



CAPITAL
VC LIMITED

首都創投有限公司

Capital VC Limited 首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*

(Stock Code: 02324)

(the “Company”)

Terms of Reference of the Nomination Committee

(Adopted on 29 March 2012 and revised on 30 August 2013 and 31 December 2018)

1. Adoption of Terms of Reference

The terms of reference of the Nomination Committee were adopted by the board of directors (“**Board**”) of the Company on 29 March 2012.

2. Membership

2.1 Members of the Nomination Committee (“**Members**”, each a “**Member**”) shall be appointed by the Board from amongst the members of the Board.

2.2 The Nomination Committee shall consist of not less than three Members and a majority of the Members shall be independent non-executive directors (“**INEDs**”, each an “**INED**”) of the Company.

2.3 The appointment of the Members may be revoked, or additional Members may be appointed to the Nomination Committee by separate resolutions passed by the Board and by the Nomination Committee. If a Member ceases to be a director, then his office as a Member shall ipso facto cease.

3. Chairman

The Chairman of the Nomination Committee shall be appointed by the Board and shall be the Chairman of the Board or an INED.

4. Secretary

- 4.1 The company secretary of the Company shall be the secretary of the Nomination Committee.
- 4.2 The Nomination Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Nomination Committee.

5. Meetings

- 5.1 The Nomination Committee shall meet at least once a year.
- 5.2 Notice of any meetings has to be given at least 7 days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.
- 5.3 The quorum of the Nomination Committee shall be any two Members.
- 5.4 Meetings could be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 5.5 Resolutions of the Nomination Committee at any meetings shall be passed by a majority of votes of the Members present.
- 5.6 A resolution in writing signed by all Members shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.
- 5.7 Full minutes shall be kept by the secretary of the Nomination Committee. Draft and final versions of minutes shall be circulated to all Members for their comment and records respectively, in both cases within a reasonable period of time after the meeting. Such minutes shall be open for directors' inspection.

6. Attendance at Meetings

- 6.1 Head of Human Resources Department or in his absence, a representative from Human Resources Department shall attend the meetings.
- 6.2 At the invitation of the Nomination Committee, the Chairman of the Board and/or Chief Executive Officer(s), external advisers and other persons may be invited to attend all or part of any meeting.
- 6.3 Only Members of the Nomination Committee are entitled to vote at the meetings.

7. Annual General Meetings

The Chairman of the Nomination Committee or in his absence, another Member shall attend the Company's annual general meetings and be prepared to respond to shareholders' questions on the Nomination Committee's activities and their responsibilities.

8. Responsibility

The Nomination Committee shall have the following responsibilities:

- 8.1 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;
- 8.2 to review the Board's diversity policy, as appropriate; and review the measurable objectives that the Board has set for implementing the Board's diversity policy, and the progress on achieving the objectives; and make disclosure of the Board's diversity policy in the Company's corporate governance report annually;
- 8.3 to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on selection of individual nominated for directorships;
- 8.4 to assess the independence of the INEDs;
- 8.5 to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and the Chief Executive; and
- 8.6 to determine the policy for nomination of directors.

Where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, the Nomination Committee should assist the Board to set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:

- the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
- if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the board;
- the perspectives, skills and experience that the individual can bring to the Board; and
- how the individual contributes to diversity of the Board.

9. Reporting Responsibilities

The Nomination Committee shall report to the Board when appropriate.

10. Authority

The Nomination Committee should be provided with sufficient resources to discharge its duties. Where necessary, the Nomination Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

Note: Arrangement to seek independent professional advice could be made through Company Secretary.

11. Effective date and Amendments

11.1 These terms of reference shall come into effect on the date when they are approved by the Board.

11.2 Any amendments to these terms of reference shall be recommended by the Nomination Committee and come into effect on the date when they are approved by the Board.