



CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

NOMINATION COMMITTEE

TERMS OF REFERENCE

1. Membership

- 1.1 Members of the nomination committee (the “Committee”) shall be appointed by the board of directors (the “Board”), where appropriate, in consultation with the chairman of the Committee (the “Committee Chairman”). The Committee shall be made up of at least three members (“Members”).
- 1.2 Majority of members of the Committee shall be independent non-executive directors.
- 1.3 Only Members of the Committee have the right to attend Committee meetings. Other individuals may be invited to attend all or part of any meeting as and when appropriate.
- 1.4 The Board shall appoint the Committee Chairman who shall be the chairman of the Board or an independent non-executive director. In the absence of the Committee Chairman, the remaining Members present shall elect one of their Members to chair the meeting.

2. Secretary

- 2.1 The company secretary shall act as the secretary of the Committee.
- 2.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Committee.

3. Quorum, Attendance at Meetings and Resolutions

- 3.1 The quorum necessary for the transaction of business shall be two Members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 3.2 Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 3.3 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Members present.
- 3.4 A resolution in writing signed by all the Members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.

4. Frequency of Meetings

The Committee shall meet at least once a year and otherwise as required.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be convened by the secretary of the Committee at the request of any of its Members.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each Member of the Committee and any other person required to attend at least 14 days before the date of the meeting. Supporting papers shall be sent to Committee Members and to other attendees as appropriate at least 3 clear days in advance of the meeting.

6. Minutes of Meetings

- 6.1 The secretary of the Committee (or his/her delegate) in attendance at the meetings of the Committee shall minute in sufficient detail the matters considered and decisions reached at such meetings. The minutes shall also include any concerns raised by any member of the Committee and/or dissenting views expressed.
- 6.2 Minutes of the Committee shall be kept by the secretary of the Committee (or his/her delegate) and shall be available for inspection by any member of the Committee or the Board at any reasonable time on reasonable notice.

7. Annual General Meeting

The Committee Chairman should, as far as practicable, attend the annual general meeting and make himself available to respond to any shareholder questions on the Committee's activities.

8. Authority and Duties

The Committee shall have the following authority and duties to:

- 8.1 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;
- 8.2 identify individuals suitably qualified to become board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- 8.3 assess the independence of independent non-executive directors; and
- 8.4 make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive.

9. Reporting Responsibilities

- 9.1 The Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

10. Others

- 10.1 The Committee is authorised by the Board to seek any information it requires from senior management of the Company in order to perform its duties.
- 10.2 the Committee is authorised to seek independent professional advice, at the Company's expense, to perform its duties.
- 10.3 the Committee shall be provided with sufficient resources to perform its duties.