



# 喜尚控股有限公司

## GAYETY HOLDINGS LIMITED

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

(Stock Code : 8179)

### TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

- (1) The primary function of the nomination committee is to give advice on the candidates, conditions, selection standards and procedures of the proposed appointment of the directors and the senior management of the Company and ensure the nomination procedure is fair and transparent. The Board together with the chairman of the nomination committee ensure the nomination committee is provided with sufficient resources to discharge its duties.

#### **Membership**

- (2) The committee members of the nomination committee shall consist of not less than three members appointed by the Board and a majority of whom shall be independent non-executive directors. The quorum for a meeting shall be two members.
- (3) The chairman of the nomination committee shall be appointed by the Board and shall be either the chairman of the Board or an independent non-executive director. In the absence of such chairman, the committee members present shall choose one of their number to act as chairman to chair the meeting.

#### **Attendance at Meeting**

- (4) 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. The secretary of the nomination committee shall be the company secretary of the Company or his/her delegate or any other person appointed by the chairman of the nomination committee (the "Secretary").

#### **Frequency and proceedings of meetings**

- (5) The nomination committee shall meet at least once a year. In addition, the chairman of the nomination committee may at his discretion, or at the request of the Board or the responsible director convene special meetings. The committee members may from time to time adopt the proceedings for convening a meeting, and the proceedings and means of passing the resolutions by the nomination committee.

#### **Authority**

- (6) The nomination committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- (7) The nomination committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

#### **Duties**

- (8) The duties of the Committee shall be:

- (a) 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, with due regard to the board diversity policy of the Company (the "Board Diversity Policy");
- (b) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (c) assess the independence of independent non-executive directors with reference to the requirements of the GEM Listing Rules;
- (d) 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;
- (e) Where the Board proposes a resolution to elect an individual as an independent non-executive director 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;
- (f) monitor the implementation of the Board Diversity Policy and review such policy as appropriate, to ensure the effectiveness of Board Diversity Policy;
- (g) do any such things to enable it to perform its duties conferred on it by the Board; and
- (h) to consider other topics, as defined by the Board.

#### **Other Procedures**

- (9) The chairman of the nomination committee shall liaise with the secretary of the nomination committee before drafting and approving the agenda of every nomination committee's meetings. The chairman of the nomination committee, with the assistance of the secretary, shall ensure all the committee members receive with adequate information in a sufficient time which facilitate the effective discussion at the meeting, and give due explanation to any matters that have been raised by the committee members at the nomination committee meeting. The secretary shall record the proceedings of the meeting at each duly convened nomination committee meeting. Minutes should record in sufficient detail the matters considered by the committee, decision reached or recommendation made, and including any concerns raised by any committee members or dissenting views expressed. The secretary to the Nomination Committee shall circulate the draft and final version of the minutes of meetings of the Nomination Committee to all members for their comment and record respectively, in both cases within a reasonable time after each meeting. At the next meeting of the Board following a meeting of the committee, the chairman of the committee shall report to the Board on the findings and recommendations of the committee.

#### **Miscellaneous**

- (10) The 1st revised terms of reference of the nomination committee was adopted by passing of the relevant resolutions by the Board on 23 March 2012 and shall have immediate effect.

- (11) This 2nd revised terms of reference of the nomination committee was adopted by passing of the relevant resolutions by the Board on 22 October 2013 and shall have immediate effect.

*The Chinese version of this document is for reference only. In case of any discrepancies or inconsistency between the English version and Chinese version, the English version prevails.*