

**CHARTER OF THE COMPENSATION COMMITTEE  
OF THE BOARD OF DIRECTORS  
OF BAIRD MEDICAL INVESTMENT HOLDINGS LIMITED**

**Adopted: September 30, 2024**

**I. Purpose**

The Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Baird Medical Investment Holdings Limited, a Cayman Islands exempted company (the “**Company**”), is appointed by the Board to: (a) assist the Board in discharging its responsibilities with respect to the Company’s compensation policies, plans and programs, and to review and determine the compensation to be paid to the Company’s directors and executive officers; (b) review and discuss with management the Company’s disclosures contained under the caption “Compensation Discussion and Analysis” (“**CD&A**”), when and as required by applicable rules and regulations of the U.S. Securities and Exchange Commission (the “**SEC**”) in effect from time to time for use in any of the Company’s Annual Reports on Form 10-K, registration statements, proxy statements or information statements filed with the SEC; and (c) prepare and review an annual report on executive officer compensation for inclusion in the Company’s annual proxy statement, in accordance with applicable rules and regulations. The term “compensation” shall include salary, long-term incentives, bonuses, perquisites, equity incentives, severance agreements, retirement benefits and other related benefits and benefit plans. The Committee shall undertake those specific duties and responsibilities enumerated below, and such other duties as the Board may from time to time prescribe. All powers of the Committee are subject to the restrictions designated in the Company’s Amended and Restated Memorandum and Articles of Association (as amended and/or restated from time to time, the “**M&A**”) and by applicable law, including but not limited to the Companies Act of the Cayman Islands, each as amended and/or restated from time to time. The approval of this Compensation Committee Charter (this “**Charter**”) by the Board shall be construed as a delegation of authority to the Committee with respect to the responsibilities set forth herein.

**II. Committee Membership**

Committee members shall be appointed by the Board and shall serve until their respective successors are duly elected and qualified or until their earlier resignation, disqualification, retirement, death or removal. Committee members may be removed at any time by the Board. Committee members may resign from the Committee at any time without resigning from the Board.

The Committee shall consist of no fewer than two (2) members of the Board. Each member of the Committee shall satisfy (i) the independence requirements of the Nasdaq Stock Market (“**Nasdaq**”), as in effect from time to time, when and as required, including any exceptions permitted by such requirements, (ii) unless otherwise approved by the Board, the “non-employee director” standard under Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), (iii) the requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended, for “outside directors,” (iv) any other qualifications as determined by the Board or the Nominating and Corporate Governance Committee of the Board of the Company from time to time and (v) any other applicable regulatory requirements.

Committee members shall not simultaneously serve on the Board of Directors of more than two other public companies without the prior approval of the Board. In addition, the Chair may not serve simultaneously on the compensation committee of more than one other public company.

### **III. Structure and Meetings**

The Committee shall conduct its business in accordance with this Charter, the M&A and any direction from the Board. The Board may appoint a member of the Committee to serve as the chairperson of the Committee (the “**Chair**”); if the Board does not appoint a Chair, the Committee members may designate a Chair by their majority vote. The Chair will set the agenda for Committee meetings and conduct the proceedings of those meetings.

The Committee shall meet at least twice annually at a time and place to be determined by the Chair, with meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its Chair. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board as provided for in the M&A.

The Chair will preside at each meeting and will set the agenda of items to be addressed at each meeting. The Chair (or other member designated by the Chair or the Committee in the Chair’s absence) shall regularly report to the full Board on the proceedings and any actions that the Committee takes. The Committee will maintain written minutes of its meetings, which minutes will be maintained with the books and records of the Company.

As necessary or desirable, the Chair may invite any director, officer or employee of the Company, or other persons whose advice and counsel are sought by the Committee, to be present at the meetings of the Committee, consistent with the maintenance of confidentiality of compensation discussions. Except as limited by applicable law, rules and regulations, the Committee shall have authority to require that any of the Company’s personnel, counsel, accountants or investment bankers, or any other consultant or adviser to the Company, attend any meeting of the Committee or meet with any member of the Committee or any of its outside advisers or consultants. The Company’s Chief Executive Officer (or President, if the President is then serving as the principal executive officer of the Company) (“**CEO**”), or any such other officers, shall not be present during voting or deliberations on their compensation or performance.

### **IV. Committee Authority and Responsibilities**

The Committee shall:

4.1 Review and approve the Company’s compensation programs and arrangements applicable to its executive officers, including without limitation salary, incentive compensation, equity compensation and perquisite programs, and amounts to be awarded or paid to individual officers under those programs and arrangements, or make recommendations to the Board regarding approval of the same. Without limiting the generality of the foregoing, the Committee shall review and approve all other employment-related contracts, agreements or arrangements between the Company and its officers and all other contracts, agreements or arrangements under which compensatory benefits are awarded or paid to, or earned or received by, the Company’s officers, including, without limitation, employment, severance, change of control and similar agreements or arrangements.

4.2 Determine the objectives of the Company’s executive officer compensation programs, identify what the programs are designed to reward, and modify (or recommend that the Board modify) the programs as necessary and consistent with such objectives and intended rewards.

4.3 Ensure appropriate corporate performance measures and goals regarding executive

officer compensation are set and determine the extent to which they are achieved, and any related compensation earned.

4.4 Consistent with the foregoing, at least annually review and approve the Company's goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of such goals and objectives, and determine and approve the CEO's compensation level based on this evaluation. In determining the long-term incentive component of the CEO's compensation, the Committee will consider the Company's performance and the value of similar incentive awards received by CEOs at companies of comparable size and comparable industries. Once the Company is no longer considered an emerging growth company, in evaluating and determining CEO compensation, the Committee shall consider the results of the most recent shareholder advisory vote on executive compensation ("**Say on Pay Vote**") required by Section 14A of the Exchange Act.

4.5 Review and approve any new equity compensation plan or any material change to an existing plan where shareholder approval has not been obtained. In reviewing and making recommendations regarding equity compensation plans, including whether to adopt, amend or terminate any such plans, the Committee shall consider the results of the most recent Say on Pay Vote, if applicable.

4.6 Review and approve any share option award or any other type of equity-based or equity-linked award as may be required for complying with any tax, securities, or other regulatory (including Nasdaq) requirement, or as otherwise determined to be appropriate or desirable by the Committee or Board.

4.7 Review and approve any compensation arrangement for any executive officer involving any subsidiary, special purpose, or similar entity, taking into account the potential for conflicts of interest in such arrangements and whether the arrangement has the potential to benefit the Company.

4.8 Review compensation practices and trends to assess the adequacy and competitiveness of the Company's executive compensation programs among comparable companies in the Company's industry; however, the Company shall exercise independent judgment in determining the appropriate levels and types of compensation to be paid.

4.9 Review and recommend to the Board the type and amount of compensation to be paid or awarded to Board members, including any consulting, retainer, Board meeting, Committee and Committee Chair fees and share option grants or awards. The Committee may invite the Company's CEO to be present during these deliberations.

4.10 Review and discuss with management any conflicts of interest raised by the work of a compensation consultant or adviser retained by the Committee or management, how such conflict is being addressed and prepare any necessary disclosure in the Company's annual proxy statement in accordance with applicable SEC rules and regulations.

4.11 If required, review and discuss with the Company's named executive officers and their employee designees (referred to herein as "**management**") the CD&A required to be included in the Company's annual proxy statement or Annual Report on Form 10-K filed with the SEC and recommend to the Board whether to include such CD&A in such proxy statement or annual report.

4.12 Produce a report on executive officer compensation, as required to be included in the Company's annual proxy statement or Annual Report on Form 10-K filed with the SEC.

4.13 Review and discuss any compensation-related disclosures that may be required in the Company's annual proxy statement or Annual Report on Form 10-K regarding such risks.

4.14 Review the Company's practices and policies of employee compensation as they relate to risk management and risk-taking incentives to determine whether such compensation policies and practices are reasonably likely to have a material adverse effect on the Company.

4.15 Oversee the Company's submissions to a shareholder vote on executive compensation matters, including Say on Pay Votes and the frequency of Say on Pay Votes, incentive and other executive compensation plans, and amendments to such plans. Review the results of shareholder votes on executive compensation matters and, to the extent the Committee determines it appropriate to do so, take such results into consideration in connection with the review and approval of executive officers' compensation. Discuss with management the appropriate engagement with shareholders and proxy advisory firms in response to such votes.

4.16 Have the authority to form subcommittees and delegate authority thereto as appropriate, including, but not limited to, a subcommittee composed of one or more members of the Board or officers of the Company to grant share awards under the Company's equity incentive plans to persons who are not then subject to Section 16 of the Exchange Act. Delegation by the Committee to any subcommittee shall not limit or restrict the Committee on any matter so delegated and, unless the Committee alters or terminates such delegation, any action by the Committee on any matter so delegated shall not limit or restrict future action by such subcommittee on such matters.

4.17 Have the full power and authority to adopt, amend and terminate the Company's share option plans, share appreciation rights plans, pension and profit-sharing plans, incentive plans, share bonus plans, share purchase plans, bonus plans, deferred compensation plans and sub-plans thereof and similar programs. The Committee may also oversee any committee appointed by the Board to exercise administrative and/or investment authority of any such plans in accordance with the plan's governing documents and the Employee Retirement Income Security Act of 1974, as amended. Subject to any limitations in this Charter, the Committee shall have full power and authority to administer these plans, establish guidelines, interpret plan documents, select participants, approve grants and awards, approve modifications to awards, and exercise such other power and authority as may be permitted or required under such plans, including with respect to the CEO, other executive officers and senior management. Notwithstanding the foregoing, the Board shall retain the right to act on all such matters without limiting the Committee's authority, subject to compliance with applicable laws and regulations.

4.18 Perform such other functions and have such other powers consistent with this Charter, the M&A and applicable law as the Committee or the Board may deem appropriate.

## **V. Performance Evaluation**

The Committee shall annually review, discuss and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval. The Committee shall also perform an annual evaluation of its own performance, which shall compare the performance of the Committee with the requirements of this Charter and report the results of such evaluation to the Board. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make this report.

## **VI. Committee Resources; Assessing Adviser Independence**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including (i) the authority to select, retain and terminate independent legal counsel and other experts or consultants, as it deems appropriate, without seeking approval of the Board or management, (ii) the authority to approve the fees payable to such counsel, experts or consultants and any other term of retention and (iii) access to all books, records, facilities and personnel of the Company as the Committee deems necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder, including human resources personnel preparing the CD&A for inclusion in the Company's filings with the SEC (as applicable). The Committee also shall have the sole authority to retain and/or replace, as needed, compensation consultants to provide independent advice to the Committee, and the sole authority to approve such consultants' fees and other terms and conditions of retention. The Company shall provide for appropriate funding for the payment of administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee may select a compensation consultant, legal counsel or other adviser to the Committee only after taking into consideration all factors relevant to that person's independence from management, including the following:

6.1 The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;

6.2 The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;

6.3 The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;

6.4 Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;

6.5 Any securities of the Company owned by the compensation consultant, legal counsel or other adviser; and

6.6 Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

The Committee shall conduct the independence assessment with respect to any compensation consultant, legal counsel or other adviser that provides advice to the Committee, other than: (i) in-house legal counsel; and (ii) any compensation consultant, legal counsel or other adviser whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K promulgated by the SEC: consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees; or providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the compensation adviser, and about which the compensation adviser does not provide advice.

Nothing herein requires a compensation consultant, legal counsel or other compensation adviser to be independent, only that the Committee consider the enumerated independence factors before selecting or receiving advice from a compensation consultant, legal counsel or other compensation adviser. The Committee may select or receive advice from any compensation consultant, legal counsel or other compensation adviser it prefers, including ones that are not independent, after considering the six independence factors outlined above.

Nothing herein shall be construed: (1) to require the Committee to implement or act consistently with the advice or recommendations of the compensation consultant, legal counsel or other adviser to the Committee; or (2) to affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties.

**VII. Impact of Charter**

This Charter does not change or augment the obligations of the Company, the Board, the Committee or its directors or management under the federal or state securities laws or create new standards for determining whether the Board, the Committee or the Company's directors or management have fulfilled their duties, including fiduciary duties, under applicable law.

**VIII. Disclosure of Charter**

This Charter will be made available on the Company's website.

**IX. Clawback Requirements**

To the extent that the Company continues to be listed on an exchange on which securities are traded and subject to Rule 10D-1 of the Exchange Act, in accordance with the Company's clawback policy, as amended and/or restated from time to time, the Committee will be responsible for (i) administering and interpreting the terms and conditions of the clawback policy and (ii) reviewing the clawback policy and recommending any proposed changes to the Board. In addition, the Committee shall assist and advise the Board and the Audit Committee as to what constitutes incentive-based compensation and, if the clawback is triggered due to a financial statement restatement, the amount of any clawback.

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