

# **China Mengniu Dairy Company Limited (the “Company”) Nomination Committee Terms of Reference**

## **1 Constitution**

The board of directors of the Company (the “**Board**”) hereby constitutes and establishes a nomination committee (the “**Nomination Committee**”) with authority, responsibility and specific duties as described below.

## **2 Membership**

2.1 The Nomination Committee shall be appointed by the Board and shall be made up to at least three (3) members (the majority of whom should be independent non-executive directors), or as the Board may determine otherwise from time to time. The members of the Nomination Committee shall appoint its chairman (the “**Chairman**”) who should either be an independent non-executive director or the chairman of the Board.

2.2 The quorum necessary for transaction of business shall be two (2). A duly convened meeting of the Nomination Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Nomination Committee.

2.3 In the absence of the Chairman and/or an appointed deputy, the remaining members present at the meeting shall elect one of themselves to chair the meeting. The chairman of the Board shall not chair the Nomination Committee when it is dealing with the matter of succession to the chairmanship.

## **3 Secretary**

The secretary of the Nomination Committee (the “**Secretary**”) shall be the company secretary of the Company or any other person designated as such by the Nomination Committee from time to time.

## **4 Authority**

4.1 The Nomination Committee is authorised by the Board to investigate any activity within this 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 Nomination Committee.

- 4.2 The Nomination Committee shall be provided by the Company with sufficient resources to perform its duties and is authorised by the Board to obtain, at the Company's expense, independent professional advice necessary for the performance of its responsibilities.

## **5 Duties**

5.1 The duties of the Nomination Committee include:

- (a) to review the structure, size, composition and diversity of the Board at least annually, based on factors including gender, age, cultural and educational background, ethnicity, professional or industry experience, skills, knowledge and length of service and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become Board members based on merit and select or make recommendations to the Board on the selection of individuals nominated for directorships, having considered the individuals against objective criteria, with due regard for the benefits of diversity on the Board;
- (c) to assess the independence of the independent non-executive directors of the Company and to review the independent non-executive directors' annual confirmations on their independence;
- (d) 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 of the Company;
- (e) to seek, at the Company's expense, independent professional advice to perform its responsibilities where necessary;
- (f) to report back to the Board on its decisions or recommendations (unless there are legal or regulatory restrictions on its ability to do so) and to prepare a summary of its work during the year for inclusion in the Company's corporate governance report (including the policies, procedures, process and criteria it has

adopted to select and recommend candidates for directorship during the year, a summary of the Board Diversity Policy, the measurable objectives set for implementing the Policy and the progress made towards achieving the objectives); and

- (g) to review the Board Diversity Policy, recommend any proposed changes to the Board and prepare relevant disclosure for inclusion in the Company's corporate governance report.

## **6 Frequency and proceedings of Meetings**

- 6.1 The Nomination Committee shall meet at least once per year.
- 6.2 Additional meetings shall be held as the work of the Nomination Committee or circumstances require. The Chairman may convene additional meetings at his discretion.
- 6.3 Proceedings of meetings of the Nomination Committee shall be governed by the provisions of the Company's Articles of Association.

## **7 Attendance**

- 7.1 As necessary or desirable, the Chairman may request members of management or the human resources department to be present at the meeting of the Nomination Committee.
- 7.2 Meetings may be held by way of such telephonic, electronic or other communication facilities that permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

## **8 Minutes**

- 8.1 Full minutes of the Nomination Committee meetings shall be kept by the Secretary.
- 8.2 The Secretary shall send the draft and final version of the minutes to all committee members for their comment and records within a reasonable time after the meeting.

## **9 General**

- 9.1 The Nomination Committee should make available these terms of reference, explaining its role and the authority delegated to it by the Board, by including them

on the website of The Stock Exchange of Hong Kong Limited and the website of the Company.

- 9.2 The Chairman (in his absence, another member of the Nomination Committee) shall make himself available to attend the annual general meetings of the Company to answer questions thereat.

March 2012 (last amended in March 2017)