

PING AN HEALTHCARE AND TECHNOLOGY COMPANY LIMITED

平安健康醫療科技有限公司

**Terms of Reference of
Sustainable Development Committee
Under the Board of Directors**

Definitions

In these terms of reference:

Sustainable Development Committee means the sustainable development committee established by the Board of Directors in accordance with these terms of reference;

Board means the board of directors of the Company;

Chief Executive Officer means the senior management personnel of the Company appointed by the Board from time to time to be responsible for the management of the Company;

Company means PING AN HEALTHCARE AND TECHNOLOGY COMPANY LIMITED (平安健康醫療科技有限公司);

Company Secretary means the company secretary of the Company;

Director(s) means member(s) of the Board;

Group means the Company, its subsidiaries and its operating entities;

Operating Entity means an operating entity controlled by the Company within the territory of China under contractual arrangements;

Listing Rules means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);

Senior Management means the Chief Executive Officer, general managers, deputy general managers and financial controller of the Company, and any other relevant staff of the Group determined by the Board from time to time to be the senior management personnel of the Company;

Management means any person within the Group who performs the duties of administration and management;

Shareholder(s) means the shareholder(s) of the Company from time to time; and

Stock Exchange means The Stock Exchange of Hong Kong Limited.

Chapter 1 General Provisions

Rule 1 In order to improve corporate governance, fully and actively perform the Company's responsibilities in terms of environment, resources and governance, participate in building a harmonious society, and realize the coordinated sustainable development between enterprises and society, the Board has set up the Sustainable Development Committee under the Board (hereinafter referred to as "**Committee**") and formulated these terms of reference in accordance with the Articles of Association of the Company.

Rule 2 The Committee is authorized by the Board to carry out work within the scope of these terms of reference, and, without violating the general principles of duties of the Committee, the Committee shall report to the Board (except as subject to legal or regulatory restriction).

Chapter 2 Composition

Rule 3 Members of the Committee shall be appointed by the Board. There shall be no less than three members and at least one of them shall be an independent non-executive Director, and composition of members shall comply with the Articles of Association of the Company and relevant regulatory requirements.

Rule 4 The Committee shall have a chairman who shall be elected by more than half of the members of the Committee.

Rule 5 The term of office of the Committee shall be the same as that of the Board. A member may serve consecutive terms if re-elected upon expiry of his/her term. If any member resigns from the position of Director of the Company during his/her term of office, he/she shall automatically lose his/her position as committee member, and the vacancy shall be filled by the Board in accordance with the provisions of Rule 3 above. Such supplemental member shall hold office until the term of office of other members of the Committee expires.

Rule 6 The Committee shall have a secretary of meeting (usually the Company Secretary) and the Committee may from time to time appoint any other person with appropriate qualifications and experience as the secretary of the Committee. The secretary of the Committee shall be responsible for recording the recommendations made by the Committee, and ensure records of minutes of meeting and their permanent filing with the Committee and the Company.

Rule 7 The Board Office shall be responsible for the liaison of routine work and organization of meetings for the Committee.

Chapter 3 Duties and Authorities

Rule 8 The main duties and authorities of the Committee are as follows:

- (1) To formulate and review the Group's environmental, social and governance ("**ESG**") responsibilities, vision, objectives, strategies, frameworks, principles and policies, and strengthen the importance assessment and reporting process to ensure that the ESG policies adopted by the Board keep pace with the times and continue to be executed and implemented;

- (2) To monitor the channels and methods of communication between the Group and its stakeholders, and ensure that relevant policies are in place to effectively promote the relationship between the Group and its stakeholders and protect the Group's reputation;
- (3) To review and supervise key ESG trends as well as related risks and opportunities (including those related to climate), evaluate the adequacy and effectiveness of the Group's ESG related structure, business model and risk management and internal control systems, and adopt and update the Group's ESG policies when necessary to ensure that such policies are up-to-date and in compliance with applicable laws, regulations and regulatory requirements and international standards;
- (4) To supervise the Group's sustainable development performance in line with the expectations and requirements of investors and regulatory authorities;
- (5) To promote a top-down culture to ensure that ESG principles are considered in the business decision-making process;
- (6) To supervise the Group's expenditures on corporate social responsibility work, including donations made in the name of the Company and the Company's expenditures on ESG and sustainable development;
- (7) To supervise the assessment of the sustainable development (including climate risks and opportunities management) impact of the Group's business, incorporate the results into strategy, decisions on major transactions, and risk management policies and processes to ensure that the evaluation on the trade-offs between sustainable development plan and other commercial targets of the Group is conducted, when necessary, and make recommendations to the Board;
- (8) To supervise and review the work of the Group's Sustainable Development Executive Committee, evaluate the Group's sustainable development performance, facilitate the establishment and improvement of linkage mechanism between sustainable development (including climate risks and opportunities management) performance metrics and management's remuneration, and report to the Board;
- (9) To review the annual sustainable development report of the Company, review the progress of the annual overall ESG goals and the changes in the nature and severity of ESG risks since the consideration of the previous year, supervise the management of the Company to continuously monitor the work scope and quality of ESG risks, and recommend the Board to approve the annual sustainable development report, and propose specific actions or decisions for the Board's consideration, so as to maintain the integrity of the sustainable development report;
- (10) To ensure that the Company's annual sustainable development report is prepared in accordance with the Environmental, Social and Governance Reporting Code in Appendix C2 of the Listing Rules (including amendments from time to time);
- (11) Other matters stipulated by the laws and regulations in the place where the Company was incorporated, the relevant regulatory provisions applicable to the Company, and the Articles of Association, and authorized by the Board.

Chapter 4 Rules of Procedures for Meetings

Rule 9 The quorum for various meetings organized by the chairman of the Committee shall be more than half of the members of the Committee. The Committee shall pass resolution by voting only when more than half of the members are present and at least one of them shall be an independent non-executive Director. Each member shall have one vote; resolutions made at meetings shall be passed by a majority of all members.

Rule 10 The Committee shall meet at least twice a year. The meeting can be held by means of video conference or teleconference and voting can be made by means of communication. If any member cannot attend the meeting, he/she may authorize other members to attend the meeting and perform duties on his/her behalf. The chairman of the Committee shall set the schedule and overall agenda for the year.

Rule 11 When proposed by chairman of the Committee or a majority of members of the Committee, the chairman of the Committee shall convene the meeting.

Rule 12 Unless otherwise agreed, the venue, time, date and discussion agenda for each meeting shall be notified in writing by facsimile or e-mail to all members of the Committee and other participants five working days before the meeting, while an extraordinary meeting is not confined to this timeline but sufficient time shall be given to members for reviewing documents of the meeting.

Rule 13 The Committee shall respond to recommendations of the Board chairman and Chief Executive Officer of the Company and may authorize these Management personnel to perform duties that the Committee deems appropriate.

Rule 14 The Committee shall be given sufficient resources to perform its duties. The Committee has been authorized by the Board to seek external independent professional advice when it considers necessary at the cost of the Company, and shall ensure participation of external personnel with relevant experience and expertise in discussion of relevant matters.

Rule 15 The Committee has the right to require the Company's Senior Management to give full support to the work of the Committee, and to give comprehensive answers to its questions as soon as possible.

The Committee has the right to investigate the implementation of the Company's ESG plans with the methods that include but are not limited to attending or observing relevant meetings of the Company and conducting investigations and research within the Company system; and require the Company's Senior Management or relevant responsible personnel to report its work to the Committee orally or in writing within the specified time limit.

The Committee shall conduct research on such investigation and the responses of Senior Management or relevant responsible personnel, and report the findings and make recommendations to the Board.

Rule 16 The secretary of the Committee shall record the progress and resolutions of all Committee meetings, including the names of all attendants.

Rule 17 Minutes of meetings shall be distributed to all members of the Committee. In the absence of a conflict of interest, results of meetings may also be available for inspection by any Director with reasonable notice. Minutes of meetings of the Committee shall record in full detail matters reviewed and decisions made by the Committee, including any concerns raised or dissenting opinions expressed by the members. Such transcripts and final drafts of meetings shall be submitted to all members of the Committee for their comments and filing within a reasonable time after the meetings. Professional consultant advice adopted by the Committee can be considered as the first draft of minutes of meetings.

Rule 18 The voting results passed by the Committee meeting shall be submitted to the Board in written form.

Rule 19 Members present at a meeting shall be obliged to keep all matters discussed in such meeting confidential, and shall not disclose any relevant information without authorization.

Rule 20 The chairman of the Committee (or the proxy who is formally appointed in the absence of the chairman) shall attend the annual general meeting of the Company and be prepared to answer any questions of Shareholders regarding the activities of the Committee.

Chapter 5 Supplementary Provisions

Rule 21 These terms of reference shall become effective after being considered and passed by the Board.

Rule 22 The Committee shall publish these terms of reference on the websites of the Company and the Stock Exchange as required to explain its role and the power delegated by the Board.

Rule 23 Any matters not covered by these terms of reference shall be implemented in accordance with the provisions of the relevant applicable laws and regulations, nominative documents, Listing Rules and the Articles of Association of the Company and relevant agreements. If these terms of reference contravene any future applicable laws and regulations, nominative documents, the Listing Rules or the legally amended Articles of Association of the Company, implementation shall be in accordance with the then provisions of the relevant laws and regulations, nominative documents, the Listing Rules and the Articles of Association of the Company, and these terms of reference shall be promptly amended and passed by the Board.

Rule 24 The power of interpretation of these terms of reference shall be vested in the Board.