



Tibet 5100 Water Resources Holdings Ltd.

西藏5100水資源控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1115)

**TERMS OF REFERENCE OF THE
NOMINATION COMMITTEE**

(Adopted on 30 August 2013)

TIBET 5100 WATER RESOURCES HOLDINGS LTD.
Terms of Reference of the Nomination Committee (Adopted on 30 August 2013)

Date of adoption

The following terms of reference (“**these Terms**”) of the Committee (as defined herebelow) was adopted by the Company (as defined herebelow) on 30 August 2013 and have become effective upon such adoption. All other terms of reference of the Committee previously adopted by the Company, if any, should be of no effect and superseded by these Terms.

Constitution

1. The nomination committee (the “**Committee**”) of Tibet 5100 Water Resources Holdings Ltd. (the “**Company**”) was established pursuant to the resolution of the board (the “**Board**”) of directors (the “**Directors**”) of the Company passed on 14 June 2011.

Membership and Quorum

2. The Committee should be chaired by the chairman of the Board or an independent non-executive Director who is a member of the Committee. A majority of the Committee members should be independent non-executive Directors.
3. The quorum for a meeting of the Committee shall be two members.
4. The company secretary of the Company shall be the secretary of the Committee. The secretary of the Committee or in his/her absence, his/her representative or any one member of the Committee, shall be the secretary of the meetings of the Committee.

Frequency and proceedings of meetings

5. The Committee shall meet as and when necessary or as requested by any Committee member. The Committee shall meet not less than once a year.
6. The provisions of the articles of association of the Company regulating the meetings and proceedings of the meetings of the Directors, insofar as the same are applicable and not inconsistent with the provisions of these Terms, shall *mutatis mutandis* apply to regulate the meetings and the proceedings of the meetings of the Committee.

Authority

7. The Committee is authorised by the Board with the objective to ensure a fair and transparent process of the appointments of the Board members, in particular to assist the Board to identify suitable candidates and make recommendations for consideration by the Board and the shareholders of the Company.
8. The Company shall provide the Committee with sufficient resources to perform its duties.
9. The Committee is authorised to obtain independent advice or assistance from any person, including professional consultants, whom it regards as competent to give such advice or assistance, at the Company's expense, to perform its responsibilities and to secure the attendance of external party(ies) with relevant experience and expertise where necessary. The Committee shall have sole authority to approve related fees and retention terms.
10. The Committee may, subject to compliance with the articles of association of the Company and the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), delegate its authority to subcommittees or the chairman of the Committee when it deems appropriate and in the best interests of the Company.

Duties

11. The Committee shall:
 - (a) review the structure, size, composition and diversity (including without limitation, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - (b) formulate a policy for selection and nomination of Directors and the procedures for the identification of suitably qualified candidates for Directors and the Board Diversity Policy for consideration of the Board and implement such policy and procedures and the Board Diversity Policy once approved;
 - (c) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships. In identifying suitable candidates, the Committee shall consider candidates on merit and against the measurable objectives with due regard for the benefits of diversity on the Board;

- (d) review the Board Diversity Policy, as appropriate; and review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually;
- (e) ensure sufficient biographical details of nominated candidates are provided to the Board and, if necessary, to shareholders to enable them to make a decision regarding selection of the Board members;
- (f) assess the independence of the independent non-executive Directors;
- (g) make recommendations to the Board on the appointment or re-appointment of both executive and non-executive Directors (including re-election by the shareholders of Directors by rotation) and succession planning for Directors, in particular, the chairman and the chief executive officer, taking into account the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future, together with the Board, as appropriate;
- (h) do any such things to enable the Committee to perform its duties conferred to it by the Board from time to time; and
- (i) conform to and abide by any requirement, direction and regulation that may be prescribed by the Board or contained in the constitutional documents of the Company or imposed by the Listing Rules or the applicable laws.

Reporting procedures

12. The Chairman of the Committee shall report directly to the Board on the Committee's decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).
13. The secretary to the Committee shall keep full minutes of all Committee meetings. Minutes of a Committee meeting shall record in sufficient detail the matters considered by the Committee members and decisions reached, including any concerns raised by the Committee members and dissenting views expressed during the Committee meeting. Draft and final versions of minutes of the meetings shall be sent to all Committee members for their comments and records respectively, in both cases within a reasonable time after the relevant meetings.
14. The secretary to the Committee shall also circulate the minutes of meetings, reports and all written resolutions of the Committee to all members of the Board, unless a conflict of interest exists or for reasons mentioned in paragraph 12 above.

15. Where the board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe he should be elected and the reasons why they consider him to be independent.

Powers of the Board

16. The Board may, subject to compliance with the articles of association of the Company and the Listing Rules, amend, supplement and revoke these Terms and any resolution passed by the Committee provided that no amendments to and revocation of these Terms and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if these Terms or resolution had not been amended or revoked.

Publication of these terms of reference

17. A copy of these Terms shall be made available on the Stock Exchange's website and the Company's website.

Language

18. The English text of these Terms shall prevail over the Chinese text in case of any inconsistency.