

**SMI CORPORATION LIMITED (the “Company”)
NOMINATION COMMITTEE TERMS OF REFERENCE**

1) Formation

The Nomination Committee was formed on 14 July 2009 pursuant to a resolution of the Board of Directors (the “Board”) passed on the same date.

2) Purpose

The purpose of the Nomination Committee is to make recommendations to the Board on appointment of the directors and senior management so as to ensure that all nominations are fair and transparent.

3) Composition

The Nomination Committee (or the “Committee”) shall consist of at least three committee members, and comprise a majority Independent Non-Executive Directors (“INED”) of the Board. The Board shall nominate and appoint committee members and the committee shall nominate one of the members as the chairman of the committee (the “Chairman”). The Chairman shall be the chairman of the Board or an INED.

4) Frequency of meeting

The Nomination Committee shall meet at least once a year, with an authority to convene additional meetings, as circumstances require. All committee members are expected to attend each meeting, in person or via Tele- or video- conference.

5) Meeting procedures

- Quorum of meeting shall not be less than two committee members and a majority of INED shall be present throughout each meeting. Each committee member in the meeting shall carry one vote.
- The committee members shall elect among themselves a Chairman at each meeting.
- The committee members shall also appoint the secretary to the committee (the “Secretary”) from time to time.
- The Nomination Committee shall invite any director, executive or other members of management to attend meetings as necessary.
- Resolutions of the Nomination Committee at any meetings shall be passed by a majority of votes of the members present.
- A resolution in writing signed by all the committee members of the Nomination Committee shall be valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.
- The committee shall be supported by the human resources manager and by the

**SMI CORPORATION LIMITED (the “Company”)
NOMINATION COMMITTEE TERMS OF REFERENCE**

Secretary who shall be responsible for preparation of meeting agenda and minutes. Meeting agenda shall be provided in advance to the committee members, along with appropriate briefing materials.

- Minutes shall be prepared and endorsed by the Nomination Committee. The said minutes shall then be circulated to all members of the Board. The Chairman of the Nomination Committee shall report any findings and recommendations to the Board thereafter.

6) Responsibilities

The Nomination Committee shall carry out the following responsibilities for those directors and senior management:

- 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;
- To identify individuals suitably qualified to become Board members or senior management and select or make recommendations to the Board on the selection of, individuals nominated for directorships and senior management;
- To assess the independence of INED; and
- To make recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and senior management and succession planning for directors and senior management in particular the chairman and the chief executive officer.

7) Authority

The Nomination Committee is authorised by the Board to obtain independent professional advice at the Company’s expense as it shall deem appropriate and shall conduct interviews with prospective candidates for nomination.

Updated on 27 March 2012

(The Chinese version of these terms of reference is a translated version of the English version and is for reference only. In case of inconsistency between the two versions, the English version shall prevail.)