



## **Human Health Holdings Limited**

盈健醫療集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

# **TERMS OF REFERENCE OF REMUNERATION COMMITTEE**

**(Adopted by the Board on 28 January 2016)**

### **Constitution**

1. The board of directors (the “**Board**”) of Human Health Holdings Limited (the “**Company**”) hereby resolves to establish a remuneration committee of the Board to be known as the Remuneration Committee.

### **Membership**

2. The members of the Remuneration Committee shall be appointed by the Board and shall consist of not less than three members comprising a majority of independent non-executive directors of the Company (“**INED**”). A quorum for meetings of the Remuneration Committee shall be two members.
3. The chairman of the Remuneration Committee (the “**Chairman**”) shall be appointed by the Board and must be an INED.

### **Attendance at meetings**

4. Members of the Remuneration Committee may attend meetings of the Remuneration Committee either in person or through other electronic means of communication.
5. The company secretary shall be the secretary of the Remuneration Committee. The secretary of the Remuneration Committee or in his or her absence, his or her representative or any one member, shall be the secretary of the meetings of the Remuneration Committee.

### **Frequency of meetings**

6. Meetings shall be held at least once a year. Additional meetings should be held as the work of the Remuneration Committee demands.

### **Notice of Meetings**

7. Notice of meetings shall be given to all members of the Remuneration Committee at least three working days before the meeting.

## Authority

8. The Remuneration Committee is authorised by the Board to seek such further information from the management of the Company as it may require in order to enable it to discharge its duties.
9. The Remuneration Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

## Duties

10. The duties of the Remuneration Committee shall including the following:
  - (a) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
  - (b) to review and approve management's remuneration proposals with reference to the Board's corporate goals and objectives resolved by the Board from time to time;
  - (c) 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 of 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 or her associates is involved in deciding his or her own remuneration; and
  - (i) to advise shareholders (other than shareholders who are Directors with a material interest in the service contracts and their associates) as to whether the terms are fair and reasonable, whether such contracts are in the interests of the Company and its shareholders as a whole and on how to vote with respect to any service contracts of Directors that require shareholders' approval under Rule 13.68 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## **Reporting responsibilities and procedures**

11. Full minutes of Remuneration Committee meetings should be kept by the company secretary. Draft and final versions of minutes of the Remuneration Committee meetings should be sent to all members of the Remuneration Committee for their comments and records respectively, in both cases within a reasonable time after the meeting. The company secretary shall circulate the final versions of minutes of meetings of the Remuneration Committee to all members of the Board.

## **Publication of the terms of reference of the Remuneration Committee**

12. The terms of reference of the Remuneration Committee will be posted on the website of each of the Company and The Stock Exchange of Hong Kong Limited, and will be made available upon request.

## **Others**

13. The Chairman or in his or her absence, another member of the Remuneration Committee or failing this, his or her duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to respond to questions at the annual general meeting on the Remuneration Committee's activities and their responsibilities.
14. The Remuneration Committee should be provided with sufficient resources to discharge its duties.
15. The Company should disclose details of any remuneration payable to members of senior management by band in the annual reports.

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