

**51 Credit Card Inc.**  
**51 信用卡有限公司**

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

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**51 Credit Card Inc.**  
**51 信用卡有限公司**  
**(the “Company”)**

**TERMS OF REFERENCE FOR THE  
NOMINATION COMMITTEE**

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(Adopted on June 24, 2018)

## Definitions

1. For the purposes of these terms of reference (the “**Terms**”):

**Board** means the board of directors of the Company.

**Chief Financial Officer** means the senior officer of the Company responsible for financial management as assigned by the Board from time to time.

**Company Secretary** means the company secretary of the Company.

**Directors** mean the directors of the Board.

**Listing Rules** means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).

**Nomination Committee** means the nomination committee established by the resolution of the Board in accordance with Clause 2 of these Terms.

**Senior Management** means Chief Executive Officer, Chief Financial Officer, Vice-presidents and any other officers of the Company as may be appointed by the Board to be senior management of the Company, as well as other employees as may be determined by the Board to be part of senior management of the Company from time to time.

**Shareholders** mean the shareholders of the Company.

**Stock Exchange** means The Stock Exchange of Hong Kong Limited.

## Constitution

2. The Nomination Committee was established by resolutions of the Board on June 24, 2018 and on June 24, 2018, the Board has adopted the following terms as the Terms of the Nomination Committee.

## **Membership**

3. The members of the Nomination Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three members, a majority of whom should be independent non-executive Directors.
4. The chairman of the Nomination Committee shall be the chairman of the Board or an independent non-executive Director. In the absence of the chairman of the Nomination Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
5. The term of office of a member of the Nomination Committee shall correspond to that of a Director. If a member of the Nomination Committee ceases to be a Director during the term of office, his/her qualification as a member of the Nomination Committee shall lapse immediately and automatically, and the Board shall appoint a new member to fill in the vacancy in accordance with the Terms.
6. Subject to the constitutions of the Company and the applicable laws and regulations, any member of the Nomination Committee may be re-appointed by the Board and continue to act as a member of the Nomination Committee upon the expiry of his/her term of appointment relating thereof.

## **Frequency and Procedure of Meetings**

7. Unless otherwise stated herein, the meetings of the Nomination Committee are governed by the provisions regulating the meetings and proceedings of the Board contained in the Company's memorandum and articles of association.
8. The quorum of a Nomination Committee meeting shall be any two members of the Nomination Committee.

9. Meetings shall be held by the Nomination Committee not less than once a year. The chairman of the Nomination Committee shall convene a meeting upon the request of any member of the Nomination Committee. Meetings may be convened by way of onsite meeting or written resolutions. Telephone conference or video conference systems or other electronic means may be provided for convenience of the members to attend onsite meetings. The members shall be deemed as attending the onsite meeting in person if attending by any of the aforesaid means. Written resolution refers to the resolution individually delivered or circulated to each of the member for consideration and decision-making.
10. Unless otherwise waived by all members of the Nomination Committee, notice of each meeting confirming the venue, time and date shall be forwarded to each member of the Nomination Committee no later than seven days before the date of the meeting.
11. An agenda of meetings and accompanying meeting papers should be sent in full to all members of the Nomination Committee in a timely manner and at least three days before the proposed date of a meeting of the Nomination Committee (or other period agreed by all members of the Nomination Committee).
12. Voting in the meeting of the Nomination Committee may be conducted by a show of hands. Each member shall have one vote. If members attending by means of telephone conference or video conference are unable to sign the resolutions instantly, they shall vote orally and complete the signing procedures on the resolutions as soon as possible. The resolution signed thereafter shall be consistent with the result of oral votes during the meeting. Resolutions of the meeting shall be passed by more than half of all members. In case of an equality of votes, the chairman the Nomination Committee shall have a second or casting vote.
13. When a member of the Nomination Committee is interested in the matter being discussed at the meeting of the Nomination Committee, he/she shall disclose the nature and materiality of his/her interest to the chairman of the Nomination Committee as soon as possible. A member shall abstain from the discussion of or voting on the proposals that he/she is supposed to abstain from, and shall leave the meeting temporarily or take other means to this end.

14. If a proposal fails to be resolved due to the abstention of members, the Nomination Committee shall pass a resolution to submit the proposal to the Board for consideration and deliver it promptly to the Board for review. The Nomination Committee shall provide the results of its review of the proposal in the resolution to be submitted to the Board and shall include therein the opinions of the independent members regarding the proposal.
15. Members of the Nomination Committee and other persons attending the meetings shall keep confidential all matters discussed at the meetings. Unauthorized disclosure of relevant information is prohibited.
16. Senior Management is obliged to supply the Nomination 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 requires more information than the information provided voluntarily by Senior Management, that member is entitled and encouraged to request further information until satisfied. All members shall have separate and independent access to Senior Management.
17. The Nomination Committee shall be provided with sufficient resources to perform its duties in accordance with the Terms.
18. The Company Secretary, or in his/her absence, his/her representative or any one member of the Nomination Committee shall be the secretary of the meeting. The Nomination Committee may, from time to time, appoint any other person with the appropriate qualification and experience as the secretary of the Nomination Committee.

### **Annual General Meeting**

19. The chairman of the Nomination Committee should attend the Company's annual general meeting and be prepared to respond to any Shareholder's question on the Nomination Committee's activities.
20. If the chairman of the Nomination Committee is unable to attend the annual general meeting of the Company, he/she or the chairman of the Board shall arrange for another member of the Committee, or failing such, his/her duly appointed delegate, to attend in his/her place. Such delegate shall be prepared to respond to any Shareholder's questions on the Nomination Committee's activities.

## **Authority**

21. The Nomination Committee is authorized by the Board to investigate any activity mentioned in these Terms or otherwise affecting the integrity of the Group. It is authorized to seek any information it requires from any employee and all employees of the Group are directed to cooperate with any request made by the Nomination Committee.
22. The Nomination Committee is authorized by the Board to obtain external independent professional advice to perform its responsibilities, at the Company's expense, if it considers necessary. The Nomination Committee shall be exclusively responsible for establishing the selection criteria and selecting, appointing and setting the terms of reference for any external consultant who advise the Nomination Committee.

## **Duties**

23. The duties of the Nomination Committee shall include:
  - (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
  - (b) formulating and reviewing the policy of diversity of Board members as appropriate and preparing the appropriate disclosure on the diversity policy in the corporate governance report;
  - (c) making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman of the Board and the chief executive officer;
  - (d) identifying individuals suitably qualified to become Directors and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
  - (e) assessing the independence of independent non-executive Directors;

- (f) 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 Nomination Committee shall, where applicable and appropriate:
  - (i) use public advertising or the services of external recruiters to facilitate the search;
  - (ii) consider candidates from a wide range of backgrounds; and
  - (iii) consider candidates on merit and against objective criteria, taking note that appointees should have enough time to devote to the position;
- (g) keeping under review the leadership needs of the Board of the Company, both executive and non-executive, with a view to ensure the continued ability of the Company to compete effectively in the marketplace;
- (h) keeping up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (i) reviewing annually the time commitment required from non-executive Directors; performance evaluations shall be used to assess whether the non-executive Directors are spending enough time to fulfil their duties; and
- (j) ensuring that on appointment to the Board, non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement beyond Board meetings.

24. The Nomination Committee shall also make recommendations to the Board concerning:
- (a) the formulation of plans for succession for both executive and non-executive Directors;
  - (b) suitable candidates for the role of independent non-executive Directors;
  - (c) membership of the Company's audit committee and remuneration committee, in consultation with the chairmen of those committees;
  - (d) the re-appointment of any non-executive Director at the conclusion of their specified term of office, having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
  - (e) the re-election by Shareholders of any Director, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
  - (f) any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the Company, subject to the provisions of the law and his/her service contract; and
  - (g) the appointment of any Director to executive or other office.

### **Reporting Procedures**

25. Minutes shall be recorded for the meetings of the Nomination Committee and shall be signed by the members present at the meetings. Full minutes of the Nomination Committee's meetings shall be kept by the secretary of the Nomination Committee for a period of not less than 10 years. The minutes shall be available for inspection at any reasonable time on reasonable notice by any Director.



26. Minutes of meetings of the Nomination Committee shall record in sufficient detail the matters considered and decisions reached by the Nomination Committee, including any concerns raised by the Directors and/or members or any dissenting views expressed. Draft and final versions of such meeting minutes should be sent to all members of the Nomination Committee for their comments and records respectively, in both cases within a reasonable time after such meetings.
27. Without prejudice to the generality of the duties of the Nomination Committee set out above, the Nomination Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, to the extent there is no applicable legal or regulatory restrictions.

#### **Provision of Terms**

28. The Nomination Committee shall provide these Terms upon request and upload them to the Stock Exchange's website and the Company's website to explain the role and duties of the Nomination Committee and the authority delegated to it by the Board.

#### **Review of Terms**

29. The Nomination Committee shall review these Terms when necessary, and may consider and submit to the Board any proposed changes that the Nomination Committee deems appropriate or advisable.