

SHENZHEN EXPRESSWAY COMPANY LIMITED



Nomination Committee Terms of Reference

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(Approved by the 14th meeting of the 6th session
of the board of directors of the Company
held on 18th December 2013)

- * This document is originally prepared in Chinese and this English version is for reference only. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

Chapter 1 General Provisions

- Article 1 In order to better perform its duties and improve efficiency of its procedures, the board (the “Board”) of directors of Shenzhen Expressway Company Limited (the “Company”) shall establish a nomination committee (the “Committee”) thereunder, mainly responsible for formation of the human resources development strategy and plan of the Company, and examination and making recommendations on the candidates, selection standard and procedures of the directors and senior management of the Company.
- Article 2 The Committee shall be a specialised committee under the Board and a non-permanent organisation accountable to the Board.
- Article 3 The terms of reference of the Committee (the “Terms of Reference”) shall provide a clear statement of the scope of powers and duties of the Committee and shall be an important guidance and basis for the work of the Committee.
- Article 4 The Committee shall exercise its powers granted by the Board in accordance with this Terms of Reference to perform its duties, to report and make recommendations to the Board, and to assist the Board to complete its relevant duties, so as to increase the Board's efficiency, reporting quality, transparency and objectivity.

Chapter 2 Membership

- Article 5 The Committee shall comprise of three to five members with one committee chairman. The chairman and members of the committee shall be appointed by the Board, comprising a majority of independent directors and chaired by an independent director.
- Article 6 The Committee shall appoint a secretary to assist communications and coordination between the Committee and the Board, other specialised committees and the relevant departments of the Company, and to assist the Committee to obtain information necessary for its performance of duties.
- Article 7 The term of a Committee member shall be three years and he or she shall change term regularly. As far as possible, the term of a Committee member shall be the same as his or her term of director of the Company.
- Article 8 Appropriate remuneration shall be paid to the Committee member so as to reflect the time commitment and responsibilities of the respective Committee member. The Company shall enter into written contract with the Committee member regarding his remuneration subject to the approval by shareholders' meeting.



Chapter 3 Powers and Duties

- Article 9 The Committee shall be authorised by the Board to exercise its powers under this Terms of Reference. The Committee shall be accountable to the Board but shall not enjoy exclusive powers, and it shall not replace the Board in exercising its decision and management powers unless duly authorised.
- Article 10 The Committee may perform its duties of monitoring and implementation of specific matters through the secretary of the Committee or Company's departments such as secretariat to the Board and human resources department. During the performance of its duties or conducting any investigations within its scope of powers and in accordance with the authorisation by the Board, the Committee shall have power to obtain relevant information and to engage or invite any professionals or organisations with relevant experience and expertise to act as its consultants for the relevant issues, and the costs reasonably incurred shall be borne by the Company.
- Article 11 The scope of powers of the Committee shall mainly include:
1. reviewing the human resources development strategy and plan of the Company according to the development strategy of the Company;
 2. reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board at least once a year and making recommendations to the Board on any changes;
 3. reviewing the procedure of nomination of director regularly; reviewing the diversity policy of the members of the board, and measurable objectives and progress on achieving those objectives which the Board has set for implementing this policy when appropriate; identifying individuals suitably qualified to become Board members, and making recommendations to the Board on the appointment or re-appointment of directors;
 4. assessing the independence of independent directors;
 5. assessing the Company's senior management and making recommendations to the Board on their appointment or dismissal;
 6. ensuring the setting up of an appropriate succession plan for the directors and senior management of the Company, and reviewing such plan regularly to ensure its satisfaction of the requirements for the development of the Company; making recommendations to the Board on the succession plan; and
 7. conducting other work as required by the Board.
- Article 12 In accordance with the authorisation by the Board, the Committee shall formulate report on the nomination of the Company's directors and senior management for submission to and approval by the Board and/or the shareholders' meeting.
- Article 13 The Committee shall regularly review, update or accept amendments on this Terms of Reference in order to promptly reflect the development and changes of the Company. Such amendments must be approved by the Board.



Chapter 4 Meetings and Reporting Procedures

Article 14 The Committee shall hold at least one meeting annually. Meetings shall be called and presided by the chairman of the Committee, and shall be called by notice of not less than five days to all members of the Committee.

Article 15 The chairman of the Committee shall be responsible for preparing the meeting agenda and delegating the relevant staff to prepare the information required. Such meeting materials shall be distributed to the members of the Committee three days before the meeting.

Article 16 The meeting of the Committee shall only be held with the attendance of more than half of its members. Resolutions of a meeting must be passed by a simple majority of all the members.

A member who is unable to attend the meeting in person due to certain reasons may appoint in writing other member to attend the meeting on his/her behalf. The power of attorney should contain the reasons of absence, the name of proxy, the detail opinion of the consignor, and signed or sealed by the consignor. A member shall not appoint other member to attend the meeting on his/her behalf if he/she has not expressed his/her opinion. Each member can only be appointed by one member in each meeting.

A meeting can be held by way of communication in writing upon agreed by all members of the Committee. A member expresses opinion in relation to the relevant agenda by way of writing shall be deemed as attending the meeting.

Article 17 According to the matter under discussion, the Committee may invite other members of the Board, professionals, consultancy agencies or Company's senior management to attend meetings.

Article 18 Minutes of Committee meetings shall be taken by the secretary of the Committee. Draft and final versions of minutes shall be sent to all Committee members within twenty-one days after the Committee meetings respectively. After receiving comments from the Committee members on the draft versions, the final versions shall be kept for their records and copied to the secretary of the Board.

Minutes of Committee meetings shall be kept by the secretary of the Committee. Minutes of Committee meetings, notice of meeting and meeting materials shall be kept and filed by the Company for not less than five years.

Article 19 The chairman of the Committee shall report the major content of its meeting to the Board after each meeting and report its work progress to the Board at least annually.

Chapter 5 Supplementary Provisions

- Article 20 For matters not covered in this Terms of Reference or in cases where this Terms of Reference conflicts with the laws, administrative regulations, securities regulatory requirements of the listed place, as promulgated from time to time, and the articles of association of the Company, the relevant laws, regulations and rules shall prevail.
- Article 21 This Terms of Reference shall be effective upon approval by the Board.
- Article 22 This Terms of Reference shall be interpreted and amended by the Board.