

**CHINA WATER PROPERTY GROUP LIMITED**  
**中國水務地產集團有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*

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**NOMINATION COMMITTEE**  
**TERMS OF REFERENCE**

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**The Committee**

**1. Members and Secretary**

- 1.1 The majority of the members (the “**Committee Member(s)**”) of the nomination committee (the “**Committee**”) shall be independent non-executive director of the Company.
- 1.2 The chairman of the Committee shall be appointed by the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company.
- 1.3 The company secretary of the Company shall be appointed as secretary (the “**Committee Secretary**”) of the Committee by the Board.
- 1.4 The appointment of additional Committee Members or the determination of the office of any Committee Members or the Committee Secretary shall be allowed only by resolutions passed by the Board and the Committee respectively.

**2. Proceedings of meetings**

- 2.1 The Committee shall meet before the holding of the annual general meeting of the Company where appointment of Directors will be considered. Additional meetings shall be held as the work of the Committee requires.
- 2.2 Unless agreed by all the Committee Members present at the meeting (note: not all the Committee Members), the notice period for convening a meeting (the “**Committee Meeting(s)**”) of the Committee shall not be less than seven clear days (including non-working days).
- 2.3 Any of the Committee Members can convene a meeting by giving to the Committee Secretary a notice in writing. Upon receipt of such notice, the Committee Secretary shall notify in writing all other Committee Members about the meeting of the Committee. Any Committee Member can also convene a Committee Meeting by giving a notice (whether written or oral) directly to all other Committee Members. The Committee Secretary can also convene a Committee Meeting by giving to all Committee Members a notice in writing.
- 2.4 Committee Meetings convened by means of oral notices shall be subsequently confirmed by instrument in writing as soon as possible (but in any event not later than the convening of the meeting).
- 2.5 “**Written**” notices referred to above shall include any notices given by way of facsimile.

- 2.6 The Committee Member or the Committee Secretary convening a meeting shall provide to other Committee Members and the Committee Secretary information about the purposes of the meeting, the time, venue and agenda of the meeting and shall supply to each of them all relevant documents of the meeting and such documents shall be despatched together with the agenda of the meeting. The agenda of the meeting shall be despatched together with the notice convening the meeting (or the written confirmation of the meeting).
- 2.7 Unless expressed otherwise in the notice convening the meeting, the meeting shall be held in Hong Kong.
- 2.8 Any of the Committee Members cannot present at a meeting in person, he can join in the discussion of the agenda of the meeting through telephone calls. Any Committee Members who attend the meeting over the telephone shall be deemed to have been present at the meeting.
- 2.9 The quorum of a meeting shall be not less than three members (excluding the Committee Secretary) and at least two of which shall be independent non-executive Directors. The quorum shall be present at the commencement of and throughout (except during breaks) the meeting.
- 2.10 If within thirty minutes from the time appointed for a meeting, a quorum is not present, upon majority agreement by the members who present, the meeting shall stand adjourned. The notice period for the adjourned meeting shall not be more than one day and the Committee Secretary or any Committee Member can issue such notice. If within 3 minutes from the time appointed for the adjourned meeting, a quorum is not present, the Committee Members present shall duly constitute a quorum and shall be entitled to exercise all the power conferred upon the Committee.
- 2.11 The chairman of the Committee shall preside as the chairman of a meeting. If within fifteen minutes from the time appointed for the meeting, the chairman of the Committee is not present or, before the meeting, the chairman of the Committee has notify the Committee Secretary or any other Committee Member (who should confirm such notification) that he will not be present at the meeting or because of any conflicts of interest, the vice-chairman of the Committee shall take the chairman of the meeting. If the vice-chairman is not present or unwilling to or because of conflicts of interest cannot preside as the chairman of the meeting, the members present shall choose someone from their number to be the chairman of the meeting.
- 2.12 Each Committee Member present in a meeting shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the chairman of the meeting shall have a casting vote.
- 2.13 The draft minutes of each meeting shall be circulated to all the Committee Members. The minutes shall be confirmed by the chairman of that particular meeting signing the same or confirmed by resolutions passed in the following meeting. All Directors shall, at any time, have access to the minutes of the Committee Meetings.
- 2.14 Save for and except with approval from the majority members who present at a Committee Meeting, no persons other than the Committee Members or the Committee Secretary shall be allowed to attend any Committee Meetings.

2.15 Save for and except with the approval from all the Committee Members, no discussion on issues not set out in the agenda of the meeting shall be allowed in the Committee Meetings.

**3. Written resolutions**

Any three Committee Members (at least two of which are independent non-executive Directors) can pass any resolutions by written resolutions.

**4. Appointment of alternates**

No Committee Member shall appoint any alternates.

**5. The powers of the Committee**

The Committee shall have the following powers:

- (a) to assess the independence of independent non-executive Directors;
- (b) to formulate the nomination policy for consideration of the Board;
- (c) to identify and nominate individuals suitably qualified to become members the Board and make recommendations to the Board on the selection of individuals nominated for directorships; and
- (d) to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board.

**6. The obligations of the Committee**

The Committee shall be responsible for the following:

- (a) to implement the nomination policy laid down by the Board;
- (b) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
- (c) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for directors in particular the chairman and the chief executive officer; and
- (d) to report to the Board the findings and recommendations of the Committee at the next meeting of the Board following each Committee Meeting.

## **Arrangements which are applicable to the Committee**

### **1. Circulation of minutes and written resolutions**

After the signing by the Committee Members on the minutes and written resolutions of the Committee, a copy of the minutes and the written resolutions shall be despatched to the Directors (including non-executive Director) for records (with regard to the minutes and written resolutions of the Committee, unless instructed otherwise by its members).

### **2. The articles of association of the Company**

- 2.1 This resolution shall not prevail the articles of association of the Company, in particular for the provisions where a director is not allowed to vote in the case of conflicts of interest.
- 2.2 The provisions relating to the proceedings of the meetings of the Directors stipulated in the articles of association not mentioned above shall be applicable to the proceedings of the Committee Meetings.

### **3. The power of the Board**

Provided that it does not contravene the articles of association of the Company and the listing rules (including the Code on Corporate Governance Practice), the Board can, from time to time, amend, make addition to or cancel any regulations and rules stipulated hereof, including the cancellation of any resolutions passed by the Committee. Any arrangements made after the passing of a resolution of the Committee shall remain in full force and effect notwithstanding that such resolution has been cancelled or amended by the resolutions of the Board. The Committee Meetings shall remain valid until the resolution hereof has been amended.

### **4. Address of communication, etc**

- 4.1 Each of the Directors shall provide the Committee Secretary information as to his correspondence address and contact number for the purpose of receiving notices (including but not limited to notice from the Board, audit committee, remuneration committee and the Committee) issued by the Company. The Committee Secretary shall notify each of the Directors the correspondence address and contact number of the other Directors.
- 4.2 The correspondence address and contact number of the Directors who have not provided such information to the Committee Secretary shall be deemed to be at the Company's place of business in Hong Kong from time to time and the Company's telephone number.
- 4.3 Every notice and communication made pursuant to this Resolution shall be despatched or sent to the correspondence address of each director. If a notice or communication is made by means of telephone calls, message can be left in the mailbox.
- 4.4 The date of notice and the date of the meeting shall be inclusive in the calculation of the notice period.