

# IMPLEMENTATION RULES FOR THE NOMINATION COMMITTEE OF THE BOARD OF DIRECTORS OF SHANDONG CHENMING PAPER HOLDINGS LIMITED

*(Approved by the 8th meeting of the 10th session of the Board of Directors on March 28, 2024)*

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** In order to regulate the appointment of the Directors and senior management of Shandong Chenming Paper Holdings Limited (the “**Company**”), optimize the constitution of the Board of Directors (the “**Board**”) and improve the corporate governance structure, and in accordance with The Company Law of the People’s Republic of China, Guidelines for Corporate Governance of Listed Companies, the Articles of Association, the relevant rules governing the listing of securities or shares on the stock exchanges where the shares of the Company are listed (including but not limited to The Stock Exchanged of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) and Shenzhen Stock Exchange) (collectively, the “**Listing Rules**”) and other relevant provisions, the Company sets up the Nomination Committee of the Board and formulates the implementation rules (the “**Rules**”).

**Article 2** The Nomination Committee of the Board is a specific body set up by the Board pursuant to a resolution of the shareholders’ general meeting. It is mainly responsible for formulating the standards and procedures for the selection of Directors and senior management, and selecting and reviewing the selection of Directors and senior management as well as their qualifications.

## CHAPTER 2 COMPOSITION

**Article 3** The Nomination Committee shall comprise three (3) Directors, of whom two (2) shall be independent non-executive Directors.

**Article 4** Members of the Nomination Committee shall be nominated by Chairman of the Board, more than half of the independent non-executive Directors or one-third of all Directors, and shall be elected by the Board.

**Article 5** The Nomination Committee shall have a chairman (convener) who shall be an independent non-executive Director and be responsible for leading the work of the committee. The chairman of the committee shall be elected from the members, subject to the approval of the Board.

**Article 6** The term of office of the Nomination Committee shall be the same as that of the Board. A member of the Nomination Committee may serve consecutive terms if re-elected upon the expiration of his term. If any member resigns from the position of Director during his term of office, he shall automatically lose the position of committee members, the vacancy shall be filled by the committee in accordance with provisions of Articles 3 to 5 above.

### **CHAPTER 3 FUNCTIONS AND POWERS**

**Article 7** The main functions and power of the Nomination Committee:

- (1) to submit proposals to the Board regarding its scale and constitution according to the Company's business activities, assets scale and shareholding structure;
- (2) to study the standards and procedures for selecting Directors and management and submit proposals to the Board;
- (3) to select qualified candidates for the Directors and senior management;
- (4) to examine and make recommendations on the candidates for the Directors and senior management;
- (5) to make recommendations on the nomination, appointment and dismissal of Directors to the Board with regard to the skills, knowledge, experience, background, gender and other qualities required for the Directors to perform their duties under the Board, as well as to strike a balance on the Board diversity in order to improve its efficiency and ensure the benefits to be derived from the Board diversity;
- (6) to make recommendations on the appointment and dismissal of the senior management to the Board;
- (7) to review and amend the Board diversity policy on a regular basis and make relevant disclosure in the corporate governance report in the annual report;
- (8) 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;
- (9) to identify individuals suitably qualified to become Board members and make recommendations to the Board;
- (10) to assess the independence of independent non-executive Directors;
- (11) to make recommendations to the Board on the appointment or reappointment of Directors and succession planning for Directors, in particular the chairman and the chief executive; and
- (12) other matters required by the laws, regulations, CSRC, the Listing Rules and the Articles of Association, and authorized by the Board.

If recommendations of the Nomination Committee are not adopted or fully adopted by the Board, the opinion of the Nomination Committee and the specific reasons thereof shall be recorded in the resolutions of the Board and disclosed accordingly.

**Article 8** The Nomination Committee shall be accountable to the Board. The Committee shall submit proposals to the Board for examination and decision. Without sufficient reasons or reliable evidence, the controlling shareholders shall fully respect the proposals made by the Nomination Committee, and shall not propose an alternate candidates for Directors or senior management.

## **CHAPTER 4 PROCEDURES OF DECISION MAKING**

**Article 9** The Nomination Committee shall formulate selection requirements, procedures

**Article 14** Directors, supervisors and other senior management of the Company may be invited to attend meetings of the Nomination Committee if necessary.

**Article 15** If necessary, the Nomination Committee may engage an intermediary institution to provide professional opinions on its decision at the costs of the Company.

**Article 16** The procedures for convening a meeting, the method of voting and the resolutions passed at the meetings of the Nomination Committee shall comply with the provisions of governing laws, regulations, Articles of Association and the Rules.

**Article 17** The Nomination Committee shall keep minutes of the meetings. Members present at the meetings shall sign the minutes of the meetings that shall be kept by the secretary to the Board of the Company.

**Article 18** Proposals passed and voting results at meetings of the Nomination Committee shall be reported in writing to the Board of the Company.

**Article 19** Members present at meetings shall keep all matters discussed in such meetings confidential, and shall not disclose relevant information without authorization.

## **CHAPTER 6 SUPPLEMENTARY ARTICLES**

**Article 20** The Rules shall be put on trial implementation on the date when the relevant resolution is passed by the Board.

**Article 21** Any matters not covered by the Rules shall be implemented in accordance with the provisions of governing national laws and regulations, the Listing Rules and the Articles of Association of the Company. If the Rules contravene any future laws and regulations, the Listing Rules or the amended Articles of Association NTARARTICLESeahnn is p (1)The Article 18