

**Shanghai Chicmax Cosmetic Co., Ltd.**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE  
OF THE BOARD OF DIRECTORS**

**(Approved on December 5, 2022 in the eleventh meeting of the first session of the board  
of directors of the Company)**

# Shanghai Chicmax Cosmetic Co., Ltd.

## TERMS OF REFERENCE OF THE NOMINATION COMMITTEE OF THE BOARD OF DIRECTORS

### CHAPTER 1 GENERAL PROVISIONS

- Article 1** These terms of reference (these “**Terms**”) are established by Shanghai Chicmax Cosmetic Co., Ltd. (the “**Company**”) for the nomination committee (the “**Nomination Committee**” or the “**Committee**”) under its board of directors (the “**Board**”) in accordance with the Company Law of the People’s Republic of China, the Articles of Association of Shanghai Chicmax Cosmetic Co., Ltd. (the “**Articles of Association**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and other relevant laws, administrative regulations and regulatory documents in order to improve the corporate governance structure of the Company, regulate the appointment of directors and senior management of the Company and optimize the composition of the Board.
- Article 2** The Nomination Committee is a body of the Board specifically set up by the Board in accordance with resolutions of general meetings, and is mainly responsible for choosing candidates for directors and senior management of the Company and formulating selection criteria and procedures, and making recommendations thereon.
- Article 3** These Terms shall apply to the Nomination Committee and relevant personnel and departments involved in these Terms.

### CHAPTER 2 COMPOSITION

- Article 4** The Nomination Committee shall comprise of three directors, of which at least two shall be independent non-executive directors, and an independent non-executive director shall be the convenor.
- Article 5** The chairman and members of the Nomination Committee shall be appointed and removed by the Board in accordance with the procedures provided in laws, regulations, listing rules of the stock exchange where the Company’s shares are listed and the Articles of Association.
- Article 6** The Nomination Committee shall have one chairman, who shall be the chairman of the Board or an independent non-executive director, and shall be elected among the members of the Nomination Committee.

**Article 7**

The term of office of the Nomination Committee shall correspond to the term of office of the Board. Members of the Nomination Committee may serve consecutive terms if re-elected. In the event that during the term a member of the Committee ceases to be a director of the Company, his/her membership on the Nomination Committee shall lapse automatically. A member may submit resignation to the Board before the expiration of his/her term of office. Such resignation shall specify reasons for the resignation and any matters which would require the attention of the Board of the Company. Changes to the members of the Nomination Committee may be made during their term of office by the Board as and when proposed by the chairman of the Board and discussed and approved by the Board. When the number of Nomination Committee members falls below the required number of the Nomination Committee members under these Rules of Procedures, the Board shall appoint additional members to the Nomination Committee in accordance with these Terms to fill the vacancies. The term of office of such additional members will expire as their term of office as directors expires.

**CHAPTER 3 DUTIES AND RESPONSIBILITIES****Article 8**

Main duties and powers of the Nomination Committee include:

- (1) reviewing the structure, size, composition and relevant qualifications (including skills, expertise and experiences) of the Board at least once annually, making recommendations to the Board on any proposed changes to the Board to complement the issuer's corporate strategy;
- (2) identifying individuals suitably qualified to become Board members (including whether the individuals can bring to the Board the perspectives, skills and experiences and how the individuals can contribute to the diversity of the Board) and making recommendations to the Board on the selection of individuals nominated for directorships;
- (3) developing and maintaining a policy for the nomination of the directors which includes the nomination procedures and the process and criteria adopted by the Nomination Committee to identify, select and recommend candidates for directorship during the year, and advising the current session of the Board as to the candidates for the next session of the Board during elections of members for the next session of the Board;
- (4) assessing the independence of the independent non-executive directors;
- (5) reviewing annually the time required from non-executive directors and independent non-executive directors. Performance evaluations should be used to assess whether the non-executive directors and independent non-executive directors are spending enough time in fulfilling their duties;
- (6) developing and revising a policy concerning the diversity of the Board, and reviewing periodically and disclosing in the diversity policy or a summary of the policy in the corporate governance report of the Company;

- (7) making recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive officer. The Nomination Committee shall make recommendations on the appointment of directors with due regard to the diversity policy of the Company and in accordance with the challenges and opportunities faced by the Company;
- (8) researching and making recommendations on the selection criteria and procedures for senior management; selecting the candidates for senior management members; reviewing the candidates for senior management members and making recommendations to the Board;
- (9) other matters delegated by the Board.

**Article 9**

Main duties and powers of the chairman of the Nomination Committee include:

- (1) convening and chairing the meetings of the Nomination Committee, signing and issuing the resolutions of the meetings;
- (2) proposing the convening of extraordinary meetings;
- (3) heading the Nomination Committee and ensuring its effective operation and performance of duties;
- (4) ensuring that a clear conclusion is drawn for each topic discussed by the Nomination Committee, such conclusion may be passed, rejection or deferral (to be reconsidered with supplementary materials);
- (5) determining the agenda of each Nomination Committee meeting;
- (6) ensuring that all members present at the Nomination Committee meeting are informed of the matters to be discussed at such meeting and that every member is provided with complete and reliable information;
- (7) other duties as stipulated in the laws, regulations, the Hong Kong Listing Rules and other relevant regulatory rules of the places where the shares of the Company are listed, these Terms and as required or delegated by the Board.

**Article 10**

Main duties and powers of the members include:

- (1) attending the meetings of the Nomination Committee on time and expressing opinions on the matters deliberated at the meetings and exercising their voting rights;
- (2) proposing matters to be deliberated at the meetings of the Nomination Committee;

- (3) attending relevant meetings of the Company as non-voting delegates or visitors, conducting surveys and researches and collecting relevant information such as reports, documents and materials for the purpose of discharging their duties;
- (4) fully understanding the duties of the Nomination Committee and those of himself/herself as a member of the Nomination Committee and acquainting himself/herself with relevant information on the operation and management, business activities and development of the Company to ensure his/her capacity for discharging duties;
- (5) fully ensuring that he/she has sufficient working hours and energy to fulfil his/her duties;
- (6) other duties as stipulated in the laws, regulations, the Hong Kong Listing Rules and other relevant regulatory rules of the places where the shares of the Company are listed, these Terms and as required or delegated by the Board.

**Article 11**

The Nomination Committee shall be accountable to the Board and any proposal from the Nomination Committee should be submitted to the Board for consideration and approval, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements). The Nomination Committee shall provide the Board with discussions, materials and information in the forms of reports, proposals and conclusions for consideration and decision-making.

**Article 12**

The Nomination Committee shall determine, by a resolution, the appointment criteria, selection procedures and term of office of the Company's directors and senior management members pursuant to relevant laws and regulations and the Articles of Association, and based on the actual situations of the Company. The resolution should be filed for record and submitted to the Board for approval, and be implemented accordingly.

An independent non-executive director shall be re-elected upon corresponding review procedures in accordance with the listing rules of the stock exchange where the Company's shares are listed if such director has served in his/her position for more than nine years.

**Article 13**

The procedures for selection of directors and other senior management members:

- (1) the Nomination Committee shall actively communicate with the relevant divisions of the Company to study the need for directors, general managers and other senior management members and make written reports in respect thereof;
- (2) the Nomination Committee shall look widely for candidates for directors, general managers and other senior management members within the Company and companies in which the Company has a controlling or non-controlling share, as well as in the human resources market;

- (3) obtaining the information on the occupational and educational background, certification, detailed working experience and concurrent job of the proposed candidates and composing written reports in respect thereof;
- (4) consent should be sought from the nominees to their nomination before naming them as candidates for directors, general managers and other senior management members;
- (5) convening a meeting of the Nomination Committee to examine the qualifications of proposed candidates according to the appointment criteria for directors, general managers and other senior management members;
- (6) making recommendations and providing relevant information in respect of the candidates for directors, general managers and other senior management members to the Board in accordance with the provisions of the Articles of Association prior to the election of new directors and appointment of new general managers and other senior management members;
- (7) carrying out follow-up work according to the decision and feedback of the Board.

#### **CHAPTER 4 RULES OF PROCEDURE**

**Article 14** The Nomination Committee shall hold a meeting at least once a year as required by the Board or proposed by the members of the Nomination Committee.

The office of the Board of the Company shall notify all members two (2) days before the meeting, however, the above notice period can be exempted with the unanimous consent of all members attending the meeting.

All meetings shall be chaired by the chairman of the Nomination Committee. The chairman can appoint a member to chair the meeting if he/she is not available to attend this meeting.

**Article 15** The notice of the meeting should include the location and time of the meeting, the duration of the meeting, the meeting agenda, and the issues to be discussed, as well as the date of the notice. The notice of the meeting can be delivered by hand, facsimile, e-mail, or registered mail.

**Article 16** Meetings may be held by way of on-site meetings or by means of correspondence meetings. The correspondence meetings include telephone conferences, video conferences, and meetings to consider written proposals, etc.

**Article 17** The quorum of a meeting of the Nomination Committee shall be not less than two-thirds of the members (including proxies appointed in writing authorizing another member of the Committee to attend the meeting). Each member shall have one vote. A resolution of the meeting shall be passed by more than half of the members.

- Article 18** Voting at the meeting of the Nomination Committee shall be taken by a show of hands or other voting methods as determined by the chairman.
- Article 19** Directors of the Company, relevant senior management, relevant experts of the Company, or social experts, scholars as well as intermediary agencies and relevant personnel may be invited to attend the meetings of the Nomination Committee when necessary. Such persons being invited shall give explanations and elaboration on relevant matters at the request of the Nomination Committee members. The directors of the Company who are not a member of the Nomination Committee may attend the Nomination Committee meetings in non-voting capacity.
- Article 20** The Company should provide the Nomination Committee sufficient resources to perform its duties. The Nomination Committee may appoint intermediaries when necessary to provide independent professional opinions thereto at the expense of the Company.
- Article 21** The convening procedures, voting methods and the resolutions to be approved at the meetings of the Nomination Committee shall comply with the relevant laws, regulations, the listing rules of the stock exchange where the Company's shares are listed, the Articles of Association, and these Terms.
- The Nomination Committee shall keep minutes of its meetings. The members present at the meeting, the secretary to the Board attending the meeting without voting right shall sign the minutes of the meeting of the Nomination Committee. The minutes of the meeting shall be kept by the secretary to the Board of the Company in accordance with the Company's file management system and should be open for inspection at any reasonable time on reasonable notice by any director of the Company.
- Minutes of meetings of the Nomination Committee should record in sufficient detail the matters considered and decisions reached, including any concerns raised by the Nomination Committee members or dissenting views expressed. Draft and final versions of minutes should be sent to all Nomination Committee members for their comment and records respectively, within a reasonable time after the meeting is held.
- Article 22** Any resolutions passed and the result of any polls taken at a meeting of the Nomination Committee shall be reported in writing to the Board.
- Article 23** If a member of the Nomination Committee is interested in any matter being considered by the Nomination Committee, such member shall abstain from voting of such matter.
- Article 24** All persons attending the meetings of the Nomination Committee shall keep all matters discussed at the meetings confidential and shall not disclose any such information without authorization.

**Article 25** All members of the Nomination Committee shall attend the meeting in person. If a member is unable to attend the meeting in person, such member shall, by signing and submitting a letter of proxy, authorize another member of the Nomination Committee to attend and express opinion at the meeting on his/her behalf. Such letter of proxy shall expressly state the scope and term of the authorization. Any member of the Nomination Committee shall not accept appointments of proxy by two or more members simultaneously.

The member attending a meeting on behalf of another member shall exercise the rights within the scope of authorization. If a member does not attend a meeting in person or authorize another member to exercise the rights on his/her behalf, nor does he/she submit any opinion in writing prior to the meeting, he/she shall be deemed to have waived his/her rights.

A member who is unable to attend a meeting in person may also exercise his/her rights by submitting in writing his/her opinion with respect to any matter on the meeting agenda, provided that such written opinion shall be submitted to the office of the Board before the meeting.

**Article 26** If a member does not attend a meeting in person or authorize another member to attend such meeting on his/her behalf, nor does he/she submit any opinion in writing prior to the meeting on two consecutive occasions, or if such member fails to attend in person 3/4 of all meetings of the Nomination Committee held during any year, such member shall be deemed incapable of performing the duties of the Nomination Committee, and the Board may replace him/her in accordance with these Terms.

## **CHAPTER 5 COORDINATION AND COMMUNICATION**

**Article 27** In the event that the Nomination Committee encounters any significant or special matters that require to be considered by the Board for study when the Board is in recess, it may submit a written report to the Board through the secretary to the Board and may propose to the chairman of the Board to convene a Board meeting for discussion.

**Article 28** Any written report submitted by the audit department to the Nomination Committee shall be signed and issued by its person in charge and submitted to the Nomination Committee through the secretary to the Board or the office of the Board.

**Article 29** Written reports submitted by the Nomination Committee to the Board shall be signed and issued by the chairman or a member authorized by him/her, and shall be submitted to the Board through the secretary to the Board.

**Article 30** In the event that the senior management of the Company encounters any significant or special matter when the Nomination Committee is in recess, it may submit a written report to the Nomination Committee through the secretary to the Board or the office of the Board and may propose to the chairman of Nomination Committee to convene a meeting for discussion.



**Article 31** The Nomination Committee shall report to the Board by the chairman or a member authorized by him/her on the work of the Nomination Committee since the last regular Board meeting or make a thematic presentation on a particular issue.

## **CHAPTER 6 WORKING BODY OF THE BOARD**

**Article 32** The secretary to the Board of the Company is responsible for organizing and coordinating the work of the Nomination Committee and relevant departments. The secretary to the Board may attend the meetings of the Nomination Committee.

**Article 33** The office of the Board of the Company and relevant departments of the Company shall cooperate in performing tasks in relation to the Nomination Committee.

## **CHAPTER 7 SUPPLEMENTARY PROVISIONS**

**Article 34** These Terms shall take effect from the date of listing of overseas listed foreign shares (H Shares) issued by the Company on the Main board of the Hong Kong Stock Exchange after being considered and approved by the Board of the Company. The same shall apply to any amendments to these Terms.

**Article 35** Any matters not covered by these Terms shall be implemented in accordance with the provisions of the relevant laws, regulations and regulatory documents of the State, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association. Where there is a conflict between these Terms and the laws, regulations and regulatory documents of the State, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association, these Terms shall be implemented in accordance with the provisions of the relevant laws, regulations and regulatory documents of the State, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

**Article 36** In these Terms, "at least", "within" and "below" are inclusive of the principal amount whereas "more than", "less than", "other than", "lower than" and "more than" are exclusive of the principal amount.

**Article 37** These Terms shall be interpreted by the Board.

**Article 38** These Terms are available in both Chinese and English. In the event of any inconsistency between the two versions, the Chinese version shall prevail.

**Article 39** The Nomination Committee should make available these Terms on the websites of the Stock Exchange of Hong Kong Limited and the Company.