



VEDAN INTERNATIONAL (HOLDINGS) LIMITED

味丹國際（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2317)

(the “Company”)

Nomination Committee – Terms of Reference

1. Members

- 1.1 The nomination committee of the Company (“**Committee**”) shall be established by the board of directors (“**Directors**”) of the Company (the “**Board**”). It shall comprise a minimum of three members and the majority of whom must be independent non-executive Directors.
- 1.2 The Committee must be chaired by the chairman of the Board or an independent non-executive Director within the Committee and appointed by the Board from time to time. In the absence of the Committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 1.3 The terms of appointment of the Committee members are determined by the Board at the appointment date.
- 1.4 A member of the Committee who ceases to be a member of the Board shall immediately and automatically cease to be a member of the Committee.

2. Secretary

- 2.1 The company secretary of the Company shall act as the secretary of the Committee.
- 2.2 The Committee may from time to time, appoint any other person with appropriate qualification and experience to act as the secretary of the Committee.

3. Meeting

- 3.1 Unless specified by these terms of reference, meetings and proceedings of the Committee shall be governed by the Company’s articles of association regulating the meetings and proceedings of the Directors.
- 3.2 Any member of the Committee can call for a meeting anytime. The Committee shall hold at least one regular meeting in a year. Additional meetings of the Committee may be held as and when required.

- 3.3 Notice of at least 14 days should be given for any meeting, unless such notification is waived by all members of the Committee. Notwithstanding the notification period, the attendance of a member of the Committee at the meeting would be deemed a waiver by him/her of the required notification requirement. If the follow up meeting takes place within 14 days after the meeting, no notification is required for such follow up meeting.
- 3.4 The quorum necessary for the transaction of business of the Committee shall be two members of the Committee, one of whom must be an independent non-executive Director.
- 3.5 Meeting can be attended in person or via electronic means including telephonic or video conferencing. The members of the Committee can attend the meeting via telephonic or any similar communication device (all persons attending such meeting should be able to hear from such member via such communication device).
- 3.6 The resolution of the Committee should be passed by more than half of the members.
- 3.7 The resolution passed and signed by all members of the Committee is valid, and the validity is the same as any resolution passed in a meeting held.
- 3.8 Full minutes of the Committee meeting should be kept by a duly appointed secretary of the Committee and be available for review by the Directors. Draft and final versions of minutes of the meeting should be sent to all Committee members for their comment and records, within a reasonable time after the meeting.
- 3.9 The Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless prohibited by applicable laws and regulations.

4. Meeting attendance

- 4.1 Upon the invitation from the Committee, the chairman of the Board and/or the general manager or chief executive, external advisor and the other persons can be invited to attend all or part of any meeting.
- 4.2 Only members of the Committee can vote in the meeting.

5. Annual General Meeting

- 5.1 The chairman of the Committee or (if absent) another member of the Committee (who must be an independent non-executive Director) should attend the annual general meeting of the Company, handle shareholders' enquiries on the activities and responsibilities related to the nomination committee.

6. Duties and Powers

- 6.1 The Committee shall have, with limitation, the following duties and powers:
 - 6.1.1 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;

- 6.1.2 identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships when a vacancy occurs on the Board by reason of disqualification, resignation, retirement, death or an increase in the size of the Board;
- 6.1.3 assess the independence of independent non-executive Directors;
- 6.1.4 make recommendations to the Board on:
 - 6.1.4.1 the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief-executive of the Company;
 - 6.1.4.2 any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the company subject to the provisions of the law and their service contract;
 - 6.1.4.3 the appointment of any Director to executive or other office, other than to the positions of chairman and chief executive, the recommendation for which would be considered at a meeting of the full board; and
 - 6.1.4.4 any area it deems appropriate within its scope of duties where action or improvement is needed;
- 6.1.5 consider factors below when it makes recommendation for appointment and reappointment, inter alia:
 - 6.1.5.1 mix of Board members that promotes diversity of background and experience on the Board;
 - 6.1.5.2 competency;
 - 6.1.5.3 age of potential/existing Director;
 - 6.1.5.4 independence of potential/existing Board member;
 - 6.1.5.5 business, technical, or specialised skills and experience of member/potential member;
 - 6.1.5.6 ability, time, commitment and willingness of a new member to serve and an existing member to continue service; and
 - 6.1.5.7 specific value a member/potential member can add to the Board;
- 6.1.6 ensure that no Director or any of his/her associates is involved in approving his/her or any of his/her associates' nomination;
- 6.1.7 at least once a year, review its own performance, constitution and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval;
- 6.1.8 make recommendations to the Board as it deems appropriate on any area within its scope of duties where action or improvement is needed; and

- 6.1.9 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 of the Company and/or explanatory statement accompanying the notice of the relevant general meeting why they believe this individual should be elected and the reasons why they consider this individual to be independent.

7. Declaration responsibility

- 7.1 The Committee shall report to the Board every time after any meeting of the Committee.

8. Authorization

- 8.1 The Committee is authorized to request the employee of the Company to provide any information within the scope of its duties.
- 8.2 The Committee should have access to outside legal or independent professional advice at the Company's expense, and to ensure the independent party possessing a relevant experience and profession to attend the meeting if necessary, to perform its responsibilities as a member of the Committee.

Remark: the independent professional advice can be sought via the company secretary.

- 8.3 The Committee should be provided with sufficient resources to perform its duties.

9. Terms Available

- 9.1 The Committee shall make available these Terms of Reference on request and by including them on The Stock Exchange of Hong Kong Limited's website and the Company's website.

30 March 2012

Note: If there is any inconsistency between the English and Chinese versions of these Terms of Reference, the English version shall prevail.