



Top Eminent Healthcare Group Limited

(卓著健康集團有限公司) *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6877)

Terms of Reference – Remuneration Committee

1. Constitution

The Board of Directors (the “**Board**”) of Top Eminent Healthcare Group Limited (the “**Company**”) resolved on 18 December 2012 to establish a Remuneration Committee (the “**Committee**”) of the Company with the following terms of reference. These terms of reference have been revised and adopted by board resolution dated 13 December 2017, and further revised and adopted by the Board at its meeting held on 16 March 2026 to comply with the latest requirements under Appendix C1 Corporate Governance Code of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and relevant guidance.

2. Membership

- 2.1 Members of the Committee shall be appointed by the Board from amongst the directors of the Company, and shall consist of not less than three members, a majority of whom shall be independent non-executive directors.
- 2.2 Each member's tenure shall be coterminous with his/her directorship. Subject to the Company's articles of association and applicable laws and regulations, any member whose appointment expires may be re-appointed by the Board for another term.
- 2.3 A person shall cease to be a member of the Committee automatically if he/she ceases to be a director of the Board.
- 2.4 The chairman of the Committee (the “**Chairman of the Committee**”) shall be appointed by the Board from time to time and must be an independent non-executive director. In the absence of the Chairman of the Committee and/or the deputy chairman, the remaining members present shall choose one of them to chair the respective meeting.

3. **Committee Secretary**

The company secretary of the Company shall serve as the secretary of the Committee (the “**Committee Secretary**”). The Committee may appoint any other person with appropriate qualifications and experience as the Committee Secretary from time to time. The Committee Secretary (or, in his/her absence, his/her delegate or any member of the Committee) shall act as the secretary of the meeting.

4. **Frequency of Meetings**

- 4.1 Meetings shall be held as appropriate, but at least once a year.
- 4.2 The Chairman of the Committee shall convene a meeting upon request by any member of the Committee.
- 4.3 The Chairman of the Committee shall lead an annual self-evaluation of the Committee to review its effectiveness and the appropriateness of these terms of reference, and report to the Board.

5. **Conduct of Meetings**

- 5.1 Unless otherwise stipulated herein, the Committee meetings and procedures shall be governed by the provisions of the Company's articles of association regulating Board meetings and procedures.
- 5.2 Save for circumstances where the full Committee agrees otherwise, notice of the place, time and date of the meeting together with the agenda shall be delivered to all members of the Committee in a timely fashion and at least three days before the intended date of the meeting (or such other period as all members may agree). Supporting papers shall be sent to Committee members and other attendees as appropriate, at the same time.
- 5.3 The quorum necessary for the transaction of business shall be any two members of the Committee. A member of the Committee may participate in a meeting by way of telephone or videoconference. A duly convened meeting of the Committee attended by a quorum is competent to exercise all or any powers, authorities and discretions vested in or exercisable by the Committee.
- 5.4 Questions arising at any meeting shall be decided by a majority of votes of the members present. Subject to compliance with the Listing Rules and applicable laws and regulations, a resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
- 5.5 The Committee may, at its discretion, invite any senior management of the Company (the “**Senior Management**”), any director, external advisers or other persons to attend all or part of any meeting, although such persons shall have no right to vote.

6. Annual General Meeting

The Chairman of the Committee or, in his/her absence, another member of the Committee or (if he/she is unable to attend) his/her duly appointed delegate shall attend the annual general meeting of the Company and be prepared to respond to shareholders' questions regarding the Committee's activities and responsibilities.

7. Authority

7.1 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any reasonable request made by the Committee.

7.2 Where the Committee considers it necessary to the fulfilment of its duties, it is authorised to obtain outside legal or other independent professional advice, and to secure the attendance of outsiders with relevant experience and expertise at its meetings if it considers this necessary.

7.3 Management of the Company has an obligation to supply the Committee with adequate information promptly to enable it to make informed decisions. The information supplied must be complete and reliable. Where a Committee member requires information beyond that which is made available voluntarily by management, he/she should make further enquiries as he/she considers necessary. Committee members may make direct contact with management through independent channels.

7.4 The Committee shall be provided with sufficient resources to discharge its duties.

8. Duties

8.1 The duties of the Committee include but are not limited to the following (to make recommendations to the Board and take decisions as appropriate):

8.1.1 To make recommendations to the Board on the Company's policy and structure for the remuneration of all directors and senior management, and on the establishment of formal and transparent procedures for the development of such policy. The remuneration policy shall be aligned with the Company's long-term sustainable success, risk management framework, internal control systems and corporate culture, and shall consider establishing malus and/or clawback mechanisms where appropriate.

8.1.2 To review and approve management remuneration schemes with reference to corporate goals and objectives resolved by the Board from time to time.

8.1.3 To make recommendations to the Board on the remuneration of individual executive directors and senior management, including non-cash benefits, pensions and compensation payments, compensation for loss of office or termination of employment/appointment, and on the remuneration of non-executive directors.

- 8.1.4 To consider salaries paid by comparable companies, time commitments and responsibilities, employment conditions elsewhere in the Group and any subsidiaries, as well as market remuneration benchmarks and fair pay principles.
- 8.1.5 To review and approve compensation payable to executive directors and senior management upon loss of office or termination of employment/appointment to ensure that it is determined in accordance with the terms of their contracts; and where not, that it is fair and reasonable and not excessive.
- 8.1.6 To review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are determined in accordance with contractual terms; and where not, that they are fair and reasonable.
- 8.1.7 To ensure that no director or any of his/her associates participates in deciding his/her own remuneration.
- 8.1.8 To review and approve matters relating to share incentive schemes under Chapter 17 of the Listing Rules (if any), including grant proposals, vesting arrangements and related disclosure reviews.
- 8.1.9 To establish criteria for selection, appointment procedures and independence review mechanisms for external remuneration consultants, and to review annually the independence and fee reasonableness of appointed external consultants (if any).
- 8.1.10 To review disclosure of senior management remuneration by band and the five highest paid individuals' remuneration to ensure compliance with Appendix 16 to the Listing Rules, Corporate Governance Code and Hong Kong Financial Reporting Standards (including HKAS 24).
- 8.1.11 To review annually the appropriateness of these terms of reference, the composition of the Committee and its effectiveness, and to recommend any necessary revisions to the Board.
- 8.1.12 To make recommendations to the Board on any matters it considers appropriate within its scope of duties when action or improvement is required.

9. Reporting Procedures

- 9.1 The Committee shall consult the chairman of the Board and/or CEO of the Company about its recommendations on executive directors' remuneration and seek independent professional advice if considered necessary.
- 9.2 Full minutes of all meetings of the Committee shall be kept by the Committee Secretary and shall be available for inspection by any director upon reasonable notice during normal business hours.
- 9.3 Draft and final versions of minutes of Committee meetings should be sent to all members of the Committee in a timely manner for their comments and records respectively.

- 9.4 The Committee shall report to the Board and keep the Board fully informed of its decisions and recommendations, unless restricted by applicable laws and regulations.
- 9.5 The Committee shall disclose in the corporate governance report of the annual report a summary of its major work, including key activities in remuneration policy review, number of meetings and attendance rates, use of external remuneration consultants (if any), and other matters deemed appropriate by the Committee.

10. Terms available

These terms of reference shall be made available to shareholders on request without charge and shall be posted on the websites of the Company and The Stock Exchange of Hong Kong Limited. These terms of reference shall be reviewed and updated from time to time to ensure compliance with the latest Listing Rules, Corporate Governance Code and relevant regulatory guidance.

Revision History

Date	Revision Details
18 December 2012	Initially adopted
13 December 2017	First revision
16 March 2026	Second revision: Updated to comply with latest Corporate Governance Code, incorporating risk alignment, cultural considerations, external consultant independence, self-evaluation, annual report disclosure etc.

In case of any inconsistency between the Chinese and English versions of these terms of reference, the English version shall prevail.

* *For identification purpose only*