14** Members of the Strategy and Investment Committee shall attend meetings in person. If an independent non-executive Director member is unable to attend a meeting in person for any reason, he/she shall review the meeting materials in advance, form clear opinions, and entrust another independent non-executive Director member in writing to attend the meeting and exercise the right to vote on his/her behalf.

**Article 15** Meetings of the Strategy and Investment Committee shall be convened on-site in principle. Voting shall be conducted on a one-member-one-vote basis in a named and written manner. When necessary, and on the premise of ensuring that Committee members can fully express their opinions, meetings may also be convened by means of video, telephone, fax, or email voting. Meetings of the Strategy and Investment Committee may also be convened by a combination of on-site and other methods.

**Article 16** The members of the Strategy and Investment Committee and attendees of the meetings shall maintain confidentiality of undisclosed information and shall not exploit insider information for personal or others' benefit.

**Article 17** Members shall attend meetings of the Strategy and Investment Committee in person. If a member is unable to attend for any reason, he/she may appoint another member in writing to attend on his/her behalf. Where a member has failed to attend or appoint a proxy to attend a meeting of the Strategy and Investment Committee, he/she shall be deemed to have waived his/her right to vote at such meeting.

**Article 18** If a member of the Strategy and Investment Committee is related (connected) to a matter to be considered, the Strategy and Investment Committee shall submit such matter to the Board of Directors for consideration.

**Article 19** The Strategy and Investment Committee shall keep minutes or memorandum of its meetings, which shall be signed by the members present at the meeting and minute taker. Meeting minutes should record in detail the matters considered and resolutions, including concerns or dissents raised by Directors. Complete minutes of the Strategy and Investment Committee meetings should be kept by Board secretary. The first draft (for members to express opinions) and the final version (for record) of the meeting minutes should be sent to all its members within a reasonable period of time after the meeting. Directors of the Company may inspect minutes of meetings at reasonable times on reasonable notice. The minutes of meetings shall be kept for a retention period of at least 10 years.

**Article 20** During the implementation of the resolutions of the Strategy and Investment Committee, the Chairman of the Strategy and Investment Committee or other members designated by him/her shall conduct follow-up inspections on the implementation of the resolutions. If any matter in violation of the resolutions is found during the inspection, they may require and urge the relevant personnel to correct it. If the relevant personnel do not accept the opinions, the Chairman of the Strategy and Investment Committee or the designated members by him/her shall report the relevant circumstances to the Board of Directors of the Company, which shall be responsible for handling them.

**Article 21** The resolutions passed and the voting results at the meetings of the Strategy and Investment Committee shall be reported in writing to the Board of Directors of the Company.

## **CHAPTER VI SUPPLEMENTARY PROVISIONS**

**Article 22** The requirements of the Company Law, the regulatory rules of the place where the shares of the Company are listed (including the Hong Kong Listing Rules) and the Articles of Association relating to obligations of Directors are applicable to the members of the Strategy and Investment Committee.

**Article 23** In the Terms of Reference, “more than” includes the figures listed; “no less than” excludes the figures listed.

**Article 24** Matters not covered in the Terms of Reference shall be implemented in accordance with the requirements of relevant national laws, regulations, normative documents, the regulatory rules of the place where the Company's share are listed (including the Hong Kong Listing Rules) and the Articles of Association. In case of any conflict between the Terms of Reference and any future laws and regulations of the PRC, normative documents, the regulatory rules of the place where the Company's share are listed (including the Hong Kong Listing Rules) and the Articles of Association as amended by legal procedures, the requirements of relevant national laws and regulations, normative documents, the regulatory rules of the place where the Company's share are listed (including the Hong Kong Listing Rules) and the Articles of Association shall prevail. The Board of Directors shall promptly amend accordingly.

**Article 25** The right to interpret the Terms of Reference shall vest in the Board of Directors of the Company.

**Article 26** The Terms of Reference shall come into force and be implemented from the date of the Company's initial public offering of H shares and listing on the Main Board of The Stock Exchange of Hong Kong Limited upon the approval of the Board of Directors.

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