



河北建設集團股份有限公司
HEBEI CONSTRUCTION GROUP CORPORATION LIMITED
(: 1727)

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE
UNDER THE BOARD OF DIRECTORS OF
HEBEI CONSTRUCTION GROUP CORPORATION LIMITED**

C H I G P

- Article 1 In order to regulate the appointment of management personnel, optimize the composition of the board of directors and senior management, and improve the corporate governance structure of Hebei Construction Group Corporation Limited (the "Company"), the Nomination Committee under the board of directors of Hebei Construction Group Corporation Limited (the "Committee") is established with the effect of reference (the "Terms") in accordance with the Company Law of the People's Republic of China, the Standard of Corporate Governance for Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HKLR"), the Articles of Association of Hebei Construction Group Corporation Limited (the "Articles"), the Rules of Procedure for the Meeting of the Board of Directors of Hebei Construction Group Corporation Limited and other relevant laws, regulations and regulatory documents.
- Article 2 The Committee is a special committee under the board of directors and is mainly responsible for identifying candidates, formulating election standards and procedures, and examining candidates for directors and senior management of the Company, and providing recommendations on the election.
- Article 3 The effect of senior management includes referring to the president, vice president, chief engineer, chief economist, chief accountant, etc. to the board of directors appointed by the board of directors and other executive positions provided under the Articles.
- Article 4 The Committee shall be accountable and report to the board of directors.
- Article 5 These Terms shall apply to the Committee and the personnel and departments governed by these Terms.

C 2 C E B C

- Article 6 The Committee shall consist of no less than three directors, with a majority of whom being independent non-executive directors. Members of the Committee shall be nominated by the chairman of the board of directors and appointed by the board of directors upon approval by more than half of the directors.
- Article 7 The Committee shall have a chairman who shall be either the chairman of the board of directors or an independent non-executive director. The chairman of the Committee shall be nominated by the chairman of the board of directors and appointed upon approval of the board of directors.
- Article 8 The term of office of the Committee shall be the same as that of the board of directors, and the term of office of a Committee member shall be the same as his/her term of office as a director. Committee members may be re-elected upon expiry of their term of office. A member of the Committee shall, ipso facto, cease to be a member when he/she is no longer a director of the Company.
- Article 9 A Committee member may tender his/her resignation to the board of directors during his/her term of office by giving a written resignation to explain the reason for resignation and matters which need to be brought to the attention of the board of directors. If the number of members fall below the minimum number as provided herein, the resigning member shall continue to perform his/her duties until the alternate member of the board of directors take office.
- Article 10 The Committee members are subject to change during their term of office if proposed by the chairman of the board of directors and approved by the board of directors.
- Article 11 If the number of the Committee members fall below the minimum number as provided herein, the board of directors shall make up the shortfall in accordance with the Charter.
- Article 12 With the coordination of the office of the board of directors, the human resource department of the Company shall act as the executive body of the Committee to provide support and services and perform duties assigned by the Committee.

C 3 R C

- Article 13 The primary responsibilities of the Committee include:
- (1) to formulate the standards, procedure and method for election of directors and senior management of the Company and submit the same to the board of directors for approval;
 - (2) to review the structure, i.e., composition and relevant qualification (including skill, expertise and experience) of the board of directors at least once annually, make recommendation on an adjustment to the board of directors to complement the development strategy of the Company, and formulate a directorship policy for the board of directors;

- (3) to examine the candidate for director, president and secretary to the board of directors and provide recommendation;
- (4) to screen the candidate for other management members and provide advice to the board of directors;
- (5) to evaluate the overall skill, experience and performance of directors and senior management and assure the independence of the independent non-executive directors;
- (6) to look for suitable candidate for vacant position from the domestic and overseas human resource market and within the Company, and make recommendation to the board of directors;
- (7) to propose the human resource retention scheme and provide recommendation to the Company;
- (8) to make recommendation to the board of directors on the candidate for director and senior management, and provide advice to the board of directors on the appointment or re-appointment of directors and succession plan for directors, in particular the chairman of the board of directors and the president;
- (9) to perform other duties as granted by the laws and regulations, and elect and designate members of the place holder of the Company limited, such as the Hong Kong Listing Rules, the rules of procedure for meetings and by the board of directors.

Article 14 Responsibilities of the chairman of the Committee include:

- (1) to convene and preside over the meeting of the Committee;
- (2) to supervise and examine the performance of the Committee and implementation of the resolution of the Committee;
- (3) to sign the relevant documents of the Committee;
- (4) to report the work of the Committee to the board of directors;
- (5) to perform other duties as required or conferred by the laws and regulations, and elect and designate members of the place holder of the Company limited, such as the Hong Kong Listing Rules, the Terms and by the board of directors.

Article 15 Major responsibilities of a Committee member include:

- (1) to attend meeting of the Committee punctually, and express opinion on the matters discussed thereon and exercise voting right at the meeting;
- (2) to propose matters for discussion at the meeting of the Committee;

- (3) to attend or observe relevant meeting of the Company, conduct due and reasonable enquiries, and obtain reports, documents, materials and other relevant information necessary for the performance of his/her responsibilities;
- (4) to fully understand the responsibilities of the Committee as a whole and those as a member of the Committee, and acquaint himself/herself with the operation, management, business activities and development of the Company to enhance his/her capacity for the performance of his/her responsibilities;
- (5) to guarantee that he/she has devoted sufficient time and attention to fulfill his/her responsibilities;
- (6) to perform other duties as required by the laws and regulations, and relevant regulatory requirements of the place where the Company is listed, such as the Hong Kong Listing Rules, the Securities and Futures Ordinance and the board of directors.

C O M M I T T E E

Article 16 Meetings of the Committee can be classified as regular meetings and extraordinary meetings.

Article 17 The Committee shall hold at least one regular meeting every year, and the notice of the meeting shall be issued to all members three days before each meeting.

Article 18 The Committee may convene extraordinary meetings when necessary. In any of the following circumstances, the chairman of the Committee shall issue a notice to convene a meeting within three days from the occurrence of the following:

- (1) in circumstances deemed necessary by the board of directors;
- (2) in circumstances deemed necessary by the chairman of the Committee;
- (3) when proposed by two or more members of the Committee.

Article 19 The executive body of the Committee shall issue the notice of meeting in writing to each of the Committee members and relevant persons being invited to attend the meeting three days prior to the date of the meeting (except in special circumstances where the requirement of a prior notice is exempted, provided that the chairman of the meeting shall provide explanation at the meeting). The notice of meeting shall contain information on the form, time, venue, duration and agenda of the meeting, time of issuance of the notice, name and contact information of the contact person of the meeting and other relevant information.

Article 20 Upon receipt of the notice, all Committee members shall promptly provide confirmation and relevant replies (including but not limited to the confirmation of attendance, schedule and other matters) via appropriate means.

Article 21 The quorum of a Committee meeting shall be the presence of all members.

Article 22 All members of the Committee shall attend the meeting in person. If a member is unable to attend the meeting in person, each member shall, by signing and submitting a letter of proxy, authorize another member of the Committee to attend and express opinion at the meeting on his/her behalf. Such letter of proxy shall explicitly state the scope and terms of the authorization. Each member may appoint only one other member as his/her proxy to exercise the voting right on his/her behalf. Where a member authorizes two or more other members to exercise the voting right on his/her behalf, such authorization shall be invalid. In addition, no member shall accept an authorization from two or more other members concurrently.

The member attending a meeting on behalf of another member shall exercise the right within the scope of authorization. If a member does not attend a meeting in person or authorize another member to exercise the right on his/her behalf, no proxy shall be submitted and no opinion in writing prior to the meeting, if any, shall be deemed to have waived his/her right.

A member who is unable to attend a meeting in person may also exercise his/her right by submitting in writing his/her opinion in respect to an matter to be discussed, provided that such written opinion shall be submitted to the executive body of the Committee before the meeting at the latest.

Article 23 If a member does not attend a meeting in person or authorize another member to attend such meeting on his/her behalf, no proxy shall be submitted and no opinion in writing prior to the meeting on the occasion, or if each member fails to attend in person three consecutive meetings of the Committee held during an year, each member shall be deemed incapable of performing the duties of the Committee, and the board of directors may replace him/her in accordance with the Charter.

Article 24 Meetings of the Committee shall be presided over by the chairman of the Committee, who may appoint another member to act on his/her behalf when he/she is unable to attend the meeting. If the chairman of the Committee neither performs his/her duties nor designate another member to act on his/her behalf, any member may report above situation to the board of directors, and the board of directors shall designate another member who is an independent non-executive director to fulfill the duties of the chairman.

C H A P T E R 5 P R O X Y

Article 25 Each member of the Committee shall have one vote. A resolution of the meeting shall be passed by a simple majority of the vote of all members. In the event that the meeting fails to reach a valid resolution due to abstention of any member, the relevant matter shall be considered decided by the board of directors.

Article 26 Meeting of the Committee shall be held in the form of on-site meeting in general, and voting shall be made by a show of hand or by poll. Under special circumstance, on the premise that the members of the Committee are able to efficiently express their opinion, with the consent of the chairman of the Committee, meeting may be held by means of correspondence. Where a meeting is conducted by means of correspondence, the Committee members shall submit to the board of directors their written opinion with respect to the matters to be discussed within the period prescribed by the notice of the meeting.

Article 27 All items on the agenda shall be discussed during the meeting of the Committee, and the Committee members shall explicitly, independently and fully express their opinion based on their own judgment. In the case of an different opinion, each different opinion shall be stated in the meeting minutes to be submitted to the board of directors.

Article 28 The Committee may, in its director, senior management members and employee representatives of the Company, external experts, scholars, intermediaries and other persons to invite to a meeting. Such persons being invited shall give explanation and elaboration on any issues raised by any Committee member.

Article 29 Where necessary, the Committee may, upon approval by the board of directors, seek for professional advice of external professional personnel or organization. Any reasonable costs incurred shall be borne by the Company.

Article 30 The convening procedure, voting method and resolution of meeting of the Committee shall comply with the relevant laws, regulations, the Articles and the Charter.

Article 31 If a member of the Committee is interested in any matter being considered by the Committee, each member shall abstain from the discussion and voting of such matter.

Article 32 All persons attending the Committee meeting shall keep all matters discussed at the meeting confidential and shall not disclose any such information without authorization.

C H A P T E R 6 M I N U T E S O F M E E T I N G S

Article 33 Minutes shall be kept for all meetings of the Committee, which shall be prepared by the executive body of the Committee and shall contain the following information:

- (1) serial number, form, date, venue and name of the chairman of the meeting;
- (2) attendance and absence of members in person and by proxy;
- (3) name and title of each attendee;
- (4) agenda of the meeting;
- (5) main points made by the Committee members and other attendee;

(6) name of the person taking the minutes ;

(7) abstention of an interested member (if any), which shall be specified in the minutes of the relevant election .

All Committee members present at the meeting shall sign the minutes .

Article 34 After each meeting of the Committee, the executive body of the Committee shall prepare a