



Fullshare Holdings Limited

豐盛控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00607)

(the “Company”)

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

1. MEMBERSHIP

The Nomination Committee shall be appointed by the Board and shall consist of not less than three (3) members comprising a majority of independent non-executive directors.

2. CHAIRMAN

The Chairman of the Nomination Committee shall be appointed by the Board and must be an independent non-executive director or the Chairman of the Board. In the absence of the Chairman of the Nomination Committee, members present may elect any member who either is an independent non-executive director or is the Chairman of the Board to chair a Nomination Committee meeting.

3. SECRETARY

The company secretary shall be the secretary of the Nomination Committee. In the absence of the company secretary, his/her delegate(s) or any person elected by the members present at the meeting of the Nomination Committee, shall attend the meeting of the Nomination Committee and take minutes.

4. PROCEEDINGS OF THE NOMINATION COMMITTEE

Unless otherwise specified hereunder, the provisions contained in the Company’s Articles of Association (as amended from time to time) for regulating meetings and proceedings of directors shall apply to the meetings and proceedings of the Nomination Committee.

4.1 Quorum

4.1.1 The quorum for meetings of the Nomination Committee shall be two (2) members.

4.2 Frequency of meetings

4.2.1 The Nomination Committee shall hold at least one (1) regular meeting in a year. Additional meetings of the Nomination Committee may be held as and when required.

4.3 Attendance at meetings

4.3.1 Members of the Nomination Committee may attend meetings of the Nomination Committee either in person or through other electronic means of communication or in such other manner as the members may agree.

4.3.2 At the invitation of the Nomination Committee, the Chairman of the Board and/or the Chief Executive Officer (if not a member of the Nomination Committee), external advisers and other persons may attend all or part of any meetings.

4.4 Notice of meetings

4.4.1 A meeting of the Nomination Committee may be convened by any of its members or by the company secretary.

4.4.2 Unless otherwise agreed by all the members of the Nomination Committee, notice of at least fourteen (14) days shall be given for a regular meeting of the Nomination Committee. For all other meetings of the Nomination Committee, reasonable notice shall be given.

4.4.3 Agenda and accompanying supporting papers shall be sent to all members of the Nomination Committee and to other attendees as appropriate at least three (3) days before the date of the meeting (or such other period as the members may agree).

4.5 Minutes of meetings

4.5.1 Draft and final versions of minutes of Nomination Committee meetings shall be sent to all Nomination Committee members for their comment and records within a reasonable time after the meeting.

4.5.2 Minutes of the Nomination Committee shall be kept by the company secretary and shall be available for inspection by any member of the Nomination Committee or the Board at any reasonable time on reasonable notice.

4.6 Written resolutions

4.6.1 Without prejudice to any requirement under the Rules Governing the Listing of Securities (the “Listing Rules”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), a resolution in writing signed by all the members of the Nomination Committee shall be as valid and effectual as if it has been passed at the meeting of the Nomination Committee duly convened and held.

5. AUTHORITY

- 5.1 The Nomination Committee is authorised by the Board to make full use of internal resources and intermediary agencies for identifying qualified director candidates at the Company’s expense.
- 5.2 The Nomination Committee is authorised by the Board to conduct interviews with prospective candidates for nomination.
- 5.3 The Nomination Committee is authorised by the Board where necessary to have access to independent professional advice.
- 5.4 The Nomination Committee shall be provided with sufficient resources to perform its duties.

6. DUTIES

6.1 The duties of the Nomination 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;
- (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. In identifying suitable candidates, the Nomination Committee shall consider candidates on merit and against the objective criteria, with due regard for the Diversity Policy (as defined below);
- (c) assess the independence of independent non-executive directors;
- (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 Officer, taking into account the Company’s corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future; and
- (e) develop policy concerning diversity of Board members (the “Diversity Policy”) and review the Diversity Policy from time to time.

7. NOMINATION POLICY

7.1 In carrying out its duties, the Nomination Committee shall give adequate consideration to the following principles:

- (a) in relation to Board composition - the Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. It should include a balanced composition of executive and non-executive directors so that there is a strong independent element on the Board and independent judgment can be effectively exercised. Non-executive directors should be of sufficient calibre and number for their views to carry weight; and
- (b) in relation to appointment, re-election and removal of directors - there should be a formal, considered and transparent procedure for selection, appointment and re-appointment of directors, as well as plans in place for orderly succession for appointments (if considered necessary). It should ensure that changes to the Board composition can be managed without undue disruption. All directors should be subject to re-election at regular intervals in accordance with the Articles of Association of the Company.

7.2 The criteria to be applied in considering whether a candidate is qualified shall be his/her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board (which includes but not limited to diversity in gender, age, experience, cultural and educational background, expertise, skills and know-how) as well as the effective carrying out by the Board of the responsibilities which, in particular, are set out as follows:

- (a) participating in Board meetings to bring an independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
- (b) taking the lead where potential conflicts of interests arise as independent non-executive directors;
- (c) serving on the audit, remuneration, nomination and other governance committees, if invited;
- (d) giving the Board and any committees on which he/she serves the benefit of his/her skills, expertise, varied backgrounds and qualifications through attendance and participation;
- (e) monitoring or scrutinising the Company's performance in achieving agreed corporate goals and objectives;

- (f) conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitutional documents of the Company or imposed by legislation or the Listing Rules, where appropriate; and
- (g) if the candidate is proposed to be appointed as an independent non-executive director, his/her independence shall be assessed in accordance with, among other things, the factors as set out in Rule 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time.

8. REPORTING PROCEDURES

- 8.1 The Nomination Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Nomination Committee, the Chairman of the Nomination Committee shall report the findings and recommendations of the Nomination Committee to the Board.
- 8.2 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:
- (a) the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
 - (b) if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
 - (c) the perspectives, skills and experience that the individual can bring to the Board; and
 - (d) how the individual contributes to diversity of the Board.

9. ANNUAL GENERAL MEETING

The Chairman of the Nomination Committee or in his absence, another member of the Nomination Committee shall attend the Annual General Meeting of the Company and be prepared to respond to questions at the Annual General Meeting on the Nomination Committee's work and responsibilities.

Note: If there is any inconsistency between the English and Chinese versions of this Terms of Reference, the English version shall prevail.

Effective since 1 January 2019