

Nominations Committee

Terms of Reference

Introduction

The Cricket Hong Kong (*the Company*) Code of Governance (*the Code*) states that:

There should be a formal, rigorous and transparent procedure for the appointment of new directors to the Board.

The Company's Articles of Association provide:

There should be a nomination committee which should lead the process for Board appointments and make recommendations to the Board and the members of the company

The Code further states that the Company should be headed by an effective Board which is collectively responsible for the long-term success of the Company.

The Board (and its sub-committees) should have the appropriate balance of skills, experience, independence as well as knowledge of the Company, its operations and its stakeholders to enable them to discharge their respective duties and responsibilities effectively.

All Directors should be able to allocate sufficient time to the Company to discharge their responsibilities effectively.

As with most aspects of corporate governance, the Company must be seen to be doing all these things in a fair, transparent and thorough manner. The Chairman of the Nomination Committee (also referred to as *the Committee*) shall attend the Annual General Meeting to answer any questions which may be raised by members on matters within the Nominations Committee's area of responsibility.

The Code also requires that the terms of reference of the Nomination Committee, explaining its role and the authority delegated to it by the Board, be made *available* (e.g. by placing them on a website maintained by or on behalf of the Company and including the names of the Committee's members).

It is essential that the Nomination Committee be properly constituted with a clear remit and identified authority.

1. Membership

1. The Committee shall comprise the Chairpersons of Cricket Hong Kong, the Senior Members of the Company and the Independent Directors as provide in the Company's Articles of Association.
2. Only members of the Nominations Committee have the right to attend such committee meetings. However, other individuals such as the Chief Executive Officer, senior management and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary. This shall be at the sole discretion of the Nominations Committee.
3. The composition of the Nominations Committee shall be confirmed at the date of the first Board meeting following the Annual General Meeting. Appointments to the Committee shall be for the period ending at the conclusion with the next Annual General Meeting.
4. The Chair of the Nominations Committee shall be the Senior Independent Director. In the absence of the Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
5. Independent Directors retiring from the Board through rotation, but making themselves available for a further term, shall recuse themselves from such discussions.

2. Secretary

The Company secretary or his or her nominee shall act as the secretary of the Nominations Committee.

3. Quorum

The quorum necessary for the transaction of business shall be 2 [two] (both of whom must be Independent non-executive directors).

4. Frequency of meetings

The Committee shall meet at least twice a year and otherwise as required.

5. Notice of meetings

1. Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chair.
2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than 10 working days before the date of the meeting. Supporting papers shall be sent to the Committee members and to other attendees as appropriate, at the same time. Meetings should be organised so that attendance is maximised.

6. Minutes of meetings

1. The secretary shall minute the proceedings and resolutions of all Nominations Committee meetings, including the names of those present and in attendance.
2. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee chairman it would be inappropriate to do so.

7. Annual general meeting

The Committee chairman shall attend the Annual General Meeting to answer any members questions on the Committee's activities.

8. Duties

The Committee shall carry out the duties below for Company and its subsidiary undertakings as appropriate.

The Committee shall:

1. Be responsible for identifying and nominating for the approval of the members (or Board, as the case may be), candidates to fill Board vacancies as and when they arise. The Committee may consult as widely as possible, including other stakeholders of the Company, and the governing bodies of other sports, in its quest for suitable nominees.
2. Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes.

3. Prepare a skills matrix for all Board appointments. This shall be reviewed annually and updated as required.
4. Give full consideration to succession planning for directors and senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board and management in the future.
5. Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to operate effectively with regard to all stakeholders.
6. Ensure that they are fully informed about strategic issues and commercial changes affecting the Company and the environment in which it operates
7. Before any nomination is made, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall
 - a. use open advertising or the services of external advisers to facilitate the search
 - b. consider candidates from a wide range of backgrounds
 - c. consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have sufficient time available to devote to the position
8. For the appointment of all directors (including the Chair and Independent Directors), the Committee should prepare detailed job specifications, including the time commitment expected. (All prospective directors' other significant commitments should be disclosed to the Board before appointment and any changes to their commitments should be reported to the Committee as they arise).
9. Prior to the nomination by the Committee of a director, the proposed appointee should be required to disclose any other interests that may result in a conflict of interest and be required to report any future interests that could result in a conflict of interest.
10. Ensure that on appointment to the Board, all directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings. All new directors to the Board are to attend an induction session provided by the company and overseen by the Committee.
11. Review the results of the Board performance evaluation process that relate to the composition of the Company's Board

12. Review annually the time required from all directors. Performance evaluation should be used to assess whether the directors are spending enough time to fulfil their duties
13. Work and liaise as necessary with all other Board committees.
14. The Committee shall also make recommendations to the Board concerning:
 - a. formulating plans, together with appropriate Board members for succession for all directors and in particular for the key roles of Chair and Chief Executive Officer.
 - b. identify suitable criteria and candidates for the role of Independent Director.
 - c. membership of the audit and remuneration committees, and any other Board committees as appropriate, in consultation with the chairpersons of those committees
 - d. the re-appointment by members of any director:
 - i. where permitted by the Company's Articles of Association, and at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required and specific requirements of the Board
 - e. any and all matters relating to the continuation in office of any director or executive officer of CHK at any time including the suspension or termination of service of an senior employee of the Company subject to the provisions of the law and their service contract
 - f. the appointment of any director to any other office within CHK

9. Reporting responsibilities

1. The Committee chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
2. The Committee shall produce a list of candidates nominated by the Committee to go forward as the preferred and duly nominated candidates for Board director positions falling due at the next Annual General Meeting of the Company. This shall be done in accordance with the Company's Articles of Association, with particular reference to Article 12.5 (b).
3. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed
4. The Committee shall produce a report to be included in the Company's annual report about its activities, the process used to make appointments and explain if external advice or open advertising has been used. Where an external search agency has been used, it shall be identified in the annual report and a statement

made as to whether it has any connection with the Company or any of its directors

5. The report referred to in 9.4 above should include a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives

10. Other matters

The Committee shall:

1. Have access to sufficient resources of the Company in order to carry out its duties, including access to the Company Secretary for assistance as required
2. Be provided by the Company with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members
3. Give due consideration to Hong Kong laws and regulations, the provisions of the Company's Articles of Association and the requirements the various governing bodies, as appropriate
4. Arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

11. Authority

The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference where appropriate.