



# **ENTERPRISE DEVELOPMENT HOLDINGS LIMITED**

## **企展控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1808)**

### **Terms of Reference for the Nomination Committee**

#### **Purpose**

1. The purpose of the Nomination Committee is to identify, screen and recommend to the Board appropriate candidates to serve as Directors of the Company, to oversee the process for evaluating the performance of the Board and to develop, recommend to the Board and monitor nomination guidelines for the Company.

#### **Composition**

2. The Nomination Committee shall be appointed by the Board from time to time and shall consist of not less than two non-executive directors, each of whom shall meet the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"). The chairman of the Nomination Committee should be the chairman of the Board or an independent non-executive director and the Nomination Committee should comprise a majority of independent non-executive directors.

#### **Meetings**

3. The Nomination Committee shall meet at least once annually, or more frequently if circumstances require and shall act by unanimous written consent.
4. The Chairman (or in his or her absence, a member designated by the Chairman) shall preside at all meetings of the Nomination Committee. The Chairman shall be responsible for leading the Nomination Committee, including scheduling meetings, preparing agendas and making regular reports to the Board.

#### **Access**

5. The Nomination Committee shall have full access to management and may invite members of management or others to attend its meetings. The Nomination Committee will consult the chairman and/or chief executive of the Company about their proposals relating to the selection and appointment of directors.

## **Minutes**

6. Minutes of each Nomination Committee shall be prepared and sent to all Nomination Committee members. The Nomination Committee shall evaluate and assess the effectiveness of the Committee and the adequacy of this Nomination Committee Terms of Reference on an annual basis and recommend any proposed changes to the Board.

## **Authority**

7. The Nomination Committee is authorised by the Board to determine the procedures, process and criteria to be adopted for purposes of selecting and recommending candidates for directorship and shall be provided with sufficient resources to discharge its duties, including but not limited to obtaining advice and assistance from internal or external legal, accounting or other advisors at the expense of the Company.

## **Nomination Policy and Procedure**

8. To ensure changes to the Board composition can be managed without undue disruption, there should be a formal, considered and transparent procedure for selection, appointment and re-appointment of directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new director (to be an additional director or fill a casual vacancy as and when it arises) or any re-appointment of directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Nomination Committee.
9. The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities which, in particular, are set out as follows:-
  - (a) participating in Board meetings to bring an independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
  - (b) taking the lead where potential conflicts of interests arise;
  - (c) serving on the audit committee, the remuneration committee and the Nomination Committee (in the case of candidate for non-executive director) and other relevant Board committees, if invited;
  - (d) bringing a range of business and financial experience to the Board, giving the Board and any committee on which he or she serves the benefit of his or her skills, expertise, and varied backgrounds and qualifications and diversity through attendance and participation in the Board/committee meetings;
  - (e) scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance;
  - (f) ensuring the committees on which he or she serves to perform their powers and functions conferred on them by the Board; and

- (g) conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitutional documents of the Company or imposed by legislation or the Listing Rules, where appropriate.
10. If the candidate is proposed to be appointed as an independent non-executive director, his or her independence shall be assessed in accordance with, among other things, the factors as set out in Rule 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time. Where applicable, the totality of the candidate's education, qualifications and experience shall also be evaluated to consider whether he or she has the appropriate professional qualifications or accounting or related financial management expertise for filling the office of an independent non-executive director with such qualifications or expertise as required under Rule 3.10(2) of the Listing Rules.

### **Responsibilities and Duties**

11. The Nomination Committee shall perform the following duties:-
- (a) to review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) 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 develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship;
  - (c) to identify individuals suitably qualified to become a Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships. In identifying suitable candidates, the Nomination Committee shall consider candidates on merit and against the object criteria, with due regard for the benefits of diversity on the Board;
  - (d) to assess the independence of independent non-executive directors;
  - (e) Review the Board Diversity Policy, as appropriate; and review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually;
  - (f) 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, taking into account the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future, together with the Board, as appropriate; and
  - (g) to review and assess the adequacy of the corporate governance guidelines of the Company and to recommend any proposed changes to the Board for approval.

*(Adopted by the Board on 18 December 2006 and revised by the Board on 14 December 2011, 27 August 2013 and 28 March 2019 respectively)*