

DONGFENG MOTOR GROUP COMPANY LIMITED
(the “Company”)
(Incorporated in the People’s Republic of China with limited liability)
(Stock Code: 0489)

**RULES OF PROCEDURE FOR
NOMINATION COMMITTEE OF THE BOARD OF DIRECTORS**

Chapter 1 General Provisions

Clause 1 Dongfeng Motor Group Company Limited (the “Company”) has established the nomination committee of the board of directors (the “Board”) and formulated these rules of procedure in accordance with the Company Law of the People’s Republic of China, the articles of association of Dongfeng Motor Group Company Limited (the “Articles”), the listing rules of the places where the shares of the Company are listed and other relevant rules to ensure the sustainable, standard and sound development of the Company, to standardize the appointment procedures of directors of the Company, to improve the corporate governance of the Company and to enhance rationality and level of decision-making of the Board.

Clause 2 The Nomination Committee of the Board is a special committee established under the Board to assist the Board in performing its duties. It shall be accountable to the Board. The Nomination Committee of the Board shall perform its duties in accordance with the provisions in the Articles, the Rules of Procedure of the Board of Dongfeng Motor Group Company Limited and these rules of procedure.

Clause 3 For the purpose of these rules of procedure, any reference to director(s) represents the members of the Board of the Company, and any reference to senior management represents the president, vice president, secretary to the Board, person-in-charge of the finance department and other senior officers appointed by the Board.

Chapter 2 Composition of the Nomination Committee

Clause 4 The Nomination Committee shall comprise three to five directors, a majority of whom shall be independent non-executive directors. Members of the Nomination Committee shall be nominated by the Nomination Committee and appointed upon consideration and approval by the Board.

Clause 5 The Nomination Committee shall have a convener, who shall be in charge of the work of the committee. The convener shall be the chairman of the Board who is not acting concurrently as the general manager of the Company. Otherwise, the convener shall

be served by an independent non-executive director.

Clause 6 The term of office of the Nomination Committee shall be the same as that of the Board of the Company. Members of the Nomination Committee may offer themselves for re-election to serve consecutive terms upon the expiration of their terms of office.

Clause 7 Any member of the Nomination Committee may tender resignation before the expiration of his/her term of office by submitting a written report of resignation to the Board stating reasons for resignation and providing necessary explanation on matters which need to be brought to the attention of the Board.

Clause 8 If any member no longer holds the position of director of the Company during his/her tenure, he/she shall automatically lose his/her committee member qualification. In case any committee member tenders resignation or ceases to serve as a director of the Company, the vacancy shall be promptly filled by the Board in accordance with the relevant requirements when the number of members of the Nomination Committee is lower than that specified in Clause 4 of these rules.

Clause 9 Any change of members of the Nomination Committee due to the change of directors of the Company shall be subject to approval of the general meeting in accordance with the relevant procedures stipulated in the Articles and shall be disclosed by announcement pursuant to the requirements of the listing rules of the places where the shares of the Company are listed.

Clause 10 The Nomination Committee shall have an office to handle its daily matters for performance of its duties. The office shall be set up under the human resources department (cadre office) of the Company and is responsible for arrangement and coordination of routine liaison, arrangement of meetings, minutes taking, documentation and filing. The head of the office of the Nomination Committee shall be acted by the general manager of the human resources department (cadre office).

Chapter 3 Duties and Authorities of the Nomination Committee

Clause 11 The followings are the major duties and authorities of the Nomination Committee:

- (1) to advise the Board on the composition of the Board based on the operating activities, asset scale and equity structure of the Company;
- (2) to study and advise the Board on the selection criteria and procedures of directors;
- (3) to extensively search for and select director candidates who are eligible for directorship;
- (4) to review the qualification of director candidates and advise the Board on nomination for election;

(5) to give recommendations on nomination for election based on the composition of professional committees other than the Board;

(6) to assess the independence of independent non-executive directors. If the Board intends to propose a resolution to appoint an individual as an independent non-executive director by way of election at the general meeting, a circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting shall provide the reasons for such individual eligible for election being considered independent;

(7) to give recommendations on candidates of president, vice president, secretary to the Board and person-in-charge of the finance department and other senior officers for appointment by the Board;

(8) to review the structure, size and composition of the Board at least once a year; in reviewing and assessing the composition of the Board and nomination of directors, various factors relating to the Board diversity shall be taken into consideration, including but not limited to gender, age, culture and educational background, professional experience, skill, knowledge and industry experience, and to propose any changes intended to be made to the Board to correspond with the strategy of the Company for facilitating the implementation of the strategy of the Company;

(9) to advise the Board on appointment or re-appointment and succession plan of directors and senior management;

(10) to comply with the relevant requirements based on any new amendments to the duties and authorities of the Nomination Committee under the listing rules of the places where the Company is located and where the shares of the Company are listed;

(11) other matters as authorized by the Board.

Clause 12 The Nomination Committee shall be provided with sufficient resources by the Company to perform its duties.

Clause 13 The Nomination Committee may, whenever necessary, engage external experts or intermediary firms to provide independent, professional consultation during its performance of duties at the cost of the Company.

Chapter 4 Working Procedures of the Nomination Committee

Clause 14 Pursuant to the listing rules of the places where the Company is located and where the shares of the Company are listed and the provisions in the Articles, and in light of the Company's actual circumstances and strategy, the Nomination Committee shall study on the selection conditions for election, procedures and term of office of the directors, and formulate written proposals for consideration and approval by the Board and execute the resolutions accordingly.

Clause 15 Specific working procedures:

- (1) to proactively maintain communication with the relevant personnel of the Company to understand the requirements for directors by the Company and formulate written materials;
- (2) to extensively search for and select director candidates for nomination within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity and on the human resources market;
- (3) to collect, organize and formulate written materials for particulars of the candidates, including their occupation, education level, job titles, detailed work experience and other engagements;
- (4) to seek opinions from the candidates on nomination of directors;
- (5) to convene a meeting of the Nomination Committee to examine on the qualifications of candidates (including the independence of candidates of independent non-executive directors);
- (6) to obtain the annual confirmation of independence from each of the independent non-executive directors;
- (7) to submit nomination of directors and relevant materials to the Board before Board meetings are held;
- (8) to follow up other tasks according to the decisions and feedbacks of the Board;
- (9) to attend the annual general meeting of the Company and answer enquiries of shareholders by the convener (or at least one member of the Nomination Committee if the convener fails to attend) of the Nomination Committee.

Chapter 5 Meetings of the Nomination Committee

Clause 16 Meetings of the Nomination Committee include regular meetings and extraordinary meetings. Regular meetings shall be convened at least twice a year, and the time and agenda of a meeting shall be in accordance with the annual working plan of the committee. An extraordinary meeting shall be convened within seven days if one of the following conditions occurs:

- (1) the Board or the chairman of the Board deems necessary;
- (2) the convener of the Nomination Committee deems necessary;
- (3) two or more members of the Nomination Committee propose.

Clause 17 A notice shall be given to each of the members of the Nomination Committee seven days before a regular meeting is convened, while a notice shall be given to each of the members of the Nomination Committee three days before an extraordinary meeting is convened.

Clause 18 The theme of a meeting of the Nomination Committee shall be determined by the convener of the Nomination Committee according to the requirements of the Board, proposals from two or more members of the Nomination Committee or recommendations from the president. The proposals or recommendations shall be in written form and submitted to the office of the Nomination Committee or the office of the secretary to the Board. The office of the secretary to the Board shall be responsible for the above collection and filing.

Clause 19 The office of the secretary to the Board shall prepare and make arrangement on the notices of meetings and committee affairs. The office of the Nomination Committee shall provide assistance and support services to the secretary.

The notice of meeting shall contain, among others, the date and time, venue and theme of the meeting and the date of serving the notice.

The notice of meeting shall be endorsed by the office of the Nomination Committee and then submitted to the secretary to the Board which shall notify and deliver the same to all members of the Nomination Committee through email, facsimile, speed post, registered post or by hand.

The members of the Nomination Committee shall acknowledge receipt of the notice of meeting in time and reply on the relevant information (including but not limited to whether to attend the meeting and meet the schedule).

Materials for the meeting and a list of attendees shall be prepared, delivered and verified in accordance with the instructions of the convener of the Nomination Committee.

Clause 20 The meeting of the Nomination Committee shall be convened by way of physical meeting in principle. It may also be convened by way of video conferencing or telecommunication if so agreed by the convener of the Nomination Committee.

For meetings convened by way of telecommunication, the opinions, recommendations and voting results of members shall be facsimiled to the office of the secretary to the Board on the same day for records and the originals shall also be sent to the office of the secretary to the Board.

Clause 21 The quorum of a meeting of the Nomination Committee shall be two-third or more of its members. The secretary to the Board and the head of the office of the Nomination Committee may observe the meeting.

Members of the Nomination Committee shall attend the meetings in person. If a member cannot attend a meeting due to special reasons, he/she may authorize another member of the Nomination Committee to attend the meeting of the special committee, on his/her behalf upon submission of an instrument of proxy with his/her signature, to consider and vote on all of the resolutions and/or appoint another member to vote on his/her behalf according to his/her intention.

The instrument of proxy shall set out, among others, the names of the principal and the proxy, the scope of authority, limits of authority and term of authorization. A member shall not serve as the proxies of two or more members.

Attending a meeting by way of video conferencing or telecommunication shall be deemed as attending the meeting in person.

Clause 22 A member of the Nomination Committee who fails to attend three consecutive meetings of the committee in person or by proxy without justifiable reasons shall be deemed as incapable of performing the duties of a member of the Nomination Committee and may be removed by the Board.

Chapter 6 Procedures of Meetings of the Nomination Committee

Clause 23 The convener (or in his/her absence, another member of the Nomination Committee, who is an independent non-executive director, as designated by the convener) shall convene and chair the meetings of the Nomination Committee.

Clause 24 For matters considered at meetings of the Nomination Committee, during which consideration and discussions shall be conducted, the committee members shall provide definite and independent opinions based on their own judgment and shall formulate proposal review reports according to the majority of opinions. Remarks of disagreement shall also be recorded.

Chapter 7 Documents and Records of Meetings

Clause 25 Meeting documents such as minutes and/or proposal review reports shall be formulated after the meeting of the Nomination Committee is convened. The meeting documents shall give a true picture of all different opinions given during the meeting of the Nomination Committee.

Meeting documents shall be true, accurate and complete and shall be submitted to the Board after being signed by the members attending the meeting.

Minutes, proposal review reports, the instruments of proxy and other meeting documents of the Nomination Committee shall be assigned with reference numbers according to the year, session and number of meetings, respectively, and shall be filed by the office of the Nomination Committee and the office of secretary to the Board.

Clause 26 The office of the Nomination Committee shall take minutes for the meetings of the Nomination Committee (by stenography and tape recording and in other forms) and draft proposal review reports and other documents of the Nomination Committee.

Clause 27 Minutes of the Nomination Committee shall contain the following:

- (1) date, time and venue of the meeting and name of the chairperson;
- (2) names of the attending members and proxies, and the names and positions of unit representatives attending the meetings as observers, if any;
- (3) theme and agenda of the meeting;
- (4) summary of statements and discussions of the members;
- (5) other relevant matters of the meeting;
- (6) name of the person who drafts the minutes and summary of the meeting.
- (7) signatures of the members present at the meetings.

Clause 28 Proposal review reports of the Nomination Committee shall contain the following:

- (1) subject matters (details) of the review;
- (2) form, procedure and process of the review;

The names of the members and proxies present at the meetings, voting results, and the names and positions of unit representatives attending the meetings as observers, if any, shall be specified as and whenever necessary;

- (3) recommendations for review;
- (4) other matters which need explanation and concern, if any, such as the opinions, recommendations and the actions required to be taken in the special reports issued by an intermediary firm;
- (5) signatures of the members of the Nomination Committee present at the meetings.

Chapter 8 Confidentiality

Clause 29 Members of the Nomination Committee and attendees present at meetings of the Nomination Committee as observers shall be obligated to keep confidential all

documents of and matters considered at the meetings and shall not disclose without authorization. Attendees shall have no voting right.

Chapter 9 Supplementary Provisions

Clause 30 The formulation/amendment of these rules of procedure shall become effective from the date of consideration and approval by the Board.

Clause 31 The Company shall state the terms of reference of the Nomination Committee on the websites of the Company and The Stock Exchange of Hong Kong Limited to provide explanation on its roles and powers authorized by the Board.

Clause 32 Any matters not covered by these rules of procedure shall be dealt with in accordance with the relevant laws and regulations of the PRC, the listing rules of the places where the Company is located and where the shares of the Company are listed and provisions in the Articles. If these rules of procedure contravene any future laws and regulations promulgated by the State, the listing rules of the places where the shares of the Company are listed or the Articles as amended under legal procedures, the relevant laws and regulations of the PRC, the listing rules of the places where the Company is located and where the shares of the Company are listed and provisions in the Articles shall prevail, and the Board shall promptly amend these rules of procedure accordingly and submit to the Board of the Company for consideration and approval.

Clause 33 The interpretation of these rules of procedure shall be vested in the Board of the Company and shall be subject to amendment and modification by the Board.