



## **NOMINATION COMMITTEE TERMS OF REFERENCE**

### **1. OBJECTIVE**

The Nomination Committee (the “**Committee**”) of Easyknit Enterprises Holdings Limited (the “**Company**”) is to assist the board of directors of the Company (the “**Board**”) to lead the process for Board appointments and to keep under review the balance of skills, knowledge and experience on the Board to ensure the orderly evolution of the membership of the Board.

### **2. MEMBERSHIP**

- 2.1 All members of the Committee (the “**Members**”) shall be appointed by the Board and shall comprise a minimum of three non-executive directors.
- 2.2 The majority of the Members shall be independent non-executive directors.
- 2.3 The Chairman of the Committee (the “**Chairman**”) shall be appointed by the Board and must be an independent non-executive director.
- 2.4 The Company Secretary of the Company or his delegate shall be the secretary of the Committee.

### **3. AUTHORITY**

- 3.1 The Committee shall report directly to the Board on its decisions or recommendation.
- 3.2 The Committee is authorized to obtain independent professional advice and to secure assistance from external parties with relevant experience and expertise if it considers necessary. The Committee shall have the sole authority to approve all reasonable related fees and terms of engagement.
- 3.3 The Committee is authorized to request the employee of the Company to provide information within the scope of its duties.
- 3.4 The Committee is to be provided with sufficient resources to perform its duties.

### **4. DUTIES**

The duties of the Committee shall include the following aspects:



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- 4.1 to review the structure, size and composition (including the skills, knowledge and experience) required of the Board and make recommendations on any proposed changes to the Board to implement the Company's corporate strategy;
- 4.2 to identify and nominate candidates to fill casual vacancies of directors for the Board's approval;
- 4.3 to assess the independence of independent non-executive directors and review the independent non-executive directors' annual confirmations on their independence; and make disclosure of its review in the Corporate Governance report;
- 4.4 to make recommendations to the Board on relevant matters relating to the succession planning for the Chairman and the chief executive; and
- 4.5 to do any such things to enable the Committee to perform its powers and functions conferred on it by the Board.

## 5. MEETINGS

### 5.1 Frequency

The Committee shall meet at such time as the Committee shall require.

### 5.2 Notice

Notice of any meetings of the Committee has to be given at least 14 days prior to any such meeting held, unless all Members unanimously waive such notice.

### 5.3 Quorum

The quorum of the Committee shall be any two Members.

### 5.4 Attendance

At the invitation of the Nomination Committee, the Chairman of the Board and/or senior management, external advisers and other persons may be invited to all or part of any meetings.

Only Members are entitled to vote at Committee meetings.

The Chairman in his absence, another Member shall attend the annual general meetings of the Company and be prepared to respond to the questions from shareholders on the activities of the Committee and their responsibilities.

### 5.5 Resolutions

- (a) Resolutions of the Committee shall be passed by a majority of votes. Meetings can be held in person, by telephone or by video conference.



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- (b) A resolution in writing signed by all the Members shall be as valid and effectual as if it has been passed at a meeting of the Committee duly convened and held.

5.6 Minutes

The secretary of the Committee shall keep full minutes of all Committee meetings. Draft minutes of meetings of the Committee shall be sent to all Members for their comment within a reasonable time after the meeting. The final version of the minutes duly signed by the Chairman shall be sent to all Members for their records.

**6. PUBLICATION OF THESE TERMS OF REFERENCE**

A copy of these Terms of Reference will be made available to any person without charge upon request and these Terms of Reference will be posted on the respective website of the Company and Hong Kong Exchanges and Clearing Limited.

*March 2012*