



# 北京能源國際控股有限公司

## Beijing Energy International Holding Co., Ltd.

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 686)**

### TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

#### 1. CONSTITUTION

- 1.1 The Remuneration Committee (the “**Committee**”) was formed pursuant to the resolution passed by the board of directors (the “**Board**”) of Beijing Energy International Holding Co., Ltd. (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) on 28 September 2005.
- 1.2 Adopted on 23 March 2012 (and amended on 28 December 2022) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Corporate Governance Code effective from time to time.

#### 2. MEMBERSHIP

- 2.1 The Committee shall comprise at least a minimum of three members with a majority of independent non-executive directors.
- 2.2 The chairman of the Committee (the “**Chairman**”) must be an independent non-executive director and shall be appointed by the Board.
- 2.3 The Board may at any time appoint, remove, suspend or replace any member of the Committee at its option by resolution.
- 2.4 Members of the Committee shall be recommended and appointed by the Board. Each member shall hold office until cessation of his/her appointment as decided by the Board.

### **3. MEETINGS**

- 3.1 The company secretary of the Company shall be the secretary of the Committee (the “**Secretary**”).
- 3.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary.
- 3.3 A quorum of a meeting of the Committee shall be any two members.
- 3.4 In the absence of the Chairman, the remaining members present shall elect one of themselves to chair the meeting.
- 3.5 Notice of any meetings has to be given at least 7 days prior to any such meeting being held, unless all members of the Committee unanimously waive such notice. Irrespective of the length of notice being given, a member of the Committee attending the meeting shall be deemed waiver of the requisite length of notice of the meeting by the member. Notice of any adjourned meetings is not required if adjournment is for less than 7 days.
- 3.6 Meetings may be held in person, by telephone, electronic or other communications equipment. Members of the Committee may participate in a meeting by means of a conference telephone or other communications equipment through which all persons participating in the meeting are capable of communicating with each other simultaneously and instantaneously.
- 3.7 A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
- 3.8 Full minutes of Committee meetings should be kept by the Secretary. Draft and final versions of minutes of the Committee meetings shall be circulated to all members of the Committee for their comment and records within a reasonable time after the meeting.

### **4. ATTENDANCE AT MEETINGS**

- 4.1 Other than its members, the Committee may also invite other members of management, or others which considered appropriate by the Committee, to attend meetings as and when necessary, who shall have no voting rights.
- 4.2 Only members of the Committee are entitled to vote at the meetings.

## **5. FREQUENCY OF MEETINGS**

5.1 The Chairman, in consultation with the Secretary, shall decide the frequency and timing of its meetings. There shall be as many meetings as the Committee's duties and responsibilities require.

5.2 Meetings of the Committee shall be held not less than once a year.

## **6. AUTHORITY**

6.1 The Committee shall have the following authority within its terms of reference:

6.1.1 Obtain advice and assistance from, at the Company's expense, independent professional advisors to advise the Committee if it considers the same necessary; and

6.1.2 Seek any information it requires from management and employees.

## **7. DUTIES & RESPONSIBILITIES**

7.1 The Committee shall make recommendations to the Board on the Group's policy and structure for all director and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.

7.2 The Committee shall consult the chairman of the Board and/or the chief executive about their remuneration proposals for other executive directors, and have access to independent professional advice if necessary.

7.3 The Committee shall make recommendations to the Board on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.

7.4 Subject to Clause 7.9, the Committee shall make recommendations to the Board on the remuneration of non-executive directors.

7.5 The Committee shall consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

- 7.6 The Committee shall review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives.
- 7.7 The Committee shall 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.
- 7.8 The Committee shall review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they consistent with contractual terms and are otherwise reasonable and appropriate.
- 7.9 The Committee shall ensure that no director or any of his/her associate is involved in deciding his/her own remuneration.
- 7.10 The Committee shall review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

## **8. REPORTING PROCEDURES**

- 8.1 The Secretary shall circulate the minutes of meetings and reports of the Committee to all members of the Board.
- 8.2 The Committee shall report to the Board after each meeting.

*If there is any inconsistency between the English and Chinese versions of this terms of reference, the English version shall prevail.*