



**弘達金融控股有限公司**  
**HongDa Financial Holding Limited**

*(Incorporated in the Cayman Islands with limited liability)*  
**(the “Company”; Stock Code: 1822)**

**NOMINATION COMMITTEE**  
**TERMS OF REFERENCE**

**1. Purpose**

The Nomination committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of the Company, which was established for the purpose of identifying, screening and recommending to the Board appropriate candidates to serve as directors of the Company and to oversee the process of developing, recommending and monitoring nomination guidelines for the Company.

**2. Composition**

The Committee consists of at least 3 members (the “**Members**”, and each a “**Member**”) to be appointed by the Board comprising a majority of independent non-executive directors and chaired by the chairman of the Board or an independent non-executive director.

**3. Secretary of Committee**

The Company Secretary of the Company shall be the secretary of the Committee (the “**Secretary**”).

**4. Attendance & Quorum**

A quorum shall be 2 Members. Other board members may by invitation attend any Committee meetings, though they will not be counted in the quorum.

**5. Meetings**

- (1) The Committee shall meet at least once every year and Members may call any meeting at any time when necessary.

- (2) The Committee is required to report back to the Board its decisions or recommendations following each meeting unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

## **6. Authority**

The Committee is authorized by the Board to determine the procedures, process and criteria to be adopted for the purpose of selecting and recommending candidates for directorship and Committee is provided with sufficient resources to perform its duties and, where appropriate, to seek independent professional advice at the Company's expense to perform its duties.

## **7. Duties**

- (1) to review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (2) to assist the Board in the development and review of the Board's diversity policy and directors' nomination policy, as appropriate; and review the measurable objectives for the implementation of the Board's diversity policy and monitor progress towards the achievement of such;
- (3) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (4) to assess the independence of independent non-executive directors;
- (5) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular chairman of the Board and chief executive of the Company;

- (6) where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, to set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why the Committee believes the candidate should be elected and the reasons why the candidate is considered to be independent; and
- (7) to consider other topics as defined by the Board.

## **8. Reporting Procedures**

The Secretary shall circulate minutes of meetings and reports of findings and recommendations of the Committee to the Board.

*Note: If there is any inconsistency between the English and Chinese version of this document, the English version shall prevail.*

*(Revised on 30 March 2012 and 21 December 2018)*