



## GUANGNAN (HOLDINGS) LIMITED

### 廣南(集團)有限公司

*(Incorporated in Hong Kong with limited liability)*

(Stock code: 1203)

#### **Nomination Committee**

##### **Terms of Reference**

#### **1. Constitution**

- 1.1 The Board of Directors (the “Board”) of Guangnan (Holdings) Limited (the “Company”) hereby resolves to establish a Committee of the Board, to be known as the Nomination Committee (the “Committee”).

#### **2. Purpose**

- 2.1 To assist the Board in discharging its duties, the purpose of the Committee is to review the skills, knowledge, experience and independence of the candidate for appointment as a director, to make recommendation to the Board on the selection of the appropriate candidate for appointment as director and to ensure the Company has transparent procedures for appointment of Board members.

#### **3. Members and Secretary of the Committee**

- 3.1 The Board shall appoint members of the Committee and one of the members must be the Chairman of the Board. The number of the committee members shall be determined by the Board from time to time provided that at no time shall there be less than three members. The majority of the Committee members must be Independent Non-Executive Directors.
- 3.2 The Chairman of the Board or an Independent Non-Executive Director shall act as the chairman of the Committee. The quorum of the Committee shall be two Committee members.
- 3.3 The Company Secretary shall act as secretary to the Committee unless the Chairman of the Committee shall rule otherwise, in which case the Chairman will nominate a member of the Committee or another appropriate person to act as secretary.

#### **4. Meetings**

- 4.1 Meetings shall be held not less than one time a year and at such other times as the Chairman of the Committee shall deem necessary.
- 4.2 The Committee may pass resolutions by means of resolutions in writing when necessary. A resolution in writing, which may consist of one document or several documents, signed by all the members of the Committee shall be as valid and effectual as if it had been passed at a meeting duly convened and held.
- 4.3 Draft and final versions of minutes of the Committee meetings should be sent to all members of the Committee for their comment and records within a reasonable time after the meeting.

#### **5. Authority**

- 5.1 The Committee is authorized by the Board to seek any information it requires from any officer or employee of the Company and all officers and employees are directed to co-operate with any request made by the Committee.
- 5.2 The Committee is authorized by the Board to obtain outside legal or other independent professional advice if it considers it necessary and to secure the attendance at its meetings of outsiders with relevant experience and expertise if it considers this to be necessary.

#### **6. Duties of the Committee**

In particular, but without limitation, the duties of the Committee shall be:

- 6.1 to review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- 6.2 to assist the Board in the development and review of the Board's diversity policy and directors' nomination policy, as appropriate; and review the measurable objectives for the implementation of the Board's diversity policy and monitor progress towards the achievement of such;
- 6.3 to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;

- 6.4 to assess the independence of independent non-executive directors, having regard to the requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
- 6.5 to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman, the Deputy Chairman and the General Manager; and
- 6.6 to consider other topics, as defined by the Board.

**7. Miscellaneous**

- 7.1 The Committee should make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on the website of The Stock Exchange of Hong Kong Limited and the website of the Company.
- 7.2 The Company should provide the Committee sufficient resources to perform its duties. Where necessary, the Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

*Date of amendment: 29 October 2018*