

# **China Telecom Corporation Limited**

## **The Rules of Procedures of Nomination Committee**

### **Section 1 General Provisions**

#### **Article 1 Objective**

Pursuant to the applicable laws, regulations, departmental rules, regulatory documents (collectively, the “Laws and Regulations”) of the places of listing of China Telecom Corporation Limited (the “Company”), relevant requirements of the securities regulatory authorities and stock exchanges where the Company’s shares are listed and the articles of association of China Telecom Corporation Limited (the “Articles of Association”), the board of directors of the Company (the “Board”) sets up a nomination committee (the “Committee” or “Nomination Committee” unless otherwise indicated) and formulates the rules of procedures of nomination committee (the “Rules”) of the Company accordingly.

#### **Article 2 Status and Principle of the Committee**

The Committee members are appointed by over 50% affirmative votes of the Board. The Committee shall report to the Board periodically.

The principle of the Committee is to take full responsibility to reasonably safeguard the best interests of the Company and fairly protect the overall interests of shareholders, especially the interests of minority shareholders pursuant to the applicable rules and regulations.

#### **Article 3 Structure and Qualifications of the Committee**

The Committee consists of three or more members. The Board may change such number when it deems necessary, provided that the minimum requirement pursuant to the applicable regulatory rules is met. The Committee shall have one chairperson (convener) who shall be an independent non-executive director. There shall be at least one director of a different gender in the Committee.

Unless otherwise provided by laws, regulations and regulatory requirements, all the Committee members shall be independent non-executive directors and:

- (1) shall have no material affiliations with the Company;
- (2) shall be in compliance with the relevant requirement of “independence” of the Committee members pursuant to the applicable regulatory rules.

#### **Article 4** Term of the Committee

The term of the Committee shall be the same as that of the Board. The appointment of Committee members may be renewed upon expiry of their term.

If a Committee member ceases to be an independent non-executive director of the Company, he/she will automatically lose his/her qualification as a Committee member, and the Board shall fill the vacancy pursuant to the applicable rules.

In the event that any Committee member tenders his/her resignation, or his/her removal has been agreed by more than half of the Board's votes, or he/she ceases to be an independent non-executive director, the Board may decide to terminate his/her term of office before the expiry of the term.

Any change in the members of the Committee with simultaneous change in directors shall follow the procedure to obtain the shareholders' approval in the general meetings pursuant to the relevant procedures of change of directors as stipulated in the Articles of Association and an announcement in accordance with the applicable regulatory rules shall be published accordingly.

#### **Article 5** Resignation of the Committee Members

Should any Committee member resign before the term expires, such member shall submit his/her written resignation to the Board, in which detailed explanations for the resignation shall be stated.

In the event that any resignation leads to a situation where the composition of the Committee (including but not limited to the number and gender of the Committee members) does not meet the applicable requirements as stipulated by laws and regulations or the Articles of Association, such resignation shall not take effect until the newly appointed member has taken up the position, and the resigning member shall continue to perform his/her duties until the date when a new independent non-executive director is elected. The Company shall complete the election within 60 days from the occurrence of the abovementioned events.

Where the qualification as a Committee member is automatically withdrawn due to the resignation as an independent non-executive director, no separate resignation procedures is required for that Committee member. His/her qualification as a Committee member will be automatically withdrawn from the effective date of his/her resignation as an independent non-executive director in accordance with the resignation procedures of the independent non-executive director of the Company. In the event that the automatic withdrawal of his/her qualification as a Committee member leads to a situation where the composition of the Committee (including but not limited to the number and gender of the Committee members) does not meet the applicable requirements as stipulated by laws and regulations or the Articles of Association, the matters following the effective withdrawal of his/her qualification as a Committee member shall be addressed pursuant to Paragraph 2 under this Article.

### **Section 2 Operation and Meeting Procedures of the Committee**

#### **Article 6** Committee Meetings

The Committee shall hold a meeting at least once a year.

A Committee meeting may not be held unless there are more than half of the members

attending the meeting. A Committee meeting shall be held by way of physical meeting in principle. In circumstances where opinions of directors are sufficiently expressed and conveyed, such meeting may be held via telephone conference or other telecommunications means according to the procedures if necessary.

#### **Article 7**      Written Proposals of the Committee

The Committee may replace convening Committee meetings with written proposals, and to approve resolutions by written resolution in lieu of Committee meetings. When the meeting materials are delivered to all members and the members signify their consent by signing the written resolution where a quorum to approve the resolution has been met, the written resolution shall become effective.

#### **Article 8**      Calling and Presiding of Meeting

The chairperson of the Committee shall convene and preside over the meetings and may otherwise appoint another Committee member to convene and preside over the meetings on behalf of the chairperson in the event that the chairperson is not able to convene and preside over the meetings in person.

The notice and meeting materials for a Committee meeting should be delivered to each member three days prior to the meeting. The aforementioned timeline may be exempted upon the approval of two thirds or more of the Committee members. In urgent cases where there is a need to convene a meeting as soon as possible, the convening of such meeting is not subject to the aforementioned notice period limit, and meeting notices can be given by telephone or other means of communication.

#### **Article 9**      Resolutions

Any resolution of a Committee meeting shall require more than half of the affirmative votes, with each member having one vote. In case of an equality of votes, the chairperson of the Committee shall have a second or casting vote. In the event that a resolution cannot be passed due to Committee members' abstention, the relevant matters shall be considered by the Board directly.

The voting of the Committee meeting may be taken by show of hands or by poll.

Any resolution of a Committee meeting shall be in written form and signed by attending members.

#### **Article 10**      Minutes

Minutes for a Committee meeting shall be kept and shall be complete and true.

The Investor Relations Department shall be in charge of the minutes of the Committee meetings. The draft minutes shall be provided to all members within a reasonable period of time after a meeting so that the members can review the drafts and finalise the minutes. The Committee members attending a Committee meeting and the person who prepares the meeting minutes shall sign on the minutes of the meeting. The department in charge of filing Company documents shall keep the original copies of the minutes. Meeting materials shall be kept for at least ten years.

**Article 11** Non-voting Attendance

When it deems necessary, the Committee may invite the Company's management and other directors of the Board to attend the meetings where the attendees have no voting rights.

**Article 12** Ancillary Organ of the Committee

The Investor Relations Department shall coordinate and support the routine operation of the Committee.

**Section 3 Duties and Obligations of the Committee**

**Article 13** Primary Duties of the Committee

Primary duties of the Committee include:

- (1) work on the selection criteria and procedures of directors and senior management personnel and make suggestions;
- (2) review the structure, size, composition and diversity (including but not limited to gender, age, educational background or professional experience, skills, knowledge and length of service) of the Board at least annually, assist the Board in maintaining a board skills matrix, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (3) identify individuals suitably qualified to become board members and senior management, and select candidates for board members and senior management or make proposals or recommendations to the Board;
- (4) assess the independence of independent non-executive directors;
- (5) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors;
- (6) review the Board Diversity Policy as appropriate to ensure its effectiveness and if necessary, recommend any revision suggestions to the Board for consideration and approval;
- (7) support the Company's regular evaluation of the Board's performance;
- (8) other overseeing duties authorised by the Board or pursuant to the laws, regulations and the rules of the securities regulatory authorities and stock exchanges where the shares of the Company are listed.

The Committee may request the Company's management to provide any documents or materials necessary for the performance of their duties, or explanations on any issues the Committee is concerned about.

If the Board fails to adopt the recommendations of the Nomination Committee or does not fully adopt them, it shall record the opinions of the Nomination Committee and the specific reasons for failure to adopt them in the board resolutions and disclose them.

#### **Article 14**      Obligations of the Committee Members

Each of the Committee members shall diligently and effectively perform his or her duties and exercise his or her rights, in accordance with the applicable regulatory provisions and the Rules, including but not limited to:

- (1) be conscientious, reasonably safeguard the best interests of the Company, fairly protect the overall interests of the Company's shareholders, particularly the interests of minority shareholders;
- (2) attend the Committee meeting in person, or in case he/she is unable to attend any meeting, review the meeting materials in advance, form clear opinions and delegate other members for attendance thereof by written power of attorney, which shall state the scope of authorisation;
- (3) carefully review relevant documents and topics submitted to the members;
- (4) maintain adequate and effective communications with the Board and the senior management.

### **Section 4   Compensation and Budget of the Committee**

#### **Article 15**      Compensation of the Committee

The compensation of the Committee, in the form of cash, shares or options, shall be determined and approved by the Board. The Committee members shall not directly or indirectly receive from the Company any consulting fees, advising fees or any other compensation, except for:

- (1) compensation received as a director (including any compensation and other benefits paid to all directors);
- (2) compensation for a position in any committee under the Board;
- (3) pension or other deferred compensation to be payable for the service that a director has provided (provided that such compensation is not contingent upon any service that a director has to provide in the future).

**Article 16** Budget of the Committee

The Company shall provide sufficient resources so that the Committee can fulfill its duties. The Committee shall have its necessary budget and other resources for the performance of its duties, including:

- (1) total expenses relating to the appointment of external advisors or seeking independent professional advice by the Committee, which shall be borne by the Company;
- (2) all necessary and appropriate administrative expenses for the Committee to perform its duties, which shall be borne by the Company.

**Section 5 Miscellaneous**

**Article 17** Validity

The Rules and any amendments thereto shall take effect and be implemented on the date of consideration and approval by the Board. The relevant laws, regulations, rules and regulatory requirements from any securities regulatory authorities or stock exchanges of the listing venue of the shares of the Company or the relevant requirements under the Articles of Association shall prevail where there are matters not covered by the Rules or in the event of any inconsistency with the Rules.

**Article 18** Interpretation

The Board of the Company shall be responsible for any interpretation of the Rules.

The Rules are written in Chinese. If there is any discrepancy between the Chinese version and any other translated versions, the Chinese version shall prevail.