



CHINA FOODS LIMITED 中國食品有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 506)

NOMINATION POLICY

1. INTRODUCTION

It is important to China Foods Limited (the “**Company**”) to identify and attract individuals who are interested in serving as potential Directors of the Company and who possess the skills and attributes that will assist the Company in achieving its strategic plan and business objectives.

2. OBJECTIVE

The primary objective of the nomination policy (the “**Nomination Policy**”) is to provide a framework and set standards to assist the nomination committee (the “**NC**”) to the board of Directors (the “**Board**”) in fulfilling its responsibilities set out in the term of reference of the NC and ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business.

3. ACCOUNTABILITES

The Board is ultimately responsible for selection and appointment of Directors.

The Board delegates responsibility for the assessing and selecting candidates for Directors to the NC which then nominate suitable candidate to the Board for it to consider and make recommendations to shareholders for election or re-election as Directors at general meetings or appoint as Directors to fill casual vacancies.

4. RECOMMENDED CANDIDATES

The NC shall consider any and all candidates recommended as nominees for Directors to the NC by any Directors.

In the case of shareholder propose a person other than a retiring Director for election as a Director at a general meeting, such recommendations must comply with the notice requirements set forth in the Company's Bye-Laws for a shareholder's nomination to be properly brought before a general meeting of shareholders.

Pursuant to the Company's Bye-Laws, each Director (including those appointed for specific terms) shall be subject to retirement by rotation at least once every three years and the retiring Directors shall be eligible for re-election at an annual general meeting. Director who is appointed either to fill a casual vacancy or as an additional director to the Board shall hold office until the first general meeting of the Company after his appointment and be subject to election at such meeting.

5. SELECTION CRITERIA

The NC shall give full consideration to the following in relation to appointment and re-appointment of members to the Board:

- Succession planning of Directors;
- Leadership needs of the Company with a view of maintaining or fostering the competitive edge of the Company over others;
- Changes in market environment and business needs of the Company;
- the skills and expertise required from members of the Board; and
- the relevant requirements of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong (the "**Listing Rules**") and code provisions of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules as well as the Board Diversity Policy of the Company.

The factors listed below would be used as reference by the NC in assessing the suitability of a proposed candidate:

- Reputation for integrity;
- Skills, knowledge, experience, cultural and educational background, gender, age and other qualities required, with due regard for the benefits of diversity of the Board;
- The extent to which the proposed candidate is likely to contribute to the overall effectiveness of the Board and work constructively with the existing Directors;
- The skills and experience that the proposed candidate brings to the role and how they will enhance the efficiency and performance of the Board as a whole;

- The nature of existing positions held by the proposed candidate including directorships or other relationship with the Company and/ or its Directors and impact they may have on his ability to exercise independent judgment; and
- Factors which may affect the proposed candidate's time commitment to the Company.

These factors are for reference only, and not meant to be exhaustive and decisive. The NC has the discretion to nominate any person, as it considers appropriate.

Proposed candidates will be asked to submit the necessary personal information in a prescribed form, together with their written consent to be appointed as a director of the Company and to the public disclosure of their personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as a Director.

The NC may request proposed candidates to provide additional information and documents, if considered necessary.

6. NOMINATION PROCEDURES

The Secretary of the NC shall call a meeting of the NC, and invite nominations of candidates from Board members if any, for consideration by the NC prior to the meeting. The NC may also put forward candidates who are not nominated by Board members.

For filling a casual vacancy, the NC shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election or re-election at a general meeting, the NC shall make nominations to the Board for its consideration and recommendation.

In order to provide information of the candidates nominated by the Board to stand for election or re-election at a general meeting, a circular will be sent to the shareholders. The name, brief biographies (including qualifications and relevant experience), independence, remuneration and any other information, as required pursuant to the applicable laws, rules and regulations, of the proposed candidates will be included in the circular to the shareholders.

The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election or re-election at any general meeting.

7. REVISION

The Board will from time to time review the Nomination Policy, as appropriate, to ensure the effectiveness of the Nomination Policy.

8. DISCLOSURE

The Nomination Policy will be published on the Company's website for public information.

A summary of the Nomination Policy will be disclosed in the Corporate Governance Report set out in the Company's Annual Report.

Adopted by the Board on 9 November 2018