

CHINA RESOURCES GAS GROUP LIMITED

**TERMS OF REFERENCE
OF THE CORPORATE GOVERNANCE COMMITTEE**

(adopted on 13th March, 2012)

CHINA RESOURCES GAS GROUP LIMITED
Terms of reference of Corporate Governance Committee

1. Purpose

The primary objective of the Corporate Governance Committee (the “Committee”) is to assist the Board in developing and reviewing the policies and practices on corporate governance which are applicable to the Group and making recommendations to the Board.

2. Composition

- (a) All Committee members including its Chairman shall be appointed by the Board. The Chairman should be an Independent Non-executive Director.
- (b) The Committee shall consist of not less than 3 members and the majority of whom should be Independent Non-executive Directors.

3. Meetings

- (a) A quorum shall be two members.
- (b) The Committee shall meet as frequently as is necessary to discharge its duties, but meeting shall be held not less than once a year. The Chairman of the Board, the Chief Executive Officer or other Directors of the Company may attend such meetings in order to assist the Committee.

4. Authority

- (a) The Committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- (b) The Committee is authorised by the board 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.

5. Duties

The duties of the Corporate Governance Committee shall be:

- (a) To develop and review the Company’s policies and practices on corporate governance and make recommendations to the board.
- (b) To review and monitor the training and continuous professional development of directors and senior management.
- (c) To review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements.
- (d) To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors.
- (e) To review the Company’s compliance with the corporate governance code and disclosure in the Corporate Governance Report.
- (f) To consider other topics as defined by the board.

6. Reporting responsibilities

- (a) The appointed secretary of the Committee shall circulate the minutes of meetings of the Committee to all members of the Board and the Company Secretary.