



# **PYI Corporation Limited**

(the “Company”)

## **Terms of Reference**

for the Nomination Committee

### **1. Membership**

- 1.1 The members of the Nomination Committee (the “**Member(s)**”) shall be appointed by the board of directors (the “**Director(s)**”) of the Company (the “**Board**”).
- 1.2 The majority of the Members shall be independent non-executive Directors.
- 1.3 The Nomination Committee shall consist of not less than two Members.
- 1.4 The Chairman of the Nomination Committee shall be appointed by the Board.

### **2. Secretary**

- 2.1 The secretary of the Nomination Committee shall be appointed by the Board.

### **3. Meetings**

- 3.1 The Nomination Committee shall with such frequency and at such times as it may determine. It is expected that the Nomination Committee shall meet at least once a year.
- 3.2 Meetings may be convened by any Member or by the secretary of the Nomination Committee on the request of a Member.
- 3.3 Notice may be given in writing or by telephone or in such other manner as the Nomination Committee may from time to time determine.
- 3.4 The quorum for meetings shall be any two Members.

- 3.5 Meetings can be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 3.6 Resolutions of the Nomination Committee at any meetings shall be passed by a majority of votes of the Members present.
- 3.7 A resolution in writing signed by all the Members shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.
- 3.8 Minutes shall be kept by the secretary of the Nomination Committee. Draft and final versions of minutes shall be circulated to all the Members for their comment and records respectively, in both cases within a reasonable period of time after the meeting. Such minutes shall be open for Directors' inspection.

#### **4. Attendance at meetings**

- 4.1 The Nomination Committee may invite any Director, executive or other person to attend any meeting(s) of the Nomination Committee as it may from time to time consider desirable to assist the Nomination Committee in the attainment of its objective and discharge of responsibilities and powers.
- 4.2 Only Members are entitled to vote at the meetings.

#### **5. Objective**

- 5.1 The Nomination Committee shall be responsible to the Board for leading the process for Board appointments and for identifying and nominating for the approval of the Board candidates for appointment to the Board.

#### **6. Authority**

- 6.1 The Nomination Committee is authorised by the Board to make full use of intermediary agencies for identifying qualified director candidates at the Company's expense..
- 6.2 The Nomination Committee is authorised by the Board to conduct interviews with prospective candidates for nomination.
- 6.3 The Nomination Committee is authorised by the Board to seek any nomination related information it requires from senior management of the Company in order to perform its duties.

- 6.4 The Nomination Committee is authorised by the Board to obtain independent legal or other professional advice if considered necessary to perform its duties.
- 6.5 The Nomination Committee shall be provided with sufficient resources to perform its duties.

## **7. Responsibility and Powers**

The Nomination Committee shall have the following responsibilities and powers:

- 7.1 to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
- 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 assess the independence of independent non-executive Directors; and
- 7.4 to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the Chairman and Managing Director.

## **8. Report and review procedures**

- 8.1 The secretary of the Nomination Committee shall circulate the minutes of meetings of the Nomination Committee to all members of the Board.
- 8.2 The Nomination Committee shall review annually the Nomination Committee's terms of reference and its own effectiveness and recommend to the Board any necessary changes.

*Remark : "senior management" should refer to the same category of persons as referred to in the Company's annual report and is required to be disclosed under Appendix 16 to the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited.*