



馬 鞍 山 鋼 鐵 股 份 有 限 公 司
Maanshan Iron & Steel Company Limited

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00323)

**WORKING RULES OF THE NOMINATION COMMITTEE
UNDER THE BOARD OF DIRECTORS OF
MAANSHAN IRON & STEEL COMPANY LIMITED**

Note : This document is drafted in Chinese and English translation is for your reference only. In case of any inconsistencies between the Chinese and the English version, the Chinese version shall prevail.

Working Rules of the Nomination Committee under the Board of Directors of Maanshan Iron & Steel Company Limited

Chapter 1: General Provisions

Article 1: The Board of Directors (the “Board”) of the Company established the Nomination Committee and formulated the Working Rules in accordance with the Company Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies of the China Securities Regulatory Commission, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange and other regulations as well as the Articles of Association of the Company for the purpose of governing the selection of the Company’s directors, General Manager and Secretary to the Board and improving corporate governance structure.

Article 2: The Nomination Committee of the Board shall be a specialised operational body established under, and be accountable to, the Board. Its terms of reference shall be determined at Board meetings. Its major duties shall be conducting studies and making recommendations on the candidates for the Company’s directors, General Manager and Secretary to the Board as well as the selection criteria and procedures therefor.

Chapter 2: Composition

Article 3: The Nomination Committee shall be composed of directors, of whom independent directors shall account for the majority. Committee members shall undertake same liability as that of other directors.

Article 4: Members of the Nomination Committee shall be proposed by the Chairman and elected by the Board.

Article 5: The Nomination Committee shall have a chairman elected among independent directors who, after being elected by the Nomination Committee, shall be appointed or removed by the Board. The chairman of the Committee shall be responsible for convening and presiding over meetings of the Nomination Committee, and for communication with the Board, the Company’s management and relevant departments.

Article 6: The Secretary to the Board shall concurrently serve as secretary to the Nomination Committee.

Article 7: The term of office for the Nomination Committee shall be consistent with that for the Board. Any member may be qualified for reelection and reappointment upon expiry of his term of office. However, the maximum term of office for an independent director to be reappointed as a member of the Nomination Committee shall not be more than six years.

Article 8: Any member of the Nomination Committee may be dismissed by the Board if:

- (1) he tenders a written application for resignation;
- (2) he is unsuitable to continue to serve as a member of the Nomination Committee due to changes to his position during his term of office;
- (3) he is involved in gross misconduct or in violation of the provisions of the laws, regulations, the Articles of Association or the Working Rules during his term of office; or
- (4) other circumstances which the Board considers that he is not fit to take up the position.

Chapter 3: Duties

Article 9: The major duties of the Nomination Committee:

- (1) to make recommendations to the Board on the appropriate number of members for and the composition of the Board in accordance with relevant regulations of China and in line with the Company's business development, changes to shareholding structure and so forth;
- (2) to study the selection criteria and procedures for director, General Manager and the Secretary to the Board, and make recommendations to the Board thereto;
- (3) to look for candidates for qualified directors, General Manager and the Secretary to the Board in an extensive way;

- (4) to conduct a review of the candidates for director, General Manager and the Secretary to the Board, and make recommendations;
- (5) to conduct a review of the candidates for the senior management who are subject to appointment by the Board, and make recommendations;
- (6) other duties as authorised by the Board.

Article 10: Any proposals by the Nomination Committee shall be submitted to the Board for consideration and decision.

Chapter 4: Rules of Proceedings

Article 11: Meetings of the Nomination Committee shall include regular meetings and extraordinary meetings. At least one regular meeting shall be held each year. Extraordinary meetings shall be held by the Nomination Committee when necessary. Meetings shall be chaired by the chairman of the Nomination Committee. If the chairman of the Nomination Committee is unable to attend a meeting, he may delegate another Committee member (an independent director) to chair such meeting.

Article 12: Notice of a regular meeting of the Nomination Committee shall be given to all members fourteen days prior to such meeting, while the date of an extraordinary meeting shall be determined under the basis of ensuring that all the members are able to receive the notice and have reasonable time for making preparations.

Article 13: A meeting of the Nomination Committee may be held only when more than two-thirds of the members are present thereat. Each member shall have one vote. Any resolutions made thereat shall be approved by a majority of all members.

Article 14: Voting at a meeting of the Nomination Committee shall be made by poll; an extraordinary meeting may be convened and voting thereat may be made through communication means.

Article 15: When deemed necessary, the Nomination Committee may invite other directors or senior management of the Company to sit in on the meetings, and may request the heads of the relevant departments to sit in on the meetings.

Article 16: Based on the needs for the discussion of business, if the Nomination Committee requests the relevant departments of the Company to provide relevant

information or carry out other appropriate work, such departments shall do so in a proactive manner.

Article 17: When necessary, the Nomination Committee may engage an intermediary to provide professional advice on its decision making, with the costs to be borne by the Company.

Article 18: Any member of the Nomination Committee shall abstain from a meeting of the Nomination Committee at which the issues about such member concerned are discussed. No directors shall be involved in the nomination of themselves.

Article 19: The procedures for convening the meetings of the Nomination Committee and the methods of voting and resolutions passed thereat shall be in compliance with the relevant laws, regulations, the Articles of Association and the Working Rules.

Article 20: The Nomination Committee shall record minutes of meetings on which the members present thereat shall sign. Minutes of meetings shall be kept by the Secretary to the Board of the Company.

Article 21: The resolutions passed at the meetings of the Nomination Committee and the voting results thereof shall be submitted in writing to the Board of the Company.

Article 22: The members present at a meeting shall have an obligation of confidentiality towards the matters discussed thereat. No members may disclose relevant information without authorisation.

Chapter 5: Supplementary Provisions

Article 33: Any matters not covered hereunder shall be handled in accordance with the provisions of relevant laws and regulations of China as well as the normative documents of regulatory authorities.

Article 34: The Working Rules shall be construed and amended by the Board of the Company.

Article 35: The Working Rules shall come into force as of the date of consideration and approval by the Board of the Company.