

Terms of Reference for the Nomination Committee of the Board of Directors of Fuyao Glass Industry Group Co., Ltd.

Chapter 1 General Provisions

Article 1 In order to improve the corporate governance structure of Fuyao Glass Industry Group Co., Ltd. (the “Company”), optimize the composition of the Company's board of directors and managers and promote the process of nominating, appointing and removing directors and senior management by the board of directors more scientifically and democratically, the Nomination Committee of the board of directors (hereinafter referred to as the “Nomination Committee”) has been established by Company's board of directors as a special committee, mainly responsible for researching and putting forward recommendations on matters regarding the criteria and procedures of nominating, changing and electing directors and senior management of the Company.

Article 2 In order to ensure the standardized and efficient operation of the Nomination Committee, the Company's board of directors has formulated the Terms of Reference in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”) and other relevant laws, regulations and regulatory documents, as well as relevant provisions of the Articles of Association of Fuyao Glass Industry Group Co., Ltd. (hereinafter referred to as the “Articles of Association”).

Article 3 Resolutions made by the Nomination Committee shall comply with the provisions of relevant laws, regulations, regulatory documents, the Articles of Association, Hong Kong Listing Rules and the Terms of Reference. If any resolution considered and approved by the Nomination Committee is in violation of the provisions of relevant laws, regulations, the Articles of Association, Hong Kong Listing Rules and the Terms of Reference, the resolution shall be valid.

If the decision-making procedure of the Nomination Committee is in violation of the provisions of relevant laws, regulations, the Articles of Association, Hong Kong Listing Rules or the Terms of Reference, relevant interested parties may require the board of directors to revoke the resolution within 60 days after the date of the resolution.

Chapter 2 Composition

Article 4 The Nomination Committee shall be composed of three directors, more than half of whom shall be independent directors. The members of the Nomination Committee shall be elected by the board of directors.

Article 5 The Nomination Committee shall have one chairman, who shall be an independent director. The chairman of the Nomination Committee shall be elected from the member and approved by the board of directors.

The chairman of the Nomination Committee shall be responsible for convening and presiding over meetings of the Nomination Committee. If the chairman of the Nomination Committee fails or is unable to perform his duties, another committee member shall be designated by him to act on his behalf. If the chairman of the Nomination Committee neither performs his duties nor designates another member to act on his behalf, any member may report to the board of directors, by whom a member of the Nominating Committee may be designated to fulfill the duties of the chairman.

Article 6 A member of the Nomination Committee shall meet the following requirements:

(1) not being prohibited to act as a Director, Supervisor or senior management of the Company under applicable laws, regulations and listing rules of the places where the Company's shares are listed;

(2) not having been subject to any public censure from or not having been declared as an inappropriate candidate by the stock exchanges where the Company's shares are listed during the past three years;

(3) not having been subject to any administrative penalties from CSRC as a result of any material breach of laws and regulations during the past three years ;

(4) with good ethics and behavior and having expertise or working experience regarding human resources management, corporate management, finance, laws and other relevant fields;

(5) satisfying other conditions as stipulated by applicable laws, regulations, listing rules of the places where the Company's shares are listed or the Articles of Association.

Article 7 The one who does not conform to the qualifications prescribed in the preceding article shall not be elected as a member of the Nomination Committee. A member of the Nomination Committee who does not conform to the qualifications prescribed in the preceding article during his term shall resign or be replaced by the board of directors.

Article 8 The term of office for a member of the Nomination Committee shall be concurrent with the term of his directorship. No member of the Nomination Committee may be removed from office without cause prior to the expiry of term of office, save as the occurrence of circumstances that requires his dismissal as stipulated in the applicable laws, regulations, listing rules of the places where the Company's shares are listed or the Terms of Reference.

Article 9 Where the number of members of the Nomination Committee is less than two-thirds of the required number of members of the Nomination Committee due to the resignation or removal of members or other reasons, the board of directors of the Company shall elect new members in accordance with the provisions of applicable laws, regulations and listing rules of the place where the Company's shares are listed in a timely manner. The Nomination Committee shall suspend any exercise of duties and powers stipulated by the Terms of Reference before the number of members of the Nomination Committee reaches two-thirds of the required number of members of the Nomination Committee.

Article 10 The requirements of the applicable laws, regulations, listing rules of the places where the Company's shares are listed and the Articles of Association on obligations of directors are applicable to members of the Nomination Committee.

Chapter 3 Terms of Reference

Article 11 The Nomination Committee is a special organ established by the board of directors which shall report to and hold responsibility for the Board. The Nomination Committee is mainly responsible for providing advices or recommendations on the change of directors and senior management or the candidates for directors and senior management to the board of directors of the Company, the main terms of reference of the Nomination Committee are as follows:

(1) to review the size, composition and structure (including skills, knowledge and experience) of the board of directors and managers at least annually and make recommendations on any proposed changes to the board of directors to coordinate the Company's corporate strategy and balance the Board Diversity Policy, having regard to the operating activities, asset scale and shareholding structure of the Company;

(2) to study the criteria and procedures for selecting directors and senior management and to make recommendations thereon to the board of directors;

(3) to conduct extensive searches for qualified candidates for directors and senior

management, and make recommendations to the board of directors on selecting and nominating relevant person to act as directors in a timely manner;

(4) to evaluate the performance of directors and senior management and provide advices or recommendations on the change of directors or senior management according to the evaluation result;

(5) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and the General Manager, and make recommendations to the current Board on candidates for directors of the next session of the Board at the re-election of the Board;

(6) to examine the qualifications of the candidates for directors and put forward suggestions;

(7) to examine the qualifications of the candidates for senior management that must be recommended to the board of directors for appointment, and put forward suggestions;

(8) to assess the independence of independent non-executive directors;

(9) to monitor the implementation of the Board Diversity Policy and review such policy as appropriate, and to make recommendations to the Board on quantifiable objectives for achieving better diversity of the Board;

(10) other duties and authorities granted by the board of directors.

Article 12 After considering the matters set out in the previous article hereof, the Nomination Committee shall form meeting resolutions and report, along with relevant proposals, to the Board for review and approval.

Article 13 The main tasks of the Nomination Committee to nominate candidates for directors and senior management are as follows:

(1) The Nomination Committee shall exchange views with relevant department of the Company, research on the demand of the Company for new directors and senior management;

(2) The Nomination Committee may search extensively for candidates for directors and senior management of the Company within the Company, its holding (affiliated) enterprises and human resources markets;

(3) The Nomination Committee shall collect information on preliminary candidates, including the occupation, academic qualifications, titles, detailed working experience and all part-time jobs;

(4) The Nomination Committee shall obtain consent from each nominee regarding the nomination, otherwise such nominee shall not be considered as candidate for director and

senior management;

(5) The Nomination Committee shall convene a meeting of the Nomination Committee to conduct a qualification review on the preliminary candidate according to the employment requirements of directors and senior management of the Company;

(6) The Nomination Committee shall submit to the board of directors its recommendations on the candidates for directors and new senior management together with relevant materials prior to the election of new directors and appointment of new senior management;

(7) The Nomination Committee shall implement other follow-up works in accordance with the decisions and feedbacks of the board of directors.

Article 14 When the Nomination Committee exercise its terms of reference, it shall comply with relevant requirements of the Company Law, applicable listing rules of the places where the Company's shares are listed, the Articles of Association and the Terms of Reference, and shall not damage the lawful interests of the Company and its shareholders.

Article 15 The board of directors of the Company shall fully respect the recommendations from the Nomination Committee on nominating the candidates for directors and senior management, and shall not shelve or take no votes on any candidate for director and senior management nominated by the Nomination Committee without sufficient grounds or reliable evidences.

As for senior management such as vice general manager and Chief Financial Officer who are nominated by the general manager and appointed by the board of directors, the Nomination Committee shall review and make recommendations to the general manager according to the actual situation of the Company under the requirements of relevant laws, regulations and the Articles of Association, then submit the candidates to the board of directors for review and approval upon being confirmed by the general manager.

Article 16 The Company shall provide sufficient resources and relevant department of the Company shall provide support for the Nomination Committee to perform its duties, with the charges reimbursed by the Company.

Chapter 4 Convening and Notices of Meetings

Article 17 Meetings of the Nomination Committee fall into two categories: regular meetings and extraordinary meetings.

The Nomination Committee shall hold at least one regular meeting during each

financial year, which shall be convened within 4 months upon conclusion of the previous accounting year.

An extraordinary meeting of the Nomination Committee may be requested by directors of the Company, the chairman of the Nomination Committee or at least two of its members jointly.

Article 18 Matters to be discussed and considered at regular meetings of the Nomination Committee mainly include performance of directors and senior management of the Company in the previous year and whether it is necessary to change such officers.

In addition to those set out in the above paragraph, the Nomination Committee may also review at its regular meetings any matters within its terms of reference and that are set out in notices of meetings.

Article 19 The Nomination Committee shall hold regular meetings on site. Extraordinary meeting may be held on site or by facsimile, videos, videophone, telephone and other communication means.

Unless otherwise required by the Articles of Association or the Terms of Reference, the Nomination Committee may pass resolutions at extraordinary meetings by communication with members present affixing their signatures thereon provided that members can fully express their opinions. In case of a meeting by communication means, members signing on the resolutions of meetings shall be considered to be present at such meetings and agree with such resolutions.

Article 20 Notices shall be given 5 or 2 days (the date of the meeting exclusive) respectively before a regular or an extraordinary meeting of the Nomination Committee.

Article 21 The secretary of the board of directors of the Company is responsible for delivering notices of the Nomination Committee meetings subject to the deadline stated in the previous article once a meeting is decided to be convened by the chairman of the Nomination Committee.

Article 22 Notices of the Nomination Committee meetings shall include at least the following information:

- (1) time and venue of the meeting;
- (2) duration of the meeting;
- (3) topics to be discussed at the meeting;
- (4) contact person and contact details;
- (5) date of notice of the meeting.

Article 23 Notices of the Nomination Committee meetings delivered by the secretary

of the board of directors shall be accompanied by the full text of proposals.

Article 24 Notices of regular meetings of the Nomination Committee shall be delivered by means of written notice. Notices of extraordinary meetings may be given by e-mail, telephone or other convenient methods. When the notice is delivered by e-mail, telephone or other convenient methods, parties being notified shall be deemed to have received the notice of the meeting if no written objection is received from them within 2 days from the date of delivery of the notice.

Chapter 5 Consideration and Voting Procedures

Article 25 The nomination committee meetings shall be held by at least two-thirds of the members present at the meeting.

Directors of the Company may attend the Nomination Committee meetings, but those who are not members of the Nomination Committee do not have voting rights on resolutions proposed at the meeting.

Article 26 Members of the Nomination Committee may attend the meetings in person or by appointing other members as their proxies and exercise the voting right on their behalves. Each member of the Nomination Committee shall appoint only one other member as his proxy to exercise the voting right on his behalf. Where any member appoints two or more members to exercise the voting right on his behalf, such appointment shall be deemed invalid.

Article 27 Any member of the Nomination Committee who appoints another member to attend the meeting and exercise voting right on his behalf shall submit a power of attorney to the presider of the meeting. The power of attorney shall be submitted to the presider of the meeting no later than the voting of the meeting.

Article 28 The power of attorney shall be signed by both of the appointer and proxy, and shall at least include the following information:

- (1) name of the appointer;
- (2) name of the proxy;
- (3) matters entrusted;
- (4) instructions as to how to exercise the voting rights on topics of the meeting (for, against or abstain) and, in the absence of specific instructions, descriptions on if the proxy may vote at his discretion;
- (5) expiry date of the power of attorney;

(6) date of signing of the power of attorney.

Article 29 A member of the Nomination Committee who does not attend a meeting in person nor appoint another member to attend on his behalf shall be considered to give up the voting right at the meeting.

Should a member fail to attend the meetings of the Nomination Committee twice in a row, he shall be deemed to be unable to carry out his duties and the Board may revoke his membership.

Article 30 Resolutions made by the Nomination Committee shall not be valid unless passed by more than half of all members voting thereon. Each member shall be entitled to one vote when voting at the Nomination Committee meeting.

Article 31 Proposals on each of the topics shall be considered after the presider of the Nomination Committee announces the opening of the meeting.

Article 32 The Nomination Committee members may have a free discussion on topics considered at the meetings, but order shall be preserved. No speaker shall use any offensive or other threatening or insulting language. The presider of the meeting has the right to decide the time for discussion.

Article 33 Items proposed at the Nomination Committee meeting are subject to collective consideration and voting on a case by case basis, i.e. all the proposals are considered by all members present and then are put to the vote one by one according to the order of consideration.

Article 34 The Nomination Committee may, if considered necessary, invite other persons in connection with the proposals to attend the meeting to provide detailed information or express their opinions. Those who are not members of the Nomination Committee, however, do not have voting rights on the proposals.

Article 35 Members present at the meeting shall consider the proposals and give full expression of their personal opinions with a conscientious and responsible attitude; members shall be responsible for their own votes.

Article 36 The Nomination Committee meeting may carry out voting by open ballot or a show of hands, but where any member requires the voting to be held by ballot, it shall be held by ballot.

The voting intent of a member may be pro, con or abstention. Every attending member shall choose one out of the aforesaid intents. Where any member does not make any option or makes two or more options, the presider shall require the said member to make an option again, otherwise the said member shall be deemed as having abstained from voting; any

members who has left the meeting midway without coming back and has not made any option shall be deemed as having abstained from voting.

Article 37 For voting by open ballot, after voting of the attending members, the clerk shall responsively collect and count ballots cast by the members. Where the meeting is held onsite, the chairman shall announce the statistic result onsite; in other circumstances, the presider shall require the secretary of the board of directors to notify the members of the voting result before the next workday after the prescribed voting deadline.

The ballots cast by the members after the presider announces the voting result or after the prescribed voting deadline shall not be counted.

Chapter 6 Resolutions and Minutes of Meetings

Article 38 Each proposal on which a prescribed number of valid votes are cast becomes a resolution of the Nomination Committee upon announcement by the presider of the meeting. Resolutions of the Nomination Committee come into effect upon signature by members present at the meeting. No change or alteration shall be made to the resolutions of Nomination Committee that have become effective without going through the legitimate procedure as required by applicable laws, regulations, listing rules of places where the Company's shares are listed, the Articles of Association and the Terms of Reference.

Article 39 A member of the Nomination Committee or secretary of the board of directors of the Company shall report details of the resolutions to the board of directors of the Company no later than the date immediately after such resolutions come into effect.

Article 40 Members of the Nomination Committee who participate in the voting on a resolution shall be jointly liable for compensation to the Company should such resolution is in violation of applicable laws, regulations, listing rules of places where the Company's shares are listed or the Articles of Association. However, if a member is proven to have cast their votes against such resolution and it was so recorded in the meeting minutes, he may be exempted from the liabilities.

Article 41 In the process of implementing resolutions passed at the Nomination Committee meetings, the chairman of the Nomination Committee or another member designated by him shall conduct follow-up inspection on the implementation of the resolutions, and may request and urge the persons concerned to remedy the identified breach of resolutions. Should the persons concerned fail to follow such instructions, the chairman of the Nomination Committee or the member designated by him shall report to the board of

directors for handling.

Article 42 The Nomination Committee shall maintain written meeting minutes on which members present and the minutes taker shall sign their names. Members present shall have the right to request explanatory remarks on his speech at the meeting to be written down in the minutes.

Article 43 Minutes of the Nomination Committee meetings shall include at least the following information:

- (1) date and venue of the meeting and name of the convener;
- (2) names of attendees, with special notes added for proxies;
- (3) agenda of the meeting;
- (4) highlights of members' speeches;
- (5) way of voting on each item or proposal and voting results (numbers of votes for and against and the number of votes to abstain shall be set out);
- (6) other matters that shall be explained or stated in meeting minutes.

Drafts and final versions of minutes of meetings shall be sent to all members of the Nomination Committee for their comments and records respectively, within a reasonable time after the meetings.

Article 44 Archives of Nomination Committee meetings, including notices of meetings, meeting materials, meeting attendance books, power of attorney for proxy members, votes, meeting minutes signed by the attending members and resolutions adopted at the meetings etc., shall be kept by the secretary of the board of directors. Archives of Nomination Committee meetings shall be kept for 10 years.

Article 45 Before announcement of the resolutions by the Company in accordance with the legal procedure, the attending members, other attendants, and the recording and service personnel shall fulfill confidentiality obligation to the contents of resolutions.

Chapter 7 Performance Evaluation

Article 46 The Nomination Committee are entitled to evaluate the performance of directors and senior management of the Company for the previous year, relevant departments shall actively cooperate with the Nomination Committee and provide the required information to the Nomination Committee in a timely manner.

Article 47 The members of Nomination Committee are entitled to access the following relevant information:

- (1) regular reports and extraordinary reports of the Company;
- (2) financial and accounting information of the Company, such as audit reports and financial statements;
- (3) various management systems of the Company;
- (4) resolutions and minutes of the general meetings, board meetings, meetings of supervisory committee and meetings of the office of the general manager;
- (5) information disclosure documents announced by the Company;
- (6) other relevant information deemed to be necessary by the Nomination Committee.

Article 48 Members of the Nomination Committee could raise any questions or inquiries in respect to any issue to any director and senior management of the Company, whereupon the director and senior management shall answer or explain the questions or inquiries timely.

Article 49 The Nomination Committee shall evaluate the performance of the directors and senior management for the previous year in accordance with their understanding of the information of the conditions.

Article 50 Members of Nomination Committee shall be obliged to keep the corporate information acquired confidential prior to the disclosure of such information according to the legal procedures by the Company.

Chapter 8 Supplementary Provisions

Article 51 In the Terms of Reference, “no less than”, “no more than” includes the number itself, while “more than”, “less than” does not include the number itself.

Article 52 Any matter not covered in the Terms of Reference shall be subject to relevant laws, regulations or regulatory documents issued by the securities regulatory authorities of the PRC, as well as applicable laws, regulations, listing rules of the places where the Company’s shares are listed and the Articles of Association. In case of any conflict between the Terms of Reference and the Articles of Association, the Articles of Association shall prevail.

Article 53 The Terms of Reference shall come into effect from the date on which the overseas listed foreign shares (H Shares) of the Company are listed on the main board of The Stock Exchange of Hong Kong Limited upon consideration and approval by the board of directors of the Company. Once the Terms of Reference become effective, the original Terms of Reference for the Nomination Committee of the Board of Directors shall automatically

lapse.

Article 54 The Terms of Reference shall be interpreted by the board of directors.