

# AMENDED AND RESTATED CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS OF KE HOLDINGS INC.

(Adopted by the Board of Directors of KE Holdings Inc. (the “Company”) on  
29 December 2022 and effective immediately)

This charter (“**Charter**”) is available for viewing in English and traditional Chinese. If there is any inconsistency between the English and the traditional Chinese versions of this Charter, the English version shall prevail over the traditional Chinese version.

## I. PURPOSE OF THE COMMITTEE

The purpose of the Compensation Committee (the “**Committee**”) of the board of directors (the “**Board**”) of the Company shall be to oversee the Company’s compensation and employee benefit plans and practices, including its executive compensation plans, and to perform such further functions as may be consistent with this Charter or assigned by applicable law, the Company’s memorandum and articles of association or the Board.

## II. COMPOSITION OF THE COMMITTEE

The Committee shall consist of two or more directors as determined from time to time by the Board, the majority of whom must be independent non-executive directors meeting the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKSE Listing Rules**”) (as amended from time to time). Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange (“**NYSE**”) (for so long as the Company’s shares or American depositary shares (“**ADSs**”) are there listed), The Stock Exchange of Hong Kong Limited (the “**HKSE**”) (for so long as the Company’s shares or ADSs are there listed) and any other securities exchange or other system on which the Company’s shares or ADSs are listed or authorized for trading from time to time (The NYSE, the HKSE and any such other securities exchange or other system collectively, the “**Stock Exchange**”) and any additional requirements that the Board deems appropriate. Composition of the Committee shall also comply with any other applicable laws and regulations.

The chairperson of the Committee (the “**Chairperson**”) shall be designated by the Board and must be an independent non-executive director meeting the independence requirements from time to time as stipulated in the HKSE Listing Rules. Committee members shall be appointed by the Board and may be removed by the Board at any time. For avoidance of any doubt, any vacancy on the Committee shall be filled by the Board and no member of the Committee shall be removed except by the Board.

### **III. MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities. The Chairperson shall preside at each meeting and, in the absence of the Chairperson, one of the other members of the Committee shall be designated as the acting chair of the meeting. The Chairperson, in consultation with the other Committee members, shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with this charter. The meeting agenda and accompanying documents should be sent to all members of the Committee at least 3 days before the intended date of each Committee meeting (or such other period as the members may agree). The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary, *provided* that the chief executive officer of the Company (the “CEO”) may not be present during any portion of a Committee meeting in which deliberation or any vote regarding his or her compensation occurs.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

Voting on Committee matters shall be on a one vote per member basis. All matters submitted for voting shall require voting by a majority of the Committee. The Chairperson could cast a tie-breaking vote when the Committee has a deadlock.

The Committee shall maintain minutes of its meetings and records relating to those meetings (“**Minutes**”), which shall be kept by a duly appointed secretary and should be open for inspection at any reasonable time on reasonable notice by any director. The Minutes should record in sufficient detail the matters considered and decisions reached, including any concerns raised by the members of the Committee or dissenting views expressed.

The Committee shall report regularly to the Board on its activities, decisions and recommendations, as appropriate, unless there are legal or regulatory restrictions on its ability to do so.

### **IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

The basic responsibility of the members of the Committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. In discharging that obligation, members should be entitled to rely on the honesty and integrity of the Company’s senior executives and its outside advisors and auditors, to the fullest extent permitted by law. In addition to any other responsibilities which may be assigned from time to time by the Board, the Committee is responsible for the following matters.

The Committee should consult the chairman and/or CEO about their remuneration proposals for other executive directors. The Committee should have access to independent professional advice if necessary.

#### **A. Executive Compensation**

The following duties and responsibilities with respect to the Company's executive compensation plans are within the authority of the Committee and the Committee shall, consistent with and subject to applicable law and rules and regulations promulgated by the United States Securities and Exchange Commission (the "SEC"), the Hong Kong Securities and Futures Commission (the "SFC"), the Stock Exchange, or any other applicable regulatory authority:

- (a) 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) review at least annually the goals and objectives of the Company's executive compensation plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate;
- (c) review at least annually and approve the Company's executive compensation plans in light of the Company's goals and objectives with respect to such plans, and, if the Committee deems it appropriate, adopt, or recommend to the Board the adoption of, new executive compensation plans, or the amendment of existing plans;
- (d) either (i) 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;
- (e) 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;
- (f) 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;

- (g) evaluate annually the performance of the CEO in light of the goals and objectives of the Company's executive compensation plans, and either (i) determine and approve, with delegated responsibility, the CEO's remuneration package; or (ii) make recommendations to the Board on the CEO's remuneration package, based on this evaluation; provided that in determining the long-term incentive component of the CEO's compensation, the Committee shall consider factors as it determines relevant, which may include, for example, the Company's performance and relative shareholder return, the value of similar awards to chief executive officers of comparable companies, and the awards given to the CEO in past years;
- (h) evaluate annually the performance of the other executive officers of the Company in light of the goals and objectives of the Company's compensation plans, and either (i) determine and approve, with delegated responsibility the remuneration packages of such other executive officers; or (ii) make recommendations to the Board on the remuneration packages of such other executive officers; provided that to the extent that long-term incentive compensation is a component of such executive officer's compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation, including the factors applicable with respect to the CEO;
- (i) to recommend to the Board annually (i) an aggregate cash bonus pool for senior management of the Company for the preceding fiscal year based on the Company's adjusted pre-tax operating profits for such fiscal year, and (ii) the allocation of such cash bonus pool between senior management members who are also partners of Baihui Partners L.P. and those who are not partners, and to review and approve any bonus amounts payable to partners of Baihui Partners L.P. who are executive officers or directors of the Company;
- (j) evaluate annually the appropriate level of compensation for Board and Committee service by non-employee directors, and make recommendations to the Board on the remuneration of non-executive directors;
- (k) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- (l) to ensure that no director or any of their associates is involved in deciding that director's own remuneration;
- (m) perform such duties and responsibilities as may be assigned to the Board or the Committee under the terms of any executive compensation plan;
- (n) review perquisites or other personal benefits to the Company's executive officers and directors and recommend any changes to the Board;

- (o) review compensation arrangements for the Company's employees to evaluate whether incentive and other forms of pay encourage unnecessary or excessive risk taking, and review and discuss, at least annually, the relationship between risk management policies and practices, corporate strategy and the Company's compensation arrangements;
- (p) review and approve the description of executive compensation included in the Company's annual report on Form 20-F; and
- (q) perform such other functions as assigned by law, the Company's memorandum and articles of association or the Board.

## **B. Management**

The Committee shall, in consultation with the Company's CEO, periodically review the Company's management succession planning, including policies for executive officers' selection and succession in the event of the incapacitation, retirement or removal of the executive officers, and evaluations of, and development plans for, any potential successors to the executive officers.

## **C. General Compensation and Employee Benefit Plans**

The following duties and responsibilities with respect to the Company's general compensation and employee benefit plans, including incentive-compensation and equity-based plans, are within the authority of the Committee and the Committee shall, consistent with and subject to applicable law and rules and regulations promulgated by the SEC, the Stock Exchange, or any other applicable regulatory authority:

- (a) review at least annually the goals and objectives of the Company's general compensation plans and other employee benefit plans, including incentive-compensation and equity-based plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate;
- (b) review at least annually the Company's general compensation plans and other employee benefit plans, including incentive-compensation and equity-based plans, in light of the goals and objectives of these plans, and recommend that the Board amend these plans if the Committee deems it appropriate;
- (c) review all equity-compensation plans to be submitted for shareholder approval pursuant to the requirements of the Stock Exchange, and review and, in the Committee's sole discretion, approve all equity-compensation plans that are exempt from such shareholder approval requirement;
- (d) perform such duties and responsibilities as may be assigned to the Board or the Committee under the terms of any compensation or other employee benefit plan, including any incentive-compensation or equity-based plan; and
- (e) review and/or approve matters relating to share schemes under Chapter 17 of the HKSE Listing Rules.

#### **D. Reporting to the Board**

- (a) The Committee shall report to the Board periodically.
- (b) At least annually, the Committee shall evaluate its own performance and report to the Board on such evaluation.
- (c) The Committee shall periodically review and assess the adequacy of this charter and recommend any proposed changes to the Board for approval.

#### **E. Risk Assessment**

The Committee shall review and assess risks arising from the Company's employee compensation policies and practices and whether any such risks are reasonably likely to have a material adverse effect on the Company.

#### **V. ROLE OF CHIEF EXECUTIVE OFFICER**

The CEO may make, and the Committee may consider, recommendations to the Committee regarding the Company's compensation and employee benefit plans and practices, including its executive compensation plans, its incentive-compensation and equity-based plans with respect to executive officers other than the CEO and the Company's director compensation arrangements.

#### **VI. EVALUATION OF THE COMMITTEE**

The Committee shall, no less frequently than annually, evaluate its own performance. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate to the Board for its consideration. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner. The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

## VII. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser retained by the Committee, the expense of which shall be borne by the Company. 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:

- (a) The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- (b) 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;
- (c) 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;
- (d) Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- (e) Any share of the Company owned by the compensation consultant, legal counsel or other adviser; and
- (f) 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: (1) in-house legal counsel; and (2) 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 consultant, and about which the compensation consultant does not provide advice.

Nothing herein requires a compensation consultant, legal counsel or other 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 adviser. The Committee may select or receive advice from any compensation consultant, legal counsel or other 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.

While the members of the Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under applicable federal or state law.