

Chinese Energy Holdings Limited

華夏能源控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 8009)

REMUNERATION COMMITTEE

TERMS OF REFERENCE (REVISED)

(As adopted by the Board on 13 March 2008,
amended on 29 March 2012, and further amended on 14 February 2023)

Constitution

1. The board (the “**Board**”) of directors (the “**Directors**”) of Chinese Energy Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) has resolved to establish a remuneration committee (the “**Remuneration Committee**”) with the authority, responsibility and specific duties as described below.

Membership

2. The Remuneration Committee shall be appointed by the Board from amongst the non-executive Directors of the Company and shall consist of not less than three (3) members, a majority of whom should be independent non-executive Directors. Currently, the Remuneration Committee has three (3) members of independent non-executive Directors. A quorum shall be two (2) members.
3. The chairman of the Remuneration Committee shall be appointed by the Board and should be an independent non-executive Director.

Frequency of meeting

4. Meetings of the Remuneration Committee shall be held at least once a year to consider and review the remuneration policies of the Company and make recommendations to the Board. Meetings of the Remuneration Committee may also be convened at the request of the Director of the Company. The members of the Remuneration Committee may adopt from time to time the procedures governing the convening of the Remuneration Committee meetings, and the means and procedures for the passing of resolutions at meetings of the Remuneration Committee.

Attendance at meetings

5. Members of the Remuneration Committee shall have the right to attend Remuneration Committee meetings. Other individuals may be invited to attend for all or part of any meetings of the Remuneration Committee, as and when appropriate.
6. Meetings can be held by way of telephone conference.

Authority

7. The Remuneration Committee should consult the chairman and/or the chief executive of the Company about their remuneration proposals in making their recommendations relating to remuneration of other executive Directors.
8. The Remuneration Committee is authorised by the Board may, from time to time, seek independent professional advice from external special personnel consulting groups so as to ensure that the Board remains informed of market trends and practices.
9. The Remuneration Committee is granted the authority by the Board to be provided with sufficient resources to perform its duties.

Duties

10. The duties of the Remuneration Committee shall be:
 - (a) to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors, corporate management (ie. senior management of the Company) and operating management (ie. senior management of the Company's business units) and on the establishment of a formal and transparent procedure for developing remuneration policy;
 - (b) to review and approve the management's remuneration proposals of the Company with reference to the Board's corporate goals and objectives;
 - (c) to make recommendations to the Board on the remuneration packages of individual executive Director and senior management of the Company, including benefits in kind, pension rights and compensation payment, including any compensation payable for loss or termination of their office or appointment and for the Board's final determination;
 - (d) to make recommendations to the Board on the remuneration of non-executive Directors and for the Board's final determination;

- (e) in determining any specific package, the Remuneration Committee shall take into account factors, such as salaries paid by comparable companies, time commitment, responsibilities of Directors, employment conditions elsewhere in the Group and whether any part of the remuneration package should be performance-based;
- (f) to review and approve the compensation payable to executive Directors, corporate management and operating 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 associates is involved in deciding his own remuneration; and
- (i) to review and/or approve matters relating to share schemes under Chapter 23 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

Reporting Procedures

11. The Company’s company secretary or his delegate or such other person appointed by the chairman of the Remuneration Committee shall be the secretary of the Remuneration Committee. The secretary shall circulate the draft and final versions of the minutes of meetings and reports of the Remuneration Committee to all members of the Remuneration Committee for comments and records within a reasonable time after each meeting.
12. Unless otherwise agreed, notice of each Remuneration Committee meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Remuneration Committee, any other person required to attend and all other non-executive Directors, at least three (3) working days prior to the date of the Remuneration Committee meeting.
13. The chairman of the Remuneration Committee shall report at the forthcoming regular Board meeting any key decisions made and shall table before the Board an index of meetings and issues discussed.
14. The chairman of the Remuneration Committee, in consultation with the secretary of the Remuneration Committee, should be primarily responsible for drawing up and approving the agenda of each Remuneration Committee meeting. The chairman of the Remuneration Committee, with the assistance of the secretary of the Remuneration Committee, shall ensure that all members of the Remuneration Committee shall have sufficient information in a timely manner to enable effective discussion at each Remuneration Committee meeting and be briefed of the issues arising at each Remuneration Committee meeting.

15. The secretary of the Remuneration Committee shall record minutes of all duly constituted meetings of the Remuneration Committee. All minutes shall record in sufficient detail the matters considered, decisions reached or recommendations made and any concerns raised by any member, the external auditor including dissenting views of any member.

Powers of the Board

16. The Board may, subject to compliance with the articles of association of the Company and the GEM Listing Rules (including the Corporate Governance Code), amend, supplement and revoke these terms of reference and any resolution passed by the Remuneration Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Remuneration Committee shall invalidate any prior act and resolution of the Remuneration Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.

Annual general meeting

17. The chairman of the Remuneration Committee shall, as far as practicable, attend the annual general meeting of the Company and be prepared to respond to any Company's shareholders questions on the Remuneration Committee's activities.

Note: As at 14 February 2023, the Remuneration Committee comprises three members, namely Mr. Leung Fu Hang (chairman of the Remuneration Committee), Mr. Luk Chi Shing and Mr. Chen Liang, all of whom are independent non-executive Directors of the Company.