



PYI Corporation Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 498)

Terms of Reference

of the Nomination Committee (the “**Committee**”)

1. Membership

- 1.1 The members of the Committee (the “**Member(s)**”) shall be appointed by the board of directors (the “**Director(s)**”) of PYI Corporation Limited (the “**Company**”) (the “**Board**”) from time to time.
- 1.2 The majority of the Members shall be independent non-executive Directors (the “**INED(s)**”).
- 1.3 The Committee shall consist of not less than two Members.
- 1.4 The Chairman of the Committee shall be appointed by the Board and shall either be the chairman of the Board or an INED.

2. Secretary

- 2.1 The Company Secretary shall serve as secretary of the Committee and he/she (or in his/her absence, his/her duly appointed representative or any one Member) shall be the secretary of the Committee’s meetings.

3. Meetings

- 3.1 The Committee shall meet at least once a year.
- 3.2 Meetings may be convened by any Member or by the secretary of the Committee on the request of a Member. Notice may be given in writing or by telephone or by facsimile or electronic transmission or other similar means or in such other manner as the Committee may from time to time determine.
- 3.3 The quorum of the Committee shall be any two Members.

- 3.4 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.
- 3.5 Resolutions of the Committee at any meetings shall be passed by a simple majority of votes of the Members present.
- 3.6 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 Committee duly convened and held.
- 3.7 Other than that stated herein, all the provisions of laws and of the Company's bye-laws relating to the proceedings of the Board shall apply mutatis mutandis to proceedings of the Committee.
- 3.8 Draft and final versions of minutes of meeting of the Committee shall be sent to all Members for their comment and records respectively within a reasonable time after the meeting is held. Final version of minutes of meetings shall be kept by the secretary of the Committee and open for inspection by the Members and the Board.

4. Attendance at meetings

- 4.1 The Committee may invite any Director, executive or other person to attend any meeting(s) of the Committee as it may from time to time consider desirable to assist the 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 Committee shall be responsible to the Board for: (i) leading the process for Board appointments; and (ii) identifying and nominating for the approval of the Board candidates for appointment to the Board.

6. Authority

- 6.1 The Committee is authorised by the Board to make full use of intermediary agencies for identifying qualified director candidates at the expense of the Company.
- 6.2 The Committee is authorised by the Board to conduct interviews with prospective candidates for nomination.

- 6.3 The 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 Committee is authorised by the Board to obtain independent legal or other professional advice, if necessary, to perform its duties and responsibilities at the expense of the Company.
- 6.5 The Committee shall be provided with sufficient resources to perform its duties.

7. Responsibilities and Powers

The Committee shall have the following responsibilities and powers:

- 7.1 to review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional and industrial experience, skills, knowledge and length of service) of the Board at least annually; and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- 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 with consideration on merit and against the objective criteria, with due regard for the benefits of diversity on the Board;
- 7.3 to assess the independence of INEDs;
- 7.4 to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman of the Board and the Managing Director, taking into account all factors which the Committee considers appropriate including but not limited to (i) the challenges and opportunities emerging; (ii) the skills and expertise of a Director contemporarily required; (iii) the Company's corporate strategy; and (iv) the diversity on the Board;
- 7.5 to develop and review, from time to time as it considers appropriate, measurable objectives for achieving and improving diversity on the Board, and recommend them to the Board for consideration and adoption;
- 7.6 to review and monitor the implementation of the Board Diversity Policy so as to ensure its continued effectiveness and, where necessary, recommend any revisions of the Board Diversity Policy to the Board for consideration and approval;

- 7.7 to develop and review from time to time, as it considers appropriate, the policy, criteria and procedures for identification, selection and nomination of candidates for appointment as Directors to the Board for the Board's approval;
- 7.8 to review and monitor the implementation of the Nomination Policy so as to ensure its continued effectiveness and, where necessary, recommend any revisions of the Nomination Policy to the Board for consideration and approval; and
- 7.9 to review the disclosures in relation to the Board Diversity Policy, the Nomination Policy and other information incidental thereto as set out in the Corporate Governance Report.

8. Reporting procedure

- 8.1 The Committee shall report to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so.

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.

Date: 15 March 2019 (Revised)