



## **CHINA ENVIRONMENTAL RESOURCES GROUP LIMITED**

### **中國環境資源集團有限公司**

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

**(Stock code: 1130)**

## **TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE**

### **Formation**

1. The nomination committee ("the Committee") was formed pursuant to the board of directors ("the Board") resolution of China Environmental Resources Group Limited ("the Company").

### **Composition and Quorum**

2. The Committee shall be appointed by the Board amongst the directors. A majority of the Committee members should be independent non-executive directors.
3. The Committee shall consist of not less than three members.
4. A quorum of the meetings of the Committee shall be two members.
5. The chairman of the Committee should be the Chairman of the Board or an independent non-executive director.
6. The meetings and proceedings are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of directors.

### **Authority**

7. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
8. The Committee is authorised 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.

## **Duties**

### **9. The Committee shall :**

- (a) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in maintaining a Board skills matrix and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.
- (b) identify individuals suitably qualified to become the 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) support the Company's regular evaluation of the Board's performance.
- (f) assess each director's time commitment and contribution to the Board, as well as the director's ability to discharge his/her responsibilities effectively.
- (g) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation or the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited where appropriate.
- (h) To consider other topics as defined by the Board.

## **Reporting procedures**

- 10.(a) Chairman of the Committee who chair the meetings or other member of the committee who is authorised by the chairman of the Committee to chair the meeting shall report to the Board after each meeting of the Committee.
- 10.(b) Full minutes of the meetings of the Committee should be kept by the secretary of the Company, which should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Committee members or dissenting views expressed. Draft and final versions of minutes of the Committee meetings should be sent to all members of the Committee for their comment and records respectively within a reasonable time after the meeting.
- 10.(c) The secretary of the Committee or his/her representative shall circulate the minutes of meetings of the Committee to all members of the Board.