

江蘇寧滬高速公路股份有限公司 JIANGSU EXPRESSWAY COMPANY LIMITED

(Incorporated in the People's Republic of China as a joint-stock limited company)
(Stock Code: 00177)

JIANGSU EXPRESSWAY COMPANY LIMITED RULES OF PROCEDURES OF THE NOMINATION COMMITTEE

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Revision History:

May 28, 2002 Approved at the 2001 Annual General Meeting

March 23, 2012 Amended at the 23rd Meeting of the 6th Session of Board of Directors

October 25, 2013 Amended at the 10th Meeting of the 7th Session of Board of Directors

Chapter I General Provisions

Article 1

In accordance with the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies in China, the Articles of Association of the Company, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as "SEHK") and other relevant rules and regulations, a Nomination Committee under the Board (hereinafter referred to as the "Committee") is established by the Board of Directors (hereinafter referred to as the "Director(s)", or collectively as the "Board") of Jiangsu Expressway Company Limited (hereinafter referred to as the "Company") to establish and improve the Company's system of nomination of Directors and senior management and to improve operation efficiency and performance of duties and responsibilities (Hong Kong Code on Corporate Governance Practices A.5.1).

Article 2

The Committee is a special standing committee established under the Board and has responsibilities for formulating the Company's Human Resource Development (HRD) plans and strategies and recommending to the Board candidates to be nominated as director and senior management and related nomination procedures and standards. The Committee shall be accountable to the Board.

Article 3

The Rules of Procedures (hereinafter referred to as the "Rules") for the Committee specifies and defines the powers and terms of reference of the Committee and shall serve as an important basis and guidelines for the practice of the Committee.

Article 4

The Committee shall, based on the Rules, exercise the powers delegated by the Board, perform duties and responsibilities, report and make recommendations to the Board, and assist the Board to complete relevant work, in order to improve the operation efficiency, reporting quality, transparency and objectivity of the Board.

Chapter II Composition

Article 5

The Committee has been established by resolution of the Board and shall consist of no less than three and no more than five Directors, and be chaired by a Chairman. All appointments to the Committee shall be made by the Board. The majority of the members of the Committee shall be independent non-executive Directors and the Chairman of the Committee shall be the Chairman of the Board or an independent non-executive Directors. (Hong Kong Code on Corporate Governance Practices A.5.1).

Article 6

The Committee may set up work units to assist the Committee in coordination and communication with the Board, other committees and other departments of the Company; to be specially responsible for providing relevant information on the Company's business operations and the individuals under appraisal; and to be responsible for preparing committee meetings and implementing relevant resolutions of the Committee.

Article 7

The term of office of the members of the Committee shall be three years, renewable upon re-election upon its expiry. Election of the members of the Committee shall be conducted on a fixed-term basis. In the event that a member of the Committee ceases to be a Director during his term of membership on the Committee, his membership on the Committee shall lapse immediately. The term of office of Committee members should correspond to the term of office of Directors.

Chapter III Terms of Reference

Article 8

The Committee is authorised by the Board to exercise its powers under these Rules. The Committee shall serve as an advisory body to the Board and shall be accountable to the Board rather than having independent powers. The Committee is not authorised to replace the Board in the Board's functions of management and decision-making.

Article 9

The Committee may supervise and perform specific matters via its work units, Office of Secretary to the Board or other departments. In the performance of its functions or any investigation as authorised by the Board, the Committee shall be authorised to access relevant information and engage or invite individuals or institutions from outside with relevant experience and expertise to serve as advisors to the Committee on relevant issues, and all reasonable costs incurred shall be at the expense of the Company. In the performance of its duties, the Committee shall, if necessary, seek independent professional advice at the expense of the Company. The Company shall provide the Committee, in accordance with the relevant provisions in the "Special Committees" chapter of the Rules of Proceedings for Board of Directors Meetings with sufficient resources to perform its duties (Hong Kong Code on Corporate Governance Practices A.5.4).

Article 10

The terms of reference of the Committee shall be as follows:

- 1. to review the Company's HRD plans and strategies based on the Company's development strategy;
- 2. to review the structure, size and composition of the Board (including but not limited to the skills, knowledge, experience, gender, age, cultural and educational background and diversity of perspectives) at least annually and make recommendations with respect to the changes to be made to the Board in order to coordinate with the Company's corporate strategy (*Hong Kong Code on Corporate Governance Practices A.5.2(a)*);

- to identify, within the Company, in the controlling/ 3. holding companies and the labor market, individuals qualified for Director and senior management positions; gather information with respect to the candidates' profession, education background, professional title, and detailed full-time and part-time work experience, etc., in order to prepare written reports; call meetings of the Committee to examine the qualifications of the candidates based on the requirements of the Director and senior management positions; and recommend to the Board candidates for Director and senior management positions and submit relevant supporting documents one or two months prior to the election of new Directors and appointment of senior managers (Hong Kong Code on Corporate Governance Practices A.5.2(b));
- 4. to ensure the Company has established a plan for Director and senior management succession and regularly review whether the plan meets the demands of the Company's development; to make recommendations to the Board on the appointment or re-appointment as well as the succession plan of Directors (in particular the Chairman and Chief Executive Officer) (Hong Kong Code on Corporate Governance Practices A.5.2(d));
- 5. to assess the independence of the independent non-executive Directors (*Hong Kong Code on Corporate Governance Practices A.5.2(c)*);
- 6. to evaluate the performance of senior management and make recommendations to the Board on appointment or dismissal;

7. review the policy on Board diversity (the "Board Diversity Policy") and any measurable objectives for implementing such Board Diversity Policy as may be adopted by the Board from time to time and to review the progress on achieving the objectives; and to make disclosure of its review results in the corporate governance report of the Company annually; (Hong Kong Code on Corporate Governance Practices A.5.6); and

8. to perform any other duties as the Board may deem necessary.

Article 11

The proposals on nomination of Directors and senior management personnel prepared by the Committee pursuant to its powers delegated by the Board, shall be submitted to the Board and/or the General Meeting of Shareholders for approval. Baring substantial grounds or reliable evidence, the controlling shareholder shall fully respect the proposals made by the Committee and shall not propose substitute candidates for Directors and senior management.

Note: According to Article 9.2, 9.8, 9.40 and 9.41 of the Company's Articles of Association and the SEHK Listing Rules, shareholders may request the convening of the General Meeting of Shareholders to approve the election of Directors.

Article 12

Subject to the resolutions of the Board meetings, the Committee shall review, update or revise these Rules periodically in order to reflect development and changes of the Company.

Chapter IV Decision-making Procedures

Article 13

The Committee shall hold at least one meeting each year and notify all members five days prior to the meeting. The meeting shall be convened and presided over by the Chairman of the Committee. In the event that the Chairman is unable to attend the meeting, he or she shall authorise another member (which must be an independent non-executive Director) to preside over the meeting.

Article 14

The Chairman of the Committee shall be responsible for preparing the agenda of the meeting and delegating relevant administrative personnel to prepare all necessary documents. All documents related to the meeting shall be delivered to the members of the Committee three days prior to the meeting.

Article 15

Meetings of the Committee shall be held only with the presence of at least half of its members. Each member shall be entitled to one vote. Resolutions of a meeting must be passed by the affirmative votes of more than half of its members. Resolutions of the Committee shall be passed by a show of hands or by poll. Ad hoc meeting may also be convened in the form of voting by communication in case of emergency.

Article 16

The Committee may, if necessary, based on the matters discussed, invite other members of the Board, external professionals, consulting firms, or senior management members of the Company to attend meetings of the Committee.

Article 17

The procedures and voting methods of meetings of the Committee as well as the resolutions passed at the meetings must comply with relevant laws, regulations, the Company's Articles of Association and these Rules. All topics discussed at a meeting of the Committee shall be reported in writing to the Board for its review.

Article 18

The Committee shall keep minutes of its meetings. Members present at a meeting shall sign the minutes of the meeting which shall be kept by the secretary to the Board.

The secretary to the Board shall be responsible for maintaining complete meeting records, which shall be kept, along with meeting notice and meeting documents, as records of the Company.

Article 19

After each meeting of the Committee, the Chairman of the Committee shall report to the Board on the main proceedings of the meeting. The Chairman shall submit to the Board each year at least one report on the work of the Committee.

Article 20

All members attending meetings of the Committee shall be obliged to keep all items discussed at the meetings confidential and shall not disclose the relevant information without authorisation.

Article 21

The Chairman of the Committee shall attend the Annual Meeting of Shareholders. In the event that the Chairman is unable to attend the meeting, he or she shall invite another member to attend the meeting whom shall answer questions raised at the meeting (*Hong Kong Code on Corporate Governance Practices E.1.2*).

Chapter V Supplementary Provisions

Article 22

Any matters not covered by these Rules shall be implemented in accordance with relevant laws and regulations of the State and the Company's Articles of Association. Where there is a conflict between these Rules and laws and regulations to be promulgated by the State or the Company's Articles of Association as amended in accordance with legitimate procedures time to time, these Rules shall be implemented in accordance with relevant laws and regulations of the State and the Company's Articles of Association, and these Rules shall be amended immediately and the amended Rules shall be submitted to the Board for consideration and approval.

Article 23

The right to interpret and amend these Rules shall rest on the Board.

Article 24

The Nomination Committee should make available its Terms of Reference explaining its role and the authority delegated to it by the Board by including them on the SEHK's website and the Company's website. (Hong Kong Code on Corporate Governance Practices A.5.3).