



**ENERGY INTERNATIONAL INVESTMENTS HOLDINGS LIMITED**

**能源國際投資控股有限公司\***

(the “Company”)

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 353)

**Terms of reference of the Remuneration Committee**

**1. Constitution**

1.1 The Board of Directors (the “**Board**”) of the Company has resolved to established the Remuneration Committee (the “**Committee**”).

**2. Membership**

2.1 The Committee shall be appointed by the Board from time to time and shall consist of at least three Directors.

2.2 The majority of the members of the Committee should be independent non-executive Directors.

2.3 The chairman of the Committee shall be appointed by the Board and should either be the chairman of the Board or an independent non-executive Director.

2.4 The Company Secretary of the Company shall be the secretary of the Committee.

**3. Proceedings of the Committee**

3.1 *Notice:*

(a) Unless otherwise agreed by all the Committee members, a meeting shall be called by at least two workings days’ notice.

\* *For identification purposes only*

- (b) A Committee member may and, on the request of a Committee member, the secretary to the Committee shall, at any time summon a Committee meeting. Notice shall be given to each Committee member in person orally or in writing or by telephone or by email or by facsimile transmission at the telephone or facsimile or address or email address from time to time notified to the secretary by such Committee member or in such other manner as the Committee members may from time to time determine.
- (c) Any notice given orally shall be confirmed in writing as soon as practicable and before the meeting.
- (d) Notice of meeting shall state the time and place of the meeting and shall be accompanied by an agenda together with other documents which may be required to be considered by the members of the Committee for the purposes of the meeting.

3.2 The quorum of the Committee meeting shall be two members of the Committee.

3.3 Meetings shall be held at least once every year to set policy on executive directors' remuneration and to fix the remuneration packages for all directors.

3.4 Written resolutions may be passed by all Committee members in writing.

#### **4. Resolutions**

4.1 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the members present.

#### **5. Overriding principles**

5.1 Levels of remuneration should be sufficient to attract and retain the directors needed to run the company successfully, but companies should avoid paying more than is necessary for this purpose.

5.2 No director should be involved in deciding his own remuneration.

5.3 The Committee should consult the chairman and/or chief executive officer about their proposals relating to the remuneration of other executive directors and have access to professional advice if considered necessary.

## **6. Alternate Committee members**

6.1 A Committee member may not appoint any alternate.

## **7. Authority of the Committee**

7.1 The Committee may exercise the following powers:

- (a) to review any proposed service contract with any director or senior management before such contract is entered into and to make recommendation to the Company's human resources department for any changes to the proposed terms of such contract;
- (b) to make recommendations regarding the remuneration, bonuses and welfare benefits of the executives directors and the senior management;
- (c) to request the Board to convene a shareholders' meeting (if necessary) for purpose of removing any director and dismissing any employees if there is evidence showing that the relevant director and/or employee has failed to discharge his duties properly;
- (d) to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, if the Committee considers this necessary; and
- (e) to exercise such powers as the Committee may consider necessary and expedient so that their duties under section 8 below can be properly discharged.

7.2 The Committee should be provided with sufficient resources to discharge its duties.

## **8. Duties of the Committee**

8.1 The duties of the Committee shall be:

- (a) to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- (b) to have the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payment, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive directors. The Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group and desirability of performance-based remuneration;
- (c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- (d) to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
- (e) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate; and
- (f) to ensure that no director or any of his associates is involved in deciding his own remuneration.

## **9. Minutes and records**

- 9.1 Full minutes of the meetings of the Committee and all written resolutions of the Committee should be kept by the secretary of the Committee.

9.2 The secretary of the Committee shall circulate the draft and final versions of minutes of the meeting of the Committee or, as the case may be, written resolutions of the Committee to all members of the Committee for their comment and records respectively within a reasonable time after the meeting or before the passing of the written resolutions.

9.3 The secretary of the Committee shall keep record of all meetings of the Committee held during each financial year of the Company and records of individual attendance of members of the Committee, on a named basis, at meetings held during that financial year.

#### **10. Continuing application of the articles of association of the Company**

10.1 The articles of association of the Company regulating the meetings and proceedings of the directors so far as the same are applicable and are not replaced by the provisions in these terms of reference shall apply to the meetings and proceedings of the Committee.

#### **11. Powers of the Board**

11.1 The Board may, subject to compliance with the articles of association of the Company and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rule**”) (including the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules or if adopted by the Company, the Company’s own code of corporate governance practices), amend, supplement and revoke these terms of reference and any resolution passed by the Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.