

# **FDB HOLDINGS LIMITED**

**豐展控股有限公司**

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

(Stock Code: 8248)

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

*(Adopted by a resolution of the board (the “Board”) of directors (the “Directors”) of FDB Holdings Limited (the “Company”) passed on 16<sup>th</sup> September 2015)*

### **1. MEMBERSHIP**

1.1 The members (the “**Members**”) of the nomination committee of the Company (the “**Nomination Committee**”) shall be appointed by the Board from amongst the Directors and the Nomination Committee shall consist of not less than three Members, the majority of which shall be independent non-executive Directors.

1.2 The Nomination Committee should be chaired by the chairman of the Board or an independent non-executive Director. The chairman of the Nomination Committee shall be appointed by the Board.

### **2. SECRETARY**

2.1 The company secretary of the Company shall be the secretary of the Nomination Committee.

2.2 The secretary of the Nomination Committee or in his/her absence, his/her representatives or any one member of the Nomination Committee, shall be the secretary of the meetings of the Nomination Committee.

### **3. MEETINGS**

3.1 Members may call any meetings at any time when necessary. Meetings shall be held not less than once a year.

3.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each Member, and to any other person required to attend in relation to all regular meetings of the Nomination Committee, at least 14 days before the date of the meeting; and in relation to continued meetings held within 14 days, no prior notice is required.

3.3 The quorum of Nomination Committee meetings shall be two Members, one of them should be an independent non-executive Director.

3.4 Members may attend meetings either in person, by telephone or through other electronic means of communication (which are available to all attended parties).

3.5 Resolutions of the Nomination Committee shall be passed with a majority of votes if more than two Members are present and by a unanimous vote if only two Members are present.

3.6 Resolutions in writing signed by all Members shall be treated valid and effective as if it is passed in a meeting held by the Nomination Committee.

3.7 Minutes of the Nomination Committee meetings shall be kept by the secretary of the Nomination Committee and/or any Director at any reasonable time on reasonable notice. Draft and final versions of minutes of Nomination Committee meetings shall be sent to all Members for their comments and records respectively, in both cases within a reasonable time after the meeting. Once they are agreed, the secretary of the Nomination Committee shall circulate the minutes and reports of the Nomination Committee to all members of the Board.

#### **4. ATTENDANCE AT MEETINGS**

4.1 Upon invitation by the Nomination Committee, the chairman of the Board and/or the general manager or the chief executive officer, external consultant and other Board members may attend all or any of the meetings.

4.2 Only Members shall have voting powers.

#### **5. PROCEEDINGS OF MEETINGS**

5.1 The provisions of the articles of association of the Company regulating the meetings and proceedings of the meetings of the Board, so far as the same are applicable and not inconsistent with the provisions of these terms of reference, shall mutatis mutandis apply to regulate the meetings and the proceedings of the meetings of the Nomination Committee.

#### **6. ANNUAL GENERAL MEETINGS**

6.1 The chairman of the Nomination Committee shall endeavour to attend the annual general meetings of the Company and be prepared to respond to any shareholder's questions on the Nomination Committee's activities. If the chairman of the Nomination Committee is unable to attend, a Member (who must be an independent non-executive Director) shall attend the annual general meeting of the Company. Such person shall be prepared to respond to any shareholder's questions on the Nomination Committee's activities.

## 7. DUTIES AND RESPONSIBILITIES

The duties of the Nomination Committee shall include, but shall not be limited to, the following:

- 7.1 to review the structure, size and composition of the Board (including the skills, knowledge and experience) at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- 7.2 to identify individuals suitably qualified to become Board members and select, or make recommendations to the Board on the selection of, individuals nominated for directorships;
- 7.3 to implement and review the Board Diversity Policy (the "**Policy**") as appropriate, to ensure its effectiveness; to recommend any revisions of the Policy to the Board; to monitor the implementation of the Policy and to review the measurable objectives that the Board has set for implementing the Policy and the progress on achieving such objectives; and to make disclosure of its review results in the corporate governance report of the Company's annual report;
- 7.4 to assess the independence of independent non-executive Directors;
- 7.5 to 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 of the Company;
- 7.6 where the Board proposes a resolution to elect an individual as an independent non-executive Director at the general meeting, the Nomination Committee should set out in the circular to shareholders of the Company ("**Shareholders**") and/or explanatory statement accompanying the notice of the relevant general meeting why they believe the individual should be elected and the reasons why they consider the individual to be independent; and
- 7.7 to give full consideration to the following in the discharge of its duties as mentioned above or elsewhere in these terms of reference:
  - (i) succession planning of directors;
  - (ii) leadership needs of the Company and the subsidiaries with a view of maintaining or fostering their competitive edge over others;
  - (iii) changes in market environment and commercial needs of the market in which the Company and the subsidiaries operates;
  - (iv) the skills and expertise required from members of the Board;

- (v) the relevant requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) with regard to directors of a listed issuer;
- (vi) in respect of any proposed service contracts to be entered into by any members of the Company and the subsidiaries with their directors or proposed director, which require the prior approval of the Shareholders at general meeting under Rule 17.90 of the GEM Listing Rules, to review and provide recommendations to the Shareholders of the Company (other than Shareholders who are directors with a material interests in the relevant service contracts and their respective associates) as to whether the terms of the service contracts are fair and reasonable and whether such service contracts are in the interests of the Company and the Shareholders as a whole, and to advise Shareholders on how to vote;
- (vii) to ensure that on appointment to the Board, each director receives a formal letter of appointment setting out what is expected of them in terms of time commitment, committee service and involvement outside meetings of the Board;
- (viii) to conduct exit interviews with any director upon their resignation in order to ascertain the reasons for his/her departure; and
- (ix) to consider other matters, as defined or assigned by the Board from time to time.

## **8. REPORTING RESPONSIBILITIES**

8.1 After each meeting, the Nomination Committee shall report formally to the Board on all matters within its duties and responsibilities and its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

## **9. AUTHORITY**

9.1 The Nomination Committee shall consult the chairman and/or the general manager or the chief executive officer of the Company about their proposals relating to the remuneration of other executive Directors.

9.2 The Nomination Committee is authorised by the Board when necessary to seek any remuneration information it requires from senior management of the Company in order to discharge its duties.

9.3 The Nomination Committee is authorised by the Board when necessary to obtain outside legal or other independent professional advice in connection with its duties at the Company’s expense. All such arrangements of obtaining outside legal or other independent professional advice may be made by the company secretary.

9.4 The Nomination Committee shall have access to sufficient resources in order to discharge its duties.

9.5 The Nomination Committee may delegate its authority to subcommittees or the chairman of the Nomination Committee when it deems appropriate and in the best interests of the Company to do so.

## **10. POWERS OF THE BOARD**

10.1 The Board may, subject to compliance with the articles of association of the Company and the GEM Listing Rules, amend, supplement and revoke these terms of reference and any resolution passed by the Nomination Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Nomination Committee shall invalidate any prior act or resolution.

## **11. PUBLICATION OF THESE TERMS OF REFERENCE**

11.1 A copy of these terms of reference will be made available to any person upon request.

*If there is any inconsistency between the English version and the Chinese version, the English version shall prevail.*