



## **SCUD GROUP LIMITED**

**飛毛腿集團有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01399)**

### **Terms of Reference for Nomination Committee**

#### **Purpose**

1. The purpose of the Nomination Committee is to identify, screen and recommend to the board of directors (the “Board”) of SCUD Group Limited (the “Company”) appropriate candidates to serve as Directors of the Company, to oversee the process for evaluating the performance of the Board and to develop, recommend to the Board and monitor nomination guidelines for the Company.

#### **Composition**

2. The Nomination Committee shall be appointed by the Board from time to time and shall consist of not less than two independent non-executive directors, each of whom shall meet the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Board shall appoint one member of the Nomination Committee who is an independent non-executive Director or the Chairman of the Board as the Chairman.

#### **Meetings**

3. The Nomination Committee shall meet at least once annually, or more frequently if circumstances require and shall act by unanimous written consent.
4. The Chairman (or in his or her absence, a member designated by the Chairman) shall preside at all meetings of the Nomination Committee. The Chairman shall be responsible for leading the Nomination Committee, including scheduling meetings, preparing agendas and making regular reports to the Board.

#### **Access**

5. The Nomination Committee shall have full access to management and may invite members of management or others to attend its meetings. The Nomination Committee will consult the chairman and/or chief executive

officer of the Company about their proposals relating to the selection and appointment of directors.

### **Minutes**

6. Minutes of each Nomination Committee shall be prepared and sent to all Nomination Committee members. The Nomination Committee shall evaluate and assess the effectiveness of the Committee and the adequacy of this Nomination Committee Terms of Reference on an annual basis and recommend any proposed changes to the Board.

### **Authority**

7. The Nomination Committee is authorised by the Board to determine the procedures, process and criteria to be adopted for purposes of selecting and recommending candidates for directorship. The Board shall provide the Nomination Committee with sufficient resources to perform its duties. Where necessary, the Nomination Committee should seek independent professional advice and assistance from internal or external legal, accounting or other advisors at the expense of the Company to perform its responsibilities.

### **Responsibilities and Duties**

8. The Nomination Committee shall perform the following duties:-
  - (a) to review the structure, size and composition (including but not limited to gender, age, cultural background, educational background, professional experience, skills, knowledge and/or length of service) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy and business model;
  - (b) to develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship;
  - (c) to identify individuals who are suitably qualified to become a Board member and to select or make recommendations to the Board on the selection of individuals nominated for directorships having regard to each candidate's merit against an objective criteria and the benefits of diversity of the Board;
  - (d) to assess the independence of independent non-executive directors to determine their eligibility;
  - (e) to 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;

- (f) to review and assess the adequacy of the corporate governance guidelines of the Company and to recommend any proposed changes to the Board for approval; and
- (g) have regard to the Company's policy concerning diversity of board members, and make appropriate disclosure of the policy or a summary of the policy including any measurable objectives that it has set for implementing the policy, and progress on achieving those objectives in the Corporate Governance Report.

Adopted by the Board on 31 August 2013.

*\* For identification purpose only*