

# CHINA FIBRE OPTIC NETWORK SYSTEM GROUP LTD.

## 中國光纖網絡系統集團有限公司

(a company with limited liability incorporated the Cayman Islands)

### NOMINATION COMMITTEE

#### TERMS OF REFERENCE

##### ***Foreword***

Pursuant to the Code on Corporate Governance in the Listing Rules of the Hong Kong Stock Exchange (“the Code”), the board of directors (the “Board”) of China Fiber Optic Network System Group Ltd. (the “Company”) has adopted terms of reference of the Nomination Committee (the “Committee”) in accordance with the Code.

##### ***Membership***

1. The Committee shall consist of not less than three members, a majority of whom should be independent non-executive directors of the Company.
2. The Board shall designate one of the three members as the Committee’s Chairman.
3. The Company Secretary or his nominee shall act as the Committee’s Secretary.

##### ***Frequency and proceedings of meetings***

4. The Committee shall meet at least once annually. Additional meetings shall be held as the work of the Committee demands.
5. In addition, the Committee’s Chairman may convene additional meetings at his discretion.
6. The quorum of a meeting shall be two Committee members.

##### ***Notice of Meetings***

7. Meetings of the Committee shall be convened by the Chairman of the Committee; and
8. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend at least 7 days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate at least 3 clear days in advance of the meeting.

### ***Minutes of Meetings***

9. The Chairman shall arrange for keeping of records of resolutions passed at Committee meetings, and circulate the same to all members of the Committee within a reasonable time (generally within 14 days) after each meeting and, once agreed, to all other members of the board, unless a conflict of interest exists.

### ***Annual General Meeting***

10. The Chairman of the Committee should, as far as practicable, attend the Annual General Meeting and make himself available to respond to any shareholder questions on the Committee's activities.

### ***Duties***

11. The duties of the Committee shall:
  - (a) review the structure, size and composition (including the skills, knowledge and experience) of the board at least annually and make recommendations to the board on any proposed changes to the board to complement the Company's corporate strategy;
  - (b) identify individuals suitably qualified to become board members 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; 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 chief executive.

### ***Reporting Responsibilities***

12. The Committee Chairman shall report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities; and
13. The Committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.

### ***Authority***

14. The Committee is authorised to seek any information it requires from any employee of the company in order to perform its duties; and
15. The Committee is authorised to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference.

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