

# **Dafeng Port Heshun Technology Company Limited**

## **大豐港和順科技股份有限公司**

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

**(Stock code: 8310)**

(hereafter the “**Company**”)

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

#### **1. Composition**

- 1.1 The nomination committee of the Company (the "**Committee**") shall consist of at least three directors, of which a majority should be independent non-executive directors, appointed by the board of directors of the Company (the "**Board**") from time to time.
- 1.2 The chairman of the Committee must be the chairman or chairlady of the Board or an independent non-executive director within the Committee and appointed by the Board.

#### **2. Secretary**

- 2.1 The company secretary of the Company or his or her representative (in his or her absence) shall be the secretary of the Committee.
- 2.2 The Committee may from time to time, appoint any other person with appropriate qualification and experience to act as the secretary of the Committee.

#### **3. Meetings**

- 3.1 The Committee shall meet at least once every year. Additional meetings may be convened by the chairman or chairlady of the Committee as and when necessary.
- 3.2 The quorum of a meeting shall be two members of the Committee, one of whom must be an independent non-executive director.
- 3.3 Proceedings of meetings of the Committee shall be governed by the provisions of the articles of association of the Company as amended from time to time.
- 3.4 Unless otherwise agreed by all the members of the Committee, a meeting shall only be called with at least seven (7) days' prior notice.
- 3.5 For regular Committee meetings, and so as far as practicable in all other cases, an agenda and accompanying papers (if any) should be sent, in full, to all members of the Committee and the directors of the Company (the "**Directors**"). These should

be sent in a timely manner and at least three (3) days before the intended date of the Committee meeting (or such other period as the members may agree).

- 3.6 At all times the members of the Committee shall be notified of and be invited to all meetings of the Committee and may attend all the meetings of the Committee.
- 3.7 Members of the Committee may participate in a meeting of the Committee by means of a conference telephone or other communications equipment through which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

#### **4. Committee's Resolutions**

- 4.1 Resolutions of the Committee should be passed, in the case of a meeting, by more than half of the members of the Committee attending such meeting.
- 4.2 A resolution in writing signed by all the members of the Committee shall be as valid and effective as if it had been passed at a meeting of the Committee and may consist of several documents in like form each signed by one or more of the members of Committee. Such resolution may be signed and circulated by email, facsimile or other forms of electronic communications. This provision is without prejudice to any requirement under the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") for a meeting of the Board or Committee to be held.
- 4.3 Minutes of meetings of the Committee should be kept by the secretary of the Committee and should be open for inspection at any reasonable time on reasonable notice by any Director.
- 4.4 Minutes of meetings of the Committee should record in sufficient detail the matters considered and decisions reached, including any concerns raised by any members of the Committee or dissenting views expressed. Draft and final versions of minutes of the meeting should be sent to all members of the Audit Committee for their comments and records, within a reasonable time after the meeting.

#### **5. Duties, Powers and Functions**

The Committee shall:-

- (i) review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

- (ii) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (iii) assess the independence of independent non-executive directors;
- (iv) 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 officer;
- (v) review the policy on Board diversity (the “**Board Diversity Policy**”) and any measurable objectives for implementing such Board Diversity Policy as may be adopted by the Board from time to time and to review the progress on achieving the objectives; and
- (vi) where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting (i) the process used for identifying the individual and why the board believes the individual and the reasons why it considers the individual to be independent; (ii) if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the board believes the individual would still be able to devote sufficient time to the board; (iii) the perspectives, skills and experience that the individual can bring to the board; and (iv) how the individual contributes to diversity of the Board.

## **6. Authority**

- 6.1 The Committee is granted the authority to investigate any activity within its terms of reference and all employees are directed to cooperate with any request made by the Committee. The Committee is authorized by the Board to obtain outside legal or other independent professional advice and to invite the attendance of outsiders with relevant experience and expertise if it considers this necessary.
- 6.2 The Committee is to be provided with sufficient resources to discharge its duties.

## **7. Reporting Procedures**

- 7.1 The Committee should report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).
- 7.2 Copies of the minutes of meetings of the Committee shall be provided to the Board at its meetings.

7.3 The chairman or chairlady of the Board should invite the chairman of the Committee to attend the annual general meeting. In his or her absence, the chairman or chairlady of the Board should invite another member of the Committee or failing this his or her duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting.

8. **Revision of the terms of reference**

8.1 These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in the GEM Listing Rules and other regulatory requirements in Hong Kong.