

**InvesTech Holdings Limited**  
**(the “Company”)**

**Terms of Reference of the Nomination Committee (the “Committee”)**  
**of the Board of Directors (the “Board”) of the Company**  
*(Effective from 1st January 2019)*

**1. Constitution**

1.1 The Committee is established pursuant to a resolution passed by the Board at its meeting held on 25th October 2010 with its responsibilities:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually 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 and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) to assess the independence of independent non-executive directors of the Company;
- (d) to make recommendations to the Board on:
  - (i) the role, responsibilities, capabilities, skills, knowledge and experience required from members of the Board;
  - (ii) the policy on the terms of employment of non-executive Directors;
  - (iii) the composition of the audit committee, remuneration committee and other board committees of the Company;
  - (iv) proposed changes to the structure, size and composition of the Board;
  - (v) candidates suitably qualified to become members of the Board;

- (vi) the selection of individuals nominated for directorship;
  - (vii) the re-election by shareholders of the Company of any Directors who are to retire by rotation having regard to their performance and ability to continue to contribute to the Board;
  - (viii) the continuation (or not) in service of any independent non-executive Director serving more than nine years and to provide recommendation to the shareholders of the Company as to how to vote in the resolution approving the re-election of such independent non-executive Director;
  - (ix) the appointment or re-appointment of directors of the Company and succession planning for directors of the Company, in particular the chairman and the chief executive;
- (e) to give full consideration to the following in the discharge of its duties as mentioned above or elsewhere in these terms of reference:
- (i) succession planning of Directors;
  - (ii) leadership needs of the Company and its subsidiaries (the “**Group**”) with a view of maintaining or fostering the competitive edge of the Group over others;
  - (iii) changes in market environment and commercial needs of the market in which the Group operates;
  - (iv) the skills and expertise required from members of the Board; and
  - (v) the relevant requirements of the Listing Rules with regard to directors of a listed issuer;

- (f) in respect of any proposed service contracts to be entered into by any members of the Group with its director or proposed director, which require the prior approval of the shareholders of the Company at general meeting under rule 13.68 of the Listing Rules, to review and provide recommendations to the shareholders of the Company (other than shareholders who are directors with a material interest in the relevant service contracts and their respective associates) as to whether the terms of the service contracts are fair and reasonable and whether such service contracts are in the interests of the Company and the shareholders as a whole, and to advise shareholders on how to vote;
- (g) to ensure that on appointment to the Board, non-executive Directors receive a formal letter of appointment setting out what is expected of them in terms of time commitment, committee service and involvement outside meetings of the Board;
- (h) to conduct exit interviews with any Director upon their resignation in order to ascertain the reasons for his departure; and to consider other matters, as defined or assigned by the Board from time to time;
- (i) where the Board proposes a resolution to elect an individual as an INED at the general meeting, the Committee should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
  - (i) the process used for identifying the candidate and why the Board believes the candidate should be elected and the reason why it considers the candidate to be independent;
  - (ii) if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, the reason the board believes the candidate would still be able to devote sufficient time to the Board;

- (iii) the perspectives, skills and experience that the candidate can bring to the Board; and
  - (iv) how the candidate can contribute to the diversity of the Board.
- (j) review annually the time commitment required of directors and to evaluate whether directors have committed adequate time to discharge their responsibilities;
  - (k) review the board diversity policy, as appropriate, to ensure its effectiveness; and review the measurable objectives that the board has set for implementing the board diversity policy and the progress on achieving these objectives; and
  - (l) review and implement, as appropriate, the nomination policy setting out the criteria and procedures for the selection and nomination of candidates for appointment or re-appointment as directors.

## 2. Membership

- 2.1 Members of the Committee shall be appointed by the Board from amongst the directors of the Company and shall consist of not less than three members, a majority of whom shall be independent non-executive directors.
- 2.2 The chairman of the Committee shall be appointed by the Board and has to be the chairman of the Board or an independent non-executive director of the Company.
- 2.3 The appointment of the members of the Committee may be revoked, or additional members may be appointed to the Committee by separate resolutions passed by the Board and by the Committee.
- 2.4 The secretary of the Company shall act as the secretary of the Committee.
- 2.5. The constitution of the Committee shall comply with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as amended from time to time.

### **3. Frequency and proceedings of meetings**

3.1 The Committee should meet at least once per year. The Chairman may convene additional meetings at his discretion.

#### 3.2 Notice of Meeting

- (a) Unless otherwise agreed by all the Committee members, a meeting shall be convened by at least fourteen (14) days' notice.
- (b) A Committee member may at any time summon a Committee meeting.
- (c) Notice shall be given to each Committee member in person orally or in writing or by telephone or by facsimile transmission or email at numbers or addresses from time to time notified to the secretary of the Company by such Committee member or in such other manner as the Committee members may from time to time determine.
- (d) Any notice given orally shall be followed by confirmation in writing before the meeting.
- (e) Notice of meeting shall state the time and place of the meeting and shall be accompanied by an agenda together with other documents which may be required to be considered by the members of the Committee for the purposes of the meeting.

3.3 The quorum of the Committee meeting shall be two members of the Committee.

3.4 Other Board members shall also have the right of attendance.

### **4. Alternate Committee members**

4.1 A Committee member may not appoint any alternate.

## **5. Authorities of the Committee**

- 5.1 The Committee has the authority delegated to it from the Board to deal with the matters set out in clause 1.1 above.
- 5.2 The Committee shall be provided with sufficient resources to perform all of its duties. Where necessary, the Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.
- 5.3 The Committee may seek any information it requires from any employee of the Group and any professional advisers in order to perform its duties, to require any of them to prepare and submit reports and to attend Committee meetings and to supply information and address the questions raised by the Committee.

## **6. Minutes of meetings**

- 6.1 Full minutes of Committee meeting shall be kept by the secretary of the Company and should be open for inspection at any reasonable time on reasonable notice by any director of the Company. The secretary of the Company shall circulate the draft and final version of minutes of Committee meetings to all the Committee members for their comments and records within a reasonable time after the meeting.

## **7. Written resolutions**

- 7.1 Written resolutions may be passed by all Committee members in writing. This provision is without prejudice to any requirement under the Listing Rules for a Board or Committee meeting to be held.

## **8. Reporting procedures**

- 8.1 The Committee should report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

## **9. Continuing application of the articles of association of the Company**

9.1 The articles of association of the Company regulating the meetings and proceedings of the directors of the Company so far as the same are applicable and are not replaced by the provisions in these terms of reference shall apply to the meetings and proceedings of the Committee.

## **10. Powers of the Board**

10.1 The Board may, subject to compliance with the articles of association of the Company and the Listing Rules (including Appendix 14 (Corporate Governance Code and Corporate Governance Report) to the Listing Rules), amend, supplement and revoke these terms of reference and any resolution passed by the Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act and resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.

11. The Committee may review annually these terms of reference and their effectiveness in the discharge of its duties and to make recommendation to the Board any changes it considers necessary.

12. If there is any inconsistency between the English and Chinese versions of these terms of reference, the English version shall prevail.