

CIMC Vehicles (Group) Co., Ltd.
中集車輛(集團)股份有限公司

(A joint stock company incorporated in the People's Republic of China)

Clause 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 expiration 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.

Clause 9 A Committee member may tender his/her resignation to the board of directors

- (5) to develop and maintain a policy for the nomination of the director which includes the nomination procedure and the procedures and criteria adopted by the Nomination Committee to identify, select and recommend candidates for directorship during the year, and to review periodically and disclose the policy and progress made towards achieving the objectives set in the nomination policy in the corporate governance report of the Company;
- (6) to develop and maintain a policy concerning the diversity of the board of directors, and to review periodically and disclose in the diversity policy or a sub-committee of the policy in the corporate governance report of the Company;
- (7) to review annually the time required from non-executive directors and independent non-executive directors. Performance evaluation should be conducted on a regular basis. The non-executive directors and independent non-executive directors are spending enough time in fulfilling their duties;
- (8) to make recommendations to the board of directors on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman of the board of directors and the chief executive officer. The Nomination Committee shall make recommendations on appointment of directors in the light of the diversity policy of the Company and in accordance with the challenges and opportunities faced by the Company;
- (9) to research and make recommendations on the selection criteria and procedures for senior management; to select the candidates for senior management

- (2) to propose matters for discussion at the meetings of the Committee;
- (3) to sit in on or observe any relevant meetings of the Company to conduct, direct, discuss and research any business or financial reports, documents, materials and other relevant information necessary for the performance of his/her responsibilities;
- (4) to fulfil, under and the responsibilities of the Committee as a whole and those of a member of the Committee, and acquire himself/herself in the operation, management, business activities and development of the Company to ensure his/her capacity for the performance of responsibilities;
- (5) to guarantee that he/she has devoted sufficient time and attention to fulfil his/her responsibilities;
- (6) to perform other duties as conferred by the laws and regulations, regulations, rules of the place where the shares of the Company are listed, rules of procedure for the board of directors of the Company, these Terms and the board of directors.

Chapter 4 Meetings of the Committee

- Clause 16** Meetings of the Committee can be classified as regular meetings and extraordinary meetings.
- Clause 17** The Committee shall hold at least one regular meeting every year, and the notice of the meeting shall be served to all members three days before each meeting.
- Clause 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:
- (1) in circumstances as deemed necessary by the board of directors;
 - (2) in circumstances as deemed necessary by the chairman of the Committee;
 - (3) when proposed by two or more members of the Committee.
- Clause 19** The Secretary 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 requirements of a prior notice is waived, 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.
- Clause 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 a proper means.
- Clause 21** The quorum of a Committee meeting shall be the presence of all members.

Clause 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 be prepared in accordance with 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, nor does he/she submit an opinion in writing prior to the meeting, he/she 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 of an matter on the meeting agenda, provided that such written opinion shall be submitted to the Secretary of the Committee before the meeting.

Clause 23 If a member does not attend a meeting in person or authorize another member to attend such meeting on his/her behalf, nor does he/she submit an opinion in writing prior to the meeting on a consecutive occasion, or if each member fails to attend in person 3/4 of all 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 these Terms.

Clause 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 designates another member to act on his/her behalf, any member may report the same to the board of directors, and the board of directors shall appoint another member who is an independent non-executive director to fulfill the duties of the chairman.

Chapter 5 Procedures of Meetings

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

Clause 26 Meetings of the Committee shall be held in the form of online meetings in general, and voting shall be made by show of hands or by poll. Under special circumstances, on the premises where the members of the Committee are able to efficiently express their opinions, with the consent of the chairman of the Committee, meetings 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 opinions in respect of the matters to be discussed within the period prescribed by the notice of the meeting.

Clause 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 opinions based on their judgments. In the case of any different opinions, such different opinions shall be raised in the meeting minutes to be presented to the board of directors.

Clause 28 The Committee may in its discretion, relate senior management members and relevant persons of the Company, external persons, scholars, intermediary agencies and other persons or institutions. Such persons being invited shall give explanation and elaboration on any issues raised by any Committee member.

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

Clause 30 The convening procedure, meeting methods and resolutions of meetings of the Committee shall comply with the relevant laws, regulations, rules of the stock exchange where the shares of the Company are listed, the Articles and these Terms.

Clause 31 If a member of the Committee is involved in an matter being considered by the Committee, such member shall abstain from voting of such matter.

Clause 32 All persons attending the Committee meetings shall keep all matters discussed at the meetings confidential and shall not disclose any such information in any unauthorized manner.

Chapter 6 Minutes and Summary of the Committee Meetings

Clause 33 Minutes shall be kept for all meetings of the Committee, which shall be prepared by the Secretary 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 relevant attendees;
- (6) name of the person taking minutes;
- (7) absence of an invited member (if any), which shall be specified in the minutes or the relevant resolutions.

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

Clause 34 After each meeting of the Committee, the Secretary of the Committee shall prepare a meeting memorandum recording the consideration and discussion of the meeting.

Copies of the meeting memorandum shall be submitted to the board of directors of the Company and then to all Committee members, Secretary of the board of directors, the management departments of the information disclosure affairs, the human resources department of the Company and other relevant departments and persons.

Clause 35 Meeting minutes, meeting memorandum, letters of proposal, written opinions of the members of the Committee and other materials of the meeting shall be kept by the Secretary of the Committee and backed up in the Company's management departments of the information disclosure affairs in accordance with the relevant requirements.

Chapter 7 Supplementary Provisions

Clause 36 Unless otherwise specified, terms used herein shall have the same meaning ascribed to them in the Articles.

Clause 37 For any matter not covered in these Terms, or in the event of any contradiction in the articles, administrative regulations, normative documents, relevant regulations or rules of the place where the shares of the Company are listed or the Articles as amended, under the first procedure promulgated after these Terms become effective, which relevant national laws, administrative regulations, normative documents, relevant regulations or rules of the place where the shares of the Company are listed and the Articles shall prevail.

Clause 38 These Terms shall take effect and come into force on the date of consideration and approval by the board of directors. Amendments to these Terms shall be proposed by the board of directors and become effective after the amendments are approved by the board of directors.

Clause 39 The right of interpretation and amendment of these Terms shall be exercised in the board of directors of the Company.

Clause 40 These Terms are available in both Chinese and English. In case of discrepancy, the Chinese version shall prevail.

CIMC Vehicle (Group) Co., Ltd.
March 2022