



河南金馬能源股份有限公司

**HENAN JINMA ENERGY COMPANY LIMITED**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

(Stock Code: 6885)

## **TERMS OF REFERENCE OF REMUNERATION COMMITTEE**

### **1. Constitution**

Henan Jinma Energy Company Limited (the “Company”) has established the Remuneration Committee and formulated these Terms of Reference pursuant to resolutions of the board (the “Board”) of directors (the “Directors”) of the Company in compliance with the Corporate Governance Code under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### **2. Composition**

- 2.1 The Remuneration Committee shall be appointed by the Board and must consist of a minimum of three members (the “Members”).
- 2.2 The majority of the Members must be independent non-executive Directors (“INEDs”).
- 2.3 The chairman of the Remuneration Committee shall be appointed by the Board and must be an INED.

### **3. Secretary**

- 3.1 The Company Secretary or his/her delegate shall be the secretary of the Remuneration Committee.
- 3.2 The Remuneration Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Remuneration Committee.

### **4. Meetings**

- 4.1 The Remuneration Committee shall meet at least once a year.
- 4.2 The quorum of the Remuneration Committee shall be any two Members.

4.3 Full minutes or written resolutions shall be kept by the secretary of the Remuneration Committee. Draft and final versions of minutes shall be circulated to all Members for their comment and records within a reasonable period of time after a meeting.

## **5. Attendance at Meetings**

Only Members are entitled to vote at meetings.

## **6. Duties, Powers and Discretion**

The Remuneration Committee shall have the following duties, powers and discretion:

- 6.1 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;
- 6.2 to review and approve the management's remuneration proposal with reference to the Board's corporate goals and objectives;
- 6.3 to make recommendations to the board on the remuneration packages of individual executive Directors and senior management. This should include, but without limitation, basic salaries, benefits in kind, pension rights, and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- 6.4 to make recommendations to the Board on the remuneration of non-executive Directors;
- 6.5 to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- 6.6 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;
- 6.7 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; and
- 6.8 to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration.

## **7. Reporting Responsibilities**

The Remuneration Committee shall report to the Board as and when appropriate.

## **8. Authority**

- 8.1 The Remuneration Committee shall consult the chairman of the Board and/or the Chief Executive Officer about their remuneration proposals for other executive Directors and senior management.
- 8.2 The Remuneration Committee is authorized by the board to seek any remuneration-related information it requires from senior management of the company in order to perform its duties.
- 8.3 The Remuneration Committee is authorised by the Board to have access to independent professional advice where necessary.
- 8.4 The Remuneration Committee shall be provided with sufficient resources to perform its duties.

## **9. Supplemental Provisions**

In case of any discrepancy between the Chinese and English version of these Terms of Reference, the Chinese version shall prevail.

## **10. Publication of Terms of Reference**

These Terms of Reference will be posted on the websites of the Company and The Stock Exchange of Hong Kong Limited.

Henan Jinma Energy Company Limited  
Adopted on 18 September 2017