



Jinhui Holdings Company Limited

金輝集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 137)

NOMINATION COMMITTEE (the “Nomination Committee” / “Committee”)

Terms of Reference

(Adopted by the Board on 1 January 2013 and last revised on 21 January 2019)

1. Constitution and Membership

- 1.1** The Nomination Committee is established by a Board resolution passed on 1 January 2013.
- 1.2** Members of the Nomination Committee (the “Members”) shall be appointed by the board of directors of the Company (the “Board”) and shall consist of not less than three Directors, a majority of whom shall be independent non-executive directors of the Company.
- 1.3** The Chairman of the Committee shall be the chairman of the Board or an independent non-executive director of the Company.

2. Attendance at Meetings

- 2.1** All Board members shall have right of attendance. At the invitation of the Nomination Committee, other persons may be invited to attend all or part of any meetings.
- 2.2** Only Members are entitled to vote at the meetings.

3. Meetings

- 3.1** The Nomination Committee shall meet at least once a year.
- 3.2** The quorum of a meeting shall be two Members.
- 3.3** Meetings could be held in person or through other electronic means. Members can attend the meeting via telephone or any similar communication device and a member participating in such a meeting by any such means is deemed to be present at that meeting.
- 3.4** Resolutions of the Committee at any meetings shall be passed by a majority of votes of the Members present. The resolution passed and signed by all Members is valid, and the validity is same as any resolution passed in the meeting held.
- 3.5** The secretary of the Committee shall be appointed by the Committee and shall keep full minutes of the Committee meetings. Minutes of the meetings shall be sent to all Members for their records within a reasonable time after the meeting.

4. Authority

- 4.1** The Nomination Committee is authorized by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.
- 4.2** The authority of the Committee is derived from the Board, therefore the Committee is obliged to report to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions in doing so.
- 4.3** The Committee is to be provided with sufficient resources to perform its duties.

5. Responsibility and Duties

5.1 The Nomination Committee shall perform the following duties:

- (a) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) assess the independence of independent non-executive directors;
- (d) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive;
- (e) where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, the Committee should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
 - (i) the process used for identifying the candidate and why the Board believes the candidate should be elected and the reasons why it considers the candidate to be independent;
 - (ii) if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, the reason the Board believes the candidate would still be able to devote sufficient time to the Board;
 - (iii) the perspectives, skills and experience that the candidate can bring to the Board; and
 - (iv) how the candidate can contribute to the diversity of the Board.
- (f) review annually the time commitment required of directors and to evaluate whether directors have committed adequate time to discharge their responsibilities;

- (g) review the board diversity policy, as appropriate, to ensure its effectiveness; and review the measurable objectives that the board has set for implementing the board diversity policy and the progress on achieving these objectives; and
- (h) review and implement, as appropriate, the nomination policy setting out the criteria and procedures for the selection and nomination of candidates for appointment or reappointment as directors.

5.2 The Committee shall provide the Board relevant information which is essential to assist the Board to report to the shareholders of the Company in accordance with the Listing Rules or other regulations of regulatory authorities in respect of the corporate governance matters.

6. Reporting Procedures

6.1 At the next meeting of the Board following a meeting of the Committee, the Chairman of the Committee shall report to the Board on findings and recommendations of the Committee.

7. Publication and Update of the Terms of Reference

7.1 These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements.

7.2 These terms of reference, explaining the role of the Committee and the authority delegated to it by the Board, shall be made available to the public by including the information on the Hong Kong Stock Exchange's and the Company's websites.