

GLORY SUN FINANCIAL GROUP LIMITED
寶新金融集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 01282)
(the “**Company**”)

TERMS OF REFERENCE
OF
NOMINATION COMMITTEE
(the “**Committee**”)

(Adopted pursuant to directors’ resolutions dated 28 March 2012 and updated in August 2013, December 2014, November 2015, March 2019 and May 2019)

1. Membership

- 1.1 The Committee shall consist of not less than three members appointed by the board of directors of the Company (the “**Board**”) and comprises a majority of independent non-executive directors of the Company.
- 1.2 The chairman of the Committee shall be appointed by the Board and shall be the chairman of the Board or an independent non-executive director.
- 1.3 The term of membership will be one year from the date of appointment subject to renewal and shall be governed by the provisions of the Articles of Association of the Company.
- 1.4 The appointment of the members of the Committee maybe revoked, and new appointment be made in place by resolutions passed by the Board and by the Committee.
- 1.5 No alternate Committee member can be appointed.
- 1.6 The company secretary of the Company or his/her nominee shall act as the secretary of the Committee.

2. Frequency and proceedings of meetings

- 2.1 The Committee shall meet before the holding of an annual general meeting where appointment of directors will be considered. Additional meetings shall be held as the work of the Committee demands.
- 2.2 In addition, the chairman of the Committee may convene additional meetings at his discretion.
- 2.3 The quorum of a meeting shall be two members of the Committee of whom at least one is independent non-executive director.
- 2.4 Proceedings of meetings of the Committee shall be governed by the provisions of the Articles of Association of the Company.

3. Notice of Meetings

- 3.1 Notice of any meetings has to be given at least 14 days prior to any such meeting being held, unless all members of the Committee 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. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.

4. Committee's Resolutions

- 4.1 A resolution in writing signed by all the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee and may contain in one document or in several documents in like form each signed by one or more of the members of the Committee. Such resolution may be signed by fax. This provision is without prejudice to any requirement under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**") for a Board or Committee meeting to be held.

5. Authority

- 5.1 The Committee is authorised by the Board to review, assess and make recommendations upon any issue within its terms of reference and all employees are directed to cooperate as requested by members of the Committee.
- 5.2 The Company should provide the Committee sufficient resources to perform its duties. The Committee is authorised by the Board to obtain outside legal or other independent professional advice if deemed required and to invite the attendance of outsiders with relevant experience and expertise if it considers necessary at the Company's expense, to perform its responsibilities.
- 5.3 Where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it should set out in the 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 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.

6. Duties, powers and functions

- 6.1 The Committee shall
- (a) formulate the nomination policy and the board diversity policy (the "**Board Diversity Policy**") for consideration of the Board and implement such policies laid down by the Board;

(b) without prejudice to the generality of the foregoing:

- (i) review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (ii) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iii) assess the independence of independent non-executive directors;
- (iv) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive;
- (v) review the Board Diversity Policy and any measurable objectives for implementing such Board Diversity Policy as may be adopted by the Board from time to time and to review the progress on achieving the objectives; and to make disclosures of its review results in the annual report of the Company annually;
- (vi) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
- (vii) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Memorandum of Association and the Articles of Association of the Company or imposed by legislation.

7. Reporting Procedures

- 7.1 The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.
- 7.2 The secretary of the Committee shall circulate the minutes of meetings and all written resolutions of the Committee to all members of the Board, keeping the Board informed of the Committee's activities, decisions and recommendations on a regular basis. The secretary of the Committee shall keep record of all meetings of the Committee held during each financial year of the Company and records of individual attendance of members of the Committee, on a named basis, at meeting held during that financial year.

8. Availability and update of the terms of reference

- 8.1 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 Listing Rules) in Hong Kong. These terms of reference shall be made available to the public explaining its roles and the authority delegated to it by the Board by including them on the websites of The Stock Exchange of Hong Kong Limited and the Company.
- 8.2 The Board may, subject to compliance with the Articles of Association of the Company and the Listing Rules (including the Corporate Governance Code set out in Appendix 14 to the Listing Rules or, if adopted by the Company, the Company's own code of corporate governance practices), amend, supplement and revoke these terms of reference and any resolution passed by the Committee provided that no amendments to and revocation of these terms of reference and the resolutions passed by the Committee shall invalidate any prior act or resolution of the Committee which would have been valid if such terms of reference or resolution had not been amended or revoked.