



**GOLDWIND SCIENCE&TECHNOLOGY CO., LTD.\***

**金風科技股份有限公司**

*(a joint stock limited liability company incorporated in the People's Republic of  
China)*

**Stock Code:02208**

## **TERMS OF REFERENCE OF REMUNERATION AND ASSESSMENT COMMITTEE**

*(In the case of any discrepancies, the Chinese version shall prevail over the English  
version.)*

### **Chapter 1      General Provisions**

1.1 In order to further establish and improve the performance assessment and remuneration management system of directors of the board and senior management and perfect the corporate governance structure of GOLDWIND SCIENCE&TECHNOLOGY CO., LTD. (the “**Company**”), the Company has established a remuneration and assessment committee and formulated these terms of reference in accordance with the Company Law of the People's Republic of China (the “**Company Law**”), Governance Standards of Listed Companies, Measures for Administration of Independent Directors of Listed Companies, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, Shenzhen Stock Exchange Listing Rules, Guidelines on Self-regulation of Listed Companies of Shenzhen Stock Exchange No.1 — Standardized Operation of Main Board Listed Companies and other laws, regulations and normative documents and the Articles of Associations of the Company (the “**Articles of Association**”) and other relevant provisions.

1.2 The Remuneration and Assessment Committee is a professional committee under the board of directors. It is responsible for studying and formulating the performance assessment standards for the directors of the board and senior management of the Company, and organizing the implementation. It is responsible for studying and formulating the remuneration policies and plans of the directors of the board and senior management. The Remuneration and Assessment Committee is accountable to the board of directors.

1.3 Directors of the board and senior management who have not received remuneration from the company are not within the assessment scope of these terms of reference.

### **Chapter 2      Membership**

2.1 The Remuneration and Assessment Committee consists of three directors, including two independent directors.

2.2 The Remuneration and Assessment Committee shall be nominated by the chairman of the board of directors, above a majority of independent directors or above one-third of directors of the board, and elected by the board of directors.

2.3 The Remuneration and Assessment Committee shall appoint one chairman who shall be an independent director and responsible for hosting the work of the committee. The chairman shall be elected from the Remuneration and Assessment Committee members and approved by the board of directors.

2.4 The chairman of the Remuneration and Assessment Committee shall convene and chair the meetings and when the chairman of the Remuneration and Assessment Committee is unable to perform his duties, he shall appoint one other member to perform his duties; when the chairman of the Remuneration and Assessment Committee neither performs his duties nor appoint one other member to perform his duties, the other two members may elect one of the members to perform the duties of the Chairman of the Remuneration and Assessment Committee.

2.5 The term of office of the Remuneration and Assessment Committee members will be in line with the term of office of the board of directors. The member may be re-elected upon the expiry of the current term of office. During the term, if any member ceases to hold office as a director, he/she will automatically lose the qualification as a member and the replacement shall be in accordance with item 2.1 to 2.3 as mentioned above.

2.6 If the number of members is less than two-thirds of the prescribed number of members due to the resignation or dismissal or other reasons, the board of directors of the Company shall appoint a new member as soon as possible. The Remuneration and Assessment Committee shall suspend the exercise of the functions and powers stipulated in these terms of reference until the number of members of the Remuneration and Assessment Committee reaches two-thirds of the prescribed number.

### **Chapter 3 Authority and Duty**

3.1 The Remuneration and Assessment Committee is responsible to the Board and has the following authorities and duties:

(1) Establish the remuneration policy and structure for all directors of the board and senior management, and make recommendations to the board of directors on the establishment of a formal and transparent procedure for developing remuneration policy;

(2) Make recommendations to remuneration or distribution plan of directors of the board and senior management considering their work scope, responsibilities and importance, salaries paid by comparable companies, as well as the actual situation of the Company;

Remuneration plan or scheme mainly includes but not limited to the evaluation standards, procedures and main performance evaluating system of directors of the board and senior management;

(3) Review and approve senior management's remuneration recommendations with reference to the business plans and objectives set by the board of directors;

(4) determine, with delegation of the board of directors, the remuneration of individual executive directors and senior management; make recommendations of the remuneration of individual executive directors and senior management to the board of directors. The remuneration shall include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;

(5) Consider remunerations paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;

(6) Make recommendations to the board of directors on the remuneration packages of non-executive directors;

(7) Review and assess the performance of duties of the directors of the board and senior management;

(8) 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;

(9) 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;

(10) Ensure no director or any of his/her associates is involved in deciding his/her own remuneration;

(11) 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; make recommendations to the Board of Directors on the formulation or modification of the share incentive schemes and the employee share ownership schemes, and on the fulfillment of the conditions for the grant and exercise of interests to the participants; make recommendations to the board of directors on the arrangement of the share ownership schemes of the proposed spin-off of a subsidiary participated by the directors of the board and senior management;

(12) Monitor the implementation of the remuneration policy;

(13) Other delegated by the board of directors.

If the board of directors does not adopt or does not fully adopt the suggestions of the Remuneration and Assessment Committee, it shall record the opinions of the Remuneration and Assessment Committee and the specific reasons for not adopting them in the resolution of the board of directors and disclose them.

## **Chapter 4      Procedures of Decision-making**

4.1 The work unit of the Remuneration and Assessment Committee shall be responsible for the preliminary preparations for decision-making of the committee and providing relevant information of the Company:

4.1.1 on the progress of fulfillment by the Company of its key financial targets and business objectives;

4.1.2 on the division of work scope and main responsibilities of the senior management of the Company;

4.1.3 on target completion, such targets being involved in the appraisal system of working performance of directors of the board and senior management;

4.1.4 on the operational performance of the directors of the board and senior management based on their business innovative and profit-making ability;

4.1.5 the calculation basis of the remuneration distribution plan of the Company.

4.2 The procedures for appraising directors and senior management by the Remuneration and Assessment Committee are as follows:

4.2.1 The directors of the board and senior management of the Company shall report their work and make self-appraisals to the Remuneration and Assessment Committee;

4.2.2 The Remuneration and Assessment Committee shall carry out performance appraisal of the directors of the board and senior management according to the performance appraisal standards and procedures;

4.2.3 A proposal on the amount of remuneration and incentive methods for the directors of the board and senior management based on the results of performance appraisal and under the remuneration distribution policies shall be made and, after being approved by the Remuneration and Assessment Committee, shall be reported to the board of directors.

## **Chapter 5      Rules of Procedures**

5.1 The Remuneration and Assessment Committee shall hold meetings at least once a year. The chairman of the Remuneration and Assessment Committee or, if he is absent, another member delegated by the chairman shall chair the meetings.

The chairman of the board of directors, chairman of the Remuneration and Assessment Committee or more than two (including two) members may request the convening of a temporary meeting of the Remuneration and Assessment Committee.

Three days' notice (excluding the meeting day) shall be given to all members before each regular and temporary meeting and relevant materials and information shall be given.

5.2 Meetings of the Remuneration and Assessment Committee shall only be held where more than a majority of its members are present. Each member shall be entitled to one vote. Resolutions at any meeting shall be passed by a simple majority of votes of all the members.

5.3 Members of the Remuneration and Assessment Committee shall attend the meeting in person and express clear opinions on the matters to be considered. If a member is unable to attend the meeting in person for some reason, he/she may submit a power of attorney signed by the member and entrust other members to attend and express their opinions on his/her behalf. The power of attorney shall specify the scope and duration of the authorization. Each member shall receive up to one member's delegation. If the independent director member is unable to attend the meeting in person for some reason, he shall delegate other independent directors to attend the meeting on his/her behalf.

5.4 The regular meetings and temporary meetings of the Remuneration and Assessment Committee shall be held in the form of on-site meetings in principle. On the premise that all participating members can fully communicate and express their opinions, it may be held by video, telephone or other means in accordance with the procedures if necessary.

5.5 Directors, supervisors and senior management of the Company may also be invited to attend such meetings if necessary.

5.6 Intermediaries may be engaged by the Remuneration and Assessment Committee at the expense of the Company to give independent professional advice on its decision-making if considered necessary.

5.7 When the Remuneration and Assessment Committee discusses any matter relating to a member of the committee, such member shall be absent from such meeting.

5.8 The proceedings and voting methods of a meeting of the Remuneration and Assessment Committee and the remuneration policies and distribution proposals approved at such meetings must comply with the requirements of the relevant laws, regulations, the Company's Articles of Association and these terms of reference.

5.9 Minutes shall be taken on all meetings of the Remuneration and Assessment Committee. The minutes of meetings shall be signed by each attending member and kept by the Secretary of the Board for no less than ten years.

5.10 Resolutions passed at a meeting of the Remuneration Committee and the voting results thereon shall be reported to the board of directors in writing.

5.11 All members attending or observing at a meeting are obliged to keep confidential all matters discussed at the meeting and shall not disclose such information without authorization.

## **Chapter 6      Miscellaneous**

6.1 These terms of reference shall take effect from the date on which they are passed by the meeting of the board of directors.

6.2 Any matter not regulated under these terms of reference shall be enforced under the requirements of the relevant laws and regulations of the State and the Articles of Association. Where any of these terms of reference is in conflict with the laws and regulations which are newly promulgated by the State or the Articles of Association as legally modified, such terms of reference shall be enforced subject to the requirements of the relevant laws and regulations of the State and the Articles of Association. In such case, corresponding amendments shall be made to these terms of reference immediately and be submitted to the board of directors for consideration and approval.

6.3 The terms of reference contained herein shall be interpreted by the Board.