

# TRUE PARTNER CAPITAL HOLDING LIMITED

*(Incorporated under the laws of the Cayman Islands with limited liability)*

(the “Company”)

## TERMS OF REFERENCE

### OF THE NOMINATION COMMITTEE

**ADOPTED BY THE COMPANY ON 22 SEPTEMBER 2020**

#### **1 MEMBERSHIP**

- (a) The Nomination Committee (hereinafter referred to as the “**Committee**”) shall be appointed by the board (the “**Board**”) of directors (the “**Directors**”) of the Company. The Committee shall consist of not less than three members, a majority of whom should be independent non-executive directors (collectively, the “**INEDs**” and each, an “**INED**”). The constitution of the Committee shall comply with the requirements of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) from time to time.
- (b) The chairperson (the “**Chairperson**”) of the Committee shall appointed by the board and shall either be the chairman of the Board or an INED.
- (c) The appointment of the members of the Committee may be revoked, replaced or additional members may be appointed to the Committee by separate resolutions passed by the Board and by the Committee.
- (d) An appointment of a member of the Committee shall be automatically revoked if such member who ceases to be a member of the Board.

#### **2 ATTENDANCE AT MEETINGS**

- (a) Unless otherwise stated herein, the meetings of the Committee are governed by the provisions contained in the Company’s articles of association for regulating the meetings and proceedings of directors.
- (b) The quorum for a meeting of the Committee shall be two members, one of whom must be an INED. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

- (c) Where the chairman of the Board is not a member of the Committee, he/she may attend meetings of the Committee.
- (d) The other Directors, the company secretary (“**Company Secretary**”) (or his/her delegate(s)), human resources officer and relevant senior management and persons(s) invited by a Committee member may attend meetings of the Committee from time to time where the Committee considers their presence necessary or appropriate to assist the Committee to perform its duties.
- (e) The Company Secretary shall be the secretary of the Committee. In the absence of the Company Secretary, his/her delegate(s) or any person elected by the members present at the meeting of the Committee, shall be the secretary of the meetings.
- (f) The Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisors or consultants, to advise its members.
- (g) Members of the Committee may participate in a meeting of the Committee by means of telephone conference or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

### **3 FREQUENCY OF MEETINGS**

Meetings shall be held not less than once a year. Any member of the Committee may request a meeting if he/she/they consider(s) that one is necessary and upon the receipt of such request, the secretary of the Committee shall convene a meeting as soon as reasonably practicable and having regard to the convenience of all members with priority given to the INEDs.

### **4 COMMITTEE’S RESOLUTIONS**

- (a) A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee and may consist of several documents in like form each signed by one or more members of the Committee. Such resolution may be signed and circulated by fax or other electronic communications. This provision is without prejudice to any requirement under the GEM Listing Rules for a physical meeting of the Board or Committee to be held.
- (b) Any resolution shall be passed by the majority votes of the members of the Committee who attend the meeting and a majority vote of the members present shall represent an act of the Committee.

## **5 PURPOSE AND GENERAL RESPONSIBILITIES**

The purpose of the establishment of the Committee is to ensure the presence of a formal and transparent procedure for the appointment of new directors to the Board.

## **6 NOTICE OF MEETINGS**

- (a) Unless otherwise agreed by all the members of the Committee, notice (containing details of the venue, time and date of the meeting) of at least 14 days shall be given for a regular meeting of the Committee. For all other meetings of the Committee, reasonable notice shall be given.
- (b) A Committee member or the secretary of the Committee at the request of any Committee member may at any time summon a Committee meeting.
- (c) Agenda and accompanying supporting papers shall be sent to all members of the Committee and to other invited attendees as appropriate at least 3 days before the intended date of the meeting (or such other period as the members may agree).

## **7 RESPONSIBILITIES AND AUTHORITIES OF THE COMMITTEE**

- (a) The responsibilities and authorities of the Committee shall include such responsibilities and authorities set out in the relevant code provisions of the Corporate Governance Code (the “**CG Code**”) as contained in Appendix 15 of the GEM Listing Rules (as amended from time to time).
- (b) Without prejudice to any requirement under the CG Code, the duties of the Committee include the following:
  - (i) 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. When reviewing the structure, size and composition of the Board, the Committee shall take into consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, industry and regional experience and length of service in accordance with the board diversity policy adopted by the Company from time to time to achieve Board diversity;

- (ii) 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, having due regard to the policy concerning diversity of Board members, (“**Board Diversity Policy**”), the requirements in the Company’s constitution, the GEM Listing Rules and applicable laws and regulations, and the relevant candidates’ contributions to the Board in terms of qualifications, skills, experiences, independence and gender diversity. When identifying suitable individuals, the Committee shall consider individual on merit and against the objective criteria, with due regard for the benefits of diversity on the Board;
- (iii) assess the independence of the INEDs. Where the Board proposes a resolution to elect an individual as an INED at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe he should be elected and the reasons why they consider him to be independent;
- (iv) when identifying and nominating individuals to become INEDs, to assess whether and why such individuals would be able to devote sufficient time to the Board if he/she will be holding his/her seventh (or more) listed company directorship;
- (v) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and chief executive of the Company;
- (vi) ensure the Chairman, or in the absence of the Chairman, another member of the Committee or failing this his/her duly appointed delegate, to be available to answer questions at the annual general meeting of the Company;
- (vii) before appointments are made by the Board, evaluating the balance of skills, knowledge and experience on the Board, and, in the light of this evaluation preparing a description of the roles and capabilities required for a particular appointment. In identifying suitable candidates, the Committee shall, where applicable and appropriate:
  - use public advertising or the services of external recruiters to facilitate the search;
  - consider candidates from a wide range of backgrounds;

- consider candidates on merit and against objective criteria, taking note that appointees should have enough time to devote to the position;
  - make recommendations to the Board on the appointment or reappointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive;
  - do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
  - where the board proposes a resolution to elect an individual as an INED at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
    - o 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;
    - o if the proposed INED 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;
    - o the perspectives, skills and experience that the individual can bring to the Board; and
    - o how the individual contributes to diversity of the Board
- (viii) set a policy concerning diversity of Board members, and should disclose the policy or a summary of the policy in the corporate governance report annually. The Board diversity will differ according to the circumstances of the Company. Diversity of Board members can be achieved through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, and professional experience. The Company should take into account its own business model and specific needs, and disclose the rationale for the factors it uses for this purpose; and
- (ix) develop, review and disclose the policy for nomination of directors (the “**Nomination Policy**”), as appropriate, in the Company’s corporate governance report annually. The Nomination Policy shall set out, inter alia, the nomination procedures, process and criteria to select and recommend candidates for directorship;

- (x) keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
  - (xi) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
  - (xii) 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;
  - (xiii) review and assess the adequacy of the corporate governance guidelines of the Company and to recommend any proposed changes to the Board for approval;
  - (xiv) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
  - (xv) 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 the GEM Listing Rules or applicable law.
- (c) The Committee is authorised by the Board to investigate any activity and to review, assess and make recommendations upon any issue within its terms of reference. It is authorised to seek any information it requires from any employee or executive director and such persons are directed to co-operate with any request made by the Committee.
- (d) Management of the Company is obliged to supply the Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a member of the Committee requires more information than is the information provided voluntarily by the management of the Company, the relevant member of the Committee shall make additional necessary enquiries. Each member of the Committee shall have separate and independent access to the management of the Company.
- (e) The Committee is to be provided with sufficient resources by the Company to perform its duties. Where necessary, the Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.
- (f) The 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.

## **8 REPORTING PROCEDURES**

- (a) The Committee shall report to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements). At the next meeting of the Board following a meeting of the Committee, the Chairperson shall report the findings and recommendations of the Committee to the Board.
- (b) The Committee's recommendations on nomination will be placed before the Board in the form of a Board paper circulated in advance of Board meetings through the Company Secretary.
- (c) Such recommendations will be supported by the resume in respect of the individuals concerned.
- (d) On an annual basis, the Committee shall evaluate and assess the effectiveness of the Committee and the adequacy of these Committee Terms of Reference and recommend any proposed changes to the Board.

## **9 MINUTES AND RECORDS**

- (a) Full minutes of the meetings of the Committee should be kept by the secretary of the Committee (who should normally be the Company Secretary) and shall be available for inspection by any member of the Committee or the Board at any reasonable time on prior reasonable notice by any Director of the Company.
- (b) Draft and final versions of the minutes of the meetings should be circulated to all Committee members for their comments and records respectively 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.
- (c) The secretary of the Committee shall record individual attendance of members of the Committee, on a named basis, at meetings.

## **10 AVAILABILITY AND UPDATE OF THE TERMS OF REFERENCE**

- (a) The Committee shall, from time to time, review its own performance, constitution and terms of reference to ensure that it is operating effectively, and recommend any changes it considers to the Board for approval.
- (b) These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (e.g. the GEM Listing Rules) in Hong Kong. These terms of reference shall be made available to the public by including the information on The Stock Exchange of Hong Kong Limited's website and the Company's website.

## **11 ANNUAL GENERAL MEETING**

The Chairperson of the Committee or in his/her absence, another member of the Committee or failing this, his/her duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to respond to questions at the annual general meeting on the Committee's work and responsibilities.

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

For the purpose of these Terms of Reference, "senior management" means the same persons as referred to in the Company's annual report and is required to be disclosed under the GEM Listing Rule 18.39, as such rule may be amended from time to time.