

**EVERCHINA INT’L HOLDINGS COMPANY LIMITED**  
(the “Company”)  
**Nomination Committee**

**Terms of Reference**

*(Amended & adopted by the Board on 25 March 2019)*

**Constitution**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company resolved to establish a committee of the Board known as the Nomination Committee on 29 March 2012.

**Membership**

The member of Nomination Committee shall be appointed by the Board and shall comprise a minimum of three members. The majority of the Nomination Committee members shall be independent non-executive Directors.

**Chairman**

- 1 The Board shall appoint the chairman of the Nomination Committee (the “**NC Chairman**”). The NC Chairman has the responsibility of liaising with the Board.
- 2 The NC Chairman shall chair the meetings of the Nomination Committee.
- 3 In the absence of the NC Chairman during a meeting of the Nomination Committee, the remaining members present at such meeting shall elect one of themselves to chair such meeting of the Nomination Committee.

**Quorum and voting at meetings**

- 1 The quorum necessary for the transaction of business during meetings of the Nomination Committee shall be two members. If only two members are in attendance, both members shall be independent non-executive Directors. If more than two members are in attendance, a majority of the members shall be independent non-executive Directors.
- 2 Questions arising at any meetings of the Nomination Committee shall be decided by a simple majority of votes.

**Attendance at meetings**

- 1 The company secretary of the Company shall be the secretary of the Nomination Committee (the “**Secretary**”).
- 2 The Nomination Committee members may attend meetings of the Nomination Committee either in person or through other electronic means of communication (if made available by the Company). Should any member of the Nomination Committee wish to attend a meeting through electronic means of communication, prior arrangements shall be made with the Secretary.
- 3 The chairman of the Board (the “**Chairman**”) shall be in attendance with other members of the senior management of the Company if deemed appropriate and invited by the Nomination Committee.

### **Frequency of meetings**

At least one meeting of the Nomination Committee will be held each year provided that any ad hoc meetings shall be convened as and when deemed necessary.

### **Notice of meetings**

- 1 Meetings of the Nomination Committee shall be convened by the Secretary at the request of any of its members.
- 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:
  - (a) in relation to all regular meetings of the Nomination Committee, at least 14 days before the date of the meeting; and
  - (b) in relation to all other meetings of the Nomination Committee, within a reasonable time prior to the date of the meeting.
- 3 An agenda of items to be discussed, together with supporting papers shall be sent to Nomination Committee members and to other attendees as appropriate within a reasonable time prior to the date of the meeting.
- 4 Any member of the Nomination Committee shall be entitled, by notice to the Secretary, to include other matters relevant to the functions of the Nomination Committee in the agenda of a Nomination Committee meeting.

### **Minutes of meetings**

- 1 The Secretary (or his/her delegate) in attendance at the meetings of the Nomination Committee shall prepare minutes in sufficient detail in respect of the proceedings and resolutions of all such meetings, including the names of those present and in attendance. The minutes should also include any concerns raised by any member of the Nomination Committee and/or dissenting views expressed.
- 2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and record such (if any) accordingly. Any member of the Nomination Committee ascertained by the Secretary to have any conflict of interest shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Nomination Committee in which he/she and/or his/her associates has/have a material interest.
- 3 Draft and final versions of the minutes of Nomination Committee meetings shall be sent to all Nomination Committee members for their comment and records respectively, in both cases within a reasonable time after the meeting. Once they are agreed upon, the Secretary shall circulate the minutes and reports of the Nomination Committee to all members of the Board.
- 4 Minutes of the Nomination Committee meetings shall be kept by the Secretary and shall be available for inspection by any member of the Nomination Committee and/or any Director at any reasonable time on reasonable notice.

### **Annual general meetings**

- 1 The NC Chairman shall endeavor to attend the annual general meetings of the Company and be prepared to respond to any questions of the shareholders of the Company (the “Shareholders”) relating to the Nomination Committee's activities.
- 2 If the NC Chairman is unable to attend an annual general meeting of the Company, he shall arrange for another member of the Nomination Committee, or failing this, his duly appointed delegate, to attend in his place. Such person shall be prepared to respond to any such questions.

### **Reporting responsibilities**

- 1 After each meeting, the NC Chairman shall report formally to the Board on all matters within its duties and responsibilities.
- 2 The Nomination Committee shall make whatever recommendations it deems appropriate to the Board on any area within its remit where action or improvement is needed.
- 3 The Nomination Committee shall, with the assistance of the Secretary, compile a report to the Shareholders on its role and activities which will be included in the Company's Corporate Governance Report.

### **Authority**

The Nomination Committee is authorised by the Board:

- (a) to seek any information it requires from any employee of the Company and any professional advisers in order to perform its duties, to require any of them to prepare and submit reports and to attend Committee meetings and to supply information and address the questions raised by the Committee;
- (b) to review the performance of the Directors and the independence of independent non-executive Directors in relation to their appointment or reappointment as Directors;
- (c) to obtain, at the Company's expenses, outside legal or other independent professional advice on or assistance to any matters within these terms of reference, including the advice of independent human resource consultancy firm or other independent professionals, and to secure the attendance of outsiders with relevant experience and expertise at its meetings if it considers this necessary. The Committee shall have full authority to commission any search (including without limitation litigation, bankruptcy and credit searches), report, survey or open recruitment which it deems necessary to help it fulfill its duties and should be provided with sufficient resources to discharge its duties;
- (d) to review annually these terms of reference and their effectiveness in the discharge of its duties and to make recommendation to the Board any changes it considers necessary; and
- (e) to request the Board to provide with sufficient resources to discharge its duties.

### **Duties**

The duties and responsibilities of the Nomination Committee shall be:

- (a) review the structure, size and composition (including the skills, experience and diversity of perspectives experience (including but not limited to gender, age, education and cultural background, professional expertise and knowledge) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) 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) assess the independence of independent non-executive directors, having regard to the requirements under the Listing Rules;
- (d) make recommendations to the Board on relevant matters on the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive officer;
- (e) review the nomination policy, as appropriate, for the Board's consideration and approval; and make disclosure of the nomination policy in the Company's corporate governance report annually; and
- (f) review the Board diversity policy, as appropriate, and make disclosure in the Company's corporate governance report annually.

### **Reporting Procedures**

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 NC Chairman shall report the findings and recommendations of the Nomination Committee to the Board.

### **Others**

The Nomination Committee shall have access to sufficient resources in order to discharge its duties. In the event that the Nomination Committee determines that it has insufficient resources, it may make a request for additional resources to the Board through the Secretary.

All members of the Nomination Committee shall have access to the advice and services of the Secretary with a view to ensuring that procedures of the Nomination Committee and all applicable rules and regulations are followed.

Every member of the Nomination Committee shall give sufficient time and attention to his/her duties as a member of the Nomination Committee. He/she shall give the Company the benefit of his skills and expertise through regular attendance and active participation.

*Note: In the event of discrepancies between the Chinese and the English versions, the English version shall prevail.*