



ZTE CORPORATION

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 763)

Nomination, election and removal of Directors

I. Nomination

1. Nomination of candidates for Non-independent Directors

The Nomination Committee of the Board of Directors of the Company (hereinafter referred to as the “Nomination Committee”) and any shareholder who holds shares in the Company may nominate the candidates for Non-independent Directors of the Board of Directors.

2. Nomination of candidates for Independent Non-executive Directors

The Board of Directors and the Supervisory Committee of the Company and any shareholder who individually and jointly holds 1% or more of the shares in the Company may nominate the candidates for Independent Non-executive Directors of the Board of Directors.

3. Any nomination by shareholder(s) in accordance with the above provisions shall follow the procedure and timeframe set out in the relevant provisions of Article 141 of the Articles of Association. In the event that the exercise of the aforesaid right shall constitute an act of tabling an extempore motion, the shareholder who has exercised such right shall be required concurrently to comply with the relevant provisions of Article 78 of the Articles of Association. Where other provisions apply under the listing rules of the locality where the shares of the Company are listed, such provisions should also be complied with. For the Article 78 and 141 of the Articles of Association please refer to Annex 1.

. Election

The Election of Director

1. Any nomination of a candidate for Director shall be made, and the relevant documents shall be submitted, to the Nomination Committee. The Nomination Committee shall meanwhile identify candidates for Directors among staff of the Company and subsidiaries (associated companies) as well as in the human resource market.

2. The Nomination Committee shall convene a meeting to review the qualifications of nominated candidates and candidates identified by the Nomination Committee.

cumulative votes cast shall not exceed the total number of votes held by that shareholder. The directors shall be elected according to the number of votes cast for them. The number of votes obtained by the director's candidates shall exceed half of the voting rights represented by the persons attending the general meeting.

A director whose term of office has not expired may be removed by way of an ordinary resolution, provided that a general meeting is conducted in accordance with the relevant laws, administrative regulations and related provisions stipulated in the Articles of Association (and without prejudice to any claim for damages under any contract).

The term of office of a director shall commence on the date determined by resolution of the general meeting and end on the expiration of the term of the then Board of Directors.