

**TERMS OF REFERENCE OF THE  
REMUNERATION COMMITTEE UNDER THE  
BOARD OF DIRECTORS OF SINOPEC OILFIELD  
SERVICE CORPORATION**

**Reviewed and adopted by the 1st Meeting of the 8th Session of the Board  
on 9 February 2015**

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on 28 March 2023**

**Reviewed and adopted by the 19th Meeting of the 10th Session of the Board  
on 26 March 2024**

## Chapter 1 General Provisions

**Article 1** These Terms of Reference (these “**Terms**”) are established by Sinopec Oilfield Service Corporation (the “**Company**”) for the Remuneration Committee under its board of directors (the “**Committee**”) in combination with the Company’s practical situation and in accordance with the relevant provisions of Articles of Association of Sinopec Oilfield Service Corporation (the “**Articles**”) , the *Code of Governance for Listed Companies* published by China Security Regulatory Commission, *Rules Governing the Listing of Securities on The Stock Exchange of HongKong Limited* and relevant laws, regulations, normative documents and the securities regulations of the listed jurisdictions of the Company, in order to set down the composition, responsibilities and rules of procedure of the Committee.

**Article 2** The Committee is an internal committee specifically set up by and responsible to the board of directors.

## Chapter 2 Composition

**Article 3** The Committee shall comprise a minimum of three directors, the majority of which shall be independent directors and have one (1) chairman in charge of its work, who shall be the Committee members designated by the board of directors from the Company's independent directors.

The Committee’s administrative office is established in the Human Resources Department of the Company, responsible for undertaking the Committee's specific business.

The Committee shall have one (1) secretary (who should be nominated by the Board Office, and appointed by the Committee). The Committee's secretary is responsible for assisting the work of the members of the Committee, including assisting the communication among the Company's board of directors, the Committee and the administrative office of the Committee.

**Article 4** Members of the Committee shall either be nominated by the chairman of the board of directors, more than half of the independent directors, or one third of all the directors. The appointment shall be made by the board of directors.

**Article 5** Members of the Committee shall serve for the same term as the directors of the Company. Any member of the Committee who ceases to be a director of the Company shall become automatically disqualified from the Committee and the Company shall, if necessary, appoint a replacement to fill in the vacancy caused by such disqualification pursuant to Articles 3 and 4 above.

**Article 6** The Committee may, if needed, engage advisory members who provide professional advice in accordance with the requirements of the Committee.

### **Chapter 3 Duties and Responsibilities**

**Article 7** The Committee shall perform the following obligations and responsibilities:

- (1) To study and give advice on remuneration (including non-currency income, pension rights and compensation payments) policies, structure and the procedure for setting remuneration policies for directors, supervisors and senior management. The procedure for setting remuneration shall be formal and transparent. For the purpose of the Terms, senior management herein refers to the president, vice president, chief financial officer, secretary to the board and other persons defined in the Articles;
- (2) To study and give advice on the Company's performance appraisal policy of directors, supervisors and senior management;
- (3) To review and approve performance-based remuneration proposals with reference to the corporate goals and objectives resolved by the board of directors;
- (4) To determine the specific remuneration packages of directors, supervisors and senior management considering factors such as salaries paid by comparable companies, time commitment and responsibilities of relevant personnel and their other positions within the Company etc.;

- (5) To supervise the implementation of the Company's remuneration policies of directors, supervisors and senior management;
- (6) To review and give advice on the compensation arrangements with directors, supervisors and senior management relating to dismissal, removal or termination of their appointment for misconduct;
- (7) To ensure that no director or any of his associates is involved in deciding his own remuneration;
- (8) To research, review, draft and/or change the share option scheme for employees or share incentive plan, make recommendations to the board of directors on issues such as the granting of equity to incentive recipients and the fulfillment of conditions for the exercise of equity;
- (9) To research, review, draft and/or change the shareholding plan of directors or senior management in the relevant subsidiary to be spun off and make recommendations to the board of directors;
- (10) To fulfill other issues authorized by the board of directors;
- (11) To fulfill other duties and responsibilities delegated by the security regulatory authorities of the listed jurisdictions of the Company.

The Committee's fund shall be covered by the budget of the Company. The Committee is entitled to engage professionals when performing its duties and the reasonable expenses incurred shall be borne by the Company.

The senior management and relevant departments of the Company shall actively provide such necessary information and documents as required by the Committee in a cooperative and supportive manner.

**Article 8** The chairman of the Committee shall perform the following obligations and responsibilities:

- (1) To convene and preside over the meetings of the Committee;
- (2) To take charge of the daily business of the Committee;
- (3) To review, finalize and sign the reports and other important documents of the Committee;
- (4) To organize to examine the implementation of the resolutions and proposals of the Committee approved by the board of directors;

- (5) To report its work to the board of directors on behalf of the Committee;
- (6) To fulfill such other duties and responsibilities as assigned to the chairman of the Committee.

If the chairman of the Committee is unable or fails to perform his duties, an independent director of the Committee who is recommended by more than half of the Committee members shall act in his duties.

#### **Chapter 4 Rules of Procedure**

**Article 9** The meetings of the Committee shall be convened by the chairman, or two (2) or more of the members of the Committee on a regular or necessary basis. If, in the course of performing his or her duties, an independent director identifies any material matter of the Company which falls within the scope of duties of the Committee, he or she may promptly request the Committee to conduct discussion and deliberation under the relevant procedures.

**Article 10** The chairman shall preside over the meeting and issue notice of the meeting. Notice of the meeting and documents shall be sent to all the Committee members at least three days before the date of the meeting. Subject to the consent of all the Committee members, the foregoing requirement of the notification period may be waived.

**Article 11** In principle, the Committee shall convene in-person meetings. On the premise that all the directors attending the meeting can fully communicate with each other and express their opinions, the meeting may be convened by video, telephone, or other means under the relevant procedures, if necessary.

**Article 12** Independent directors shall attend the meetings of the Committee in person. An independent director who is unable to attend a meeting of the Committee in person shall review the meeting materials in advance, form specific opinions, and authorize in writing another independent director to attend the meeting on his or her behalf.

**Article 13** More than half of the members of the Committee (including a proxy duly authorized in writing) shall be a quorum for a Committee meeting. Any of the resolutions or advice made by the Committee shall be subject to the approval of more than half of all the members present at the meeting. All the resolutions or advice shall be signed by the members present at the meeting. Each member of the Committee shall have one vote. In the event of an equality of votes for and against a resolution, the chairman of the Committee shall have the casting vote.

**Article 14** Voting at the meetings of the Committee may be by show of hands or poll or by telecommunication.

**Article 15** If a member of the Committee participates in the meeting of the Committee and votes in a situation where according to the regulatory rules of the listed jurisdictions of the Company, he/she should have ceased to perform his/her duties but has not yet ceased to do so or should have been dismissed from his/her duties but has not yet been dismissed from his/her duties, his/her voting shall be invalid and he/she shall not be counted as being present.

**Article 16** Members of the Committee shall abstain from discussions pertaining to topics in which they are involved at the meetings of the Committee.

**Article 17** Resolution or advice approved at the meetings of the Committee shall be reported to the board of directors.

**Article 18** The Committee shall keep minutes of its meetings and the opinions of independent directors in the minutes, which shall be signed by the Committee members present at the meeting.

**Article 19** The meeting minutes and other documents of the Committee shall be prepared and kept by the administrative office of the Committee for at least ten years.

## **Chapter 5 Supplementary Provisions**

**Article 20** The Terms shall be interpreted by the Committee.

**Article 21** In the case of any matters not mentioned in the Terms or in conflict with the laws, regulations, other normative documents and the securities regulations of the listed jurisdictions of the Company promulgated from time to time, the laws, regulations, other normative documents and the securities regulations of the listed jurisdictions of the Company shall prevail.

**Article 22** The establishment and amendments of these Terms shall come into effect upon the approval of the board of directors.