

These terms of reference are prepared in Chinese and English. In case of any inconsistency between the Chinese version and the English version, the English version shall prevail.



Add New Energy Investment Holdings Group Limited

愛德新能源投資控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02623)

Remuneration Committee

Terms of Reference

1. Organization

1.1 The board (“**Board**”) of directors (“**Directors**”) of the Company has resolved to set up a remuneration committee of the Board (“**Committee**”).

2. Membership

2.1 Members of the Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than three members and a majority of whom shall be independent non-executive Directors.

2.2 The chairman of the Committee shall be an independent non-executive Director and shall be appointed by the Board.

2.3 The company secretary of the Company shall be the secretary of the Committee.

2.4 If any member of the Committee (“**Members**”) ceased to be a Director, he/ she will cease to be a Member automatically. The vacancy will be filled by appointment of new Member by the Board.

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 seven days’ notice.

(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 purpose, 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 for the purposes of the meeting. In respect of regular meetings of the Committee to be held as mentioned in clause 3.3 below, and so far as practicable for all other meetings of the Committee, the agenda and accompanying papers shall be sent in full to all the Members in a timely manner and at least 3 days before the intended date of the meeting of the Committee (or such other period as all the Members may agree).

3.2 **Quorum:** Meetings of the Committee shall be attended by more than one-half of the Members to be effective.

3.3 **Frequency:** Meetings shall be held at least once a year.

4. Resolutions

4.1 Any resolution shall be passed by the majority votes of the Members who attend the meetings.

5. Overriding Principles

5.1 Remuneration levels should be sufficient to attract and retain Directors to run the Company successfully without paying more than necessary.

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 independent professional advice if considered necessary.

6. Alternate Committee Members

6.1 A 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 Board for any changes to the proposed terms of such contract;
- (b) to make recommendations regarding the remuneration, bonuses and welfare benefits of the executive Directors and the senior management;

- (c) to request the Board to convene a shareholders' meeting (if necessary) for purposes of removing any Director if there is evidence showing that the relevant Director has failed to discharge his duties properly;
- (d) to obtain outside legal or other independent professional advice at the cost of the Company on any matters within these terms of reference as it considers necessary and to secure the attendance of outsiders with relevant experience and expertise at its meetings, if it considers this necessary;
- (e) to have access to sufficient resources in order to perform its duties;
- (f) to review annually these terms of reference and their effectiveness in the discharge of its duties and to make recommendation to the Board any changes it considers necessary; and
- (g) 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 perform its duties.

8. Duties

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 Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy according to standards including salaries paid by comparable companies, time commitment and responsibilities concerned, and employment terms of other positions within the Company and its subsidiaries;
- (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 make recommendations to the Board on the remuneration of non-executive Directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibility and employment conditions elsewhere in the Group;
- (f) 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 for the Company;
- (g) 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;
- (h) to ensure that no Director or any of his associates is involved in deciding his own remuneration; and

- (i) to review and/or approve matters relating to shares schemes under Chapter 17 of the Listing Rules.

9. Reporting procedures

- 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. Powers of the Board

- 10.1 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 Rules**”) (including the Corporate Governance Code and Corporate Governance Report 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.

11. Interpretation

- 11.1 Interpretation of these terms of reference shall belong to the Board.

(Adopted by the Company pursuant to the Board’s resolution passed on 9 April 2012 and revised by the Company pursuant to the Board’s resolution passed on 30 March 2023)