



## **FIRST PACIFIC COMPANY LIMITED**

### **第一太平有限公司**

*(Incorporated with limited liability under the laws of Bermuda)*

Website: <http://www.firstpacific.com>

(Stock code: 00142)

#### **NOMINATION COMMITTEE**

#### **TERMS OF REFERENCE**

### **1. OBJECTIVES**

The Nomination Committee (the “Committee”) of First Pacific Company Limited (the “Company”) is established to assist the board of directors of the Company (the “Board”) to deal with matters relating to the appointment and removal of directors, to formulate nomination policy for the Board’s consideration, to implement the Board’s approved nomination policy and to address the influence of the controlling shareholders on the composition of the Board.

### **2. MEMBERSHIP**

- i. All members of the Committee (the “Members”) shall be appointed by the Board and can be removed by the Board at its sole discretion.
- ii. The Committee shall consist of at least three (3) members, a majority of whom shall be Independent Non-executive Directors.
- iii. The chairman of the Committee (the “Chairman”) shall be appointed by the Board and must be either an independent non-executive director or chairman of the Board.
- iv. The Board may from time to time vary the composition of the Committee as may be required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as modified from time to time) (the “Listing Rules”) or other codes, rules and regulations as may be prescribed by the applicable regulatory authority from time to time.
- v. The Company Secretary or his or her nominee shall be the Secretary of the Committee.

### 3. MEETINGS

#### i. Frequency

The Committee shall meet at least annually. In addition, the Committee's Chairman may convene additional meetings at his discretion, and at such other time as the Committee may determine appropriate to perform its responsibilities.

#### ii. Notice

Notice of any meetings of the Committee will be given at least fourteen (14) days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. The requisite notice period is not required if a Committee meeting is adjourned for less than 14 days.

#### iii. Quorum

The quorum of the Committee shall be two Members, one of whom must be an independent non-executive director, who are either present in person or by means of telephone conference or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

#### iv. Attendance

- a. The Committee may invite the Chairman of the Board, other Directors, external advisers and/or any other persons who have specific responsibility for, or interest or expertise in, the subject under review to attend all or part of any meetings of the Committee.
- b. Only Members are entitled to vote at Committee meetings.
- c. In the absence of the Chairman and/or an appointed deputy, the remaining Members present shall elect one of the Members to chair the Committee meeting.
- d. The Chairman or in his absence, another Member shall attend the annual general meetings of the Company and be prepared to respond to the questions from shareholders on the activities of the Committee and their responsibilities.

v. Resolutions

1. Resolutions of the Committee shall be passed by a majority of votes.
2. A resolution in writing signed by all the Members shall be as valid and effectual as if it has been passed at a meeting of the Committee duly convened and held.

vi. Minutes

The secretary of the Committee shall keep full minutes of all Committee meetings. Draft minutes of meetings of the Committee shall be sent to all Members for their comments within a reasonable time after the meeting. Final version of the minutes, duly signed by the Chairman, shall be sent to all Members for their records.

**4. AUTHORITY**

- i. The Committee shall report directly to the Board and shall, where appropriate, consult the Chairman and/or chief executive of the Company for any clarification on proposals relating to the nomination of Directors.
- ii. The Committee is authorized to obtain independent external professional advice and to secure assistance from external parties with relevant experience and expertise where it considers necessary. The Committee shall have the sole authority to approve all reasonable related fees and terms of engagement, which fees shall be borne by the Company.
- iii. The Committee shall be provided with sufficient resources to perform its duties.

**5. DUTIES**

The duties of the Committee shall include the following:

- i. To review the structure, size and composition (including the skills, knowledge, experience, length of service, age, gender, cultural and educational background and ethnicity) of the Board at least annually; and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy, having regard to the Board Diversity Policy;
- ii. To consider the selection criteria and to develop procedures for the sourcing and selection of candidates to stand for election as a director of the Company, having regard to the Board Diversity Policy;

- iii. To identify and nominate candidates suitably qualified to become Board members to the Board for it to recommend to shareholders for election as directors of the Company, having regard to the Board Diversity Policy. Sufficient biographical details of the nominated candidates shall be provided to the Board and to the shareholders to enable them to make an informed decision on the selection of individuals nominated for directorships;
- iv. To identify and nominate candidates suitably qualified to fill the casual vacancies of directors for the Board's approval;
- v. To make recommendations to the Board on the appointment or reappointment of directors and succession planning for directors, in particular, the Chairman and the chief executive officer;
- vi. To assess the independence of independent non-executive directors, having regard to the requirements under the Listing Rules, and to review the independent non-executive directors' annual confirmations on their independence, and to make disclosure of its review results in the Corporate Governance Report;
- vii. Where the Board, based on the recommendation from the Committee, proposes a resolution to elect an individual as an independent non-executive director at any general meeting, the Committee will review and settle the Board's explanation, as set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting, as to why the Board believes he/she should be elected and the reasons why the Board considers him/her to be independent;
- viii. To regularly review the time required from a director to perform his responsibilities, and to adopt guidelines to address competing time commitments that directors serving on multiple boards may face;
- ix. To enhance the composition of the Board through the quality of directors' appointments, and to consider whether existing directors should be re-appointed by having due regard to their contribution and performance;
- x. To do any such things to enable the Committee to perform its powers and functions conferred on it by the Board;
- xi. To conform to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the Company's constitution or imposed by legislation;
- xii. To review from time to time as appropriate these Terms of Reference and the Board Diversity Policy and to recommend to the Board any necessary changes required; and

- xiii. To report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of the Board Diversity Policy.

## **6. REPORTING PROCEDURES**

- i. The Committee shall report to the Board on its decisions or recommendations, either orally or in writing, at regular meetings of the Board or more frequently if required, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).
- ii. The meetings and proceedings of the Committee shall be governed by the provisions of the Company's Bye-laws for regulating the meetings and proceedings of directors.

## **7. LANGUAGE**

If there is any discrepancy between the English and Chinese versions of these Terms of Reference, the English version shall prevail.

## **8. PUBLICATION OF THESE TERMS OF REFERENCE**

A copy of these Terms of Reference will be uploaded to the respective websites of the Company and The Stock Exchange of Hong Kong Limited.

*Revised on 25 March 2014*