HUZHOU GAS CO., LTD.
WORKING RULES OF NOMINATION COMMITTEE OF THE BOARD OF DIRECTORS

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to regulate the appointment of directors and management personnel of Huzhou Gas Co., Ltd. (hereinafter referred to as the "**Company**"), optimise the composition of the Board of Directors and to improve the corporate governance structure, in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "**Company Law**"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Listing Rules**") and other relevant laws and regulations, as well as the Articles of Association of Huzhou Gas Co., Ltd. (hereinafter referred to as the "**Articles of Association**"), the Company hereby establishes the Nomination Committee of the Board of Directors and formulates these Working Rules.

Article 2 The Nomination Committee of the Board of Directors is a special working body established by the Board of Directors, which is mainly responsible for selecting and making recommendations on the candidates for directors and senior management of the Company in accordance with the selection criteria and procedures, and is accountable to the Board of Directors.

CHAPTER 2 COMPOSITION OF PERSONNEL

Article 3 The Nomination Committee shall consist of no less than three directors, the majority of whom shall be independent non-executive directors.

Article 4 The members of the Nomination Committee shall be nominated by the chairman of the Board of Directors, more than half of the independent non-executive directors, or more than one-third of all directors, and is subject to election by the Board of Directors.

Article 5 The Nomination Committee shall have one convener and be chaired by the chairman of the Board of Directors or by an independent non-executive director, who shall be responsible for presiding over the work of the Nomination Committee. The convener shall be elected by a majority of all members and approved by the Board of Directors.

Article 6 The major terms of reference of the convener are:

(i) to call and chair regular and ad hoc meetings of the Nomination Committee;

(ii) to determine the agenda for each meeting of the Nomination Committee;

(iii) to signing important documents of the Nomination Committee;

(iv) to ensure that the Nomination Committee has clear and unambiguous conclusions on each discussed motion, with conclusions including: pass, reject or reconsider with additional material;

(v) such other matters stipulated by these Working Rules or relevant laws and regulations.

Article 7 The term of office of members of the Nomination Committees shall be the same as that of the directors of the Board of Directors, and the members shall be eligible for re-election upon expiry of their term of office. If any member ceases to serve as a director of the Company during the term, he/she shall automatically lose his/her membership and the Board of Directors shall elect a replacement member in accordance with the relevant provisions of these Working Rules.

Article 8 A member shall not be removed from office without cause before the expiry of his or her term of office, unless he or she is prohibited from serving in accordance with the laws, administrative regulations, the Listing Rules, the Articles of Association or these Working Rules.

CHAPTER 3 TERMS OF REFERENCE

Article 9 The major terms of reference of the Nomination Committee are:

(i) to review the structure, size, number, composition and diversity of the Board of Directors (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and tenure of service, and any other factors the Board of Directors may from time to time consider relevant and applicable) at least annually in light of the Company's business activities, asset size and shareholding structure, and to make recommendations to the Board of Directors on any proposed changes to the Board of Directors to complement the Company's corporate strategy;

(ii) to study standards and procedures for the election of directors and senior management members, and propose recommendations to the Board of Directors;

(iii) to identify individuals suitably qualified to become a director or a senior management, as well as select and nominate the relevant personnel as directors or senior management or provide opinion to the Board of Directors in this regard; in identifying suitable candidates, the Nomination Committee shall be guided by the principle of merit-based selection, and taking into account the strengths of the candidates concerned and the contribution they can provide to the Board of Directors, with due regard to the benefits of diversity of membership on objective terms;

(iv) to make recommendations to the Board of Directors on the appointment or re-appointment of directors and senior management and succession planning for directors and senior management (in particular the chairman of the Board of Directors and the general manager) in light of the Company's corporate strategy and the diversified mix of skills, knowledge, experience and diversity required in the future;

(v) to review and make recommendations to the Board of Directors on candidates for directors and senior management; when making recommendations to the Board of Directors on the appointment of an independent director, consider the process for identifying such a person, the reasons why he or she should be appointed, the reasons why he or she is independent, the reasons why he or she can devote sufficient time to his or her duties as a director, the points of view and perspectives, skills and experience that he or she can bring to the Board of Directors, and how the appointment could promote diversity among the members of the Board of Directors;

(vi) to review and make recommendations to the Board of Directors on the appointment of other senior management that shall be submitted to the Board of Directors;

(vii) to assess the independence of the independent directors and review the annual written confirmation of their independence by the independent directors and confirm in the Company's annual report whether the Company has received such written confirmation and whether the Company still considers that the independent directors concerned are indeed independent;

(viii) to be responsible for the formulation of a nomination system and to supervise the implementation of the Company's nomination system;

(ix) to review the diversity policy of members of Board of Directors where appropriate, as well as to review the measurable targets set by the Board of Directors to implement the board member diversity policy and progress towards achieving them; and

(x) matters specified in the applicable laws, regulations and the Articles of Association, and such other matters as may be authorised by the Board of Directors.

Article 10 The Nomination Committee shall be accountable to the Board of Directors and the proposals of the Nomination Committee shall be submitted to the Board of Directors for consideration and decision; proposals in relation to director candidates shall be submitted to the general meeting for consideration and resolution.

CHAPTER 4 DECISION-MAKING PROCESS

Article 11 The Nomination Committee shall, in accordance with the relevant laws and regulations and the provisions of the Articles of Association and taking into account the actual situation of the Company, study the conditions of election, selection procedures and term of office of the Company's directors and management, form resolutions for record and submission to the Board of Directors for adoption and implementation accordingly.

Article 12 Procedures for the election of directors and senior management:

(i) the Nomination Committee shall proactively communicate with the Company's relevant departments, examine the Company's demand for new directors and senior management, and present such information in writing;

(ii) the committee may conduct extensive searches for candidates for directors and senior management within the Company, its holding (participation) companies as well as in the talent market;

(iii) collect the occupation, academic qualification, professional position, detailed work experience, all part-time jobs, etc. of the primary candidates and generate a set of materials in written form;

(iv) seek the nominees' consent for the nomination; otherwise, the nominees cannot become the candidates for directors or senior management;

(v) convene a meeting of the Nomination Committee to examine the qualifications of the preliminary candidates according to the terms of appointment of directors and senior management;

(vi) make suggestion to the Board of Directors regarding the candidates for directors and new senior management personnel and submit the relevant information to the Board of Directors prior to the election of new directors and appointment of new senior management personnel.

CHAPTER 5 RULES OF PROCEDURE

Article 13 The Nomination Committee shall meet at least once a year, the Nomination Committee shall give seven days' notice to all members before the meeting, but the aforementioned notice period may be waived by unanimous agreement of all members. The meeting shall be presided over by the convener, who may delegate another member (an independent non-executive director) to preside over the meeting if the convener is unable to attend.

Meetings of the Nomination Committee shall be attended by members in person. If a member is unable to attend a meeting, he/she may appoint another member in writing to attend on his/her behalf. Where a member does not attend a meeting of the Nomination Committee nor appoint a representative to attend, he/she shall be deemed to have abstained from voting at that meeting.

If any member of the Nomination Committee fails to attend in person nor appoint other members as his/her representative to attend meetings of the Nomination Committee for two consecutive times, such member shall be deemed to have failed to perform his/her duties, and the members of the Nomination Committee shall propose the Board of Directors to replace such member.

Article 14 Meetings of the Nomination Committee shall be held in the presence of at least more than one-half of the members; each member shall have one vote; resolutions made at meetings shall be passed by more than half of all members.

Article 15 Voting at meetings of the Nomination Committee shall be by a show of hands or a poll; extraordinary meetings may be held and voted by communication.

Article 16 If necessary, the Nomination Committee may also invite other directors and senior management of the Company to present at its meetings.

Article 17 If necessary, the Nomination Committee may engage an intermediary to issue professional advice for its decision-making, and the costs incurred in doing so shall be borne by the Company.

Article 18 The procedures for holding meetings of the Nomination Committee, the voting methods and the plans passed at the meetings must comply with the provisions of relevant laws and regulations, the Articles of Association and these Working Rules.

Article 19 The Nomination Committee shall have minutes of its meetings. Members present at the meeting shall sign their names on the minutes of meeting; the minutes of the meeting shall be kept by the secretary of the Board of Directors for a period of not less than ten years.

Article 20 Any plans passed and the results of a poll taken at a meeting of the Nomination Committee shall be reported in writing to the Company's Board of Directors.

Article 21 All members of the Nomination Committee shall have the obligation for keeping the discussed matters confidential and shall not disclose the relevant information without authorisation by the Company's Board of Directors.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 22 Unless otherwise stated, terms used in these Working Rules shall have the same meanings as in the Articles of Association.

Article 23 The right to interpret these Working Rules shall reside with the Board of Directors.

Article 24 In the event of any matters not covered by these Working Rules or a conflict between the laws, administrative regulations, the Listing Rules, other relevant regulatory documents, the provisions of the Articles of Association or resolutions of the general meeting promulgated from time to time with these Working Rules, the laws, administrative regulations, the Listing Rules, other relevant regulatory documents, the provisions of the Articles of Association and resolutions of the general meeting shall prevail.

Article 25 These Working Rules shall take effect from the date when they are reviewed and approved by the Company's Board of Directors.