



MODERN FARMING
现代牧业

China Modern Dairy Holdings Ltd. (the “Company”)
中國現代牧業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Nomination Committee Terms of Reference

1 Constitution

The board of directors of the Company (the “**Board**”) hereby constitutes and establishes a nomination committee (the “**Nomination Committee**”) with authority, responsibility, and specific duties as described below.

2 Membership

- 2.1 The Nomination Committee shall be appointed by the Board and the majority of the members of the Nomination Committee shall be independent non-executive directors of the Company.
- 2.2 The Nomination Committee shall be chaired by the Chairman of the Board or an independent non-executive director of the Company (the “**Chairman**”).
- 2.3 The Nomination Committee shall consist of not less than three (3) members and the quorum for a meeting of Nomination Committee shall be two.
- 2.4 Appointments to the Nomination Committee shall be co-terminus with the directorship at the Company of the relevant members (whether by retirement, rotation or otherwise).

3 Secretary

- 3.1 The Company Secretary or his nominee shall act as the secretary of the Nomination Committee.

4 Authority

- 4.1 The Nomination Committee is authorised by the Board to determine the procedures, process and criteria to be adopted for purposes of selecting and recommending candidates for directorship and shall be provided with sufficient resources to perform its duties.
- 4.2 Where necessary, the Nomination Committee should seek independent professional advice, including but not limited to external legal, accounting or other advices, at the Company's expense, to perform its responsibilities.

5 Duties

The duties of the Nomination Committee shall be to:

- (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) develop and maintain a policy for the nomination of the directors of the Company which includes the nomination procedures and the process and criteria adopted by the Nomination Committee to identify, select and recommend candidates for directorship during the year, review periodically and disclose the policy and progress made towards achieving the objectives set in the nomination policy in the corporate governance report of the Company, and review and discuss any revisions that may be required and recommend any such revisions to the Board for approval;
- (c) develop and maintain the Board diversity policy, monitor the implementation of the Board diversity policy, review periodically and disclose the Board diversity policy or a summary of the policy in the corporate governance report of the Company and review and discuss any revisions that may be required and recommend any such revisions to the Board for approval;
- (d) identify individuals suitably qualified to become Board members (including whether the individuals can bring to the Board the perspectives, skills and experiences and how the individuals can contribute to the diversity of the Board) and select or make recommendations to the Board on the selection of, individuals nominated for directorships with regard to the nomination policy of the Company;

- (e) assess the independence of independent non-executive directors of the Company with regards to the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) (as amended from time to time);
- (f) assess whether the candidate to be nominated as a director of the Company would be able to devote sufficient time to the Board with reference to factors such as the number of directorship of other listed companies held by the candidate; and
- (g) make recommendations to the Board on the appointment or re-appointment of directors of the Company and succession planning for directors of the Company, in particular the chairman of the Board and the chief executive. The Nomination Committee shall make recommendations on appointment of directors of the Company with due regard to the diversity policy of the Company and in accordance with the challenges and opportunities faced by the Company.

6 Frequency and proceedings of meetings

- 6.1 The Nomination Committee shall meet at least once a year, or at such frequency as required under the Listing Rules or other regulatory requirements applicable to the Company from time to time. Additional meetings should be held as the work of the Nomination Committee demands.
- 6.2 The Chairman may convene additional meetings at his discretion.
- 6.3 The Chairman (or in his or her absence, a member designated by the Chairman) shall preside at all meetings of the Nomination Committee. The Chairman shall be responsible for leading the Nomination Committee, including scheduling meetings, preparing agendas and making regular reports to the Board.

7 Reporting Procedures

- 7.1 The Nomination Committee shall report to the Board the findings and recommendations after the each meeting of the Nomination Committee.
- 7.2 Where the Board proposes a resolution to elect an individual as an independent non-executive director of the Company 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 the individual should be elected and the reasons why they consider him the individual to be independent.

8 Minutes

- 8.1 The secretary of the Nomination Committee shall circulate the minutes of meetings, written resolutions and the record of individual attendance at such meetings of the Nomination Committee to all members of the Board as soon as practicable after the conclusion of any meeting of the Nomination Committee.

9 General

- 9.1 These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements, including those under the Listing Rules.
- 9.2 The Nomination Committee should make available those terms of reference to the public, explain its role and the authority delegated to it by the Board, by including them on the Hong Kong Exchanges and Clearing Limited news website (www.hkexnews.hk) and the Company's website. (www.moderndairyir.com).