



# BEIJING GAS BLUE SKY HOLDINGS LIMITED 北京燃氣藍天控股有限公司

*(Incorporated in Bermuda with limited liability)*

(the “**Company**”)

(Stock Code: 6828)

## TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

(Revised and adopted on 30 March 2023)

### 1. Constitution

1.1. The remuneration committee (“**Remuneration Committee**”) was established pursuant to a resolution passed by the board of directors of the Company (the “**Board**”) at its meeting held on 26 March 2007.

### 2. Membership

2.1. Members of the Remuneration Committee (“**Members**”, each a “**Member**”) shall be appointed by the Board from amongst the members of the Board.

2.2. The Remuneration Committee shall consist of not less than three Members and a majority of the Members shall be independent non-executive directors (“**INEDs**”, each an “**INED**”) of the Company.

2.3. The appointment of the Members may be revoked, or additional members may be appointed to the Remuneration Committee by separate resolutions passed by the Board and by the Remuneration Committee. If a Member ceases to be a director, then his office as a Member shall ipso facto cease.

### 3. Chairman

3.1. The chairman of the Remuneration Committee shall be appointed by the Board and shall be an INED.

### 4. Secretary

4.1. The company secretary of the Company (“**Company Secretary**”) shall be the secretary of the Remuneration Committee.

4.2. The Remuneration Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Remuneration Committee.

## **5. Meetings**

- 5.1. The Remuneration Committee shall meet at least once a year.
- 5.2. Notice of any meetings has to be given at least seven (7) days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.
- 5.3. The quorum of the Remuneration Committee shall be any two Members.
- 5.4. Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 5.5. Resolutions of the Remuneration Committee at any meetings shall be passed by a majority of votes of the Members present.
- 5.6. A resolution in writing signed by all Members shall be as valid and effectual as if it had been passed at a meeting of the Remuneration Committee duly convened and held.
- 5.7. Full minutes shall be kept by the secretary of the Remuneration Committee and shall be open for directors' inspection. Minutes of the meeting should record in sufficient detail the matters considered and decisions reached, including any concerns raised by directors or dissenting views expressed. Draft and final versions of minutes shall be circulated to all Members for their comments and records respectively, in both cases within a reasonable period of time after the meeting.

## **6. Attendance at Meetings**

- 6.1. At the invitation of the Remuneration Committee, the chairman of the Board and/or chief executive officer, external advisers and other persons may be invited to attend all or part of any meeting.
- 6.2. Only Members of the Remuneration Committee are entitled to vote at the meetings.

## **7. Annual General Meetings**

- 7.1. The chairman of the Remuneration Committee or in his absence, another Member shall attend the Company's annual general meeting and be prepared to respond to shareholders' questions on the Remuneration Committee's activities and their responsibilities.

## **8. Responsibility**

The Remuneration Committee shall have the following responsibilities:

- 8.1. to make recommendations to the Board on the Company's policy and structure for all directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 8.2. to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- 8.3. 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;
- 8.4. to make recommendations to the Board on the remuneration of non-executive directors;
- 8.5. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
- 8.6. 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;
- 8.7. 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;
- 8.8. to ensure that no director or any of his/her associates is involved in deciding that director's own remuneration;
- 8.9. to review and/or approve matters relating to share schemes under Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"); and
- 8.10. to consider and implement other matters, as defined or assigned by the Board or otherwise required by the Listing Rules from time to time.

## **9. Reporting Responsibilities**

- 9.1. The Remuneration Committee shall report to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on its ability to do so.

## **10. Authority**

10.1. The Remuneration Committee shall consult the chairman of the Board and/or chief executive officer about their remuneration proposals for other executive directors and senior management.

10.2. The Remuneration Committee is authorised by the Board to seek any remuneration related information it requires from senior management of the Company in order to perform its duties.

10.3. The Remuneration Committee shall be provided with sufficient resources to perform its duties. Where necessary, the Remuneration Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

*Note:* Arrangement to seek independent professional advice could be made through Company Secretary.

## **11. Availability and Update of the Terms of Reference**

11.1. Any amendments to these terms of reference shall be recommended by the Remuneration Committee and come into effect on the date when they are approved by the Board.

11.2. These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (e.g. Listing Rules) in Hong Kong.

11.3. These terms of reference shall be made available to the public by including the same on the websites of The Stock Exchange of Hong Kong Limited and the Company.

*Remark:* "senior management" refers to the same persons referred to in the Company's annual report and required to be disclosed under paragraph 12 of Appendix 16 to the Listing Rules.