

NEW ENVIRONMENTAL ENERGY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
("Company")

TERMS OF REFERENCE OF REMUNERATION COMMITTEE ("Remuneration Committee")

1. Membership

- (a) The members of the Remuneration Committee shall be appointed by the Company's board of directors ("Board") from time to time.
- (b) The Remuneration Committee shall consist of not less than three members, and the majority of which should be the independent non-executive directors of the Company.
- (c) The company secretary of the Company or a nominee shall act as the secretary of the Remuneration Committee.

2. Frequency of meetings

- (a) Meeting of the Remuneration Committee shall be held not less than once a year.
- (b) A quorum of a meeting of the Remuneration Committee shall be two members.

3. Duties, power and functions

The Remuneration Committee should discharge 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 and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

- (c) either:
 - (i) to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management; or
 - (ii) 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 responsibilities and employment conditions elsewhere in the group;
- (f) to review and approve the 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;
- (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; and
- (h) to ensure that no director or any of his associates is involved in deciding his own remuneration.

4. Reporting Procedures

At the next Board meeting following a Remuneration Committee's meeting, the Remuneration Committee's chairman shall report its findings and recommendations to the Board. The secretary of the Remuneration Committee shall circulate the minutes of the meetings of the Remuneration Committee to all members of the Board.

Adopted on 15 June 2006 and revised on 23 March 2012