



天津泰達生物醫學工程股份有限公司

Tianjin TEDA Biomedical Engineering Company Limited

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

(Stock code: 8189)

Terms of Reference of the Remuneration Committee

I. Constitution

1. The board of directors (the “**Board**”) of Tianjin TEDA Biomedical Engineering Company Limited (the “**Company**”) established the Remuneration Committee with written terms of reference on 11 November 2005 and updated its terms of reference on 8 March 2012.
2. The Remuneration Committee consists of three members (“**Members**”), including two independent non-executive directors and one non-executive director.
3. The Chairman of Remuneration Committee shall be an independent non-executive director and appointed by the Board.

II. Management of the meetings

1. Quorum

The quorum for meetings of the Remuneration Committee shall be at least two Members. In the absence of Chairman of the Remuneration Committee, the Members shall elect one of themselves to chair the meeting.

2. Frequency of meetings

The Remuneration Committee shall hold at least one meeting in a year to perform the duties set out in this terms of reference. Additional meetings of the Remuneration Committee may be held from time to time to discuss the special projects or other issues as the Remuneration Committee considers necessary.

3. Attendance of meetings

Members of the Remuneration Committee shall attend either in person or through other electronic means of communication. Relevant senior management may be invited to attend the Remuneration Committee meetings.

4. Notice of meetings

The company secretary shall send notice of meeting to all Members at least three days prior to the date of meeting of the Remuneration Committee. For other additional meetings of the Remuneration Committee, as the case may be, reasonable notice shall be given.

5. Minutes of meetings

First draft and final draft of minutes of meetings shall be sent to all Members of the Remuneration Committee for their comment and records within a reasonable time after the meeting and the final draft is for record purpose. Full Minutes of meetings shall be kept by the company secretary, and relevant minutes shall be available for inspection by directors.

6. Secretary

The company secretary or his delegate or such other person appointed by the Chairman of the Committee shall be the secretary of the Remuneration Committee..

III. Responsibilities

1. To make recommendation to the Board on remuneration policy and structure of all directors and senior management of the Company and establishment of a formal and transparent procedures for formulating the remuneration policy;
2. consult the chairman and/or chief executive about their remuneration proposals for other executive directors;
3. To review and approve the management's remuneration proposal in line with corporate goals and objectives set by the Board; review and approve the performance-linked remuneration by reference to the operation goals of the Company passed by the Board from time to time;
4. To determine the remuneration packages of individual executive directors and senior management by reference to their respective duties delegated by the Board, including benefits in kind, pension rights and compensation payments, such as any compensation payable for loss or termination of their office or appointment;;
5. To make recommendation to the Board on remuneration of non-executive directors;
6. To consider salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group;
7. To review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
8. 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;
9. To ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;
10. To ensure disclosure of detail of remuneration payable to all Directors and members of senior management, on an individual persons and named basis, in annual report of the Company; and
11. To consider any other matters as requested by the Board and make recommendation.

IV. Reporting Responsibilities

The Chairman of the Remuneration Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities of the Remuneration Committee.

V. Authority

1. Sufficient resources shall be provided by the Company to the Remuneration Committee to perform its duties.
2. The Remuneration Committee is authorised by the Board to investigate any activities within its terms of reference, including seeking any remuneration related information from senior management of the Company.
3. The Remuneration Committee is authorised by the Board to seek external legal advice and independent professional advice. Where necessary, it may also invite third parties who possess relevant experience and professional knowledge to attend the meeting at the expense of the Company.