



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8208)

Terms of Reference of Nomination Committee
(the "Committee")

Membership

- 1 · The Committee members shall be appointed by the board of directors (the "Board") of Changmao Biochemical Engineering Company Limited (the "Company"). There shall be at least three Committee members, majority of them shall be independent non-executive directors. The quorum of a meeting shall be half of the Committee members.
- 2 · Chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director.
- 3 · The Company Secretary shall act as the Committee's Secretary.

Frequency of meetings

- 4 · Number of meetings shall be at least once annually.

Authority

- 5 · The Committee is authorised by the Board to investigate any activities within its terms of reference with sufficient resources provided by the Company. The Committee is authorised to obtain any necessary information from any employee and all the employees are instructed to cooperate with the Committee to meet its requirement.
- 6 · The Committee is authorised by the Board to obtain external legal or other professional advisory where necessary and invite external professional or parties with relevant experience to attend its meetings.

**For identification purpose only*

Duties

7 · Duties of the Committee are set out below:

- (a) 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;
- (b) identify individuals suitably qualified to become Board members of the Company and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) assess the independence of independent non-executive directors of the Company; and
- (d) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the general manager

Reporting procedures

8 · The Committee shall report to the Board on a regular basis. The Committee Secretary shall circulate the minutes and report of the Committee to all the Board members.

March 2012