



**Laopu Gold Co., Ltd.**  
**老鋪黃金股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 6181)**

**Terms of Reference – Nomination Committee**

**Chapter 1 General Provisions**

**Article 1** In an effort to optimize the procedures for appointment of the directors and senior management of Laopu Gold Co., Ltd. (the “**Company**”), rationalize the composition of the board of directors, and enhance corporate governance and structure of the Company, these terms of reference are formulated in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Articles of Association of the Company (the “**Articles of Association**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and other relevant regulations, the Company established a nomination committee of the board of directors (the “**Nomination Committee**”).

**Article 2** The Nomination Committee is a specific committee set up by the board of directors. Its main responsibilities are to select candidates for directors and senior management of the Company, determine the selection criteria and procedures therefor, and give recommendations thereon.

**Chapter 2 Composition**

**Article 3** The Nomination Committee shall comprise at least three directors, the majority of which shall be independent non-executive directors.

**Article 4** Members of the Nomination Committee shall be nominated by the chairman/chairlady of the board of directors, more than half of the independent non-executive directors or one-third of all directors, and shall be elected by the board of directors.

**Article 5** The Nomination Committee shall have a chairperson (the “**Chairperson**”) to be served by the chairman/chairlady of the board of directors or an independent non-executive director of the Nomination Committee. The Chairperson shall preside over the work of the Nomination Committee and shall be appointed by the board of directors.

**Article 6** The term of office of the Nomination Committee shall be the same as that of the board of directors. Each member of the Nomination Committee shall be eligible for re-election upon expiry of his or her term of office. During such period, if any member of the Nomination Committee ceases to be a director of the Company, his or her membership in the Nomination Committee shall lapse automatically, and the vacancy shall be filled by the person elected by the board of directors according to this terms of reference.

### Chapter 3 Secretary

**Article 7** The secretary of the Nomination Committee shall be any company secretary or joint company secretary.

**Article 8** The Nomination Committee could from time to time appoint any other person with appropriate qualifications and experience as the secretary of the Nomination Committee.

### Chapter 4 Duties and Powers

**Article 9** The primary duties of the Nomination Committee are to:

- (i) review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the board of directors at least annually and make recommendations on any proposed changes to the board of directors to complement the Company's strategy;
- (ii) extensively identify individuals suitably qualified to serve as directors, and select or make recommendations to the board of directors on the selection of individuals nominated for directorships;
- (iii) assess the independence of the independent non-executive directors;
- (iv) make recommendations to the board of directors on appointment or re-appointment of directors and succession planning for directors, in particular the chairman/chairlady of the board of directors and the chief executive officer;
- (v) review the diversity policy of the board of directors (the "**Board of Directors Diversity Policy**"), any measurable objectives for implementing such Board of Directors Diversity Policy as may be adopted by the board of directors from time to time, the progress on achieving such objectives and disclose such Board of Directors Diversity Policy or its summary in the corporate governance report;
- (vi) where the board of directors proposes the resolutions to elect independent non-executive director at the general meeting, it shall set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting: (1) the processes used for identifying the individual and the reasons why the board of directors believes the individual should be elected and the board of directors considers the individual to be independent; (2) if the proposed independent non-executive directors will be holding their seventh (or more) listed company directorship, the reasons why the board of directors believes the individual would still be able to devote sufficient time to the board of directors; (3) the views, perspectives, skills and experience that the individual can bring to the board of directors; and (4) how the individual could contribute to the diversity of the board of directors;

- (vii) review the implementation and effectiveness of the corporate mechanism(s) to ensure independent views and opinions are available to the board of directors;
- (viii) report to the board of directors on decisions or recommendations, except where legal or regulatory restrictions prevent such reporting;
- (ix) perform other duties of the Nomination Committee according to the Hong Kong Listing Rules, as amended from time to time; and
- (x) perform other duties authorized by the board of directors.

**Article 10** The Nomination Committee shall be accountable to the board of directors. The proposals provided by the Committee shall be submitted to the board of directors for consideration and approval. In the absence of sufficient reasons or reliable evidence, controlling shareholders shall give full respect to the recommendations provided by the Nomination Committee, otherwise they may not propose an alternate candidate for directors and senior management.

**Article 11** The Nomination Committee is authorized by the board of directors to obtain any necessary information from the employees within the scope of its duties, to perform its duties. The Nomination Committee shall be provided with sufficient resources to perform its duties.

**Article 12** The Chairperson or, in its absence, one of the other members of the Nomination Committee (who must be an independent non-executive Director) should attend the annual general meetings of the Company and handle the shareholders' enquiry on the activities and responsibilities related to the Nomination Committee.

## **Chapter 5 Decision-making Procedures**

**Article 13** In accordance with the requirements under relevant laws and regulations, the Hong Kong Listing Rules and the Articles of Association, and in view of the actual condition of the Company, the Nomination Committee shall study the selection criteria, selection procedures and terms of office of directors and senior management of the Company to form a resolution and submit it to the board of directors for approval upon filing and for implementation accordingly.

**Article 14** The selection procedures of directors and senior management are as follows:

- (i) the Nomination Committee shall actively communicate with the relevant departments of the Company to study the demand of the Company for new directors and senior management and to produce the result in writing;
- (ii) the Nomination Committee may extensively identify candidates for directors and senior management within the Company, its controlling (investee) enterprises as well as in the labor market;

- (iii) the Nomination Committee shall gather information about the occupation, education background, job title, detailed work experience and all part-time jobs of the preliminary proposed candidates, and to formulate written materials thereon;
- (iv) the Nomination Committee shall obtain the consent from the nominee, otherwise the nominee will not be deemed as the candidate for director or senior management;
- (v) the Nomination Committee shall convene a committee meeting to review the qualifications of the preliminary candidates in accordance with the requirements for directors and senior management;
- (vi) the Nomination Committee shall make suggestion to the board of directors regarding the recommendations and relevant information of the candidates for the director and senior management position one to two months prior to the election of new directors and appointment of new senior management; and
- (vii) the Nomination Committee shall carry out other follow-up tasks according to the decision of and feedback from the board of directors.

## **Chapter 6 Rules of Procedures**

- Article 15** Members of the Nomination Committee can convene a meeting at any time when necessary.
- Article 16** A notice shall be given to all members three days prior to the convening of the meeting of the Nomination Committee. The meeting shall be presided over by the Chairperson of the Nomination Committee, and in its absence, it may entrust another member of the Nomination Committee (who must be an independent non-executive director) to preside over the meeting on its behalf. Such notice period may be waived with the unanimous consent of all members of the Nomination Committee. Notwithstanding of the notice period, the attendance of the member of the Nomination Committee at the meeting would be deemed as waiving the required notice period.
- Article 17** The quorum of a meeting of the Nomination Committee shall be not less than two-thirds of the members. Each member has one vote. Resolutions of the meeting must be passed by more than half of all the members of the Nomination Committee.
- Article 18** Meeting can be attended in person or via telephone or video conferencing. Members can attend the meeting with a telephone or any similar communication device (all persons attending such meeting should be able to hear from such member via such communication device). Resolutions of the Nomination Committee, if to be made at a meeting, shall be passed by more than half of its members attending such meeting.
- Article 19** The written resolutions passed and signed by all members of Nomination Committee are also valid, and their validity shall be the same as any resolutions passed at a meeting duly held by the Nomination Committee.

- Article 20** The Nomination Committee may invite directors, supervisors and other senior management of the Company to attend its meetings if necessary, while only members of the Nomination Committee can vote at the meetings of the Nomination Committee.
- Article 21** The Nomination Committee may, if necessary, engage an intermediary to provide professional opinion for its decision-making at the expense of the Company.
- Article 22** The procedures for convening of a meeting of the Nomination Committee, its voting methods and resolutions passed at such meeting must comply with the provisions of relevant laws, regulations, the Hong Kong Listing Rules, the Articles of Association and this terms of reference.
- Article 23** The Nomination Committee shall keep minutes of the meetings. Members attending the meetings shall sign the minutes of the meetings. Full minutes should be kept by the secretary of the Nomination Committee for the directors to review. The draft and the final version of the minutes shall be delivered to all members of the Nomination Committee within a reasonable period of time after the meeting. The draft is for expressing opinion among the members and the final version is for record keeping.
- Article 24** Resolutions passed and voting results at a meeting of the Nomination Committee shall be reported in writing to the board of directors of the Company.
- Article 25** Members of the Nomination Committee attending the meeting shall keep confidential of all matters discussed at the meeting and shall not disclose such information without authorization.

## **Chapter 7 Supplementary Provisions**

- Article 26** This terms of reference shall become effective from the date of approval by the board of directors.
- Article 27** For any matters not covered in this terms of reference, the relevant laws and regulations, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority, and the relevant provisions of the Articles of Association shall apply. If the relevant provisions of this terms of reference contravene with the laws and regulations, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and the Articles of Association as enacted or amended in the future, such relevant laws and regulations, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority, and the existing or revised Articles of Association shall prevail.
- Article 28** The power of interpretation of this terms of reference shall be vested in the board of directors of the Company.
- Article 29** Should there be any discrepancy between the Chinese and the English versions of this terms of reference, the Chinese version shall prevail.