



CHOW TAI FOOK JEWELLERY GROUP LIMITED

周大福珠寶集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1929

Nomination Committee – Terms of Reference

Status

1. The Nomination Committee (the “**Nomination Committee**”) is a sub-committee of the board of directors (the “**Directors**” and each a “**Director**”) (the “**Board**”) of Chow Tai Fook Jewellery Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to which the Board has delegated consideration of board composition, appointments, re-election and removal of directors of the Company.

Constitution

2. The Nomination Committee was established by resolution of the Board on 17 November 2011.

Membership

3. The members of the Nomination Committee shall be appointed by the Board from among the Directors and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors. A quorum shall be two members of whom at least one shall be an independent non-executive Director.

4. The chairman of the Nomination Committee shall be appointed by the Board and shall be an independent non-executive Director or the chairman of the Board.

Meetings

5. Meetings shall be held as and when appropriate, but not less than once a year. The chairman of the Nomination Committee shall convene a meeting upon request by any member of the Nomination Committee.

6. An agenda and other relevant documents should be sent in full to all members in a timely manner and at least three days before the intended date of a meeting of the Nomination Committee (or such other period as may be agreed by its members).

7. The Company Secretary shall be the secretary of the Nomination Committee.

8. Meetings of the Nomination Committee may follow the same procedures as those for meetings of the Board under the relevant provisions in the Company’s articles of association, as amended from time to time.

Annual general meetings

9. The chairman of the Nomination Committee (or in his absence, his duly appointed delegate) shall attend the Company's annual general meetings and be prepared to respond to any Shareholders' questions on the Nomination Committee's activities.

Authority

10. The Nomination Committee is authorised by the Board to investigate any activity within these Terms. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with the Nomination Committee.

11. The Nomination Committee is authorised by the Board to obtain, at the Company's expense, external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Nomination Committee shall be provided with sufficient resources to perform its duties. The Nomination Committee should be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external consultant who advises the Nomination Committee.

Duties

12. The duties of the Nomination Committee shall include:

- (a) reviewing the Board's performance, structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) appropriate to the requirements of the Group's business at least annually and making recommendations on any proposed changes to the Board to complement the Group's corporate strategy;
- (b) developing and maintaining a policy for the nomination of Board members, which includes the procedures, processes and criteria adopted by the Nomination Committee to identify, select and recommend candidates to directorship positions during the year, and reviewing periodically and disclosing in the Company's corporate governance report the policy and the progress made for the achievement of the objectives as set out in the policy. The Nomination Committee should ensure that the selection process is transparent and fair, and that it considers a broad range of candidates who are outside the Board's circle of contacts and in accordance with the Company's diversity policy;
- (c) identifying individuals suitably qualified to become Directors and selecting or making recommendations to the Board on the selection of individuals nominated for directorship with due regard to the merits of the candidate(s) and contribution to the Board diversity policy of the Company;
- (d) making recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and managing director, taking into account the Company's business model and specific needs, the challenges and opportunities facing the Company and thus the skills and expertise required by the Board in the future;
- (e) appointing members of the Company's audit committee and remuneration committee in consultation with the respective chairmen of those committees;
- (f) assessing the independence of independent non-executive Directors;
- (g) reviewing the policy concerning diversity of Board members, any measurable objectives and progress on achieving those measurable objectives;

- (h) reviewing regularly the contribution required from a Director to perform his/her responsibilities, and whether he/she is spending sufficient time performing them; and
- (i) reviewing and monitoring the training and development of Directors and senior management.

13. In carrying out its duties, the Nomination Committee should give adequate consideration to the following principles in relation to:

(a) **Board Composition** – The Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business. It should ensure that changes to its composition can be managed without undue disruption. It should include a balanced composition of executive and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgment. Non-executive Directors should be of sufficient calibre and number for their views to carry weight.

(b) **Appointments, Re-election and Removal of Directors** – There should be a formal, considered and transparent procedure for the appointments of new Directors. There should be plans in place for orderly succession for appointments. All Directors should be subject to re-election at regular intervals. The Company must explain the reasons for the resignation or removal of any Director.

(c) **Board Diversity** – Board diversity will differ according to the circumstances of each company. Diversity of Board members can be achieved through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience. The Company should take into account its own business model and specific needs, and disclose the rationale for the factors it uses for this purpose.

Reporting procedures

14. Full minutes of the Nomination Committee’s meetings shall be kept by the Company Secretary (or a duly appointed representative). The minutes shall be made available for inspection on reasonable notice by any Director. Minutes of meetings of the Nomination Committee shall record in sufficient detail the matters considered by the Nomination Committee and decisions reached, including any concerns raised by members or dissenting views expressed. Draft and final versions of minutes of such meetings should be sent to all members of the Nomination Committee for their comment and records within a reasonable time after such meetings.

15. Without prejudice to the generality of the duties of the Nomination Committee set out in these Terms, the Nomination Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on its ability to do so.

16. The Nomination Committee shall make a statement in the annual report about its activities, the process used to make appointments and whether external advice and/or open advertising was used.

Annual review

17. The Nomination Committee shall evaluate its own performance, terms of reference and membership annually to ensure that it is performing its duties effectively and shall recommend to the Board any changes it considers necessary.

Terms available

18. The Nomination Committee shall make available these Terms on request and by inclusion on the websites of the Company and The Stock Exchange of Hong Kong Limited, in order to explain its role and the authority delegated to it by the Board.

(Revised in March 2019)