



Advanced Card Systems Holdings Limited

龍傑智能卡控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2086)

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

(Effective on 29 September 2015)

Formation

1. The Committee was formed pursuant to the board resolution of Advanced Card Systems Holdings Limited (the “Company”) passed on 20 March 2012.

Composition and Quorum

2. The members of the Committee shall be appointed by the board of directors (the “Board”) of the Company amongst the non-executive directors and executive directors of the Company. A majority of the Committee members should be independent non-executive directors.
3. Members : The Committee shall consist of not less than 3 members.
4. Quorum : 2
5. The chairman of the Committee shall be appointed by the Board and shall be an independent non-executive director or the chairman of the Board.
6. The meetings and proceedings are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of directors.

Authority

7. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
8. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

* For identification only

Duties

9. The duties of the Committee shall be:
- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually 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 board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
 - (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, in particular the chairman and the chief executive; and
 - (e) to consider other topics as defined by the Board.

Secretary of the Committee

10. The head of human resources department of the Company shall be the secretary of the Committee. The secretary of the Committee or in his/her absence, his/her representative or any one Committee member, shall be the secretary of the meetings of the Committee.

Frequency of meetings

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

Reporting procedures

12. The secretary or his/her representative shall circulate the minutes of meetings to all members of the Committee.