

NetDragon Websoft Inc.

(“Company”)

BOARD DIVERSITY POLICY

1. Purpose

This board diversity policy (“Policy”) aims to set out the approach to achieve diversity on the Company’s board of directors (“Board”).

2. Policy Statement

The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. A truly diversified Board will include and make good use of differences in the skills, knowledge, professional experience, cultural and educational, background, ethnicity, gender, age, length of service and other qualities of the member of the Board. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately.

All appointments of the members of the Board are made on merit, in the context of the abovementioned criteria that the Board requires as a whole to be effective in supporting the attainment of the Company and its subsidiaries’ strategic objectives and its sustainable development.

3. Roles of the Nomination Committee

The Nomination Committee reviews and assesses the composition of the Board and makes recommendations to the Board on appointment of directors of the Company. The Nomination Committee also conducts annual review of the effectiveness of the Board.

In reviewing and assessing the composition of the Board, the Nomination Committee will consider the benefits of all aspects of diversity, including without limitation, those described above, in order to maintain an appropriate range and balance of talents, skills, experience and background on the Board.

In recommending candidates for appointment to the Boards, the Nomination Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

In conducting the annual review of the effectiveness of the Board, the Nomination Committee will consider the balance of talents, skills, experience, independence and knowledge of the Board and the diversity of the Board.

4. Monitoring and Reporting

The Nomination Committee will report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of this Policy.

5. Review of this Policy

The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

6. Publication of this Policy

This Policy will be published on the Company's website for public information. A summary of this Policy together with the measurable objectives set for implementing this Policy, and the progress made towards achieving those objectives will be disclosed in the annual Corporate Governance Report.

30 August 2013