



## Jinxin Fertility Group Limited

錦欣生殖醫療集團有限公司\*

*(Incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock Code: 1951)**

### **Terms of Reference of the Remuneration Committee**

(Adopted by the Board on June 3, 2019 and revised by the Board on December 30, 2022)

#### **Purpose**

1. The Remuneration Committee is formed to assist the board (the “**Board**”) of directors (the “**Directors**”) of Jinxin Fertility Group Limited (the “**Company**”) together with its subsidiaries, the “**Group**”) to making recommendations to the Board on remuneration policy and structure for the Directors and senior management and on the establishment of a formal and transparent procedure for developing the remuneration policy, reviewing and approving the Director’s and senior management’s remuneration proposals with reference to the Board’s corporate goals and objectives and making recommendations to the Board on the remuneration packages of individual executive Directors and senior management members.

#### **Membership**

2. The Remuneration Committee shall be appointed by the Board from time to time and shall consist of not less than three (3) non-executive Directors, a majority of which shall be independent non-executive Directors (“**INED**”) who shall meet and maintain the independence requirements set out in Rule 3.13 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).
3. The Board shall appoint an INED as the chairman of the Remuneration Committee (the “**Chairman**”) who shall be an INED.

4. The appointment of the members of the Remuneration Committee may be revoked, replaced or additional members may be appointed to the Remuneration Committee by separate resolutions passed by the Board and by the Remuneration Committee. An appointment of a member of the Remuneration Committee shall be automatically revoked if such member ceases to be a member of the Board.
5. Save as otherwise appointed by the Remuneration Committee, the company secretary (the “**Company Secretary**”) shall be the secretary of the Remuneration Committee and in the absence of the company secretary, a member of the Remuneration Committee or his/her nominee shall act as the secretary.
6. The term of office of a member of the Remuneration Committee shall be determined by the Board.
7. Each member shall disclose to the Remuneration Committee:
  - (i) any personal financial interest (other than as a shareholder of the Company) in any matter to be decided by the Remuneration Committee; or
  - (ii) any potential conflict of interest arising from a cross-directorship.

Any such member shall abstain from voting on resolutions of the Remuneration Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions, and shall (if so required by the Board) resign from the Remuneration Committee.

### **Frequency and Proceedings at Meetings**

8. The Remuneration Committee shall meet at least twice a year or more frequently if circumstances require.
9. Meetings of the Remuneration Committee shall be summoned by the Company Secretary at the request of the Chairman.
10. For regular meetings, and as far as practicable in all other cases, an agenda and accompanying committee papers should be sent, in full, to all committee members of the Remuneration Committee. These should be sent in a timely manner and at least three (3) days before the intended date of meeting (or such other agreed period as agreed).
11. The quorum necessary for the transaction of business shall be two (2), both of whom must be INEDs.

12. The Remuneration Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisors or consultants, to advise its members.
13. Any resolution shall be passed by the majority votes of the members of the Remuneration Committee who attend the meeting and a majority vote of the members present shall represent an act of the Remuneration Committee.

### **Reporting Procedures**

14. On an annual basis, the Remuneration Committee shall evaluate and assess the effectiveness of the Remuneration Committee and the adequacy of these Remuneration Committee Terms of Reference and recommend any proposed changes to the Board.
15. Minutes of meetings of the Remuneration Committee and the record of individual attendance at such meetings shall be prepared by the Company Secretary which shall be sent to all committee members of the Remuneration Committee as soon as practicable after the conclusion of any meeting of the Remuneration Committee. Those minutes should be kept by the Company Secretary and should be open for inspection at any reasonable time on reasonable notice by any member of the Board.
16. Minutes of meetings of the Remuneration Committee should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes of meetings of the Remuneration Committee should be sent to all committee members of the Remuneration Committee for their comment and records respectively, in both cases within a reasonable time after the meeting is held.
17. The Remuneration Committee should report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

### **Authority**

18. The Remuneration Committee is authorized by the Board to determine the policy for the remuneration of executive Directors, assessing performance of executive Directors and approving the terms of executive Directors' service contracts. Remuneration levels should be sufficient to attract and retain Directors to run the Company successfully without paying more than necessary. It shall ensure that no Director should be involved in deciding his/her own remuneration.

19. The Remuneration Committee should be provided with sufficient resources to perform its duties.
20. The Remuneration Committee should consult the chairman of the Board and/or chief executive officer about their remuneration proposals for other executive Directors. The Remuneration Committee should have access to independent professional advice if considered necessary.
21. The Remuneration Committee is authorized by the Board to investigate any activity within its terms of reference. It is authorized to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Remuneration Committee.
22. Management of the Company is obliged to supply the Remuneration Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a member of the Remuneration Committee requires more information than is the information provided voluntarily by the management of the Company, the relevant member of the Remuneration Committee shall make additional necessary enquiries. Each member of the Remuneration Committee shall have separate and independent access to the management of the Company.
23. The Remuneration Committee is authorized by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise at meetings of the Remuneration Committee if it considers necessary.

### **Annual General Meeting**

24. The Chairman should, as far as practicable, attend the annual general meeting of the Company and make himself available to answer any shareholders' questions on the Remuneration Committee's activities. In his/her absence, one other member of the Remuneration Committee or failing this his/her duly appointed delegate should attend.

## Responsibilities and Duties

25. The Remuneration Committee shall perform the following duties:

- (a) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policies;
- (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (c) either (i) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or (ii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (d) to make recommendations to the Board on the remuneration of non-executive Directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- (f) 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;
- (g) 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;
- (h) to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- (i) to advise shareholders of the Company on how to vote in respect of any service contracts of Directors that require shareholders' approval in accordance with the Listing Rules;
- (j) to determine the criteria for assessing employee performance, which should reflect the Company's business objective and targets;

- (k) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules;
- (l) to do any such things to enable the Remuneration Committee to discharge its powers and functions conferred on it by the Board; and
- (m) to 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.

## **General**

- 26. The Remuneration Committee should make available these Terms of Reference, explaining its rule and the authority delegated to it by the Board by including them on the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and Company's website ([www.jxr-fertility.com](http://www.jxr-fertility.com)).
- 27. For the purpose of these Terms of Reference, "senior management" means the same persons as referred to in the Company's annual report and is required to be disclosed under paragraph 12 of Appendix 16 to the Listing Rules, as such rule may be amended from time to time.

\* *For identification purpose only*