



**北京健康(控股)有限公司**  
**Beijing Health (Holdings) Limited**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 2389)**

Terms of Reference (“**TOR**”) for the Remuneration Committee updated on 23 December 2022.

### **Formation**

The Remuneration Committee (“**Committee**”) was formed according the resolution of the board of directors (the “**Board**”) of Beijing Health (Holdings) Limited (the “**Company**”) passed on 23 May 2006 subject to the provisions contained in memorandum and articles of association of the Company and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

### **Composition and Quorum**

1. The Committee shall consist of at least three members (“**Members**”) and majority of the Committee member should be independent non-executive directors appointed by the Board from time to time.
2. The company secretary will be the secretary of Committee.
3. The Committee shall hold at least 1 meeting in each financial year of the company. Additional meetings shall be held as the work of the Committee demands.
4. Seven Days’ notice or such shorter notice as may be agreed by all Members will be given by the secretary specifying the place, date, time and agenda of the meeting.
5. The Chairman of the Committee shall chair all the Committee meeting. If the chairman is absent, the Members present may choose one of their members to be the chairman of the meeting.
6. The quorum necessary for the transaction of the business of Committee shall be two.
7. Unless otherwise provided in these TOR, the meetings and proceedings are governed by the provisions contained in M&A for regulating meeting and proceedings of Directors.

8. Questions arising at any Committee meeting shall be determined by a majority of votes. Chairman of the meeting has casting vote when the votes of the other members are equal on both sides.
9. No member shall vote on any resolution with conflict of interests.
10. The Chairman (or in his/her absence, an alternative member) of the Committee shall attend the annual general meetings of the Company and be prepared to answer questions concerning the remuneration of any Director.
11. The secretary of the meeting shall minute the proceedings and resolutions of all meetings as well as keep appropriate records and the minutes are open for inspection any time at reasonable times and on reasonable notice by any member of the Board or the Committee.
12. Minutes of meetings should record in sufficient detail the matters considered by the Committee and decisions reached, including any concerns raised by members or dissenting views expressed. Draft and final version of minutes of meeting should be sent to all members for their comment and records respectively, in both cases within a reasonable time after the meeting is held.
13. Where signatures from all members of the Committee are obtained, the Committee is entitled to pass written resolutions.

#### **Duties, powers and functions**

1. The Committee shall –
  - (a) formulate remuneration policy for approval by the Board, which shall take into consideration factors such as salaries paid by comparable companies, employment conditions, and responsibilities, and individual performance of the directors, senior management, and the general staff. Performance shall be measured against corporate goals and objectives resolved by the Board from time to time; and implement the remuneration policy laid down by the Board; and
  - (b) without prejudice to the generality of the foregoing:
    - (i) make recommendation to the Board on the policy and structure for the remuneration of Directors (including Non-executive Directors, and the Chief Executive) and senior management whilst ensuring no director or any of his associates is involved in deciding his own remuneration;

- (ii) make recommendations to the Board on the remuneration of each Executive Directors (including the Chief Executive) and senior management, including benefits in kind, pension right, compensation payment (including compensation for loss of office or appointment etc). The Chairman and/or the Chief Executive shall be consulted respectively about their proposals relating to the remuneration of the Chief Executive and/or senior management, as the case may be;
- (iii) review and approve the compensation arrangements in connection with any loss or termination of their office or appointment, or dismissal or removal for misconduct to executive directors and senior management which shall be fair and not excessive;
- (iv) determine the criteria for assessing employee performance, which should reflect the Company's business objectives and targets;
- (v) consider the annual performance bonus for Executive Directors, and senior management, having regard to their achievements against the performance criteria and by reference to market norms, and make recommendation to the Board;
- (vi) engage such external professional advisors to assist and/or advise the Committee on issues as it considers necessary;
- (vii) The Committee is entitled to invite third parties, other members of the Board, senior management and staff of all functional departments to attend meetings of the Committee;
- (viii) review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules;
- (ix) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
- (x) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

The interpretation right to this TOR shall be vested on the Board of the Company.