



**景業名邦**  
JY GRANDMARK

## **JY GRANDMARK HOLDINGS LIMITED**

**景業名邦集團控股有限公司**

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

**(Stock Code: 2231)**

### **TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE**

(Adopted on 13 November 2019 by the Board)

#### **1 Constitution**

- 1.1 The Nomination Committee (the “**Committee**”) was established with its terms of reference pursuant to a resolution passed by the board of directors (the “**Board**”) of JY Grandmark Holdings Limited (the “**Company**”) at its meeting held on 13 November 2019. The powers, responsibilities and specific duties of the Committee are summarised as below.

#### **2 Responsibility**

- 2.1 The responsibility of the Committee is to review the constituency of the Board, make recommendations on the procedures and criteria for the appointment of directors and implement those that are adopted by the Board.

#### **3 Membership**

- 3.1 The Committee shall consist of at least three (3) directors appointed by the Board from time to time, the majority of whom shall be independent non-executive directors.
- 3.2 The Board shall designate the chairman of the Board or an independent non-executive director as the Committee’s chairman (the “**Chairman**”).
- 3.3 Appointments to the Committee shall be co-terminus with the directorship of the relevant members (whether by retirement, rotation or otherwise).

#### **4 Secretary**

- 4.1 The company secretary of the Company or his/her nominee shall be the secretary of the Committee.
- 4.2 The secretary of the Committee must ensure that full minutes are kept of all meetings.

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

- 5.1 The Committee shall meet at least once (1) every year or at such frequency as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (the “**Listing Rules**”) or other regulatory requirements applicable to the Company from time to time. Additional meetings shall be held as the work of the Committee demands.

- 5.2 The Chairman may convene additional meetings at his/her discretion.
- 5.3 Meetings of the Committee may be convened by any member of the Committee via the company secretary of the Company.
- 5.4 The quorum of a meeting shall be two (2) members of the Committee, one (1) of which shall be an independent non-executive director of the Company.
- 5.5 Proceedings of meetings of the Committee shall be governed by the provisions of the articles of association of the Company.
- 5.6 The agenda and related documents of a regular meeting shall be delivered to all members of the Committee in a timely manner and at least three (3) days before the date of the meeting (or such other time as the members may agree), and the above arrangement shall be adopted by all of the other meetings as practicable as possible. Notice of the Committee meetings shall be deemed to be duly given to a member if it is given to him/her personally, by word of mouth or given to him/her in writing sent to his/her last known address or any other address given by him/her to the Company or by electronic means by transmitting it to any email address supplied by the member to the Company for this purpose.
- 5.7 A member shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning (I) his/her own appointment (including determining or varying its terms); and (II) the termination of his/her own appointment.
- 5.8 Meetings of the Committee convened in accordance with the standard procedures having a quorum present at the meeting is sufficient to exercise all or any of the mandate, powers and discretion granted to or exercisable by the Committee. Members of the Committee must attend the meetings in person or by electronic means of communication, including but not limited to, by telephone or video conference. Members may participate in a meeting by communication devices through which all persons attending the meeting are able to hear from each other.
- 5.9 A resolution in writing signed by all members of the Committee shall be as valid and effective as if the same had been passed at a meeting of the Committee duly convened and held. Any such resolution shall be deemed to have passed at a meeting held on the date on which it was signed by the last member to sign.
- 5.10 Only members of the Committee are entitled to vote at the meetings.
- 5.11 Resolutions of the Committee shall be passed by a majority of votes of the members present.

## **6 Authority**

- 6.1 The Committee is authorised by the Board to act within its terms of reference. It is authorised to seek any information it requires from any employee of the Company and all employees are directed to co-operate with any request made by the Committee.

- 6.2 The Committee is authorised by the Board to obtain outside legal or other independent professional advice as it considers necessary to assist with the affairs of the Committee at the Company's expense but subject to prior discussion with the Board on the relevant costs, and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.
- 6.3 The Committee shall be provided with sufficient resources to perform its duties.

## **7 Duties**

The duties of the Committee include the following:

- 7.1 propose a set of personal attributes to the Board, the adoption of which shall form the basis of evaluation of candidates for directorship;
- 7.2 propose a set of procedures for processing nominations of candidates for the Board's approval;
- 7.3 review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and recommend any proposed changes to the Board to complement the Company's corporate strategy;
- 7.4 develop and maintain the nomination policy for the directorship of the Company, including the nomination procedures as well as the procedures and criteria for the Committee to identify, select and recommend candidates for directorship during the year, review the nomination policy regularly and disclose such policy and the progress towards the goals of the policy as set out in the Company's Corporate Governance Reports, review and discuss on any necessary amendments, and make recommendations to the Board for approval;
- 7.5 develop and maintain a board diversity policy, monitor the implementation of the board diversity policy, and regularly review and disclose such policy or its highlights in the Company's Corporate Governance Reports, review and discuss any necessary amendments, and make recommendations with respect to them to the Board for approval;
- 7.6 identify individuals suitably qualified to become Board members, considering factors including but not limited to whether the individual may bring different views and perspectives, skills and experience to the Board, and whether board diversity can be promoted with the individuals' participation, and select and nominate relevant individuals for directorships or make recommendations thereon to the Board in accordance with the Company's nomination policy;
- 7.7 assess the independence of independent non-executive directors, review the independent non-executive directors' annual confirmations on their independence and make disclosure of its review results in the Corporate Governance Reports;
- 7.8 assess the adequacy of time that a candidate nominated as a director of the Company can devote for its directorship, considering factors including the number of other listed companies in which such candidate has a directorship;

- 7.9 make 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;
- 7.10 decide and make recommendations to the Board as to whether a director is able to and has adequately carried out his/her duties as a director of the Company; in particular, where the subject director has multiple board representations. The Committee shall regularly review and report to the Board the contributions required from and the suitability of directors and senior management to perform their responsibilities to the Company, and whether they are spending sufficient time performing them, to ensure that they meet the terms of employment and performance objectives, and make recommendations to the Board as to the re-appointment or replacement of any director or senior management; and
- 7.11 where the Board proposes a resolution to elect an individual as a director at the general meeting, set out in the circular to shareholders and in the case of an appointment of an independent non-executive director, an explanatory statement accompanying the notice of the relevant general meeting why they believe he/she should be elected and the reasons why they consider him/her to be independent;

## **8 Reporting procedures**

- 8.1 The Committee shall report to the Board on a regular basis, and the Chairman shall report the findings and recommendations to the Board at the next meeting of the Board following each meeting of the Committee, unless there are any legal or regulatory restrictions limiting its ability to do so.

## **9 Minutes**

- 9.1 Minutes of the Committee meetings should be kept by a duly appointed secretary of the meeting, and the draft and final versions of minutes of the Committee meetings should be circulated to all Committee members for their comment and records respectively within a reasonable period of time.
- 9.2 Minutes of Committee meetings shall record in sufficient detail the matters considered by the Committee members and decisions reached, including any concerns raised by the Committee members and dissenting views expressed.

## **10 General**

- 10.1 These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and regulatory requirements, including those under the Listing Rules.
- 10.2 The Committee should make available these terms of reference to the public, explaining its role and the authority delegated to it by the Board, by including them on the Hong Kong Exchanges and Clearing Limited news website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.jygrandmark.com](http://www.jygrandmark.com)).

(In case of any discrepancy between the English and Chinese versions of this Terms of Reference, the English version shall prevail.)