



新華人壽保險股份有限公司

NEW CHINA LIFE INSURANCE COMPANY LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01336)

TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE UNDER THE BOARD

Chapter I General Provisions

Article 1 To regulate and optimize the work of the Nomination and Remuneration Committee under the board of directors (the “**Board**”) of New China Life Insurance Company Ltd. (the “**Company**”), the Board formulates these Terms of Reference in accordance with the provisions of the *Articles of Association of New China Life Insurance Company Ltd.* (the “**Articles of Association**”) and the *Rules of Procedures of the Board* as well as relevant laws, regulations and regulatory documents.

Article 2 The Nomination and Remuneration Committee (the “**Committee**”) is established as a Board committee according to the *Articles of Association*, which is responsible for the Board. It assists the Board in performing its duties as authorized by the Board and submits professional opinions to the Board after the consideration of relevant proposals.

Chapter II Composition

Article 3 The Committee shall comprise of more than three (3) non-executive directors, of which, the majority shall be independent directors.

Article 4 Members of the Committee shall be competent in identifying talents, staffing and remuneration management, and shall have more than five (5) years of experience in leadership or management positions in enterprises, public institutions or state organs.

Article 5 The Committee shall appoint an independent director to be the chairman, who will be primarily responsible for:

- (1) Convening and presiding over the meetings of the Committee, as well as ensuring efficient operations and fulfilling duties of the Committee;
- (2) Supervising and reviewing the work of the Committee;
- (3) Determining subject matters and agenda at each meeting;
- (4) Proposing to convene extraordinary meetings;

- (5) Reporting to the Board the work of the Committee; and
- (6) Other responsibilities vested by the Board.

In case the chairman is unable or fails to perform such responsibilities, more than half of the members shall act in concert to elect an independent director for performing such responsibilities.

Article 6 The term of members shall be the same as that of directors of the Board for the same session. The term can be renewable upon re-election.

Article 7 Prior to the expiration of the term, the Board shall not dismiss any member without cause. In case where any member is no longer qualified for being a director during his/her term, such member shall voluntarily resign or be vacated by the Board.

Article 8 Any member who no longer serves as the director of the Company during his/her service term shall automatically be disqualified.

Prior to expiration of the term, any member may submit an application for resignation to the Board, which shall include the necessary explanations regarding the grounds for resignation and any matters requiring the attention of the Board and the shareholders of the Company.

Article 9 Where the members of the Committee fall below three (3) due to resignation, removal, or other reasons, the Board shall elect new members as soon as possible.

The authority of the Committee will be temporarily exercised by the Board until the members of the Committee reach three (3).

Article 10 The provisions of the *Articles of Association* regarding the directors shall apply to members of the Committee.

Chapter III Terms of Reference

Article 11 The major duties and responsibilities of the Committee are:

- (1) Setting criteria and formulating plans for selecting the directors and senior managers (the scope of senior managers is defined in accordance with the provisions of the *Articles of Association*; similarly hereinafter), and making recommendations to the Board;
- (2) Regularly evaluating the reasonableness of the structure, size and composition (including skills, knowledge, experience, etc.) of the Board and senior management, annually reviewing the implementation and effectiveness of the diversity policy of the Board and making recommendations to the Board on any proposed changes to the Board in line with the Company's strategy;

- (3) Conducting preliminary review of the candidates for the directors, president and other senior managers (including the board secretary), as well as the candidates for chairman of the Board and president of important subsidiaries and making recommendations to the Board;

The list of important subsidiaries mentioned above shall be considered and decided regularly or irregularly by the Board;

- (4) Assessing the independence of independent directors;
- (5) Formulating evaluation plans and remuneration policies for directors and senior managers, evaluating the accomplishments and performance of directors and making recommendations to the Board;
- (6) Nominating candidates for members of each committee (excluding the Committee) under the Board, except for the chairmen of such Board committees;
- (7) Considering the overall human resources and remuneration strategies and relevant basic policies (including those regarding the senior managers) and making recommendations to the Board;
- (8) Considering internal corporate organizational structure and making recommendations to the Board;
- (9) Reviewing and/or approving matters relating to share schemes under Chapter 17 of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the “**Hong Kong Listing Rules**”);
- (10) Other relevant duties delegated by the Board; and
- (11) Other functions and powers as recommended in the relevant principles and the code provisions under the *Corporate Governance Code* in Appendix C1 of the *Hong Kong Listing Rules*.

If the duty of the Committee is otherwise provided by the securities regulatory rules of the place where shares of the Company are listed, such provisions shall be observed.

Article 12 In accordance with the working arrangement of the Board or the specific authorization of the Board, the Committee may investigate into the implementation of the relevant work within its mandate, and the methods of investigation include but are not limited to:

- (1) Conduct investigation and study in the Company; and
- (2) Require senior managers of the Company to directly report to it or respond to work inquiries.

Such investigation may be conducted by the management at the request of the Committee, or directly conducted by the Committee within its prescribed Terms of Reference, or conducted by entrusted independent intermediary institutions. Wherever necessary, the Committee may appoint an intermediary institution to provide professional opinions at the expense of the Company.

Article 13 The Committee shall have the access to the findings from investigations conducted by the insurance regulatory authority and other external regulatory authorities within its Terms of Reference.

Article 14 The Company shall not refuse or intentionally delay provisions of such supplemental information as reasonably requested by the members of the Committee. In general, the Company shall submit such supplemental information to the members of the Committee within three (3) days following their request for such supplemental information.

Article 15 The Committee shall report its work to the Board annually, or submit provisionary report to the Board as necessary.

Chapter IV Rules of Procedures

Article 16 The Committee shall convene regular meetings and extraordinary meetings. Four (4) regular meetings shall be held each year. The chairman of the Committee may propose to convene extraordinary meetings wherever necessary, and such extraordinary meetings may also be proposed by the Board or by more than half members of the Committee.

Article 17 The Committee convenes on-site meetings in principle. Meetings convened, as the case may be, in other forms, such as through written signature or other means conducive to communications and expression of opinions amongst the members may be adopted, but such written signature and other forms will not be the standard means for convening meetings of the Committee.

Wherever necessary, at the Committee's extraordinary meetings, expression of opinions or letters of professional advice can be done through email, telephone or other means on the condition that the members of the Committee are guaranteed to fully express their opinions.

Article 18 The Committee shall give a notice to convene a regular meeting five (5) days prior to such meeting through email or other means. The notice to convene an extraordinary meeting shall be given three (3) days prior to such meeting through the said means. The notice shall at least include:

- (1) The time and venue for convening such meeting;
- (2) The duration of such meeting;
- (3) The meeting agenda, matters to be discussed, and relevant materials; and
- (4) The date of the notice.

Article 19 Prior to the meeting of the Committee, members of the Committee shall be informed of matters to be discussed and provided with the relevant information. Members of the Committee shall fully read through meeting materials, expressly and independently produce their opinions following their own judgment, and try to reach a consensus. In case of difficulties in reaching a consensus, the Board shall be provided with different opinions and their explanations.

Article 20 Meetings of the Committee require a quorum of three (3) or more members of the Committee, which must include at least one (1) independent director.

Article 21 The Committee may require the responsible personnels from the human resources department, the finance department, and other relevant departments to attend such meetings as observers, and may invite other directors and senior managers of the Company and other intermediary institutions to attend such meetings as observers as well.

Article 22 Members of the Committee shall duly exercise their duties, and attend meetings and activities of the Committee on time. Attendance to meetings and expression of opinions shall be factored in for assessment of such directors.

Article 23 When the Committee considers the subject matters at a meeting, discussions may be subject to centralized discussion or free speech. However, the order of such meeting shall be maintained.

Article 24 Members of the Committee may express their opinions orally or in writing.

Article 25 Any member who owns interests in the subject matters of the meeting of the Committee shall abstain from attending the meeting. In case the quorum of the members falls below three (3) when such interested member(s) abstain(s), such subject matters shall be submitted to the Board for consideration and voting.

Article 26 The Committee may hold a joint meeting with other Board committees. When the Committee holds joint meetings with the Audit and Related Party Transaction Control Committee, the meetings shall be presided over by either the chairman of the Committee or the chairman of the Audit and Related Party Transaction Control Committee. When the Committee holds joint meetings with any other committee, the meetings shall be presided over by the chairman of the Committee.

Article 27 All parties attending meetings of the Committee are obliged to keep confidential all subject matters to be considered at such meetings, and not allowed to disclose such information without permission. In case of any breach of confidentiality obligations, any party committing such breach shall accept liabilities under laws, regulations, regulatory documents, the *Articles of Association*, and the requirements as set forth under the relevant confidentiality agreement.

Article 28 Procedures for the nomination and qualification review of directors:

- (1) Shareholders or institutions that have rights to nominate candidates for directors shall submit the list of candidates for directors and their personal information in writing; and
- (2) The Committee shall review the candidates for directors pursuant to laws, regulations, regulatory documents and the *Articles of Association*, and report its review opinions to the Board.

Article 29 Procedures for the remuneration management and performance appraisal of directors:

The Committee shall formulate the evaluation measures and remuneration plans for directors, evaluate the performance and conducts of directors, and submit suggestions to the Board.

Article 30 Procedures for the nomination and qualification review of senior managers:

- (1) The chairman of the Board shall nominate the board secretary and the auditing officer, and the president shall nominate vice president and other senior managers. The nominators shall submit the list of candidates and their personal information to the Board in writing;
- (2) The Committee shall review the candidates for senior managers in accordance with laws, regulations, regulatory documents and the *Articles of Association*, and may conduct interviews with candidates if necessary. Each candidate's interview shall have at least three (3) members of the Committee present, including at least one (1) independent director; and
- (3) The Committee shall submit the interview results (if necessary) and the review opinions to the Board.

Article 31 Procedures for the remuneration management of senior managers:

- (1) The Committee shall provide professional opinions on the overall remuneration plan for senior managers and submit them to the Board for approval;
- (2) The management shall submit to the Committee proposals on the division of duties and salary standards of appointed senior managers in accordance with the overall remuneration plan approved by the Board;
- (3) The Committee shall provide professional opinions on the proposals submitted by the management and submit them to the Board for approval;
- (4) The management shall implement the salary standards approved by the Board;
- (5) The adjustment or change of the position or salary standard of senior managers shall be submitted to the Board for approval after the consideration by the Committee; and

- (6) For the newly appointed senior managers, the nominator shall propose his/her salary standard. The Committee shall review his/her qualifications, position and salary standard, and make recommendations to the Board.

Article 32 Procedures for the performance assessment of senior managers:

- (1) Determination of the assessment plan

The Committee provides professional opinions on the employment period and annual assessment plan of senior managers in accordance with the Company's development strategy, and reports them to the Board for approval and implementation. The assessment plan mainly includes business performance indicators, performance evaluation and respective weights.

- (2) Organization and implementation of the assessment plan

Upon approval by the Board, the Company shall be responsible for organizing the implementation of the assessment plan and reporting to the Committee; and the Committee shall be responsible for supervision.

- a. The Committee can request the management to provide the following materials in accordance with the assessment plan: the Company's major financial indicators, fulfillment of business objectives, completion of indicators involved in the assessment plan of senior managers, the Company's remuneration plan of senior managers, its basis for calculation and other relevant materials;
- b. The Committee can listen to the debriefing and special report of the Company's senior managers according to the assessment plan, and carry out special investigations and observations; and
- c. The Committee shall form an evaluation and revision basis for assessment results for the employment period or for the year according to the assessment plan, and report to the Board for approval.

- (3) Adjustment of the assessment plan

The Committee may propose adjustment opinions on the assessment plan and report them to the Board for approval.

- (4) Report of assessment results

The Committee provides professional opinions on the advice made by the management on performance bonus award, job promotion and demotion, appointment and dismissal, and report them to the Board for approval.

Chapter V Letters of Professional Advice and Meeting Minutes

Article 33 Following discussions over the proposals considered at meetings of the Committee, a letter of professional advice shall be produced for the members of the Committee to affix their signatures. Contents of such letter of professional advice shall contain, including but not limited to:

- (1) Definite opinions pertaining to the subject matters formed by the Committee; and
- (2) Varied opinions pertaining to the subject matters as expressed by members of the Committee.

Article 34 All members of the Committee at their meeting shall be guaranteed to express their individual opinions to the fullest extent. Any dissenting opinion shall be included separately in the letter of professional advice. Any member who fails to attend such meeting with proper causes is entitled to receive all meeting materials after the meeting, and his/her supplemental opinions on such subject matters considered at the relevant meeting may be submitted to the Board separately.

Article 35 Letters of professional advice approved at the meeting of the Committee shall be submitted to the Board in writing. Letters of professional advice shall comply with the *Articles of Association*, these Terms of Reference, and the requirements as set forth under the relevant laws, regulations, regulatory documents and the listing rules at the place where the shares of the Company are listed.

Article 36 The Committee shall produce meeting minutes after each meeting. Such meeting minutes shall truly contain all opinions expressed by each member. All members at such meeting are entitled to input explanatory entries regarding their statements recorded at such meeting. When any member at such meeting disagrees to the letters of professional advice, such disagreement shall be entered to the meeting minutes. Such meeting minutes shall contain, including but not limited to:

- (1) Date and venue of the meeting, and chairperson's name;
- (2) Names of parties attending such meeting;
- (3) Meeting agenda;
- (4) Key points of the speeches of the members; and
- (5) Other matters to be stated and recorded on the meeting minute.

Article 37 Letters of professional advice and meeting minutes of the Committee will be permanently kept by the Company as meeting materials of the Board.

Chapter VI Supplemental Provisions

Article 38 Any matters not covered under these Terms of Reference shall be subject to the laws and regulations, the listing rules at the place where shares of the Company are listed, regulatory requirements, the *Articles of Association*, and other related regulations.

Article 39 Reference to “more than/more” in these Terms of Reference shall include such number itself.

Article 40 These Terms of Reference shall take effect upon being considered and approved by the Board, and be subject to interpretation and amendments by the Board.

(The Terms of Reference were prepared in Chinese. The English translation is not an official version and is for your reference only. In case of any inconsistencies and discrepancies between the Chinese and English versions, the Chinese version shall prevail.)