

**Terms of Reference for the Remuneration and Assessment Committee of the Board  
of Directors of China Longyuan Power Group Corporation Limited**

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the Board of Directors of China Longyuan Power Group Corporation Limited**

**Article 1** The Terms of Reference herein is prepared in accordance with the Company

- (1) offer proposals to the Board of Directors on all remuneration policies and structure of Directors and senior management of the issuer, and on the establishment of a formal and transparent procedure for developing policies on such remuneration;
- (2) offer proposals on remuneration policies of the executive Directors and senior management of the Board of Directors (including non-monetary benefits, pension rights and compensation payments (including compensation for the loss or termination of office or appointment), and submit to the Board of Directors for approval; to offer proposals to the Board of Directors on the remuneration of non-executive Directors; and carry out remuneration policy determined by the Board of Directors;
- (3) consider and approve performance-based remuneration system through reference to the Company objectives determined by the Board of Directors, and supervise the implementation of the remuneration system of the Company;
- (4) consider the remuneration paid by comparable companies, time commitment and terms of reference, as well as conditions for employment of other positions within the Group;
- (5) establish specific remuneration packages of all executive Directors and senior management, including non-monetary benefits, pension rights and compensation payments (including compensation for dismissal or resignation), and offer proposals on remuneration of non-executive Directors to the Board of Directors;
- (6) consider and approve compensation to the executive Directors and senior management due to turnover or dismissal to ensure that such compensation will be determined in accordance with the relevant terms of the contract; if not determined in accordance with the relevant terms of the contract, compensation shall be fair and reasonable;
- (7) review and approve the compensation arrangements for dismissal or removal of Directors due to misconduct to ensure that such arrangements are determined in accordance with the relevant terms of the contract. If not determined in accordance with the relevant terms of the contract, the compensation shall be reasonable and appropriate;
- (8) ensure that any Director or any of his associates are not allowed to decide their own salary;
- (9) offer advice to shareholders in voting if the service contract of Directors requires the  
the Listing Rules of Hong Kong;



(2) collect the views of all participating members after the meeting, prepare the representations of the Remuneration and Assessment Committee and distribute it to the members present to sign;

**Article 10** The decisions and opinions made by the Remuneration and Assessment Committee shall be reported to the Board of Directors of the Company in written form.

**Article 11** The "above" in the Terms of Reference includes the base number, and "day" refers to a working day. Unless otherwise specified, the terms used herein shall have the same meaning as ascribed to them in the Articles of Association.

**Article 12** The Terms of Reference shall be construed by the Board of Directors.

**Article 13** The Terms of Reference shall become effective on the date when it is reviewed and approved by the Board of Directors.

**Article 14** The Terms of Reference has both the Chinese and English versions. In case of any discrepancies between the Chinese version and the English one, the Chinese version shall prevail.