

HONG WEI (ASIA) HOLDINGS COMPANY LIMITED

鴻偉(亞洲)控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 8191)

(“Company”)

Terms of Reference of the Nomination Committee

The Nomination Committee

The board of directors (the “**Board**”) of the Company established a committee of the Board known as the Nomination Committee (the “**Nomination Committee**”), the constitution and particular duties of which are set out below:

1. Membership

- 1.1 The members of the Nomination Committee shall be appointed by the Board from amongst the directors of the Company (the “**Directors**”) and the Nomination Committee shall consist of not less than three members, the majority of which shall be independent non-executive Directors.
- 1.2 The Nomination Committee should be chaired by the chairman of the Board or an independent non-executive Director. The chairman of the Nomination Committee shall be appointed by the Board.

2. Secretary

- 2.1 The Company Secretary shall be the secretary of the Nomination Committee.
- 2.2 The Nomination Committee may from time to time appoint another secretary with appropriate qualification and experience.

3. Meetings

- 3.1 The Nomination Committee members may call any meetings at any time when necessary.
- 3.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Nomination Committee, and to any other person required to attend in relation to all regular meetings of the Nomination Committee, at least 14 days before the date of the meeting; and in relation to continued meetings held within 14 days, no prior notice is required.
- 3.3 The quorum of Nomination Committee meetings shall be two members, one of them should be an independent non-executive Director.

- 3.4 The Nomination Committee members may attend meetings either in person, by telephone or through other electronic means of communication (which are available to all attended parties).
- 3.5 Resolutions of the Nomination Committee shall be passed with a majority of votes.
- 3.6 Resolutions signed by all members of the Nomination Committee will be treated valid as if it is passed in the meeting held by the Nomination Committee.
- 3.7 Minutes of the Nomination Committee meetings shall be kept by the secretary of the Nomination Committee and/or any Director of the Company at any reasonable time on reasonable notice. Draft and final versions of minutes of Nomination Committee meetings shall be sent to all Nomination Committee members for their comments and records respectively, in both cases within a reasonable time after the meeting. Once they are agreed, the secretary of the Nomination Committee shall circulate the minutes and reports of the Nomination Committee to all members of the Board.

4. Attendance of Meetings

- 4.1 Upon invitation by the Nomination Committee, the chairman of the Board and/or the general manager or the chief executive officer, external consultant and other Board members may attend all or any of the meetings.
- 4.2 Only the Remuneration Committee members shall have the voting powers.

5. Annual general meetings

- 5.1 The chairman of the Nomination Committee shall endeavour to attend the annual general meetings of the Company and be prepared to respond to any shareholder questions on the Nomination Committee's activities. If the chairman of the Nomination Committee is unable to attend, a member of the Nomination Committee (who must be an independent non-executive director) shall attend the annual general meeting of the Company. Such person shall be prepared to respond to any shareholder questions on the Nomination Committee's activities.

6. Duties and responsibilities

The duties of the Nomination Committee shall include, but shall not be limited to the following:

- 6.1 to review the structure, size and composition of the Board (including the skills, knowledge and experience) at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- 6.2 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 when a vacancy occurs on the Board by reason of disqualification, resignation, retirement, death or an increase in the size of the Board;

- 6.3 to make recommendations to the Board on (a) the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive of the Company and (b) any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the company subject to the provisions of the law and their service contract; (c) the appointment of any director to executive or other office, other than to the positions of chairman and chief executive, the recommendation for which would be considered at a meeting of the full board; and (d) any area it deems appropriate within its scope of duties where action or improvement is needed;
- 6.4 to consider factors below when it makes recommendation for appointment and reappointment, inter alia:
- a) mix of Board members that promotes diversity of background and experience on the Board;
 - b) competency;
 - c) age of potential/existing Director;
 - d) independence of potential/existing Board member;
 - e) business, technical, or specialised skills and experience of member/potential member;
 - f) ability, time, commitment and willingness of a new member to serve and an existing member to continue service;
 - g) specific value a member/potential member can add to the Board;
- 6.5 to review the policy concerning diversity of the Board (the “**Board Diversity Policy**”) adopted by the Board from time to time, and to monitor the implementation of such policy and provide annually, in the corporate governance report of the Company, a summary of the Board Diversity Policy and a report on the Board’s composition from diversity perspectives;
- 6.6 to review the Nomination Policy (as defined in paragraph 8 below) to ensure that it remains relevant to the Company’s needs and reflects both current regulatory requirements and good corporate governance practice;
- 6.7 to assess the independence of independent non-executive Directors, having regards to the requirements of the GEM Listing Rules;
- 6.8 where the Board proposes a resolution to elect an individual as an independent non-executive Director at the general meeting, the Nomination Committee should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe the individual should be elected and the reasons why they consider the individual to be independent.

7. Nomination Procedures

7.1 Appointment of directors

- 7.1.1 The Committee shall identify and upon receipt an appointment proposal, evaluate individual(s) suitably qualified to become Board member(s), having due regard to the Nomination Policy and the Board Diversity Policy, and assess the independence of the proposed independent non-executive director(s) as appropriate. The Committee shall then make recommendations to the Board.

7.1.2 The Board may confirm the appointment of the individual(s) as director(s) or recommend the individual(s) to stand for election at a general meeting. Individual(s) appointed by the Board to fill a casual vacancy or as an addition to the Board shall be subject to re-election by the shareholders of the Company at the next general meeting after initial appointment in accordance with the Company's articles of association.

7.2 Re-appointment of directors

7.2.1 The Committee shall review the overall contribution and service to the Company of each retiring director, having regard to the Nomination Policy and the Board Diversity Policy, and assess the independence of each retiring independent non-executive director. The Committee shall then make recommendations to the Board.

7.2.2 The Board may recommend the retiring director(s) to stand for re-elections at the annual general meeting in accordance with the Company's articles of association.

7.3 The Board shall have the ultimate responsibility for all matters relating to the selection and appointment of directors.

8. **Nomination Policy**

The provisions set out in paragraphs 6.1 to 6.4 and paragraph 6 above constitute the nomination policy of the Company (the "**Nomination Policy**") which describes the nomination procedures and the process and key criteria adopted by the Committee to select and recommend candidates for directorship.

9. **Reporting responsibilities**

9.1 After each meeting, the Nomination Committee shall report formally to the Board on all matters within its duties and responsibilities.

10. **Authority**

10.1 The Nomination Committee shall consult the chairman and/or the general manager or the chief executive officer of the Company about their proposals relating to the remuneration of other executive directors.

10.2 the Nomination Committee is authorised by the Board when necessary to seek any remuneration information it requires from senior management of the Company to order to discharge its duties.

10.3 The Nomination Committee is authorised by the Board when necessary to obtain outside legal or other independent professional advice in connection with its duties at the Company's expense.

Note: All such arrangements of obtaining outside legal or other independent professional advice may be made by the company secretary.

10.4 The Nomination Committee shall have access to sufficient resources in order to discharge its duties.

“Senior management” refers to the same category of persons as referred to in the Company’s annual report. It is the responsibility of the directors of the Company to determine which individual or individuals constitute senior management. Senior management may include directors of subsidiaries, heads of divisions, departments or other operating units within the group as, in the opinion of the directors, is appropriate.

If there is any inconsistency between the English version and the Chinese version, the English version shall prevail.

(Adopted on 19 December 2013 and amended on 25 March 2019)