



瀋陽公用發展股份有限公司
Shenyang Public Utility Holdings Company Limited
(a joint stock limited company incorporated in the People's Republic of China)
(Stock code: 747)

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE
(the “Committee”)

1 Constitution

- 1.1 The Committee was formed pursuant to the resolution of the board of directors (the “**Board**”) of Shenyang Public Utility Holdings Company Limited (the “**Company**”) passed on 13 February 2012.

2 Membership

- 2.1 The Committee shall be appointed by the Board from time to time and shall consist of not less than three directors, a majority of which shall be independent non-executive directors who shall meet and maintain the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).
- 2.2 The chairman of the Committee (the “**Chairman**”) shall be appointed by the Board, and must be an independent non-executive director.

3 Secretary

- 3.1 The company secretary of the Company shall be the secretary of the Committee (the “**Secretary**”).
- 3.2 In the absence of the Secretary, the members present at the meeting of the Committee shall elect any member present or any other person present to take minutes for the meeting.

4 Meetings

- 4.1 The Committee shall meet at least once every year, or more frequently if circumstances require.
- 4.2 A meeting of the Committee may be convened by any of its members, or by the Secretary at the request of any of the members of the Committee.

- 4.3 Members of the Committee may attend meetings of the Committee either in person or through other electronic means of communication. A member in the absence due to any reason may authorize any other member of the Committee to attend the meeting in written form, and the scope of the authority should be stated clearly in the letter of authorization.
- 4.4 Meetings of the Committee shall be held with at least two-thirds of the members, and only the members of the Committee may vote at meetings. In passing the resolutions at meetings of the Committee, a majority of the members present and voting shall be required.
- 4.5 The Secretary shall prepare and keep minutes of meetings. Both the draft and the final minutes shall be sent to the members of the Committee for their review and records within a reasonable time after the conclusion of the meeting. The minutes of meetings shall be made available for inspection by any director of the Company.

5 Annual General Meeting

- 5.1 The Chairman (or in his absence, his duly appointed delegate) shall attend the Company's annual general meeting and be prepared to respond to any shareholders' questions on the Committee's activities.

6 Authority

- 6.1 The Committee is authorized by the Board to make recommendation to the Board on the remuneration payable to executive directors and members of senior management, the emolument policies and the basis for determining such emoluments. It shall ensure that no director should be involved in deciding his own remuneration.
- 6.2 The Committee is authorized by the Board to obtain professional advice and assistance from internal or external legal, accounting or other advisers at the expense of the Company if necessary.
- 6.3 The Committee shall have full access to management and may invite members of management or others to attend its meetings. The Committee shall consult the chairman and/or chief executive officer of the Company about their proposals relating to the remuneration of other executive directors.
- 6.4 The Committee shall be provided with sufficient resources to perform its duties.

7 Duties

- 7.1 To make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- 7.2 To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

- 7.3 To determine, with delegated responsibility or to make recommendations to the Board on the specific 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 and to make recommendations to the Board of the remuneration on non-executive directors. The Committee shall consider factors such as salaries paid by comparable companies, time commitment and responsibilities and employment conditions of the Company and its subsidiaries. The Committee shall also ensure that the remuneration levels should be sufficient to attract and retain directors to run the Company successfully without paying more than necessary;
- 7.4 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;
- 7.5 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;
- 7.6 To ensure that no director or any of his associates is involved in deciding his own remuneration;
- 7.7 To review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules;
- 7.8 To advise shareholders of the Company on how to vote in respect of any service contracts of directors that require shareholders' approval in accordance with the Listing Rules; and
- 7.9 To review from time to time as appropriate these terms of reference and the effectiveness of the Committee and recommend to the Board any necessary changes.

8 Reporting Procedures

- 8.1 The Committee shall report to the Board on a regular basis.

9 Terms Available

- 9.1 The Committee shall make available these terms on request and by inclusion on the websites of the Company and the Stock Exchange in order to explain its role and the authority delegated to it by the Board.

(18 August 2026)