



## NEW TIMES ENERGY CORPORATION LIMITED

## 新時代能源有限公司\*

(incorporated in Bermuda with limited liability)  
(Stock Code: 00166)

### Remuneration Committee - Terms of Reference

#### 1. Membership

- 1.1 The members of the Remuneration Committee (the “**Committee**”) shall be appointed by the Board of Directors (the “**Board**”) of New Times Energy Corporation Limited (the “**Company**”) and shall have a minimum of three members. The majority of the Committee shall be independent non-executive directors.
- 1.2 The Board shall appoint the chairman of the Committee (the “**Chairman**”) who shall be an independent non-executive Director. Chairman has the responsibility of liaising with the Board and shall chair the meetings of the Committee.

#### 2. Quorum and voting at meeting

- 2.1 A quorum shall be two members. If only two members are in attendance, both members shall be independent non-executive Directors. If more than two members are in attendance, a majority of the members shall be independent non-executive Directors.
- 2.2 Questions arising at any meetings shall be decided by a simple majority of votes.

#### 3. Attendance at meetings

- 3.1 Committee’s members , chairman of the Board, other members of the senior management of the Company if deemed appropriate and invited by the **Committee** may attend the meeting. Attendance of meeting may either attend in person or through other electronic means of communication.
- 3.2 The company secretary shall be the secretary of the Committee (the “**Secretary**”). Where the company secretary is also an executive Board member, the company secretary can only attend meetings of the Committee in the capacity as a company secretary, and not as an executive Board member.

#### 4. Frequency of meetings

- 4.1 At least one meeting of the Committee will be held each year provided that any ad hoc meeting shall be convened as and when deemed necessary.

#### 5. Notice of meetings

- 5.1 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, shall be sent to each member of the Committee, and to any other person required to attend in relation to all regular meetings of the Committee, at least 7 days before the date of the meeting.
- 5.2 An agenda of items to be discussed, together with supporting papers shall be sent to Committee members and to other attendees as appropriate within a reasonable time prior to the date of the meeting

*\*For identification purpose only*

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- 5.3 Any member of the Committee shall be entitled, by notice to the Secretary, to include other matters relevant to the functions of the Committee in the agenda of a meeting of the Committee.

### 6. Minutes and records

- 6.1 The Secretary in attendance at the meeting of the Committee shall prepare minutes in sufficient detail in respect of the proceedings and resolutions of all such meetings, including the names of those present and in attendance. The minutes should also include any concerns raised by any member of the Committee and/or dissenting views expressed. Draft and final versions of the minutes should be sent to all committee members for their comment and records within a reasonable time after the meeting.
- 6.2 Written Resolutions may be passed by all Committee members in writing.
- 6.3 Full minutes of the meetings of the Committee and all written resolutions of the Committee should be kept by the Secretary.

### 7. Authority

The Committee may exercise the following powers:

- 7.1 to investigate any activity within its terms of reference;
- 7.2 to seek any information it requires from any employee of the Company and all such employees are directed to co-operate with any request made by the Committee;
- 7.3 subject to the Company's procedure for seeking external advice, to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and
- 7.4 to grant share options to persons who are eligible to participate in the Company's share option scheme, to issue letters of invitation to such persons, to administer the share option scheme in accordance with its rules and to do all other acts or things as the Committee considers necessary or desirable in connection with, or arising from, the implementation of the scheme.

### 8. Duties

The duties of the Committee shall be:

- 8.1 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;
- 8.2 to determine the delegated responsibility the remuneration packages of individual executive Directors and the senior management of the Company, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board on the remuneration package of individual executive Directors and senior management. The Committee shall consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Company and the subsidiaries of the Company and desirability of performance-based remuneration;
- 8.3 to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

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- 8.4 to review and approve salaries, bonuses, merit and retirement plans, reward and recognition strategies, including the appropriation of funds for incentive awards for the executive Directors and senior management;
- 8.5 to review and approve compensation payable to executive Directors and the senior management of the Company for with any loss or termination of office or appointment to ensure it is consistent with contractual terms and is otherwise fair and not excessive;
- 8.6 to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are with contractual terms and are otherwise reasonable and appropriate;
- 8.7 to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration;
- 8.8 in case of policy changes, whether or not arising from legislative requirements, to provide advice to the Board on the Company's policy on executive remuneration;
- 8.9 to make recommendation to the Board as deemed necessary or to take approved action if within delegated authority; and
- 8.10 to address and deal with such other matters as may be delegated by the Board to the Committee.

### 9. Reporting responsibilities

- 9.1 After each meeting, the Chairman shall report formally to the Board on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations it deems appropriate to the Board on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall, with the assistance of Secretary, compile a report to the Shareholders on its role and activities will be included in the Company's Corporate Governance Report.

### 10. Others

- 10.1 The Committee shall have access to sufficient resources in order to perform its duties. In the event that the Committee determines that it has insufficient resources, it may make a request for additional resources to the Board through the Secretary.
- 10.2 All members of the Committee shall have access to the advice and services of the Secretary with a view to ensuring that procedures of the Committee and all applicable rules and regulations are followed.
- 10.3 Every member of the Committee shall give sufficient time and attention to his/her duties as a member of the Committee. He/she shall give the Company the benefit of his skills and expertise through regular attendance and active participation.
- 10.4 The English text of this terms of reference will prevail over the Chinese text in case of any inconsistency.