FWD Group Holdings Limited
Nomination and Corporate Governance Committee
Terms of Reference

Definitions

1. For the purposes of these terms of reference ("**these Terms**"):

Board	means the board of directors of the Company.
Board Diversity Policy	means the policy adopted by the Board in May 2022 and as subsequently amended or revised from time to time.
Company	means FWD Group Holdings Limited.
Director(s)	means the members of the Board.
ESG	means environmental, social and governance.
Executive Committee Member(s)	means the Group CEO and his/her direct reports.
Group	means the Company and its subsidiaries.
Group CEO	means the Group Chief Executive Officer of the Company.
Key Person in Control Functions	means a key person in control functions within the meaning given in section 95A of the Insurance Ordinance (Cap. 41) of Hong Kong.
Listing Rules	means the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited.
M&A	means the memorandum of association and articles of association of the Company from time to time in force.
Nomination Policy	means the policy adopted by the Board in 30 May 2022 and as subsequently amended or revised from time to time.
Nomination and Corporate Governance Committee	means the Board committee established by resolution of the Board on these Terms.
Shareholder(s)	means the shareholder(s) of the Company.

Objectives

2. The Nomination and Corporate Governance Committee is established to oversee the implementation of appropriate nomination and corporate governance practices across the Group. This includes providing assistance to the Board by, among other things:

- Reviewing and monitoring the structure, size and composition of the Board;
- Nominating and recommending qualified candidates to become Board members and for re-appointment to the Board and recommending members of the Board to serve on its committees;
- Assessing the independence of independent non-executive Directors;
- Oversight of the evaluation of the Board and its committees;
- Succession planning for Directors, in particular the chairman of the Board and Group CEO, senior management and Key Persons in Control Functions;
- Oversight of the Company's ESG and sustainability strategy, initiatives, policies and/or practices and performance; and
- Oversight of matters relating to corporate governance including developing and reviewing the Company's policies and practices on corporate governance.

Constitution and Authority

3. The Nomination and Corporate Governance Committee was established by resolution of the Board on 19 February 2022.

4. The Nomination and Corporate Governance Committee is authorised by the Board to discharge its duties within these Terms. It is authorised to seek any information it requires from the Directors, Executive Committee Members and/or other employees of the Group who are directed to co-operate with the Nomination and Corporate Governance Committee.

5. The Nomination and Corporate Governance Committee and each of its members (referred to as "**Members**") shall have separate and independent access to the Executive Committee Members as and when they consider necessary. Each of the Executive Committee Members is obliged to supply the Nomination and Corporate Governance Committee with adequate, complete and reliable information in a timely manner, in order to enable it to make informed decisions.

6. The Nomination and Corporate Governance Committee is authorised by the Board to obtain, at the Company's expense, external independent professional advice, to retain and terminate search firms to assist it in identifying candidates to serve as Directors and to secure the attendance of third parties with relevant experience and expertise at meetings if it considers it necessary. The Nomination and Corporate Governance Committee shall be provided with sufficient resources to discharge its duties.

Membership

7. The Members, including the chairman of the Nomination and Corporate Governance Committee (the "**Nomination and Corporate Governance Committee Chairman**"), shall be appointed by the Board from time to time from among the Directors.

8. The Nomination and Corporate Governance Committee shall consist of not less than three Members and a majority of whom shall be independent non-executive Directors. The Nomination and Corporate Governance Committee shall consist of at least one Director of a different gender.

9. The Nomination and Corporate Governance Chairman shall be the chairman of the Board or an independent non-executive Director. The Nomination and Corporate Governance Committee Chairman should attend the annual general meeting to answer Shareholders' questions on the Nomination and Corporate Governance Committee's activities or in his/her absence, another Member, or failing this, his/her duly appointed delegate.

10. Each Member shall disclose to the Nomination and Corporate Governance Committee all matters that require disclosure under the M&A including:

    (a) any personal financial interest (other than as a Shareholder) in any matter to be decided by the Nomination and Corporate Governance Committee; or

    (b) any potential conflict of interest arising from a cross-directorship.

11. Any such Member shall recuse himself or herself from deliberations and voting of the Nomination and Corporate Governance Committee when required or appropriate under applicable laws.

12. The Nomination and Corporate Governance Committee may form subcommittees composed of two or more of its Members for any purpose that the Nomination and Corporate Governance Committee deems appropriate and may delegate to such subcommittees such power and authority as the Nomination and Corporate Governance Committee deems appropriate.

Meetings

13. Meetings shall be held at least twice a year. The Nomination and Corporate Governance Committee Chairman shall convene a meeting upon request by any Member. A majority of the Nomination and Corporate Governance Committee shall constitute a quorum for the transaction of business and the act of a majority of those present at any meeting at which there is a quorum shall be the act of the Nomination and Corporate Governance Committee. In the case of an equality of votes, the Nomination and Corporate Governance Committee Chairman shall not have a second or casting vote.

14. The quorum for any subcommittee meeting shall be two Members unless otherwise provided and the act of a majority of those Members present at any meeting at which there is a quorum shall be the act of the subcommittee.

15. An agenda and accompanying meeting papers should be sent in full to all Members in a timely manner and generally at least one calendar week before the intended date of a meeting of the Nomination and Corporate Governance Committee (or such other period that is feasible or agreed to by its Members).

16. Unless otherwise restricted by the M&A, all meetings of the Nomination and Corporate Governance Committee or any subcommittee may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. In addition, unless otherwise restricted by the M&A, the Nomination and Corporate Governance Committee or any subcommittee may act by unanimous written consent in lieu of a meeting.

17. All non-management Directors that are not Members may attend meetings of the Nomination and Corporate Governance Committee but must not vote. Additionally, the Nomination and Corporate Governance Committee may invite to its meetings any Director, management of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. The Nomination and Corporate Governance Committee may also exclude from its meetings any persons it may deem appropriate in order to carry out its responsibilities.

Duties and Responsibilities

18. The duties and responsibilities of the Nomination and Corporate Governance Committee shall include without limitation:

Board Composition and Diversity

19. Review the structure, size, composition and the balance of skills, knowledge, experience and diversity of perspective of the Board at least annually and to make recommendations on any proposed changes to the Board, senior management and Key Persons in Control Functions to complement the Company's corporate strategy.

20. Develop and review the Board Diversity Policy and its implementation and review and update any objectives for implementation of the Board Diversity Policy and progress on achieving those objectives. The Committee shall review the Board Diversity Policy at least annually.

21. Review the implementation and effectiveness of mechanisms to ensure independent views and input are available to the Board.

Nomination Policy and Selection Criteria

22. Develop, implement and review criteria and procedures for the identification and selection of candidates to serve on the Board and its committees, including, without limitation, the Nomination Policy.

Recommendations with Respect to the Appointment of Directors

23. Identify and evaluate suitably qualified individuals for appointment as Board members, taking into account the criteria set out in the Nomination Policy and the Board Diversity Policy and all other factors it considers appropriate. The Nomination and Corporate Governance Committee also may consider the extent to which the candidate would fill a present need on the Board plus the number of independent non-executive Directors required to satisfy the Company's Board Diversity Policy and any regulatory undertakings.

24. Review and make recommendations to the Board concerning the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman of the Board and Group CEO and make recommendations to the Board with respect to the re-election by shareholders of any director under the provisions of the M&A, if applicable.

25. Consider questions of independence in accordance with the Nomination Policy and possible conflicts of interest of members of the Board and review the annual confirmation of independence provided by Directors, if applicable.

26. Ensuring the appointment and removal of the Directors will be in accordance with the M&A and Listing Rules (including the Corporate Governance Code), once applicable, and applicable laws.

Committee Selection, Composition and Evaluation

27. Review and assess the skills, knowledge and experience required to serve on the committees of the Board, giving consideration to the terms of reference of each committee, as well as to any other factors the Nomination and Corporate Governance Committee deems relevant, and make recommendations on the appointment and removal of members of any committee.

28. Recommend members of the Board to serve as the Chairmen of the committees of the Board.

29. Oversee the evaluation of the committees of the Board and make recommendations for any changes.

Corporate Governance

30. Provide a leadership role on corporate governance matters, including:

    (a) Reviewing and monitoring the training and continuous professional development of Directors and Executive Committee Members;

    (b) Developing and reviewing the Company's policies and practices on corporate governance, including, without limitation, the Board Diversity Policy, the Nomination Policy, and the diversity policy for senior management and the overall workforce, and making recommendations to the Board, and reviewing the Group's Corporate Governance Framework;

(c) Reviewing the Company's compliance with the Listing Rules' Corporate Governance Code, and disclosure in the Corporate Governance Report included in the Company's Annual Report;

(d) Reviewing and monitoring the requirements in respect of connected transactions under Chapter 14A of the Listing Rules, including the formation of a committee of all independent non-executive Directors to review any non-exempt connected transactions (which should be led by the Nomination and Corporate Governance Committee Chairman except where he/she has a conflict of interest) and reviewing the disclosures in the Annual Report in relation to connected transactions and oversight of the necessary confirmations from the independent non-executive Directors and the Board; and

(e) Overseeing any conflicts of interest arising from the Board, including the formation of a committee of independent non-executive Directors to review any such conflict where required (which should be led by the Nomination and Corporate Governance Committee Chairman except where he/she has a conflict of interest).

Continuity/Succession Planning Process

31. Oversee and approve any succession planning process for the Board. Review and evaluate the succession plans relating to the chairman of the Board and Group CEO and make recommendations to the Board with respect to the selection of individuals to occupy these positions.

ESG and Sustainability

32. Provide a leadership role in the Company's ESG and sustainability strategy, initiatives, policies and/or practices and performance, including:

(a) reviewing and receiving management updates;

(b) reviewing the disclosures in the Company's Corporate Governance Report and ESG Report; and

(c) staying informed of ESG trends, regulations, risks and opportunities through management updates and ensure the Board's understanding of important ESG issues, including arranging Director's training where appropriate.

Reports

33. Report regularly to the Board including:

(a) following meetings of the Nomination and Corporate Governance Committee; and

(b) with respect to such other matters as are relevant to the Nomination and Corporate Governance Committee's discharge of its responsibilities, including reporting on the disclosures in the Corporate Governance Report and ESG Report and progress on implementation of the Board Diversity Policy.

34. The Nomination and Corporate Governance Committee shall provide such recommendations to the Board as the Nomination and Corporate Governance Committee may deem appropriate. The report to the Board may take the form of an oral report by the Nomination and Corporate Governance Committee Chairman or any other Member designated by the Nomination and Corporate Governance Committee to make such report.

35. Maintain minutes or other records of meetings and activities of the Nomination and Corporate Governance Committee.

Board Evaluation

36. Support the Board's formal evaluation of the Board's performance at least every two years and disclose findings in the Corporate Governance Report.

37. Assess each Director's time commitment and contribution to the Board, as well as the Director's ability to discharge his/her responsibilities effectively, annually.

38. Maintain and disclose a Board skills matrix in the Corporate Governance Report, including details of the skills the Board currently has and further skills the Board is looking to acquire.

Review and Reporting Procedure

39. The Nomination and Corporate Governance 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.

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