

# **Hisense Home Appliances Group Co., Ltd.**

## **Rules of Procedures of Supervisory Committee**

(Considered and passed at the 2018 Annual General Meeting)

### **Chapter 1 General provisions**

- Rule 1 These rules are formulated to standardize the operation of the supervisory committee, protect the legitimate rights and interests of the Company, its shareholders and staff, improve the internal supervision system of the Company, according to relevant provisions of the laws, regulations Articles of Association.
- Rule 2 The supervisory committee is a standing supervisory body that performs the duties as stipulated in the laws, regulations and Articles of Association, and it shall be accountable to the shareholders' general meeting and report its work to the same.
- Rule 3 The supervisory committee shall consist of three (3) members and one (1) member shall be the chairman of the supervisory committee. The appointment and removal of the chairman of the supervisory committee shall be passed by two-thirds or more of the members of the supervisory committee. Where the chairman of the supervisory committee is unable to or does not perform his duty, a supervisor nominated by one-half or more of the supervisors shall convene and chair the supervisors' meeting. The tenure of a supervisor is three (3) years, which is renewable upon re-election.
- Rule 4 The supervisory committee shall comprise two shareholders' representatives and one representative of the employees of the Company. The shareholders' representatives shall be elected and removed at the shareholders' general meeting, and the employees' representative shall be democratically elected and removed by the employees of the Company

through the meeting of employee representatives, employees' assembly or by other form of democratic election. Members of the supervisory committee shall possess relevant expertise or work experience required for acting as supervisors.

Directors and senior officers of the Company shall not act concurrently as supervisors.

- Rule 5 Supervisory meetings are categorized as regular meetings and extraordinary meetings. Regular supervisory meeting shall be held at least twice a year and extraordinary meeting shall be convened where necessary. The meeting shall be convened by the chairman of the supervisory committee.

## **Chapter 2 Notice**

- Rule 6 The notice of regular supervisory meeting shall be delivered to all supervisors in writing ten (10) days prior to the meeting; all supervisors should be notified three (3) days before an extraordinary supervisory meeting. The form of notice could be delivery in person, telephone, e-mail, facsimile, express courier service, etc.
- Rule 7 Notice of the meeting shall contain the following information, including but not limited to meeting time, meeting venue, meeting period, meeting agenda, issue date of the notice, etc.
- Rule 8 The board secretary shall attend as the secretary of the meeting. With the approval of the chairman of the meeting, other relevant personnel of the Company can also attend the meeting and express their opinions.

## **Chapter 3 Chairman of the meeting**

- Rule 9 The supervisory meeting shall be chaired by the chairman of the supervisory committee. When the chairman of the supervisory committee is unable to perform his duties, he shall designate a supervisor to act on

his behalf.

- Rule 10 When more than two-thirds of the supervisors propose to convene a supervisory meeting, the supervisory committee shall elect a chairman for the meeting among the members of the supervisory committee.

#### **Chapter 4 Convening of meeting**

- Rule 11 Supervisors should attend the supervisory meeting in person. If a supervisor is unable to attend the supervisory meeting due to force majeure or other justifiable reasons, he may appoint other supervisor to attend on his behalf.
- Rule 12 Meeting shall only be held if more than two-thirds of the supervisors attend. Supervisors shall not refuse to attend the meeting without any reasons that a quorum is not present at the meeting.

#### **Chapter 5 Consideration**

- Rule 13 After the chairman of the meeting announced the commencement of the meeting, a brief description should be given on the attendance of the meeting and descriptions on the matters to be voted.
- Rule 14 The chairman of the meeting or its designated persons shall explain the relevant agenda following the order as set out in the notice and provide relevant and necessary information regarding the agenda for consideration.

#### **Chapter 6 Voting**

- Rule 15 According to the Articles of Association, the supervisory committee adopts a collective discussion method to discuss and deal with the problems identified during the performance of the Company's supervisory functions.
- Rule 16 The supervisory committee shall conduct voting by show of hands or in

writing. Each supervisor shall have one vote. Resolutions made by the supervisory committee shall be passed by two-thirds or more of the supervisors present at the meeting.

### **Chapter 7 Resolution of the meeting**

- Rule 17 Upon consideration and voting by the supervisory committee, written resolution documents shall be formulated. The resolutions of the meeting shall record the consideration and voting particulars on the meeting agenda in detail.
- Rule 18 The resolution documents shall be kept as company documents after the supervisors present at the meeting have signed thereon, the resolutions can be issued in the form of supervisory committee document where necessary.

### **Chapter 8 Minutes of the meeting**

- Rule 19 Minutes shall be taken for the supervisory meeting in a timely manner, the minutes of the meeting shall contain the discussion topics, process of the discussion and voting results, and it shall be signed by the attending supervisors and record-keeping personnel.
- Rule 20 The supervisors present at the meeting shall be held responsible for the resolutions of the meeting, except for the resolutions to which the supervisors have expressed objection and such objection has been recorded in the minutes.
- Rule 21 The minutes of the meeting shall be kept properly as company documents by the secretariat of the board of directors for a period of at least 10 years.

### **Chapter 9 Announcement**

- Rule 22 The resolutions of the supervisory committee shall be made into

announcement and published on the designated newspaper for information disclosure upon review of the stock exchange.

- Rule 23 For provisions not stipulated in these Rules or in the event of discrepancy with the provisions of the Company Law of the People's Republic of China, the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other laws and regulations and the Articles of Association, the requirements of the abovementioned laws, regulations and the Articles of Association shall prevail.

### **Chapter 10 Supplemental provisions**

- Rule 24 These Rules shall be interpreted by the supervisory committee of the Company.
- Rule 25 These Rules shall be effective upon approval of the shareholders' general meeting.

English version of these Rules is for reference only. If there is any discrepancy between the Chinese and English versions, the Chinese version shall prevail.