

CHINA DEVELOPMENT BANK INTERNATIONAL INVESTMENT LIMITED

國開國際投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1062)

REVISED TERMS OF REFERENCE OF REMUNERATION COMMITTEE

Purpose

1. The purpose of the remuneration committee (the “**Committee**”) of China Development Bank International Investment Limited (the “**Company**”) is to assist the board of directors (the “**Board**”) of the Company in determining the policy and structure for the remuneration of executive directors, evaluating the performance of executive directors, reviewing incentive schemes and directors’ service contracts and fixing the remuneration packages for all directors and senior management.

Membership

2. The Committee shall be appointed by the Board from time to time and shall consist of not less than three non-executive directors, a majority of which shall be independent non-executive directors who shall meet and maintain the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Board shall appoint one independent non-executive director as the chairman of the Committee.

Attendance at meetings

3. The Committee shall meet at least once annually, or more frequently if circumstances require. The chairman of the Committee may convene meetings at his/her discretion. The quorum of a meeting shall be two members of the Committee and shall act by unanimous written consent. Reasonable notice should be given to all members of the Committee. Accompanying papers should be sent in full to all members of the Committee at least 3 days before the intended date of the committee meeting.
4. The chairman of the Committee (or in his or her absence, a member designated by the chairman of the Committee) shall preside at all meetings of the Committee. The chairman of the Committee shall be responsible for leading the Committee, including scheduling meetings, preparing agendas and making regular reports to the Board.
5. The company secretary of the Company shall be the secretary of the Committee.

Annual general meetings

6. The chairman of the Committee shall attend, or in his/her absence, another member of the Committee or failing this his/her duly appointed delegate, to attend, the Company's annual general meetings and be available to answer questions at such annual general meetings.

Authority

7. The Committee is authorised by the Board to determine the remuneration payable to executive directors and members of senior management, the emolument policies and the basis for determining such emoluments. It shall be ensured that no director should be involved in deciding his/her own remuneration. The Committee should be provided with sufficient resources to perform its duties.
8. The Committee is authorised by the Board to obtain independent professional advice and assistance from internal or external legal, accounting or other advisors at the expense of the Company if necessary.
9. The Committee shall have full access to management and may invite members of management or others to attend its meetings. The Committee should consult the chairman and/or chief executive officer of the Company about their proposals relating to the remuneration of other executive directors.

Responsibilities and duties

10. The Committee shall perform the following duties:-
 - (a) to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management as well as a formal and transparent procedure for developing such remuneration policies;
 - (b) to determine the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment and to make recommendations to the Board of the remuneration of non-executive directors;
 - (c) to consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, and employment conditions of the Company and its subsidiaries;
 - (d) to ensure that the levels of remuneration should be sufficient to attract and retain the directors needed to run the Company successfully but should avoid paying more than is necessary for this purpose;
 - (e) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

- (f) to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation 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 such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- (h) to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;
- (i) to advise shareholders of the Company on how to vote in respect of any service contract of directors that requires shareholders' approval in accordance with the Listing Rules; and
- (j) to perform any other duties prescribed by law, regulation and rules, as amended from time to time, which set forth obligations for the Company to comply with.

Reporting procedures

11. Full minutes of the Committee meetings should be kept by the secretary of the Committee, and such minutes shall be available for inspection at any reasonable time on reasonable notice by any director.
12. Minutes of meetings of the Committee shall record in sufficient detail the matters considered by the Committee and decisions reached, including any concerns raised by directors, members or dissenting views expressed. Draft and final versions of minutes should be sent to all members of the Committee for their comment and records respectively within a reasonable time after such meetings.
13. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.

Terms available

14. The Committee shall make available these terms of reference explaining its roles and the authority delegated to it by the Board by including them on the Exchange's website and the Company's website.