



FOURACE INDUSTRIES GROUP HOLDINGS LIMITED

科利實業控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1455)

Nomination Committee

Composition, terms of reference and responsibilities

Adopted and passed on 21 August 2020 by the Board

Definition

1. For the purposes of these terms of reference:

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

“**Board Diversity Policy**” means the policy setting out the approach to diversity on the Board.

“**CG Code**” means the corporate governance code provisions set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

“**Company**” means Fourace Industries Group Holdings Limited.

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

“**Corporate Governance Report**” means the corporate governance report of the Company that is incorporated into the Company’s annual report.

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

“**Directors Nomination Policy**” mean the directors nomination policy of the Company.

“**Nomination Committee**” means the nomination committee established by the resolution of the Board in accordance with clause 2 of these terms of reference.

Constitution

2. The Board has resolved to establish a committee of the Board to be known as the Nomination Committee to, having regard to the independence and quality of nominees, make recommendations to the Board so as to ensure that all nominations are fair and transparent.

Membership

3. All members of the Nomination Committee shall be appointed by the Board.

4. The Nomination Committee shall consist of not less than three members.
5. Notwithstanding anything to the contrary and for the avoidance of doubt, a majority of the Nomination Committee shall be independent non-executive Directors.
6. The chairman or chairlady of the Nomination Committee, who may be either the chairman or chairlady of the Board or an independent non-executive Director, shall be appointed by the Board.
7. Subject to Clauses 3 and 5, if a regular member is unable to act due to absence, illness or another cause the chairman or chairlady of the Nomination Committee may appoint any non-executive director of the Company (i.e. other than those already a member of the Committee) to serve as an alternate member.

Quorum

8. The quorum necessary for the transaction of the business of the Nomination Committee shall be three members (including alternate member(s) that may be appointed pursuant to Clause 7 above) PROVIDED THAT the majority of them shall be independent non-executive Directors. A duly convened meeting of the Nomination 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 Nomination Committee.

Secretary

9. The secretary of the Nomination Committee shall either be the Company Secretary or his/her designate.

Frequency of Meetings

10. Meetings shall be held at least once a year at such time(s) as the chairman or chairlady may determine.

Authority

11. The Nomination Committee is authorised by the Board to:
 - (a) do all things reasonably required to carry out its duties hereunder;
 - (b) seek independent professional advice in relation to the affairs of the Nomination Committee, at the Company's expenses, to perform its responsibilities where necessary; and
 - (c) request from the Company and its directors, employees, auditors and advisers all such information as they may reasonably require in order to be able to perform their duties as a member of the Nomination Committee and, upon receipt of a request for any such information from them, the Company will use its reasonable endeavors to procure that

such information is provided to them promptly.

Decision Making

12. All decisions of the Nomination Committee shall be made by majority vote.

Notice of Meetings

13. Meetings shall be summoned by the Secretary of the Nomination Committee at the request of the chairman or chairlady of the Nomination Committee. An agenda and accompanying Nomination Committee papers shall be circulated to all members (including alternate member(s) that may be appointed pursuant to Clause 7 above) in a timely manner and at least 3 days before the intended date of a Nomination Committee meeting insofar as it is practicable (subject to the unanimous consent of the members of the Nomination Committee for a shorter notice). Such papers and related materials shall be in a form and quality as will enable the Nomination Committee to make an informed decision on the matters placed before it.

Duties

14. The Nomination Committee will take full account of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended or restated from time to time).
15. The duties of the Nomination Committee shall be:
- (a) to review and monitor the structure, size, composition and diversity (including without limitation, skills, knowledge, experience and background) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - (b) to 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;
 - (c) to review the Directors Nomination Policy and monitor its implementation;
 - (d) to review and make recommendations to the Board on individuals nominated as Directors by shareholders, having regard to whether the candidate can give sufficient time and attention to the Company's affairs;
 - (e) to assess the independence of independent non-executive Directors;
 - (f) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors;
 - (g) to review the Board Diversity Policy, as appropriate, and review the measurable objectives the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives to ensure the continued effectiveness of the Board Diversity Policy; and make disclosure of a summary of the Board Diversity Policy together with its review results and the rationale for the factors used for determining the

degree of diversity of the Board in the Corporate Governance Report annually;

- (h) to develop and disclose annually in the annual report the policy for the nomination of directors, performed by the Nomination Committee during the year, including the nomination procedures and the process and criteria adopted by the nomination committee to select and recommend candidates for directorship during the year; and
- (i) to perform other duties incidental to the duties of the Nomination Committee delegated as appropriate by the Board or as stipulated in the Corporate Governance Code from time to time.

Reporting Procedures

- 16. Any meeting of the Nomination Committee may be held by means of a teleconference or by the circulation of a proposed resolution to all members. Any such resolution signed by all the members of the Nomination Committee will be as effective as if it had been approved at a meeting of the Nomination Committee.
- 17. The Secretary of the Nomination Committee shall keep full minutes of the Nomination Committee meetings.
- 18. Minutes of the Nomination Committee meetings shall be circulated to all members of the Nomination Committee and made available upon request by other members of the Board.
- 19. Except where this would violate legal or regulatory requirements, the Nomination Committee shall promptly report back to the Board all decisions and recommendations.
- 20. Minutes of meetings of the Nomination Committee should record in sufficient detail the matters considered by the Nomination Committee and decisions reached, including any concerns raised by the Nomination Committee members or dissenting views expressed.
- 21. The chairman or chairlady of the Nomination Committee should attend annual general meetings to answer any shareholder's questions. In the chairman or chairlady's absence, his duly appointed delegate or failing this another member of the Nomination Committee should attend in his place.

*** END ***

This document is in English and Chinese. In case of any inconsistency, the English version shall prevail.