



Fountain Set (Holdings) Limited
Terms of Reference for the Nomination Committee
(Effective date: 1 September 2011)

1. Membership

The nomination committee shall be appointed by the board from amongst the directors of the Company with majority of independent non-executive directors. It shall consist of 5 members.

The chairman of the nomination committee shall be appointed by the board.

An appropriate officer of the company appointed by the board shall be the secretary of the nomination committee.

2. Attendance at meetings

A quorum shall be 3 members.

3. Frequency of meetings

The nomination committee shall meet as and when necessary or as required by any committee member.

4. Authority

The nomination committee is authorised by the board to perform duties within its terms of reference. It is authorised to consult the chairman and/or chief executive officer of the company and to seek any information it requires from any employee. All employees are directed to co-operate with any request made by the nomination committee.

The nomination committee should be provided with sufficient resources to perform its duties. The nomination committee is authorised by the board to seek independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.



5. Duties

The nomination committee should perform the following duties:

- (a) identify individuals suitably qualified to become board members and select or make recommendations to the board on the selection of individuals nominated for directorships;
- (b) 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 officer;
- (c) do any such things to enable the nomination committee to discharge its duties conferred on it by the board; and
- (d) conform to any requirement, direction, and regulation that may from time to time be prescribed by the board or contained in the company's constitution or imposed by legislation and/ or rules.

6. Reporting procedures

Full minutes of nomination committee meetings should be kept by a duly appointed secretary of the meetings. Draft and final versions of minutes of the nomination committee meetings should be sent to all members of the committee for their comment and records respectively, in both cases within a reasonable time after the meetings. The secretary shall circulate the minutes of the meetings and reports of the nomination committee to all members of the board.