



Jenscare Scientific Co., Ltd.
寧波健世科技股份有限公司
(the “Company”)

(A joint stock company incorporated in the People’s Republic of China with limited liability)
(Stock Code: 9877)

**Terms of Reference of the Remuneration and
Appraisal Committee (the “Committee”)
of the Board of Directors (the “Board”) of the Company**

Chapter 1 General Provisions

Article 1 In order to further establish a sound administrative system for the remuneration, appraisal and assessment of directors and senior management of the Company, and pursuant to the Company Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the articles of association of the Company (the “**Articles of Association**”) and other relevant regulations, the Company has set up the Committee and formulated these terms of reference.

Article 2 The Committee is a specific working body set up by the Board in accordance with the Articles of Association, and is primarily responsible for studying the appraisal and assessment criteria of directors and senior management, conducting assessments and make recommendations, studying and formulating remuneration plans for directors and senior management, making recommendations to the Board and supervising the implementation of the remuneration plans.

Article 3 The Committee shall be responsible to the Board and report its work to the Board.

Chapter 2 Composition

Article 4 The Committee shall consist of not less than three directors, a majority of whom shall be independent non-executive directors of the Company.

Article 5 Members of the Committee shall be nominated comprehensively after considering the expertise and wishes of the directors and the needs of the Board, and be elected by the Board.

Article 6 The Committee shall be chaired by an independent non-executive director. The chairman of the Committee shall be responsible for presiding over the work of the Committee. Where the chairman cannot perform his/her duties, another member who is an independent non-executive director shall be appointed to perform duties on his/her behalf. If no such member is appointed by the chairman, an independent non-executive director shall be elected by above half of the members of the Committee to act as chairman. The chairman of the Committee shall be elected from the members and be reported to the Board for approval.

Article 7 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 ceases to be a director of the Company, he/she shall automatically lose his/her position as a committee member of the Committee, and the vacancy shall be filled by a member elected by the Board in accordance with the provisions set forth above in Articles 4 to 6.

Article 8 The Committee could have a secretary to assist with the work of the Committee. The human resource department of the Company and its department head or other departments or personnel of the Company designated by the Committee from time to time shall undertake the relevant work of the secretary of the Committee.

The secretary of the Committee shall be responsible for collecting and providing information in relation to matters on the remuneration policy, performance assessment and appraisal of relevant directors and senior management in the industry, providing the Committee with advice and shall also be responsible for the preparation of relevant meeting documents.

Chapter 3 Duties and Authorities

Article 9 The primary duties and authorities of the Committee are as follows:

- (I) 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;
- (II) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (III) 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;

- (IV) to make recommendations to the Board on the remuneration of non-executive directors;

- (V) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- (VI) 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;
- (VII) 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;
- (VIII) to ensure that no director or any of his/her associates is involved in deciding that director's own remuneration;
- (IX) to form a view in respect of service contracts to be entered into between any members of the Company and its directors or proposed directors that require shareholders' approval and advise shareholders (other than shareholders who are directors with a material interest in the service contracts and their associates) as to whether the terms of the service contracts are fair and reasonable, advise whether such contracts are in the interests of the Company and its shareholders as a whole and advise shareholders on how to vote. The aforesaid directors' service contracts requiring shareholders' approval include contracts for a duration that may exceed three years, contracts requiring one-year prior notice to be given or compensation or other payments equivalent to one year's remuneration to be paid if the Company terminates the contract, or contracts required by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") or other related and applicable securities regulatory authorities; and
- (X) other matters authorized by the Board.

Article 10 The remuneration packages plan for directors of the Company proposed by the Committee shall first be approved by the Board and then be submitted to the shareholders' general meeting for consideration and approval before they can be implemented, while remuneration packages plan for senior management are required to be reported to the Board for consideration and approval. The remuneration packages proposed by the Committee shall not impair shareholders' interests.

Article 11 When the Committee conducts an appraisal on senior management, the secretary of the Committee shall provide the following information, including but not limited to:

- (I) status of achievement of major financial indicators and operating goals of the Company;
- (II) scope of work and performance of primary duties of senior management;
- (III) status of achievement of indicators of senior management's work performance appraisal; and
- (IV) remuneration plan for senior management and the basis for measurement.

Chapter 4 Rules of Procedures for Meetings

Article 12 Meetings of the Committee shall be held at least once a year and in principle be held during the regular meetings convened by the Board. A notice of meeting shall be given to all members seven days prior to the meeting, but such notice period can be waived by unanimous consent of all members.

Article 13 The chairman or above half of the members may propose to convene an extraordinary meeting. A notice of extraordinary meeting shall be given to all members at least five days prior to the meeting, but such notice period can be waived by unanimous consent of all members.

Article 14 The members of the Committee shall attend the meetings in a serious and responsible manner, and clearly express their views on the proposals considered at the meeting. In case a member is unable to attend the meeting of the Committee in person, he/she shall appoint another member in writing as a proxy to vote on his/her behalf and the member giving the proxy shall bear legal responsibility independently.

The proxy form shall state the name of such proxy, the relevant matters, scope of authorization and validity period, and shall be signed by the appointer or a chop shall be affixed. The member attending a meeting on behalf of other member shall produce such proxy form and exercise the rights within the scope of authorization.

Article 15 If a member of the Committee fails to attend meetings for two consecutive times where such member also fails to appoint other members to attend on his/her behalf, such member shall be deemed as failure to perform his/her duties. The Committee may propose to the Board to remove such member.

Article 16 The meetings of the Committee can only be held when above half of its members are present. The meetings shall be held by way of physical meetings in principle, however may be held by way of telecommunication or by way of circulation of written resolutions provided that the members are able to fully express their views and the procedures are in compliance to relevant regulatory requirements.

By way of telecommunication means that more than half of the members attend the meeting via telephone, video or other means of communications; by way of circulation of written resolutions means that the members considering and approving the resolution sent to each member separately or circulated to each member.

Article 17 All meetings shall be chaired by the chairman of the Committee. The chairman of the Committee may appoint another member who is an independent non-executive director to chair the meeting if he/she is not able to attend the meeting.

Article 18 The Committee shall vote by a show of hands or by a poll, and each member is entitled to one vote. Approval of any resolution at a committee meeting shall require more than half of the votes.

Article 19 Directors and senior management of the Company who are not members of the Committee may be invited to attend such meetings if necessary.

Article 20 Where the Committee evaluate or discuss the remuneration of any directors or senior management, such person shall abstain from the meeting in respect thereof.

Article 21 Minutes of Committee meetings shall be kept by the office of the Board or other departments designated by the Board to record in sufficient detail the matters considered and decisions reached, including any concerns raised by directors or dissenting views expressed. Attending members shall have rights to request to add explanatory notes to their speeches in the minutes. Draft versions of minutes shall be sent by the office of the Board or other departments designated by the Board to all members of the Committee for their comment within a reasonable time after the meeting is held, and final versions of minutes shall be sent to all directors thereafter for their records. Minutes shall be signed by members of the Committee attending the meeting. Minutes of meetings shall be kept by a duly appointed secretary of the meeting as an archive of the Company and should be open for inspection at any reasonable time on reasonable notice by any director of the Company.

Article 22 Resolutions and voting results passed at the meeting of the Committee shall be reported in writing to the Board. The Committee shall 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).

Article 23 Members of the Committee and other persons present at a meeting shall be obliged to keep all matters discussed at such meeting confidential, and shall not disclose any relevant information without authorization.

Article 24 The Committee shall consult the chairman and/or chief executive about their remuneration proposals for other executive directors. The Committee shall have access to independent professional advice if necessary, and the Company shall bear costs reasonably incurred.

Article 25 The office of the Board or other department designated by the Board shall be responsible for submitting proposals, organizing meetings, overseeing the implementation and feedback of the resolutions of the Committee, liaising and coordinating with the Committee and the secretary. The Committee shall be provided with sufficient resources to perform its duties and the relevant departments of the Company shall cooperate accordingly.

Chapter 5 Supplementary Provisions

Article 26 In these terms of reference, the scope “above” a number shall include the number itself while the scope “more than” a number shall exclude the number itself.

Article 27 These terms of reference are passed by the Board and shall be valid and effective from the date on which the overseas listed foreign shares (H shares) of the Company were listed on the Stock Exchange; from the date these terms of reference become valid, the previous terms of reference expire automatically.

Article 28 Any matters not covered by these terms of reference or in any event that these terms of reference contravene any laws, regulations, rules, regulatory documents, the supervision rules of the place where the Company’s shares are listed or the Articles of Association, the laws, regulations, rules, regulatory documents, the supervision rules of the place where the Company’s shares are listed and the Articles of Association shall prevail.

Article 29 The right of interpretation of these terms of reference rests with the Board.