

ENN ENERGY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE

ENN ENERGY HOLDINGS LIMITED

Terms of Reference for the Remuneration Committee

Formation

1. The Remuneration Committee (the “Committee”) of ENN Energy Holdings Limited (the “Company”) was formed pursuant to the resolution of the board of directors (the “Board”) of the Company passed on 31 December 2004.

The proceedings of meetings of the Committee are governed by the provisions contained in the articles of association of the Company.

Composition and Quorum

2. The majority of the members of the Committee should be independent non-executive directors. A quorum for meeting of the Committee shall be two members.
3. The chairman of the Committee shall be appointed by the board and shall be an independent non-executive director.

Secretary of the Committee

4. The Company Secretary of the Company (“Company Secretary”) shall be the secretary of the Committee. In the absence of the Company Secretary in any meeting of the Committee, the representative of the Company Secretary or any one member of the Committee shall be the secretary of the meeting of the Committee.

Frequency of meetings

5. Meetings shall be held not less than once a year.

Authority

6. The Committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the Company or its subsidiaries and all employees are directed to cooperate with any request made by the Committee, subject to the applicable laws and regulations.
7. The Committee should be provided with sufficient resources to perform its duties. The Committee is authorised by the Board, subject to prior discussion concerning the cost, to obtain external legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary to perform its duties with regard to any matter within its term of reference. *(Note: Arrangement to seek independent professional advice can be made through the Company Secretary.)*
8. Where the Board resolves to approve any remuneration or compensation arrangements with which the Committee disagrees, the Board should disclose the reasons for its resolution in its next Corporate Governance Report.

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Duties

9. The duties of the Committee shall be:
- (a) 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;
 - (b) To review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
 - (c) To make recommendations to the Board on the remuneration packages of individual executive directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
 - (d) To consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group;
 - (e) 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;
 - (f) 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;
 - (g) To make recommendations to the Board on the remuneration of non-executive directors;
 - (h) To ensure that no director or any of his associates is involved in deciding his own remuneration;
 - (i) To 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 (including but not limited to the minimum vesting period, and any absence of performance targets and/or clawback mechanism for the grants of share options or awards to a director or senior manager of the Company, and any change to the terms of options or awards granted to a participant under a share scheme of the Company, etc.);
 - (j) To consult the chairman and/or the chief executive officer about their proposals relating to the remuneration of other executive directors and have access to professional advice if considered necessary; and
 - (k) To consider other topics as defined by the Board.

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Reporting procedures

10. Full minutes of the Committee meetings should be kept by the secretary of the Committee. Draft and final versions of minutes of the meeting should be sent to all members of the Committee for their comments and records, within a reasonable time after the meetings.
11. The Committee shall review this terms of reference regularly, and shall report the work of the Committee to the Board at least annually.
12. The chairman of the Committee or (if absent) another member of the Committee whom must be an independent non-executive director should attend the annual general meeting of the Company and handle the shareholders' enquiry on the activities and responsibilities related to the Committee.

- End -

Date of First Adoption: 31 December 2004
Date of Latest Revision: 15 December 2022