



# China Graphene Group Limited

中國烯谷集團有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 63)**

(hereafter the “Company”)

## **Nomination Committee – Terms of Reference (Revised and Adopted by the Board on 29 March 2019)**

The English version shall always prevail in case of any inconsistency between the English version and the Chinese translation.

### **1. Members**

- 1.1 The nomination committee shall be established by the board of the Company (the “**Board**”) and it shall comprise a majority of independent non-executive directors.
- 1.2 The chairman of the nomination committee shall be the chairman of the Board or an independent non-executive director within the nomination committee appointed by the Board.

### **2. Secretary**

- 2.1 The company secretary of the Company shall act as the secretary of the nomination committee.
- 2.2 The nomination committee may from time to time, appoint any other person with appropriate qualification and experience to act as the secretary of the nomination committee.

### **3. Meeting**

- 3.1 The member of nomination committee can call for a meeting anytime when it is necessary.
- 3.2 Notice of at least 48 hours should be given for any meeting, unless such notification is waived by all members of the nomination committee. Notwithstanding the notice period, the attendance of the member of the nomination committee at the meeting would be deemed a waiver of the required notice requirement. If a follow up meeting takes place within 48 hours after the meeting, then no notification is required for such follow up meeting.
- 3.3 The quorum necessary for the transaction of business of the nomination committee shall be two members of the nomination committee, one of whom must be an independent non-executive director.

- 3.4 Meeting can be attended in person or via electronic means including telephonic or videoconferencing. The members of the nomination committee can attend the meeting via telephonic or any similar communication device (all persons attending such meeting should be able to hear from such member via such communication device).
- 3.5 Resolutions of the nomination committee shall be passed by a majority of votes of the members in attendance.
- 3.6 A resolution passed and signed by all members of nomination committee is valid, and the validity is same as any resolution passed in the meeting held.
- 3.7 Full minutes of nomination committee meeting shall be kept by the secretary of the nomination committee and be available for review by the directors. Draft and final versions of minutes of the meeting should be sent to all committee members for their comment and records, within a reasonable time after the meeting.

#### **4. Meeting attendance**

- 4.1 Upon the invitation from the nomination committee, the chairman of the Board and/or the general manager or chief executive, external advisor and the other persons can be invited to attend all or part of any meeting.
- 4.2 Only the members of the nomination committee can vote in the meeting.

#### **5. Annual General Meetings**

The chairman of the nomination committee or (if absence) another member of the nomination committee (who must be an independent non-executive director) shall attend the annual general meeting of the Company, and be prepared to respond to the shareholders' questions on the activities and responsibilities of the nomination committee.

#### **6. Authority**

- 6.1 The nomination committee may seek independent professional advice at the Company's expense, and invite an independent party possessing a relevant experience and profession to attend the meeting, if necessary, in order to discharge its duties.
- 6.2 The nomination committee shall be provided with sufficient resources to perform its duties.

## **7. Duties and Powers**

The nomination committee shall have the following duties and powers:

- 7.1 review the performance of the Board and ensure that the Board and its committees consist of directors with the appropriate balance of skills, diversity and knowledge of the Company to enable it to discharge its duties effectively;
- 7.2 assist the Board in succession planning for the Board and senior management;
- 7.3 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. When reviewing the structure, size and composition of the Board, the nomination committee shall take into consideration of a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience in accordance with the board diversity policy adopted by the Company from time to time to achieve Board diversity;
- 7.4 draw up, review and update, as appropriate, the diversity policy for the Board's approval having due regard to the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, review and update the objectives that the Board has set for implementing such policy;
- 7.5 develop, review and implement, as appropriate, the policy, criteria and procedures for the identification, selection and nomination of candidates for Directors for the Board's approval. Such criteria include but are not limited to the potential contributions a candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity;
- 7.6 identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- 7.7 assess the independence of independent non-executive directors;
- 7.8 make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors and senior management, in particular the chairman and the chief-executive, taking into account all factors which the nomination committee considers appropriate including the challenges and opportunities facing the Company and skills and expertise required in the future and ensure that senior management succession planning is discussed at the Board at least once annually;
- 7.9 keep under review the leadership needs and leadership training and development programmes of the Group, with a view to ensuring the continued ability of the Group to function effectively and compete in the market;
- 7.10 evaluate the needs for, and monitor the training and development of, directors;
- 7.11 develop the procedures for the performance evaluation of the Board committees:

- (i) review and assess the skills, knowledge and experience required to serve on various Board committees, and make recommendations on the appointment of members of Board committees and the chairman of each committee;
- (ii) recommend candidates to the Board to fill vacancies or new positions on the Board committees as necessary or desirable;
- (iii) review the feedback in respect of the role and effectiveness of the Board committees arising from the evaluation of the Board and/ or any Board committees and make recommendations for any changes;

7.12 review the board diversity policy as appropriate and to review the measurable objectives under the board diversity policy and the progress of the attainment of the objectives, so as to ensure effective implementation; and make disclosure of its review results in the corporate governance report; and

7.13 where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, to ensure that the circular to shareholders and/ or explanatory statement accompanying the notice of the relevant general meeting:

- (i) the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
- (ii) if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
- (iii) the perspective, skills and experience that the individual can bring to the Board; and
- (iv) how the individual contributes to the diversity of the Board.

## **8. Declaration responsibility**

The nomination committee shall report to the Board every time after any meeting of the nomination committee.