HUZHOU GAS CO., LTD.
WORKING RULES OF THE REMUNERATION COMMITTEE OF THE BOARD OF DIRECTORS

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to regulate the appointment of directors and senior management personnel of Huzhou Gas Co., Ltd. (hereafter referred to as the "Company"), optimise the composition of the Board of Directors and to improve the corporate governance structure, in accordance with the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereafter referred to as the "Listing Rules") and other relevant laws and regulations, as well as the Articles of Association of Huzhou Gas Co., Ltd. (hereafter referred to as the "Articles of Association"), the Company hereby establishes the Remuneration Committee of the Board of Directors and formulates these Working Rules.

Article 2 The Remuneration Committee of the Board is a special working organ established by the Board, which is primarily responsible for formulating the appraisal standards and conducting appraisal for the directors and senior management of the Company, and responsible for setting up and reviewing the remuneration policy and plans for the same, and shall be accountable to the Board of Directors.

CHAPTER 2 COMPOSITION OF PERSONNEL

Article 3 The Remuneration Committee shall comprise at least three directors, with a majority of independent non-executive directors of the Company.

Article 4 The members of the Remuneration Committee shall be nominated by the chairman of the Board of Directors, more than half of the independent non-executive directors, or more than one-third of all directors, and is subject to election by the Board of Directors.

Article 5 The Remuneration Committee shall have a convener, who shall be an independent non-executive director and shall be in charge of convening and presiding over Remuneration Committee meetings. The convener shall be elected by more than half of all members and approved by the Board.

Article 6 The term of office of members of the Remuneration Committees shall be the same as that of directors of the Board, and the members shall be eligible for re-election upon expiry of their term of office. If any member ceases to serve as a director of the Company during the term, he/she shall automatically lose his/her membership and the Board shall elect a replacement member in accordance with the relevant provisions of these Working Rules.

Article 7 A member shall not be removed from office without cause before the expiry of his or her term of office, unless he or she is prohibited from serving in accordance with the laws and regulations, the Listing Rules, the Articles of Association or these Working Rules.

Article 8 A member of the Remuneration Committee may resign before the expiration of his or her term of office, and the resignation of a member shall be submitted to the Board of Directors. The resigned member shall continue to perform the relevant duties until the replacement member elected by the Board of Directors takes office.

Article 9 The Remuneration Committee may establish a working group dedicated to providing information about the Company's operations and relevant information about the appraised personnel, preparing for Remuneration Committee meetings and implementing relevant resolutions of the Remuneration Committee.

The human resource management department shall be responsible for the specific work. The secretary of the Board of Directors shall be responsible for the specific coordination between the Remuneration Committee and the Board of Directors.

CHAPTER 3 TERMS OF REFERENCE

Article 10 The major terms of reference of the Remuneration Committee are:

(i) to establish an overall remuneration structure, plan, programme and/or policy and the procedures to be followed in establishing such structure, plan, programme and/or policy (which must be formal and transparent), based on the main scope, responsibilities and importance of the management positions of directors and senior management and the remuneration levels of relevant positions in other relevant companies. The remuneration structure, plan, programme and/or policy shall mainly include but not limited to performance appraisal criteria, procedures and key appraisal system, and major incentive and penalty plans and systems;

(ii) to review and approve the remuneration proposals of senior management with reference to the corporate goals and objectives formulated by the Board of Directors;

(iii) to make recommendations to the Board of Directors on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments (including the compensation for loss or termination of their office or appointment);

(iv) to make recommendations to the Board of Directors on the remuneration of non-executive directors;

(v) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions for other positions of the group of which the Company belongs to;

(vi) to consult the chairman and/or general manager on remuneration proposals for other executive directors who are not the chairman or the general manager;

(vii) to review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment, so as to ensure that such compensation is consistent with contractual terms; if they are inconsistent with contractual terms, they shall be fair and reasonable and not excessive;

(viii) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms; if they are inconsistent with contractual terms, they shall be reasonable and appropriate;

(ix) to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;

(x) to review the performance of duties of directors (including independent non-executive directors) and senior management of the Company and conduct annual performance appraisals against them;

(xi) to supervise the implementation of the remuneration system of the Company;

(xii) matters specified in applicable laws, administrative regulations, the Listing Rules and the Articles of Association, and such other matters as authorised by the Board of Directors.

Article 11 The Remuneration Committee shall be accountable to the Board of Directors and the proposals of the Remuneration Committee shall be submitted to the Board of Directors for consideration and decision; matters in relation to directors' remuneration and assessment shall be submitted to the general meeting for consideration and resolution.

CHAPTER 4 DECISION-MAKING PROCESS

Article 12 The working group under the Remuneration Committee shall be responsible for preparing the Committee's decisions in advance and providing relevant written materials:

(i) to provide information on the achievement of the Company's major financial indicators and business objectives;

(ii) to provide information on the division of work of the Company's senior management and their main duties;

(iii) to provide information on the fulfillment of targets involved in the work performance assessment system of directors and senior management;

(iv) to provide information on the operational performance of directors and senior management in terms of the capability in business innovation and profit-making;

(v) to provide the basis for relevant measurement and calculation adopted in the proposed formulation of remuneration distribution plans and distribution methods of the Company according to the performance of the Company.

Article 13 The remuneration plan of the directors of the Company proposed by the Remuneration Committee shall be reported to the Board of Directors for approval, and then submitted to the general meeting for consideration and approval before implementation; the remuneration allocation plan of the senior management of the Company shall be reported to the Board of Directors for approval.

CHAPTER 5 RULES OF PROCEDURE

Article 14 The Remuneration Committee shall meet at least once a year, and seven days' notice shall be given to all members prior to each meeting, but the aforementioned notice period may be waived by unanimous agreement of all members. The meeting shall be chaired by the convener, who may delegate another member (an independent non-executive director) to chair the meeting if the convener is unable to attend.

Meetings of the Remuneration Committee shall be attended by members in person. If a member is unable to attend, he/she may appoint another member in writing to attend on his/her behalf. Where a member does not attend a meeting of the Remuneration Committee nor appoint a representative to attend, he/she shall be deemed to have abstained from voting at that meeting.

If any member of the Remuneration Committee fails to attend in person nor appoint other directors as his/her representative to attend meetings of the Remuneration Committee for two consecutive times, such member shall be deemed to have failed to perform his/her duties, and the members of the Remuneration Committee shall propose the Board to replace such member.

Article 15 Meetings of the Remuneration Committee shall be held in the presence of at least one-half of the members; each member shall have one vote; resolutions made at meetings shall be passed by more than half of all members.

Article 16 Voting at meetings of the Remuneration Committee shall be by a show of hands or a poll; ad hoc meetings may be held and voted by communication.

Article 17 If necessary, the Remuneration Committee may also invite other directors and senior management of the Company to present at its meetings.

Article 18 If necessary, the Remuneration Committee may engage an intermediary to issue professional advice, and the costs incurred in doing so shall be borne by the Company.

Article 19 The procedures for holding meetings of the Remuneration Committee, the voting methods and the plans passed at the meetings must comply with the provisions of relevant laws and regulations, the Articles of Association and these Working Rules.

Article 20 The Remuneration Committee shall have minutes of its meetings. Members present at the meeting shall sign their names on the minutes of meeting; the minutes of the meeting shall be kept by the secretary of the Board of Directors for a period of not less than ten years.

Article 21 Any plans passed and the results of a poll taken at a meeting of the Remuneration Committee shall be reported in writing to the Board of Directors of the Company.

Article 22 Members of the Remuneration Committee shall have the obligation for keeping the discussed matters confidential and shall not disclose the relevant information without authorisation by the Board of Directors.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 23 Unless otherwise stated, terms used in these Working Rules shall have the same meanings as in the Articles of Association.

Article 24 The right to interpret these Working Rules shall reside with the Board of Directors.

Article 25 In the event of any matters not covered by these Working Rules or a conflict between the laws, administrative regulations, the Listing Rules, other relevant regulatory documents, the provisions of the Articles of Association or resolutions of the general meeting promulgated from time to time with these Working Rules, the laws, administrative regulations, the Listing Rules, other relevant regulatory documents, the provisions of the Articles of Association and resolutions of the general meeting shall prevail.

Article 26 These Working Rules shall take effect from the date on which they are considered and approved by the Board of Directors.