Chengdu Expressway Co., Ltd.
成都高速公路股份有限公司
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 01785)

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE UNDER THE BOARD OF DIRECTORS OF CHENGDU EXPRESSWAY CO., LTD.

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to regulate the procedures for nomination of directors and senior management members of Chengdu Expressway Co., Ltd. (the "Company"), improve the corporate governance structure of the Company, and fully protect the lawful interests of the Company and its shareholders, the Board of Directors of the Company has established the Nomination Committee (the "Committee") and promulgated these terms of references in accordance with the PRC Company Law, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HK Listing Rules"), and the Articles of Association of Chengdu Expressway Co., Ltd. (the "Articles") and other relevant rules.

Article 2 The Nomination Committee is a special working body set up by the Board of Directors pursuant to the Articles. It shall be mainly responsible for advising on the candidates, selection criteria and procedures for directors and senior management members and report to the Board of Directors.

Article 3 For the purpose of these terms of reference, "directors" refers to executive directors, non-executive directors (excluding employee directors) and independent non-executive directors of the Company, and "senior management" refers to, among others, the general manager, the vice general manager, chief accountant, chief engineer and secretary of the Board of Directors appointed by the Board of Directors.

CHAPTER 2 COMPOSITION OF THE NOMINATION COMMITTEE

Article 4 The Nomination Committee shall comprise three directors, the majority of which are independent non-executive directors, and at least one member shall be of a different gender. The members shall be recommended by the chairman of the Board of Directors after discussion with relevant directors subject to consideration and approval by the Board of Directors.

Article 5 The Nomination Committee shall have one chairman who shall be the chairman of the Board of Directors or an independent non-executive director, and be in charge of the work of the Committee. The main powers and duties of the chairman are as below:

(i) convening and presiding over regular and ad-hoc meetings of the Committee;

(ii) determining the procedures of each meeting of the Committee;

(iii) signing material documentation of the Committee;

(iv) ensuring that the Committee reaches a clear conclusion to each proposal which includes passed, rejected or discussed after the materials are supplemented;

(v) other authorities and duties provided in these terms of reference.

Article 6 The terms of office of the members of the Nomination Committee shall be in conformity with that of their directorship. Members of the Committee may be re-elected or re-appointed at the expiry of their terms of office.

No members shall, before the expiration of their terms of office, be removed from office without reason except for the circumstances that require dismissal as stipulated in the laws and regulations, regulatory requirements, the Articles or these terms of reference.

If any member ceases to be a director of the Company or cannot continue to be a director due to other reasons during his/her terms of office, he/she shall be automatically disqualified from acting as a member, and such vacancy shall be filled by the Board of Directors pursuant to Article 4 of these terms of reference.

Any change in the membership of the Nomination Committee shall be announced in accordance with the regulatory requirements at the place where the Company's shares are listed.

CHAPTER 3 DUTIES AND RESPONSIBILITIES OF THE NOMINATION COMMITTEE

Article 7 The primary duties of the Nomination Committee are as below:

(i) reviewing the structure, number of members and composition of the Board of Directors (including skills, knowledge and experience) at least once a year, assisting the Board in preparing a skills matrix for the Board, and advising on any changes made by the Board of Directors in response to the Company's strategies;

(ii) studying and advising on the standards, procedures and methods for the election of directors and senior management members;

(iii) searching for qualified candidates for directors and senior management members;

(iv) evaluating the eligibility of candidates for directors and senior management members and providing advices to the Board of Directors;

(v) reviewing the independence of the independent non-executive directors;

(vi) advising to the Board of Directors on the appointment or re-appointment of Directors and senior management members, as well as the succession plan for directors and senior management members (especially the chairman and general manager);

(vii) reporting its decisions or opinions to the Board of Directors, unless otherwise restricted by laws or regulations;

(viii) assisting the Company in conducting regular evaluations of Board performance;

(ix) other duties and responsibilities authorized by the Board of Directors;

(x) other relevant requirements for powers and duties of the Committee according to laws and regulations, regulatory requirements and regulatory rules of the place where the shares of the Company are listed as amended from time to time.

Article 8 The Company's human resources management department is the supporting and coordination department of the Nomination Committee, and is responsible for such work as preparing and issuing meeting notice and meeting documents, daily contacts with the chairman of the Nomination Committee, preparing and reporting meeting minutes and meeting resolutions. The Committee may source supports from the Company's relevant departments or personnel upon a temporary designation according to work requirements. The secretary of the Board of Directors is responsible for coordinating work among the Nomination Committee, the supporting and coordination department of the Nomination Committee and the Board of Directors' office and shall attend the meetings of the Nomination Committee.

Article 9 The Nomination Committee shall be accountable to the Board of Directors. Any proposal passed by the Nomination Committee shall be submitted to the Board of Directors for consideration and approval.

Article 10 The Nomination Committee shall be provided with sufficient resources to perform its duties and responsibilities and, if necessary, may engage intermediate agencies to provide independent professional opinions on its decisions. The reasonable expenses arising therefrom shall be borne by the Company.

Article 11 At the invitation of the chairman of the Board of Directors, the chairman of the Nomination Committee, or in his/her absence, another member or his/her authorized representative, shall attend and answer questions at the Company's annual general meetings.

Article 12 The Nomination Committee shall make its terms of reference available on the websites of the Company or the stock exchange on which the Company's shares are listed to explain its role and powers delegated to it by the Board of Directors in accordance with the relevant requirements under the regulatory rules in the place where the Company's shares are listed.

CHAPTER 4 DECISION-MAKING PROCEDURES FOR THE NOMINATION COMMITTEE

Article 13 The Nomination Committee shall study the selection criteria and procedures and terms of office of directors and senior management members of the Company in accordance with the relevant provisions under applicable laws, regulations, regulatory requirements, the HK Listing Rules and the Articles and based on the actual situation of the Company. Any proposal shall be submitted to the Board of Directors for consideration and approval before implementation.

Article 14 The selection procedures of directors and senior management are as below:

(i) The Nomination Committee shall actively study the demand of the Company for new directors and senior management and present such information in writing;

(ii) The Nomination Committee may seek extensively for candidates for directors and senior management from the Company, its wholly-owned subsidiaries, controlled subsidiaries, investees and the human resources market;

(iii) The Nomination Committee shall gather information about the occupation, academic qualifications, positional titles, detailed work experience and all the concurrent posts of the candidates and present such information in writing;

(iv) The Nomination Committee shall obtain the consent for nomination from nominees; otherwise, the nominees shall not be the candidates for directors or senior management;

(v) The Nomination Committee shall convene a meeting of the Nomination Committee to review the qualifications of the candidates based on the criteria for directors and senior management;

(vi) The Nomination Committee shall make suggestion to the Board of Directors on the candidates for directors and new senior management members and submit the recommendation and relevant information to the Board of Directors prior to the election of new directors and appointment of new senior management members;

(vii) The Nomination Committee shall complete other follow-up works based on the decision of, and feedback from, the Board of Directors.

CHAPTER 5 RULES OF PROCEDURES

Article 15 The meetings of the Nomination Committee are classified into regular meetings and ad-hoc meetings. The Nomination Committee shall hold at least one regular meeting a year.

Article 16 The Nomination Committee shall hold an ad-hoc meeting if proposed by the chairman of the Committee, two or more members of the Committee, or the Board of Directors or the chairman of the Board of Directors.

Article 17 A notice shall be given to all members of the Nomination Committee by the supporting and coordination department three days prior to the convening of a meeting and the relevant information shall be submitted to each member. In case of emergency that requires the Committee to convene a meeting as soon as possible, the Committee may give a notice of the meeting on that day by phone, fax, or e-mail, but the chairman of the Committee must give an explanation at the meeting.

Article 18 A meeting of the Nomination Committee shall be presided over by the chairman, or if he/she is unable to attend, another member of the Committee (being an independent non-executive director) designated by him/her.

Article 19 A meeting of the Nomination Committee shall not be held unless attended by more than two-thirds of its members.

Members of the Nomination Committee shall attend the meeting in person or in a manner of teleconference or by aid of similar communication equipment. Attendance via teleconference or similar communication equipment shall be deemed as attendance in person. If the member is unable to attend the meeting for certain reason, he/she may authorize another committee member in writing to attend the meeting on his/her behalf. The power of attorney shall set forth the scope of authorization.

Article 20 If a meeting of the Nomination Committee is held, the relevant personnel of the Company may be invited to attend the meeting when necessary.

Article 21 The voting at the meetings of the Nomination Committee shall be taken by show of hands. Each member shall have one vote. Resolutions passed at the meeting must be approved by a majority of all members of the Committee.

Article 22 A meeting of the Nomination Committee may be held by way of written resolutions. Written resolutions shall be dispatched by facsimile, courier or by hand or other methods to all members, and shall be returned in original copies to the Company for filing after deliberation by the members. A proposal signed by consenting members satisfying the threshold hereunder shall become a resolution of the Committee. The written resolutions shall clearly state the deadline for voting, and failure to provide feedback by the deadline shall be deemed an abstention.

Article 23 Where a member of the Nomination Committee is involved in the matter being discussed at the meetings of the Committee or a vote is taken thereon, he/she shall be abstained from attending such meetings.

Article 24 The procedures for convening a meeting of the Nomination Committee, the voting methods and the resolutions passed at such meetings shall be in compliance with the provisions of the relevant laws, regulations, the Articles and these terms of reference.

Article 25 Resolutions passed at the meetings of the Nomination Committee and any vote results shall be reported to the Board of Directors of the Company in writing.

Article 26 Persons attending and being in presence at the meetings of the Nomination Committee shall undertake confidentiality obligations for all items discussed at the meetings and shall not disclose any relevant information unless authorized by the chairman of the Board of Directors or the Board of Directors of the Company.

Article 27 The supporting and coordination department of the Nomination Committee shall record complete minutes. Members of the Committee who attend the meetings shall sign on the minutes. The supporting and coordination department shall retain the meeting minutes in line with the Company's file management policy and provide a copy to the Board office of the Company for backup and inspection by directors at any time.

CHAPTER 6 DIVERSITY POLICY OF THE BOARD OF DIRECTORS

Article 28 When performing relevant duties, the Nomination Committee shall consider the diversity policy of the Board of Directors as stipulated in these terms of reference. The Nomination Committee is responsible for monitoring the implementation of the policy, and shall review and amend the policy, as appropriate, to ensure its effectiveness.

Article 29 When reviewing the size and composition of the Board of Directors and searching for and recommending candidates for directors, the Nomination Committee shall, taking into account the business model and specific needs of the Company, consider diversity of the Board of Directors in various aspects, including but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The final appointment recommendation shall be made to the Board of Directors by the Nomination Committee based on merit and contribution that the selected candidates will bring to the Board of Directors after taking into account the relevant aspects mentioned above.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 30 Unless otherwise specified, the terms used herein shall have the same meanings ascribed thereto under the Articles.

Article 31 Any matters not covered by these terms of reference or in the event that these terms of reference are inconsistent with the laws, regulations, regulatory requirements, the HK Listing Rules as amended from time to time, or the Articles which are formulated or revised by lawful procedures, after these terms of reference become effective, such laws, regulations, regulatory requirements, the HK Listing Rules or the Articles shall prevail and these term of reference shall be amended forthwith and submitted to the Board of Directors of the Company for approval.

Article 32 These terms of reference shall become effective after being considered and approved by the Board of Directors of the Company, and the original terms of reference shall be repealed simultaneously.

Article 33 Interpretation of these terms of reference shall be vested in the Board of Directors of the Company.