CHINA GAS HOLDINGS LIMITED

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

(Adopted on 8 July 2005 and
amended on 16 November 2007, 31 December 2012 and 27 November 2026)

CHINA GAS HOLDINGS LIMITED
(the "Company")

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

1. Composition

1.1 The Remuneration Committee (the "**Committee**") of the board of directors of the Company (the "**Board**") shall comprise a majority of independent non-executive directors of the Company. The minimum number of the members of the Committee (including its chairperson) shall be three (3), and any other requirements as imposed by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") from time to time shall be complied.

1.2 The Board shall appoint the members of the Committee and nominate one of the members of the Committee who shall be an independent non-executive director of the Company as the chairperson of the Committee (the "**Committee Chairperson**").

1.3 If the Committee Chairperson is absent in a meeting of the Committee, the members present shall elect one of their members to chair the meeting.

2. Secretary

2.1 The company secretary of the Company shall act as the secretary of the Committee (the "**Secretary**").

3. Quorum and Resolutions

3.1 The quorum necessary for the transaction of business shall be two (2). A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise any of the authorities, powers and discretions vested in, or exercisable by, the Committee. A resolution passed by a simple majority of members of the Committee present at such meeting shall constitute a valid resolution approved by the Committee.

3.2 Members of the Committee may participate in any meeting of the Committee by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.

3.3 A written resolution signed by all members of the Committee shall constitute a valid resolution duly approved and passed by the Committee. Any written resolution may be contained in one document or in several documents in same form each signed by one or more of the Committee members.

4. Frequency of Meetings

4.1 The Committee shall meet at least once every financial year and at such times as the Committee Chairperson shall require.

4.2 Meetings of the Committee shall be convened by the Secretary at the request of any member of the Committee. Notices of meeting may be given in writing or verbally (including in person or by telephone) or by electronic means to an electronic address or in such other manner as the Committee may from time to time determine.

5. Minutes of Meeting

5.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings.

5.2 A draft of the minutes of Committee meetings shall be circulated to all members of the Committee for their comments within a reasonable time after the meeting. Once all Committee members who have attended the relevant meeting have agreed on the content, the final version of the minutes shall be circulated to all Committee members for the records and also made available to all members of the Board for their reference.

6. Duties

6.1 The Committee shall consult the chairperson of the Board and/or the chief executive (or the joint managing directors) of the Company about the remuneration proposals for other executive directors.

6.2 The Committee shall:

(i) make recommendations to the Board on the Company's policy and structure for all the remuneration of directors and senior management as identified in the section headed "Biographies of Directors and Senior Management" (or equivalent) in the Company's latest published annual report, as determined by the Board from time to time (the "**Senior Management**") and on the establishment of a formal and transparent procedure for developing remuneration policy;

(ii) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

(iii) determine the remuneration packages of individual executive directors and Senior Management, including benefits-in-kind, pension rights and compensation payable for loss or termination of their office or appointment;

(iv) subject to paragraph (iii) above, approve the terms of the service agreements made between the Company and executive directors;

(v) assess the performance of executive directors;

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

(vii) review and approve compensation payable to executive directors and Senior Management for any loss or termination of office or appointment to ensure that such compensation is consistent with relevant contractual terms and is otherwise fair and not excessive;

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

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

(x) review and approve the matters relating to share schemes under Chapter 17 of the Listing Rules; and

(xi) ensure appropriate disclosure in relation to remuneration issues in accordance with the Listing Rules for inclusion in annual report of the Company.

6.3 With the support and information provided from external and internal services, the Committee should ensure that:

(i) the salary and overall package of the executive directors and the Senior Management are consistent with appropriate external comparison and are competitive and sufficient to attract and retain directors and Senior Management to manage and operate the business of the Company and the group successfully, taking into account factors including time commitment, responsibilities and employment conditions;

(ii) bonus arrangements, grant of share options and/or share awards under the share-based incentive schemes and/or other long-term plans for the executive directors and the Senior Management are appropriate; and

(iii) the Committee provides the Board with an objective and independent assessment of the benefits available to directors.

7. Authority and Resources

7.1 The Committee is authorised to seek any information which it requires from any employee of the Company and the group in order to perform its duties under its terms of reference.

7.2 The Committee shall be provided with sufficient resources to perform its duties under its terms of reference.

7.3 Where necessary, the Committee is authorised to obtain, at the Company's expense, independent professional advice on any matter to perform its responsibilities under its terms of reference.

8. Annual General Meeting

8.1 The Committee Chairperson or at least one other member of the Committee shall attend the annual general meeting of the Company and be prepared to respond to shareholders' questions on the activities of the Committee.

9. Others

9.1 The Committee shall review at least annually its terms of reference and recommend any changes that it considers necessary to the Board for its approval.

9.2 The Committee shall make available its terms of reference, with an explanation of its role and the authority delegated to it by the Board, by including them on the websites of Hong Kong Exchanges and Clearing Limited and of the Company.