



FANTASIA

**Fantasia Holdings Group Co., Limited**

**花樣年控股集團有限公司**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 1777)**

**TERMS OF REFERENCE FOR NOMINATION COMMITTEE**

of the board of directors of the Company

Adopted pursuant to a resolution of the board of directors on 30 August 2013

and amended with effect from 27 March 2019

**Membership**

1. The Nomination Committee shall be appointed by the Board from time to time and shall consist of at least three (3) members, the majority of whom should be independent non-executive Directors (“**INED**”), each of whom shall meet the independence requirements from time to time as stipulated in the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).
2. The Board shall appoint the chairman of the Board or an INED as the chairman (the “**Chairman**”).

**Frequency and Proceedings of Meetings**

3. The company secretary of the Company (the “**Company Secretary**”) shall be the secretary of the Nomination Committee.
4. The Nomination Committee shall meet at least annually and at such other times as the Chairman shall require if circumstances require.
5. Meetings of the Nomination Committee shall be summoned by the Company Secretary at the request of the Chairman.
6. For regular meetings, and as far as practicable in all other cases, an agenda and accompanying committee papers should be sent, in full, to all committee members of Nomination Committee. These should be sent in a timely manner and at least three (3) days before the intended date of meeting (or such other agreed period as agreed).
7. The quorum necessary for the transaction of business shall be two (2), both of whom must be INEDs.

## **Reporting Procedures**

8. On an annual basis, the Nomination Committee shall evaluate and assess the effectiveness of the Nomination Committee and the adequacy of these Nomination Committee Terms of Reference and recommend any proposed changes to the Board.
9. Minutes of meetings of the Nomination Committee and the record of individual attendance at such meetings shall be prepared by the Company Secretary which shall be sent to all committee members of the Nomination Committee as soon as practicable after the conclusion of any meeting of the Nomination Committee. Those minutes should be kept by the Company Secretary and should be open for inspection at any reasonable time on reasonable notice by any member of the Board.
10. Minutes of meetings of the Nomination Committees should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes of meetings of the Nomination Committee should be sent to all Directors for their comment and records respectively, in both cases within a reasonable time after the meeting is held.
11. The Nomination 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).

## **Authority**

12. The Nomination Committee is authorised by the Board to determine the nomination of Directors, the procedures, process and criteria to be adopted for purposes of selecting and recommending candidates for directorship.
13. The Company should provide the Nomination Committee with sufficient resources to perform its duties. Where necessary, the Nomination Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

## **Annual General Meeting**

14. The Chairman should, as far as practicable, attend the annual general meeting of the Company and make himself available to answer any shareholders' questions on the Nomination Committee's activities. In his absence, one other member of the Nomination Committee or failing this his duly appointed delegate should attend.

## **Responsibilities and Duties**

15. The Nomination Committee shall perform the following duties:

- (a) ensure that the Board and its committees consist of directors with the appropriate balance of skills, diversity and knowledge of the Company to enable it to discharge its duties effectively;
- (b) assist the Board in succession planning for the Board and senior management;
- (c) review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (d) draw up, review and update, as appropriate, the diversity policy for the Board's approval having due regard to the requirements of the Listing Rules, review and update the objectives that the Board has set for implementing such policy;
- (e) develop, review and implement, as appropriate, the policy, criteria and procedures for the identification, selection and nomination of candidates for Directors for the Board's approval. Such criteria include but are not limited to the potential contributions a candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity;
- (f) identify individuals who are suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (g) assess the independence of INEDs to determine their eligibility;
- (h) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors and senior management, in particular the chairman and the chief executive officer, taking into account all factors which the Nomination Committee considers appropriate including the challenges and opportunities facing the Group and skills and expertise required in the future and ensure that senior management succession planning is discussed at the Board at least once annually;
- (i) keep under review the leadership needs and leadership training and development programmes of the Group, with a view to ensuring the continued ability of the Group to function effectively and compete in the market;
- (j) evaluate the needs for, and monitor the training and development of, directors;

- (k) develop the procedures for the performance evaluation of the Board committees:
  - (i) review and assess the skills, knowledge and experience required to serve on various Board committees, and make recommendations on the appointment of members of Board committees and the chairman of each committee;
  - (ii) recommend candidates to the Board to fill vacancies or new positions on the Board committees as necessary or desirable;
  - (iii) review the feedback in respect of the role and effectiveness of the Board committees arising from the evaluation of the Board and/or any Board committees and make recommendations for any changes;
- (l) develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship, including but not limited to evaluating the balance of skills, knowledge and experience on the Board, and in the light of this evaluation prepared a description of the role and capabilities required for a particular appointment;
- (m) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (n) ensure that on appointment to the Board, non-executive Directors receive a formal letter of appointment setting out clearly the expectations of them in terms of time commitment, committee service and involvement outside Board meetings;
- (o) review and assess the adequacy of the corporate governance guidelines of the Company and to recommend any proposed changes to the Board for approval;
- (p) do any such things to enable the Nomination Committee to discharge its powers and functions conferred on it by the Board; and
- (q) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Company's constitution or imposed by legislation.