

EXTRAWELL PHARMACEUTICAL HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code : 00858)

REMUNERATION COMMITTEE
TERMS OF REFERENCE
(Revised on 21 March 2012)

A. Constitution

Mr. Fang Lin Hu (Independent Non-executive Director)	Chairman
Mr. Xue Jing Lun (Independent Non-executive Director)	Member
Ms. Jin Song (Independent Non-executive Director)	Member
Dr. Xie Yi (Executive Director)	Member

B. Objective

The major role and function of the committee are to advise the board on the remuneration related matters of the directors and senior management.

C. Terms of reference

The committee's responsibilities include but not limited to the following:

1. To review and consult the chairman and/or chief executive officer about their proposals relating to the remuneration of other executive directors and have access to professional advice, if considered necessary;

2. To make recommendations to the board on the company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
3. To have the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the board of the remuneration of non-executive directors. The remuneration committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group and desirability of performance-based remuneration;
4. To review and approve remuneration by reference to corporate goals and objectives resolved by the board from time to time;
5. To review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the company;
6. To review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate; and
7. To ensure that no director or any of his associates is involved in deciding his own remuneration.

D. Meetings

The committee shall meet with such frequency as it may consider appropriate but in any event no less than once every year.

The chairman of the committee shall be the chairman of the meeting, and in the absence of the chairman, the remaining members present shall elect one of themselves who is an independent non-executive director to chair the meeting.

The quorum of a meeting shall be two members of the committee.

The meetings and proceedings of the committee are governed by the provisions contained in the company's bye-laws 140 – 142.

The company secretary or a nominee by the board shall act as the secretary of the committee.

E. Support from the company

The committee is authorized by the board to utilize all such resources as are required to discharge its duties and to have access to independent professional advice if considered necessary.