

# POLYFAIR

**Polyfair Holdings Limited**

**寶發控股有限公司**

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

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## **TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

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Adopted by resolution of the Board of Directors on 30 June 2025

# POLYFAIR

**Polyfair Holdings Limited**  
**寶發控股有限公司**  
(the “Company”)

## **Terms of Reference of the Nomination Committee**

### **1. Constitution**

- 1.1 The board of directors (“**Directors**”) of the Company (the “**Board**”) resolved to establish a nomination committee (the “**Nomination Committee**”) on 25 January 2018.

### **2. Membership**

- 2.1 Members of the Nomination Committee shall be appointed by the Board and shall consist of not less than three members and the majority of the members of the Nomination Committee shall be independent non-executive Directors.
- 2.2 The Board shall have the right to appoint and remove members of the Nomination Committee. The Board shall also have the right to appoint additional members to the Nomination Committee.

### **3. Chairman**

- 3.1 The Board shall appoint a chairman (the “**Chairman**”) for the Nomination Committee.
- 3.2 In the absence of the Chairman at any meeting of the Nomination Committee, the remaining members of the Nomination Committee present at any meeting convened in accordance with these terms of reference shall elect among the remaining members of the Nomination Committee to act as the Chairman.
- 3.3 The Chairman may be removed at any time by the Board.

### **4. Secretary**

- 4.1 The company secretary or his/her nominee shall act as the secretary of the Nomination Committee.
- 4.2 In the absence of the secretary of the Nomination Committee, the members of the Nomination Committee present at the meeting shall elect another person to act as the secretary.

## **5. Notice**

- 5.1 Unless otherwise agreed in writing by all members of the Nomination Committee, a meeting of the committee shall be called by at least seven days' notice.
- 5.2 A member of the Nomination Committee may and, on the request of a member of the Nomination Committee, the secretary to the Nomination Committee shall, at any time summon a meeting of the Nomination Committee. Notice shall be given to each member of the Nomination Committee orally in person or in writing or by telephone or by telex or telegram or facsimile transmission or electronic mail at the telephone or facsimile or address or electronic mail address from time to time notified to the secretary by such member of the Nomination Committee by such other means as the members may from time to time determine. Any notice given orally shall be confirmed in writing.
- 5.3 Notice of meeting shall state the time and place of the meeting and shall be accompanied by an agenda together with the meeting papers and other documents which may be required to be considered by the members of the Nomination Committee for the purposes of the meeting shall be sent in full to all members of the Nomination Committee in a timely manner and at least seven days before the intended date of a Nomination Committee meeting or such other period as agreed in writing by all members of the Nomination Committee.

## **6. Quorum**

- 6.1 The quorum necessary for the transaction of business shall be two. No business shall be transacted at any meeting of the Nomination Committee unless a quorum of members is present at the time when the meeting proceeds to business.
- 6.2 If only two members are present in any meeting of the Nomination Committee, at least one member must be an independent non-executive Director.
- 6.3 Other Directors who are not members of the Nomination Committee shall have the right to attend any meetings of the Nomination Committee, however they shall not be counted in the quorum.
- 6.4 A duly convened meeting of the Nomination Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Nomination Committee.

## **7. Frequency of Meetings**

- 7.1 Meeting of the Nomination Committee shall be held at least once a year and at such other times as the Chairman shall require.

## **8. Minutes of Meetings**

- 8.1 Minutes of the Nomination Committee should record in sufficient detail regarding the matters considered by the Nomination Committee and decisions reached, including any concerns raised by any member of the Nomination Committee or dissenting views expressed. Drafts and final versions of minutes of the Nomination Committee meetings should be sent to all members of the Nomination Committee for their comment and records respectively, in both cases within a reasonable time after the meeting is held.
- 8.2 Minutes of the Nomination Committee meetings shall be kept by the secretary of the Nomination Committee and shall be made available for inspection by any member of the Nomination Committee and any Director at any reasonable time and on reasonable notice.

## **9. Written Resolutions**

- 9.1 Resolutions may be passed by all members of the Nomination Committee in writing.

## **10. Duties**

- 10.1 The duties of the Nomination Committee shall include the following:

- (a) to review the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board at least annually, assist the board in maintaining a board skills matrix and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (c) to assess the independence of the independent non-executive Directors and any proposed independent non-executive Directors;

- (d) 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 of the Board and the chief executive officer of the Company;
- (e) to review the Board diversity policy, as appropriate and make recommendations on any required changes to the board for consideration and approval, and monitor its implementation so as to ensure its effectiveness, and make disclosure of its summary and the progress of its implementation in the Corporate Governance Report;
- (f) to address and deal with such other matters as may be delegated by the Board to the Nomination Committee;
- (g) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (h) to review and monitor the training and continuous professional development of directors and senior management;
- (i) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (j) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors;
- (k) to review the Company's compliance with the code and disclosure in the Corporate Governance Report;
- (l) to report back to the Company's board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so;
- (m) to support the issuer's regular evaluation of the board's performance; and
- (n) to review and assess each Director's time commitment and contribution to the Board as well as the Director's ability to discharge his or her responsibilities effectively, taking in account the factors as required by the Listing Rules.

## **11. Reporting Procedures**

- 11.1 The Nomination Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Nomination Committee, the Chairman shall report the findings and recommendations of the Nomination Committee to the Board.
- 11.2 The Chairman, or in the absence of the Chairman, a member of the Nomination Committee or failing this his duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to respond to shareholders' questions.

## **12. Authority**

- 12.1 Management shall be obliged to supply to the Nomination Committee with adequate information in a timely manner to enable it to make informed decisions. The information supplied must be complete and reliable.
- 12.2 The Nomination Committee shall have access to sufficient resources and is authorized by the Board to seek any information it requires from any employee of the Company or its subsidiaries in order to discharge its duties and all employees are directed to co-operate with any request made by the Nomination Committee.
- 12.3 In carrying out its duties, the Nomination Committee, if considered necessary, is authorized by the Board to obtain, at the Company's expense, expert advice from legal or other professional advisors.

## **13. Continuing applications of the articles of association of the Company**

- 13.1 The articles of association of the Company regulating the meetings and proceedings of the Directors so far as the same are applicable and not inconsistent with the provisions of these terms of reference shall apply, mutatis mutandis, to regulate the meetings and proceedings of the Nomination Committee.

## **14. Powers of the Board**

- 14.1 The Board may, subject to compliance with the articles of association of the Company and the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, amend, supplement and revoke the provisions of this terms of reference and any resolution passed by the Nomination Committee provided that no amendments to and revocation of the provisions of this terms of reference and the resolutions passed by the Nomination Committee shall invalidate any prior act and resolution of the Nomination Committee which would have been valid if such provisions or resolutions had not been amended or revoked.