



## Star Properties Group (Cayman Islands) Limited

星星地產集團(開曼群島)有限公司

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

(Stock Code: 1560)

### NOMINATION COMMITTEE TERMS OF REFERENCE

#### Preamble

1. Star Properties Group (Cayman Islands) Limited (the “**Company**”) was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**HKEX**”) on 13 July 2016.

In compliance with the code of provision of the Corporate Governance Codes issued by the HKEX, a Nomination Committee (the “**Nomination Committee**”) needs to be established with the terms of reference as set out and adopted herein.

#### Constitution

2. The Nomination Committee was established by resolutions of the board of directors of the Company (the “**Board**”, and each director of the Board, a “**Director**”) on 27 June 2016. In light of the latest amendments made to the Corporate Governance Code and Corporate Governance Report as set out in the Appendix 14 of the Listing Rules (effective on 1 January 2019), the Board has further adopted the following revised terms of reference for the Nomination Committee.

#### Membership

3. The members of the Nomination Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three members, a majority of whom should be independent non-executive Directors (“**INEDs**”). The quorum of a Nomination Committee meeting shall be any two members of the Nomination Committee, one of whom must be an INED.
4. The Nomination Committee shall be chaired by the Chairman of the Board or an INED.
5. The term of office of a member of the Nomination Committee shall be determined by the Board.

### **Frequency and procedure of meetings**

6. Unless otherwise stated herein, the meetings of the Nomination Committee are governed by the provisions regulating the meetings and proceedings of Directors in the Company's by-laws.
7. Meetings shall be held not less than once a year. The chairman of the Nomination Committee shall convene a meeting upon request by any member of the Nomination Committee.
8. An agenda and any accompanying Committee papers should be sent in full to all members of the Nomination Committee in a timely manner and at least three days before the proposed date of a meeting of the Nomination Committee (or other agreed period).
9. The Company is obliged to supply the Nomination Committee with adequate information in a timely manner, in order to enable it to make informed decisions. The information supplied must be complete and reliable. Where a Director requires more information than information provided voluntarily by the senior management, the relevant Director should make additional necessary enquiries. The Board and each Director shall have separate and independent access to the senior management.
10. The Secretary of the Nomination Committee shall be the company secretary of the Company or his/her appointed delegate.

### **Annual General Meeting**

11. The chairman of the Nomination Committee shall attend the annual general meeting and be prepared to respond to any shareholders' questions on the Nomination Committee's activities.
12. If the chairman of the Nomination Committee is unable to attend an annual general meeting of the Company, he shall arrange for another member of the Nomination Committee, or failing this, his duly appointed delegate, to attend in his place. Such person shall be prepared to respond to any shareholders' questions on the Nomination Committee's activities.

### **Authority**

13. The Nomination Committee is authorised by the Board to investigate any activity mentioned in these Terms. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Nomination Committee.
14. The Nomination Committee is authorised by the Board to obtain independent professional advice to perform its responsibilities, at the Company's expense. The Nomination Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external consultant who advises the Nomination Committee.

## **Responsibility**

15. The responsibilities of the Nomination Committee shall include such responsibilities set out in the relevant code provisions of the Corporate Governance Code as contained in Appendix 14 of the Listing Rules (as amended from time to time).
16. The duties of the Nomination Committee shall include:
  - (a) formulate nomination policy for consideration of the Board and implement the nomination policy laid down by the Board;
  - (b) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
  - (c) making recommendations to the Board on the appointment or reappointment of Directors and succession planning for Directors in particular the chairman of the Board and the group managing director;
  - (d) identifying individuals suitably qualified to become Directors and selecting or making recommendations to the Board on the selection of individuals nominated for directorship;
  - (e) assessing the independence of INEDs;
  - (f) adopting nomination procedures, process and criteria to select and recommend candidates for directorship and to review periodically and to disclose in the corporate governance report annually. The Committee should ensure that the selection process is transparent and fair, and that it considers a broad range of candidates who are outside the Board's circle of contracts and in accordance with the Company's diversity policy;
  - (g) enabling to the Committee to discharge its powers and functions conferred on it by the Board;
  - (h) reviewing annually the time commitment required of Directors and to evaluate whether Directors have adequate time to discharge their responsibility;
  - (i) in respect of any proposed service contracts to be entered into by any members of the Group with its director or proposed director, which require the prior approval of the shareholders of the Company at general meeting, to review and provide recommendations to the shareholders of the Company (other than shareholders who are directors with a material interest 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;

- (j) reviewing the policy concerning diversity of the Board and the measurable objectives for implementing such policy from time to time adopted by the Board, and to review the progress on achieving these objectives, and shall disclose the policy on diversity or a summary of the policy in the corporate governance report annually; and
  - (k) where the Board propose a resolution to elect an individual as an INED at the general meeting, it should set out in circular to shareholders 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 reason why it considers the individual to be independent; (ii) if the proposed INED 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.
17. The Nomination Committee shall also make recommendations to the Board concerning:
- (a) formulating plans for succession for both executive and non-executive Directors;
  - (b) membership of the Company's audit and remuneration committees, in consultation with the chairmen of those committees; and
  - (c) the re-appointment of any non-executive Director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required.

### **Reporting procedures**

- 18. Full minutes of the Nomination Committees meetings should be kept by the secretary of the Nomination Committee and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Director.
- 19. Minutes of meetings of the Nomination Committee shall record in sufficient detail the matters considered by the Nomination Committee and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes should be sent to all members of the Nomination Committee for their comment and records respectively, within a reasonable time after such meetings.
- 20. Without prejudice to the generality of the duties of the Nomination Committee set out above, the Nomination Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on doing so.
- 21. Without prejudice to any requirement under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, written resolution may be passed and adopted by all members of the Nomination Committee.

### **Provision of Terms**

22. The Nomination Committee shall make available these terms of references on request and by inclusion onto the HKEX's website and the Company's website, thereby explaining the role of the Nomination Committee and the authority delegated to it by the Board.

### **Approval of Disclosure Statements**

23. The Nomination Committee shall be responsible for approving all disclosure statements in relation to the Nomination Committee, including but not limited to relevant disclosure statements in annual reports, interim reports and information uploaded on the HKEX's website and the Company's website.

### **Review of Terms**

24. The Nomination Committee shall review these terms of references annually, and may consider and submit to the Board any proposed changes that the Nomination Committee deems appropriate or advisable.