



**SAN MIGUEL BREWERY  
HONG KONG LTD.**

香港生力啤酒廠有限公司

*(Incorporated in Hong Kong with limited liability)*  
(Stock Code: 236)

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

(amended as of 24 October 2022)

**1. GENERAL SCOPE AND AUTHORITY**

- 1.1 San Miguel Brewery Hong Kong Limited (“the Company”) Nomination Committee (“the Committee”) is a Committee of the board of directors (the “Board”) of the Company established under Article 131 of the Articles of Association of the Company (“the Articles”).
- 1.2 Proceedings and meetings of the Committee will be governed by the provisions of the Articles on regulation of the proceedings and meetings of the Board of the Company in so far as they are applicable and not inconsistent with these terms of reference.
- 1.3 The primary purpose of the Committee is to support and advise the Board in fulfilling their responsibilities to shareholders in ensuring that the Board is comprised of individuals who are best able to discharge the responsibilities of directors having regard to the law and the highest standards of governance by:
- assessing the skills required on the Board;
  - from time to time assessing the extent to which the required skills are represented on the Board;
  - establishing process for the review of the performance of individual directors and the Board as a whole; and
  - establishing process for the identification of suitable candidates for appointment to the Board.
- 1.4 The Committee shall have the right to seek any information it considers necessary to fulfill its duties, which includes the right to obtain appropriate external or other independent professional advice at the Company’s expense.
- 1.5 The Committee shall be provided with sufficient resources by the Company to discharge its duties under these terms of reference.

**2. COMPOSITION**

- 2.1 The Committee shall comprise at least three members. A majority of the members should be independent non-executive directors, one of whom will be appointed the Committee chairman by the Board.

- 2.2 A quorum will comprise any two independent non-executive director committee members. The chairman of the Committee shall preside in the meetings of the Committee. In the absence of the Committee chairman or his appointed delegate, the members shall elect one of their members as chairman for the meeting who will preside thereat.
- 2.3 The chairman of the Committee shall have a second or casting vote in case of equality of votes.
- 2.4 The Committee may invite any executive management team members or other individuals to attend meetings of the Committee, as they consider appropriate.
- 2.5 The Company secretary shall be the secretary of the Committee.

### **3. MEETINGS**

- 3.1 The Committee shall meet as frequently as required but not less than once a year.
- 3.2 Any Committee member or the secretary may call a meeting of the Committee.
- 3.3 A notice of each meeting confirming the date, time, venue and agenda shall be forwarded to each member of the Committee (with a copy to all Board members) at least seven working days prior to the date of the meeting. The relevant supporting papers are sent in full to all Committee members at least three days before each meeting.
- 3.4 The Committee shall have access to professional advice from employees within the Company and from appropriate external advisers. The Committee may meet with these external advisers without management being present.
- 3.5 The Committee, through the chairman of the Committee, the Company secretary or the chief finance officer, shall report to the Board on the decisions and recommendations made by the Committee following each meeting, except where there are legal or regulatory restrictions on such reporting by the Committee to the Board.
- 3.6 Full minutes of proceedings and resolutions of Committee meetings shall be kept by the Company secretary as the secretary of the Committee. Draft minutes shall be sent to all Committee members for their comment within a reasonable time after the meeting, and the final version of the minutes shall be distributed to all Committee members for final approval of the Committee. Minutes, agenda and supporting papers will be made available to any director upon request to the secretary, provided that, no conflict of interest exists.

### **4. DUTIES AND RESPONSIBILITIES**

The Committee shall have the following duties and responsibilities:

- 4.1 Review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations to the Board regarding any proposed changes to complement the Company's corporate strategy. In such review, the Committee shall take into consideration the following:

- the Board shall have the appropriate mix of competence, skills, experience, expertise and diversity of perspectives, and a collective working knowledge, experience and expertise relevant to, and appropriate to the requirements of, the Company's business and industry; and a balanced composition of executive and non-executive directors (including independent non-executive directors), with such non-executive directors of sufficient calibre and number so as to establish a strong independent element on the Board to effectively exercise independent judgement; and
  - a diverse Board of directors, with the appropriate qualifications and broad range of expertise relevant to the Company's business, is an essential element in maintaining a competitive advantage in the complex business industry that the Company operates. The Committee embraces the policy that including and making use of increasing diversity at the Board level, which consists of differences in the skills, experience, background, race, gender and other distinctions amongst directors, is important to achieve effective corporate governance and sustained commercial success of the Company. However, diversity shall not be considered to have been achieved for a single gender board. These differences will be considered in determining the optimum composition of the Board and, when possible, should be balanced appropriately;
- 4.2 Identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships. In identifying such individuals and selecting or making recommendations to the Board on the selection of such individuals, the Committee shall consider whether such individuals possess the qualifications, ability and stature that would enable them to effectively fulfill their roles and responsibilities as directors of the Company, including participation in the deliberations of the Board, securing objective independent judgment on corporate affairs, and strengthening proper checks and balances;
- 4.3 Assess the independence of independent non-executive directors;
- 4.4 Make recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive officer;
- 4.5 Recommend a process for the assessment of the performance of individual directors and the Board as a whole; and
- 4.6 Be entitled to employ, at the Company's expense, the services of such advisers as it deems necessary to fulfill its responsibilities.

## **5. NOMINATIONS POLICY**

The provisions in section 4.1 to 4.4 of these terms of reference form the key principles that constitute the Nominations Policy of the Company.

## **6. REVIEW AND AMENDMENT**

These terms of reference shall be subject to the review by the Board and Committee at any time, or as may be necessary in accordance with the needs of the Company, or as may be required by applicable laws, rules and regulations, and shall be made available on request to any shareholder of the Company. These terms of reference are posted on the Company's website, <http://info.sanmiguel.com.hk> and the website of The Hong Kong Stock Exchange Limited.