

**TERMS OF REFERENCE OF THE
REMUNERATION COMMITTEE UNDER THE
BOARD OF DIRECTORS OF SINOPEC OILFIELD
SERVICE CORPORATION**

**Reviewed and adopted by the 1st Meeting of the 8th Session of the Board on 9
February 2015**

**Reviewed and adopted by the 14th Meeting of the 10th Session of the Board on
28 March 2023**

**Reviewed and adopted by the 19th Meeting of the 10th Session of the Board on
26 March 2024**

**Reviewed and adopted by the 13th Meeting of the 11th Session of the Board on
17 August 2026**

Chapter 1 General Provisions

Article 1 These Terms of Reference (these “**Terms**”) are established by Sinopec Oilfield Service Corporation (the “**Company**”) for the Remuneration Committee under its board of directors (the “**Committee**”) in combination with the Company’s practical situation and in accordance with the *Company Law of the People’s Republic of China* (the “**Company Law**”), the *Code of Corporate Governance for Listed Companies* published by China Securities Regulatory Commission, the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange* and the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* published by the securities exchanges of the jurisdictions in which the Company’s shares are listed, and other relevant laws, regulations, departmental rules, normative documents and the securities regulations of the jurisdictions in which the Company’s shares are listed (the “**Relevant Regulatory Rules**”), and the relevant provisions of Articles of Association of Sinopec Oilfield Service Corporation (the “**Articles**”) in order to set down the composition, responsibilities and rules of procedure of the Committee.

Article 2 The Committee is an internal committee specifically set up by and responsible to the board of directors.

Chapter 2 Composition

Article 3 The Committee shall comprise a minimum of three (3) directors, the majority of which shall be independent directors, and no member of the Committee shall be a director who concurrently holds a position as a member of the senior management of the Company. The Committee shall have one (1) chairman in charge of its work, who shall be a Committee member designated by the board of directors from the Company’s independent directors.

The Committee’s administrative office is established in the Human Resources Department of the Company, responsible for undertaking the Committee’s specific business.

The Committee shall have one (1) secretary (who shall be nominated by the board office, and appointed by the Committee). The Committee's secretary is responsible for assisting the work of the members of the Committee, including assisting the communication among the Company's board of directors, the Committee and the administrative office of the Committee.

Article 4 Members of the Committee shall either be nominated by the chairman of the board of directors, more than half of the independent directors, or more than one third of all the directors. The appointment shall be made by the board of directors.

Article 5 Members of the Committee shall serve for the same term as the directors of the Company. Any member of the Committee who ceases to be a director of the Company shall become automatically disqualified from the Committee and the Company shall, if necessary, appoint a replacement to fill in the vacancy caused by such disqualification pursuant to Articles 3 and 4 above.

Article 6 The Committee may, if needed, engage advisory members who provide professional advice in accordance with the requirements of the Committee.

Chapter 3 Duties and Responsibilities

Article 7 The Committee shall perform the following obligations and responsibilities:

- (1) To formulate the remuneration (including non-currency income, pension rights and compensation payments, remuneration decision mechanisms, decision-making processes, payment and cessation of payment recovery arrangements) policies, structure and the procedure for setting remuneration policies for directors and senior management, and to give advice to the board of directors in this regard;
- (2) To formulate the appraisal criteria for directors and senior management, and to study and give advice on the Company's performance appraisal policy of directors and senior management;

- (3) To review and approve performance-based remuneration proposals with reference to the corporate goals and objectives resolved by the board of directors, and to give advice to the board of directors on the remuneration of directors and senior management;
- (4) To supervise the implementation of the Company's remuneration policies of directors and senior management;
- (5) To review and give advice on the compensation arrangements with directors and senior management relating to dismissal, removal or termination of their appointment for misconduct;
- (6) To research, review, draft and/or change the share option scheme for employees or share incentive plan, make recommendations to the board of directors on issues such as the granting of equity to incentive recipients and the fulfillment of conditions for the exercise of equity;
- (7) To research, review, draft and/or change the share incentive plan of directors or senior management in the relevant subsidiary to be spun off and make recommendations to the board of directors;
- (8) To fulfill other issues authorized by the board of directors;
- (9) To fulfill other duties and responsibilities delegated by the Relevant Regulatory Rules and the Articles.

The procedure of the Committee for formulating remuneration policies shall be formal and transparent. To formulate the specific remuneration packages of directors and senior management, the Committee shall consider factors such as salaries paid by comparable companies, time commitment and responsibilities of relevant personnel and their other positions within the Company etc. When performing its duties and functions, the Committee shall ensure that no director or any party with a direct interest in relation to him/her is involved in deciding his/her own remuneration.

When the Committee exercises the power under item (6) of paragraph 1, it shall examine whether the grant conditions, exercise conditions and appraisal criteria of the share option scheme for employees and share incentive plan comply with the Relevant Regulatory Rules and the actual circumstances of the Company, and shall express a

clear opinion as to whether the incentive recipients satisfy the conditions for the grant and exercise of the relevant equity interests.

Article 8 The Committee shall, on an annual basis, examine the remuneration of directors and senior management, express its opinion on the implementation of the remuneration policies and the compliance of the remuneration proposals, and the Company shall disclose the same in its annual report.

Article 9 The chairman of the Committee shall perform the following obligations and responsibilities:

- (1) To convene and preside over the meeting of the Committee;
- (2) To take charge of the daily business of the Committee;
- (3) To review, finalize and sign the reports and other important documents of the Committee;
- (4) To organize to examine the implementation of the resolutions and proposals of the Committee approved by the board of directors;
- (5) To report its work to the board of directors on behalf of the Committee;
- (6) To fulfill such other duties and responsibilities as conferred by the board of directors.

If the chairman of the Committee is unable or fails to perform his/her duties, an independent director of the Committee who is recommended by more than half of the Committee members shall act in his/her duties.

Chapter 4 Rules of Procedure

Article 10 The meeting of the Committee shall be convened by the chairman, or two (2) or more of the members of the Committee on a necessary basis. If, in the course of performing his or her duties, an independent director identifies any material matter of the Company which falls within the scope of duties of the Committee, he or she may promptly request the Committee to conduct discussion and deliberation under the relevant procedures.

Article 11 The chairman shall convene the meeting and issue notice of the meeting. Notice of the meeting and documents shall be sent to all the Committee members at least three (3) days before the date of the meeting. Subject to the consent of all the Committee members, the foregoing requirement of the notification period may be waived.

Article 12 In principle, the Committee shall convene in-person meeting. On the premise that all the directors attending the meeting can fully communicate with each other and express their opinions, the meeting may be convened by video, telephone, or other means under the relevant procedures, if necessary.

Article 13 The members of the Committee should attend the meeting in person, and should express their clear opinions on the deliberations. If any member of the Committee is unable or fails to attend the meeting for any reason, such member should review the meeting materials in advance, form clear opinions, submit a power of attorney signed by him/her, and entrust another member to attend such meeting on his/her behalf. An independent director who is unable to attend a meeting of the Committee in person for any reason shall authorize another independent director to attend the meeting on his or her behalf in accordance with the foregoing provisions. The power of attorney should specify its scope and duration. Every member could be entrusted by no more than one (1) member at one time.

Article 14 The meeting of the Committee shall be presided over by the chairman. If the chairman is unable or fails to perform his/her duties, an independent director serving as a member of the Committee shall be jointly elected by more than half of the Committee members to preside over the meeting.

More than half of all the members of the Committee (including a proxy duly authorized in writing) shall be a quorum for a Committee meeting. Any of the resolutions or advice made by the Committee shall be subject to the approval of more than half of all the members. Each member of the Committee shall have one (1) vote.

Article 15 Voting at the meeting of the Committee may be by a show of hands or poll or by telecommunication.

Article 16 If a member of the Committee participates in the meeting of the Committee and votes in a situation where according to the Relevant Regulatory Rules, he/she should have ceased to perform his/her duties but has not yet ceased to do so or should have been dismissed from his/her duties but has not yet been dismissed from his/her duties, his/her voting shall be invalid and he/she shall not be counted as being present.

Article 17 Members of the Committee shall abstain from discussions on, and shall not participate in voting on any topic concerning themselves or in which they have an interest. If, following such abstention, the number of members present at the meeting is insufficient to constitute a quorum, the relevant topic shall be submitted directly to the board of directors for consideration.

Article 18 Resolution or advice approved at the meeting of the Committee shall be reported to the board of directors.

Article 19 Full minutes of the Committee meeting, resolutions or opinions should be compiled by the Committee's secretary. Draft and final versions of the minutes of the meeting shall be sent to all Committee members for their comments and records, respectively, within a reasonable time after the meeting.

The opinions of independent directors and the circumstances in which any member has abstained from voting shall be recorded in the minutes, resolutions or opinions. The minutes, resolutions or opinions shall be signed by the Committee members present at the meeting.

Article 20 The meeting documents and materials of the Committee shall be prepared and kept by the administrative office of the Committee for at least ten (10) years.

Article 21 Apart from reporting to the board of directors as required by these Terms, the members present at the meeting and other personnel attending the meeting without voting rights shall be liable to keep in confidence the matters discussed at the meeting and shall not disclose the relevant information without proper authorization.

Chapter 5 Guarantees

Article 22 The Committee's fund shall be covered by the budget of the Company. The Committee is entitled to engage professionals when performing its duties, and the reasonable expenses incurred shall be borne by the Company.

Article 23 The senior management and relevant departments of the Company shall actively provide such necessary information and materials as required by the Committee in a cooperative and supportive manner.

Chapter 6 Supplementary Provisions

Article 24 Unless otherwise specified, the terms used herein shall have the same meanings as ascribed to them in the Articles.

Article 25 The Terms shall be interpreted by the board of directors.

Article 26 In the case of any matters not mentioned in the Terms or in conflict with the Relevant Regulatory Rules as promulgated from time to time or the Articles, the Relevant Regulatory Rules or the Articles shall prevail.

Article 27 The establishment and amendments of these Terms shall come into effect upon the approval of the board of directors.