

**CHINA RESOURCES GAS GROUP LIMITED**

**TERMS OF REFERENCE  
OF THE NOMINATION COMMITTEE**

(adopted on 5<sup>th</sup> March, 2005)  
(amended on 1<sup>st</sup> December, 2008)  
(amended on 13<sup>th</sup> March 2012)  
(amended on 31<sup>st</sup> December 2018)

**CHINA RESOURCES GAS GROUP LIMITED**  
**Terms of reference of Nomination Committee**

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**1. Purpose**

The primary objective of the Nomination Committee (the “Committee”) is to assist the Board in establishing a formal, considered and transparent procedure for the appointment of new directors 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 make full use of intermediate agencies for identifying qualified director candidates at the Company’s expense.
- (b) The Committee is authorised by the Board to conduct interview with prospective candidate for nomination. Interview may be carried out in the presence of other Directors.
- (c) The Committee is authorised to seek any information within its terms of reference and all employees are directed to co-operate with any request made by the Committee.
- (d) The Committee is authorised to seek independent professional advice to perform its responsibilities;
- (e) The Chairman of the Committee shall give not less than 3 days’ prior notice to the Chairman of the Board if the Committee proposes to engage intermediate agencies. The Directors may discuss the proposed engagement with members of the Committee, and the Committee shall consider representations made to it before making a decision. The amount to be expended shall be authorised by the Board (which authorization shall not be unreasonably withheld or delayed).

## **5. Duties**

The duties of the Nomination Committee shall be:

- (a) To review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.
- (b) To develop and maintain a policy for the nomination of the Directors which includes the nomination procedures and the process 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;
- (c) To develop and maintain a policy concerning the diversity of the Board, and to review periodically and disclose in the diversity policy or a summary of the policy in the corporate governance report of the Company;
- (d) To identify individuals suitably qualified to become Board members (including whether the individuals can bring to the Board the perspectives, skills and experiences and how the individuals can contribute to the diversity of the Board) and select or make recommendations to the Board on the selection of individuals nominated for directorships with regard to the nomination policy of the Company.
- (e) To make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive.
- (f) To assess the independence of Independent Non-executive Directors with regard to the requirements of the Listing Rules (as amended from time to time), but no Independent Non-executive Director can participate in his own assessment.
- (g) to assess the number of directorship of other listed companies held by candidates to be nominated as the independent non-executive directors of the Company. If the candidate will be holding his/her seventh or more listed company directorship, the Board has to be satisfied that the candidate would still be able to devote sufficient time to the Board;
- (h) To consider other topics as defined by the Board.

## **6. Reporting responsibilities**

- (a) The Committee shall report to the Board at its regular or other Board meetings on the nature and extent of the functions performed by it and may make such recommendations to the Board on any matters relating to nomination as it may think fit within the terms of reference.
- (b) The Committee should ensure that the Board is provided with sufficient information to ensure informed decision taking.
- (c) The Committee should ensure where the Board propose a resolution to elect an individual as an Independent Non-executive Director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe he should be elected and the reasons why they consider him to be independent.
- (d) 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.