



nichetech

NICHE-TECH GROUP LIMITED

駿碼科技集團有限公司

(incorporated in the Cayman Islands with limited liability)

(the “**Company**”)

(Stock code: 8490)

**TERMS OF REFERENCE OF
THE NOMINATION COMMITTEE
ADOPTED PURSUANT TO A RESOLUTION PASSED BY THE BOARD
ON 8 MAY 2018 AND AMENDED PURSUANT TO A RESOLUTION PASSED
BY THE BOARD ON 30 JANUARY 2019**

1 MEMBERSHIP

- (a) The Nomination Committee (hereinafter referred to as the “**Committee**”) shall be appointed by the board (the “**Board**”) of directors (the “**Directors**”) of the Company. The Committee shall consist of not less than three members, a majority of whom should be independent non-executive directors (the “**INEDs**”). The constitution of the Committee shall comply with the requirements of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) from time to time.
- (b) The chairman of the Committee (the “**Chairman**”) shall be the chairman of the Board or an INED.
- (c) The company secretary shall be the secretary of the Committee who should attend all meetings of the Committee.

2 DECLARATION OF INTEREST

Each member in the Committee shall declare to the Committee any of his/her personal finance interest in connection with any matter to be resolved by the Committee and any potential conflict of interest in connection with such matter. Any member with such interest or relates to such potential conflict of interest shall abstain from voting in the Committee’s resolution and discussion in respect of the related matters.

3 ATTENDANCE AT MEETINGS

- (a) Unless otherwise stated herein, the meetings of the Committee are governed by the provisions contained in the Company’s articles of association for regulating the meetings and proceedings of directors.
- (b) The quorum for a meeting of the Committee shall be two members, both of whom must be INEDs.
- (c) Where the chairman of the Company is not a member of the Committee, he/she may attend meetings of the Committee.

- (d) The Committee may, where appropriate, invite external advisers and/or members of the management of the Company to attend the meeting to advise its members.
- (e) Members of the Committee may participate in a meeting of the Committee by means of telephone conference or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

4 FREQUENCY OF MEETINGS

Meetings shall be held not less than once a year. Any member of the Committee may request a meeting if he/she/they consider(s) that one is necessary. Upon the receipt of such request, the secretary of the Committee shall convene a meeting as soon as reasonably practicable and having regard to the convenience of all members with priority given to the INEDs.

5 COMMITTEE'S RESOLUTIONS

A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee and may consist of several documents in like form each signed by one or more members of the Committee. Such resolution may be signed and circulated by fax or other electronic communications. This provision is without prejudice to any requirement under the GEM Listing Rules for a Board or Committee meeting to be held.

6 AUTHORITIES

- (a) The Committee is authorised by the Board to review, assess and make recommendations upon any issue within its terms of reference. It is authorised to seek any information it requires from any employee or executive director of the Company and such persons are directed to co-operate with any request made by the Committee.
- (b) The Committee is authorised by the Board, and at the reasonable expense of the Company, to obtain external legal or other independent professional advice and to secure the attendance of professional advisers with relevant experience and expertise if it considers this necessary.
- (c) The Committee is to be provided with sufficient resources by the Company to perform its duties.

7 PURPOSE AND GENERAL RESPONSIBILITIES

The purpose of the establishment of the Committee is:

- (a) ensure the presence of a formal and transparent procedure for the appointment of new directors to the Board and the Board committees;

- (b) ensure that the Board and its committees consist of directors with the appropriate balance of skills, diversity and knowledge of the Company and its subsidiaries (the “**Group**”) to enable it to discharge its duties effectively; and
- (c) assist the Board in succession planning for the Board and senior management.

8 DUTIES

The duties of the Committee shall be:

- (a) review the structure, size composition and diversity of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy. Board diversity shall be considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board and the board diversity policy (the “**Board Diversity Policy**”) adopted by the Company from time to time;
- (b) develop, review and implement Board Diversity Policy, identify the measurable objectives for implementing the Board Diversity Policy from time to time adopted by the Board, and review and monitor the progress on achieving these objectives and shall disclose the policy on diversity or a summary of policy in the corporate governance report;
- (c) develop, review and implement as appropriate, the policy for the nomination of Directors (“**Nomination Policy**”) and disclose the summary of Nomination work during the year of the Nomination Committee which shall set out, inter alia, the nomination procedures and the process and criteria to select and recommend candidates for directorship during the year;
- (d) having due regard to the Board Diversity Policy and Nomination Policy, 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;
- (e) assess the independence of the INEDs (including but not limited to in the case of appointment and re-appointment of INEDs having regard to relevant guidelines or requirements of the GEM Listing Rules in place from time to time;
- (f) where the Board proposes a resolution to elect an individual as an INED at the general meeting of the Company, to set out in the circular to shareholders of the Company and/or explanatory statement accompanying the notice of the relevant general meeting:
 - (i) 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;

- (ii) 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;
- (iii) the perspectives, skills and experience that the individual can bring to the Board; and
- (iv) how the individual contributes to diversity of the Board;
- (g) having due regard to the Board Diversity Policy and Nomination Policy, make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors and senior management, in particular the chairman and chief executive of the Company;
- (h) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the GEM Listing Rules or applicable law;
- (i) ensure the Chairman, or in the absence of the Chairman, another member of the Committee or failing this his/her duly appointed delegate, to be available to answer questions at the annual general meeting of the Company; and
- (j) INED and others non-executive directors, as equal board members, should give the board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation.

9 REPORTING PROCEDURES

- (a) The Committee shall report to the Board. At the next meeting of the Board following a meeting of the Committee, the Chairman shall report the findings and recommendations of the Committee to the Board.
- (b) The Committee's recommendations on nomination will be placed before the Board in the form of a Board paper circulated in advance of Board meetings through the company secretary.
- (c) Such recommendations will be supported by the resume in respect of the individuals concerned.

10 MINUTES AND RECORDS

- (a) Full minutes of the meetings of the Committee should be kept by the secretary of the Committee. The full minutes should be available for inspection by Directors at any reasonable time by reasonable notice.
- (b) Draft and final versions of the minutes of the Committee should be circulated to all member of the Committee for their comments and records respectively within a reasonable time after the meeting. Once the minutes are signed, the secretary of the Committee shall circulate the minutes and reports of the Committee to all members of the Board.

- (c) The secretary of the Committee shall record individual attendance of members of the Committee, on a named basis, at meetings.

11 AVAILABILITY AND UPDATE OF THE TERMS OF REFERENCE

These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (e.g. the GEM Listing Rules) in Hong Kong. These terms of reference shall be made available to the public by including the information on The Stock Exchange of Hong Kong Limited's website and the Company's website.