



Fujikon Industrial Holdings Limited

富士高實業控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 927)

Terms of reference of the Nomination Committee

1. Constitution

- 1.1 The Nomination Committee (the “Committee”) is established pursuant to a resolution passed by the Board of Directors (the “Board”) of the Fujikon Industrial Holdings Limited Company (the “Company”) at its meeting held on 12 March 2012.

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 and a majority of whom shall be independent non-executive directors.
- 2.2 The Chairman of the Committee shall be appointed by the Board which shall be the chairman of the Board or an independent non-executive director.
- 2.3 The company secretary of the Company shall be the secretary of the Committee. In the absence of the secretary of the Committee, Committee members present at the meeting may elect among themselves or appoint another person as the secretary of that meeting.
- 2.4 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. An appointment of Committee member shall be automatically revoked if such member ceases to be a member of the Board.

3. Proceedings of the Committee

3.1 Notice of Meeting:

- (a) Unless otherwise agreed by all the Committee members, a meeting shall be called by at least seven days’ notice. Such notice shall be sent to each member of the Committee, and to any other person invited to attend. Irrespective of the length of notice being given, attendance of a Committee member at a meeting constitutes a waiver of such notice unless the Committee member attending the meeting attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the grounds that the meeting has not been properly convened.

* For identification purpose only

- (b) A Committee member may and, on the request of a Committee member, the secretary to the Committee shall, at any time summon a Committee meeting. Notice shall be given to each Committee member in person orally or in writing or by telephone or by email or by facsimile transmission at the telephone or facsimile or address or email address from time to time notified to the secretary by such Committee member or in such other manner as the Committee members may from time to time determine.
 - (c) Any notice given orally shall be confirmed in writing as soon as practicable and before the meeting.
 - (d) Notice of meeting shall state the purpose, time and place of meeting. 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, shall be forwarded to each member of the Committee no later than 3 days before the date of the meeting.
- 3.2 **Quorum:** The quorum of the Committee meeting shall be 2 members of the Committee and a majority of which shall be the independent non-executive directors.
- 3.3 **Frequency:** Meetings shall be held at least once a year to review, formulate and consider the nomination procedures as regards the appointment, reappointment and removal of directors (the “**Directors**”) of the Company, their implementation during the year, to make recommendations to the Board on candidates for appointment as Directors and to review the policy on Board diversity and any measurable objectives for implementing such policy from time to time adopted by the Board, and progress on achieving these objectives.
- 3.4 Meetings may be held in person, or by means of such telephone, electronics or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
- 4. Written resolutions**
- 4.1 A resolutions in writing signed by all the Committee members shall be valid and effectual as if it had been passed at a meeting of the Committee and may consists of several documents in like form each signed by one or more of the Committee members.
- 5. Alternate Committee members**
- 5.1 A Committee member may not appoint any alternate.

6. Authority of the Committee

6.1 The Committee may exercise the following powers:

- (a) to seek any information it requires from any employee of the Company and its subsidiaries (together, 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;
- (b) to review the performance of the Directors and the independence of independent non-executive Directors in relation to their appointment or reappointment as Directors;
- (c) to obtain, at the Company’s expenses, outside legal or other independent professional advice on or assistance to any matters within these terms of reference, including the advice of independent human resource consultancy firm or other independent professionals, and to secure the attendance of outsiders with relevant experience and expertise at its meetings if it considers this necessary. The Committee shall have full authority to commission any search (including without limitation litigation, bankruptcy and credit searches), report, survey or open recruitment which it deems necessary to help it fulfill its duties and should be provided with sufficient resources to discharge its duties;
- (d) to review annually these terms of reference and their effectiveness in the discharge of its duties and to make recommendation to the Board any changes if considers necessary; and
- (e) to exercise such powers as the Committee may consider necessary and expedient so that their duties under section 7 below can be properly discharged.

6.2 The Company should provide the Committee sufficient resources to perform its duties. Where necessary, the Committee should seek independent professional advice, at the Company’s expense, to perform its responsibilities.

7. Duties

7.1 The duties of the Committee shall be:

- (a) to review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) 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 members of the Board and select or make recommendations to the board on the selection of individuals nominated for directorships;
- (c) to assess the independence of the independent non-executive Directors;

- (d) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive, including but not limited to, the policy concerning the diversity of Board members, and the measurable objectives for implementing such policy;
- (e) to give full consideration to relevant matters, including but not limited to, the Board's policy concerning diversity of Board members adopted from time to time, in the discharge of its duties as mentioned above or elsewhere in these terms of reference;
- (f) to review the policy on Board diversity and the measurable objectives for implementing such policy from time to time adopted by the Board, and to review the progress on achieving these objectives; and
- (g) to develop and review, as appropriate, the policy for the nomination of directors, with such policy shall set out, inter alia, the nomination procedures and process and criteria to select and recommend candidates for directorship.

8. Minutes and records

- 8.1 The secretary shall, at the beginning of each meeting, ascertain and record the existence of any conflicts of interest and minute them accordingly. The relevant member of the Committee shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Committee in which he/she or any of his/her associates has a material interest, unless the exceptions set out in note 1 to Appendix 3 to the Listing Rules apply.
- 8.2 Full minutes of the meetings of the Committee and all written resolutions of the Committee should be kept by the secretary of the Committee (who should normally be the company secretary). Draft and final versions of minutes of the Committee meetings shall be sent to all Committee members for their comment and records within a reasonable time after the meeting. Once the minutes are signed, the secretary shall circulate the minutes and reports of the Committee to all members of the Board.
- 8.3 The secretary of the Committee shall keep record of all meetings of the Committee held during each financial year of the Company and records of individual attendance of members of the Committee, on a named basis, at meetings held during that financial year.

9. Reporting responsibilities

- 9.1 The Committee shall report to the Board after each meeting.

10. Annual general meeting

- 10.1 The chairman of the Committee or in his absence, another member of the Committee or failing this, his duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to answer questions at the annual general meeting on the Committee's activities and their responsibilities.

11. Continuing application of the bye-laws of the Company

- 11.1 The bye-laws of the Company regulating the meetings and proceedings of the Directors 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.

12. Powers of the Board

- 12.1 The Board may, subject to compliance with the bye-laws of the Company and the Listing Rules (including the Corporate Governance Code set out in Appendix 14 to the Listing Rules or if adopted by the Company, the Company's own code of corporate governance practices), 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.

13. Publication of the terms of reference of the Committee

- 13.1 The Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board by including them on the website of the Company and on the website of the Stock Exchange of Hong Kong Limited.

Adopted on 26 March 2012 and amended on 30 August 2013 and 21 January 2019.