

SHOUCHENG HOLDINGS LIMITED

(the “Company”)

NOMINATION COMMITTEE

TERMS OF REFERENCE

(Adopted on 17th February, 2005 and revised on 1st April, 2012, 28th August 2013, 12th July 2018 and 25th August 2022, respectively)

Constitution

1. The nomination committee (the “Committee”) is a committee of the board (the “Board”) of directors (the “Directors”) of the Company.

Membership

2. The Committee members shall be appointed by the Board from amongst the Directors and a majority of the Committee members should be independent non-executive Directors.
3. The chairman of the Committee shall be the chairman of the Board or an independent non-executive Director and shall be appointed by the Board from time to time.
4. A Committee member may, by notice in writing signed by him/her delivered to the registered office of the Company or at a meeting of the Committee, appoint another director to act as his/her alternate in his/her place during his/her absence. An alternate Committee member shall be entitled to attend and vote as a Committee member at any such meeting and to perform all the functions of his/her appointor. If one shall attend any such meeting as an alternate for more than one Committee member, his/her voting rights shall be cumulative.

Secretary of Committee

5. The company secretary of the Company shall be the secretary of the Committee.

Convening of meetings

6. The Committee members may, and on request of a Committee member the secretary shall, call any meetings.

Attendance at meetings

7. A quorum shall be three Committee members.
8. Other Directors, apart from the Committee members, have the right to attend any Committee meetings, though they shall not be counted in the quorum.
9. The Committee member may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other simultaneously.

Frequency of meetings

10. Meetings shall be held not less than once a year.

Voting

11. A resolution shall be passed by a simple majority of votes.
12. A resolution in writing signed by all Committee members except such as are absent from Hong Kong shall (so long as they constitute a quorum) be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolution in writing may consist of several documents in same form each signed by one or more of the Committee members.

Authorities

13. The Committee is authorized by the Board to seek any necessary information which is within the Committee's scope of duties from the employees.
14. The Committee is authorized by the Board to obtain outside independent professional advice at the Company's expenses to perform its duties, and to invite the attendance of outsiders with relevant experience and expertise if it considers necessary.

Duties

15. The duties of the Committee delegated by the Board shall be:
 - (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board and/or the management of the Company and its subsidiaries (the "**Management**") at least annually and make recommendations on any proposed changes to the Board and the Management to complement the Company's corporate strategy;

- (b) to identify individuals suitably qualified to become Board members of the Company and select or make recommendations to the Board on the selection of individuals nominated for directorships of the Company;
- (c) to assess the independence of independent non-executive Directors;
- (d) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors;
- (e) to review the Board Diversity Policy annually; and review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives;
- (f) to review regularly the contributions made by the Directors in discharging their responsibilities and whether they have devoted sufficient time accordingly;
- (g) to evaluate and review the committee candidates for the Executive Management Committee recommended by the chairman of the Executive Management Committee among Directors and senior management members of the Company, taking into account the Company's operational and management needs, and make recommendations to the Board;
- (h) to perform the following corporate governance responsibilities:
 - (i) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
 - (ii) to review and monitor the training and continuous professional development of directors and senior management;
 - (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
 - (iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the employees of the Company and Directors;
 - (v) to review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report as set out in Appendix 14 of the Listing Rules; and
 - (vi) to comply with any requirements, guidelines or rules prescribed by the Board from time to time or as set out in the Articles of Association of the Company or as required by law.

Reporting

16. Full minutes of Committee meetings should be kept by the secretary of the Committee. Draft and final versions of minutes of the Committee meetings should be sent to all members of the Committee for their comments and records respectively within a reasonable time after the meeting.

17. The Committee shall report to the Board on a regular basis and at least once each year with respect to its decisions and/or recommendations. The Committee may report its decisions and/or recommendations by way of reports or minutes.