



Implementation Rules of Nomination Committee of the Board (Amended on 27 March 2012)

Chapter 1 General Provisions

Article 1

In order to standardise the selection of the leading personnel of the Company, optimize the composition of the board of directors("Board") of the Company and improve the corporate governance structure, the Board sets up the Nomination Committee ("Committee") and formulates these rules of procedures ("Rules") in accordance with the Company Law of the People's Republic of China, Governance Standard of the Listed Companies, Listing Rules, Articles of Association ("Articles of Association") of the Company and other related regulations.

Article 2

The Committee is a body specifically set up according to the resolution of the general meeting of the Company, mainly responsible to research, review and give advice on the candidates for the directors and managers of the Company, the selection standard and the selection procedure.

Chapter 2 Composition

Article 3

The Committee shall comprise five directors, a majority of which shall be independent non-executive directors.

Article 4

Members of the Committee shall be nominated by the chairman of the Board, more than one half of the independent non-executive directors or one third of all directors and shall be appointed by the Board.

Article 5

The Committee shall have one chairman who shall be an independent non-executive director and be in charge of the work of the Committee.

Article 6

The term of office of members of the Committee shall be consistent with the term of Director and the members may be re-elected and reappointed upon the expiry of the current term of office. If during the term, any member of the Committee no longer maintains the position as a director, the member shall automatically lose the qualification as a member and the replacement shall be appointed by the Board in accordance with Articles 3 to 5 above.

Chapter 3 Duties and Powers

Article 7

The major duties and powers of the Committee are:

1. To submit proposals to the Board regarding its scale and composition according to the Company's operations, asset size and equity structure;
2. to consider and submit proposal to the Board regarding standard and procedure for selection of directors and manager;
3. to regularly review the structure, size and composition (including skills, knowledge and experience) of the Board and make recommendations to the Board in relation to any proposed changes;
4. to carry out extensive search for qualified candidates for directors and managers;
5. to review candidates for Directors and managers and make suggestions to the Board;
6. to review other senior management personnel to be appointed by the Board and make suggestions;
7. to evaluate the independence of independent non-executive directors;
8. to submit proposals to the Board in respect of the appointment or re-appointment of directors and succession planning for directors in particular the Chairman and chief executive and
9. other matters authorised by the Board.

Article 8

The Committee shall be responsible to the Board, and the proposals of the Committee shall be submitted to the Board for review and decision.

Chapter 4 Decision-making Procedure

Article 9

The Committee shall determine the qualification criteria, selection procedure and term of office of a proposed director or the proposed managers pursuant to relevant applicable laws and regulations and the Articles of Association and in light of actual situations of the Company. After a resolution is made, it shall be filed for the record and reported to the Board for approval and implementation.

Article 10

Procedure of selecting directors and managers:

1. the Committee shall actively communicate with the relevant divisions of the Company to check the demand for new directors and the managers and to come up with written reports;
2. the Committee may extensively look for candidates of directors and managers within the Company and its controlled companies as well as on the market of talents;
3. to obtain the information on the occupation, education background, job title, detailed working experience and concurrent job of the proposed candidates and to come up with written reports;
4. to seek the consent of the proposed candidates for nomination, otherwise he or she cannot be deemed as candidates for directors and the managers;
5. to convene the meeting of the Committee and to check the qualification of proposed candidates according to the job qualifications required for a director and the managers;
6. to put forward the recommendation about the proposed candidates for directors and selected personnel for the managers and relevant materials to the Board one to two months prior to the election of new directors and the appointment of the managers;
7. to conduct follow-up work according to the decision and feedbacks of the Board.

Article 11

When proposing candidates for directors to the general meeting in accordance with relevant laws and regulations, Articles of Association and other relevant provisions, the shareholders and Supervisory Committee of the Company shall submit the information on the candidates for directors, and the Committee shall review the qualifications of the candidates for directors and make suggestions to the general meeting as required by These Rules.

Chapter 5 Rules of Procedure

Article 12

The Committee shall hold at least two meetings each year and notify all members five days prior to the meeting. The meeting shall be presided over by the Chairman. In case the Chairman is unable to attend the meeting, he or she shall authorise another member, who shall be an independent non-executive director, to preside over the meeting.

Article 13

The meeting of the Committee shall not be held unless over half of the members attend the meeting. Each member shall have one vote and the resolutions made by the meeting must be approved by more than half of all the members.

Article 14

The voting shall be made by way of poll at the meeting of the Committee. A meeting may be held on site or by way of voting by telecommunication.

Article 15

The directors, supervisors, other senior management members and relevant persons may be invited by the Committee to attend meetings when necessary.

Article 16

If necessary, the Committee may appoint intermediaries to provide professional advice for its decisions at meetings at the expense of the Company.

Article 17

The convening procedure and voting method of the meeting of the Committee and the resolutions passed at such meetings shall comply with the relevant laws, regulations, Articles of Association and these Rules.

Article 18

There shall be minutes of meetings of the Committee and members of the Committee attending the meetings shall sign their names thereon; The minutes of the meeting shall be kept by the secretary to the Board.

Article 19

Resolutions passed by and voting results of the meeting of the Committee shall be reported to the Board in writing.

Article 20

All members of the Committee attending the meeting shall have the obligation for keeping the discussed matters confidential and shall not disclose relevant information without authorisation; otherwise, they shall assume legal liability.

Chapter 6 Supplementary Provisions

Article 21

These Rules shall come into force and be executed on the date when being approved by the Board.

Article 22

For the matters which are not covered by these Rules, they shall be executed in accordance with the relevant laws and regulations of the State and the Articles of Association; In the event that these Rules

are not in congruence with the laws and regulations promulgated by the PRC government in future or the Articles of Association amended through valid procedure, the relevant laws and regulations of the PRC government and the Articles of Association shall prevail, and these Rules shall be revised immediately and the revised Rules shall be reported to the Board for consideration and approval.

Article 23

The rights to interpret these Rules shall belong to the Board.

(The English version of this document is for reference only. In case of discrepancies or inconsistency between the English version and Chinese version, the Chinese version shall prevail.)