



**NATIONAL UNITED RESOURCES HOLDINGS LIMITED**

**國家聯合資源控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 254)**

**(the “Company”)**

**Terms of Reference of Nomination Committee**

(Revised and adopted by the Board on 30 March 2012,

and further revised by the Board on 28 March 2014 and 17 April 2019)

**1. CONSTITUTION**

The board (the “**Board**”) of directors of the Company (the “**Directors**”) has established a committee known as the nomination committee (the “**Committee**”).

**2. MEMBERSHIP**

2.1 The members of the Committee (the “**Members**” and each a “**Member**”) shall be from time to time appointed by the Board from amongst the Directors and shall consist of not less than three Members and comprise a majority of independent non-executive Directors. A quorum shall be two Members, comprising at least one non-executive Director.

2.2 The chairperson of the Committee shall be appointed by the Board and should be the chairman of the Board or an independent non-executive Director. In his absence, the remaining Members present shall elect a member from amongst themselves to act as chairman of that meeting provided that such Member is an independent non-executive Director Member to chair a Committee meeting.

**3. SECRETARY**

The company secretary of the Company or his delegate or such other person appointed by the chairperson of the Committee shall be the secretary of the Committee (the “**Committee Secretary**”).

#### **4. FREQUENCY AND CONDUCT OF MEETINGS**

- 4.1 Meetings of the Committee shall be held at least once a year and as and when required or as requested by the Member and held by attending in person, telephone or video conference. Members could attend the meetings through telephone conference or similar arrangements which Members could communicate to each other.
- 4.2 An agenda and accompanying papers should be sent in full to all Members in a timely manner and at least 3 business days before the intended date of a meeting of the Committee (or such other period as agreed by its Members).

#### **5. AUTHORITY**

The Committee is authorised by the Board to obtain external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise at the expense of the Company, if it considers this necessary. The Committee shall be provided with sufficient resources to discharge its duties.

#### **6. DUTIES**

The duties of the Committee shall include:

- 6.1 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;
- 6.2 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. In identifying suitable candidates, the Committee shall consider candidates on merit and against the object criteria, with due regard for the benefits of diversity on the Board;
- 6.3 to assess the independence of the independent non-executive Directors;
- 6.4 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; and

- 6.5 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, 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.

## **7. NOMINATION POLICY AND PROCEDURE**

- 7.1 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 Committee.
- 7.2 The criteria to be applied in considering whether a candidate is qualified shall be his 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:-
- 7.2.1 participating in Board meetings to bring an independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
  - 7.2.2 taking the lead where potential conflicts of interests arise;
  - 7.2.3 serving on the audit committee, the remuneration committee and the Committee (in the case of candidate for non-executive Director) and other relevant Board committees, if invited;
  - 7.2.4 bringing a range of business and financial experience to the Board, giving the Board and any committees on which he serves the benefit of his skills, expertise, and varied backgrounds and qualifications and diversity through attendance and participation in the Board/committee meetings;
  - 7.2.5 scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance;

- 7.2.6 ensuring the committee on which he serves to perform their powers and functions conferred on them by the Board; and
  - 7.2.7 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 Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), where appropriate.
- 7.3 If the candidate is proposed to be appointed as an independent non-executive Director, his 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 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.

## **8. MINUTES**

- 8.1 The Committee Secretary shall record minutes of all duly constituted meetings of the Committee.
- 8.2 All minutes shall record in sufficient detail the matters considered, decisions reached or recommendations made and any concerns raised by any Member.
- 8.3 The Committee Secretary shall circulate the draft and final versions of the minutes of meetings to all Members for comments and records within a reasonable time after each meeting.
- 8.4 The chairperson of the Committee shall report at the forthcoming regular Board meeting any key decisions made by the Committee and shall table before the Board the list of issues discussed.

## **9. TERMS AVAILABLE**

The Committee shall make available these terms of reference, explaining its role and the authority delegated to it by the Board by including them on the websites of the Stock Exchange and of the Company.

*Note: If there is any inconsistency between the English and the Chinese versions of this Terms of Reference, the English version shall prevail.*