



NORTH MINING SHARES COMPANY LIMITED

北方礦業股份有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 433)

Terms of Reference of the Nomination Committee (the “Committee”) of the Board of Directors (the “Board”) of North Mining Shares Company Limited (the “Company”) (Adopted on 29 September 2023)

1. Constitution

- 1.1 The establishment of the Nomination Committee was ratified pursuant to a resolution passed by the Board at its meeting held on 29 September 2023.
- 1.2 Subject to the regulations contained in the Companies Law of Bermuda, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the bye-laws of the Company (the “**Bye-laws**”), the procedures of the Committee shall be regulated by the provisions set out in these Terms of Reference.

2. Composition

- 2.1 Committee members (“**Member(s)**”) shall be appointed by the Board from time to time amongst the directors of the Company (the “**Directors**”) and shall consist of not less than three Members, a majority of whom shall be independent non-executive Directors (“**INED(s)**”).
- 2.2 The chairman of the Committee (the “**Chairman**”) shall be appointed by the Board and shall be the chairman of the Board or an INED.
- 2.3 The appointment of the Members may be revoked, or additional Members may be appointed to the Committee by separate resolutions passed by the Board.
- 2.4 The company secretary of the Company or his/her nominee shall be the secretary of the Committee (the “**Committee Secretary**”).
- 2.5 The composition of the Committee shall comply with the requirements of the Listing Rules as amended from time to time.

3. Frequency and Proceedings of Meetings

- 3.1 The Committee shall meet at least once a year or more frequently if circumstances require. The Chairman may convene additional Committee meetings at his/her discretion.
- 3.2 Notice of Meeting
 - (a) Unless otherwise agreed by all Members, a meeting shall be convened by at least seven (7) days' notice. If a Committee meeting is called by a shorter notice, it shall be deemed to have been duly called if it is so agreed by a majority of the Members, and a Member who attends such a meeting shall deem to agree to the shorter notice.
 - (b) Notice of meeting may be given either orally or in writing by way of telephone, facsimile or other electronic means.
 - (c) Notice of meeting shall specify the time and place of the Committee meeting and shall be accompanied by an agenda together with other documents which may be required to be considered by the Members for the purposes of the meeting. Such agenda and other documents shall be provided to the Members in a timely manner and at least seven (7) days (or such other period as agreed by the Members) before the meeting.
- 3.3 A quorum of the Committee meeting shall be two Members.
- 3.4 Committee meetings may be held in person, by telephone or by video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment provided that all persons participating in such meeting is capable of hearing each other.
- 3.5 Board members have the right of attendance, but only Members are entitled to vote at the Committee meetings.
- 3.6 Resolutions of the Committee at any meetings shall be passed by a majority of votes.
- 3.7 The Chairman (or in his/her absence, a Member designated by the Chairman) shall preside at all meetings of the Committee. The Chairman shall be responsible for leading the Committee, including scheduling meetings, preparing agendas and making regular reports to the Board.
- 3.8 Except for provided herein, proceedings of the Committee meetings shall be governed by the provisions contained in the Bye-laws.

4. **Written Resolutions**

4.1 Written resolutions signed by all Members shall be valid and effectual as if they have been passed at the Committee meeting duly convened and held.

5. **Access**

5.1 The Committee should have full access to management and may invite members of management and others to attend its meetings.

6. **Authority**

6.1 The Committee is authorised by the Board to determine the procedures, process and criteria to be adopted for the purposes of selecting and recommending candidates for directorship. It shall report directly to the Board.

6.2 The Committee shall be provided with sufficient resources to discharge its duties, including but not limited to obtaining independent professional advice at the expense of the Company.

7. **Duties**

7.1 The duties of the Committee shall include the following aspects:

- (a) to review the structure, size, composition and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional 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;
- (b) to identify individuals suitably qualified to become Board members and to select or make recommendations to the Board on the selection of individuals nominated for directorships. In identifying suitable candidates, the Committee shall consider candidates on merit and against the objective criteria, with due regard for the benefits of diversity on the Board;
- (c) to assess the independence of INEDs and proposed INED, taking into account the independence of the individual's immediate family members;
- (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 officer, taking into account the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future, together with the Board, as appropriate;
- (e) to review the policy concerning diversity of the Board (the "**Board Diversity Policy**"), as appropriate, and review measurable objectives for implementing the Board Diversity Policy and progress on achieving the objectives, and to disclose the Board Diversity Policy or a summary of the policy and its annual review results in the corporate governance report;

- (f) 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 (as defined in the Listing Rules);
- (g) to ensure the presence of a formal, considered and transparent procedure for the selection, appointment and reappointment of Directors, including INEDs, to the Board, taking into account all factors which the Committee considers appropriate including the potential contributions the individual can bring to the Board in terms of qualification, skills, experience, independence and gender diversity;
- (h) where the Board proposes a resolution to elect an individual as an INED at a general meeting, the Committee shall 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 should be elected and the reasons why it considers the individual to be independent;
 - ii. if the proposed INED 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 would contribute to diversity of the Board;
- (i) to review and monitor the training and continuous professional development of the Directors;
- (j) to report formally to the Board on its proceedings after each Meeting on all matters within its duties and responsibilities;
- (k) to make a statement in the annual report of the Company about its activities and the process it used to make appointments;
- (l) to review, at least once a year, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval; and
- (m) to conform to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or applicable law.

8. Reporting Procedures

- 8.1 The Committee Secretary shall record in sufficient details the matters considered by the Committee and the decisions reached, including any concerns raised by the Members or dissenting views expressed. Draft and final versions of the minutes of the Committee meetings, or as the case may be, written resolutions of the Committee, shall be circulated to all Members for their comment and records respectively within a reasonable time after the meeting or before the passing of the written resolutions.
- 8.2 Full minutes of the Committee meetings and all written resolutions of the Committee, together with the record of individual attendance at such Committee meetings, shall be kept by the Committee Secretary. Board members and Members are entitled to have access to the minutes and written resolutions of the Committee.
- 8.3 The Committee shall report their findings and recommendations to the Board after each Committee meeting or the passing of the written resolutions.

9. Shareholders' Meeting

- 9.1 Generally, Members who are INEDs should attend general meetings of the Company to gain and develop a balanced understanding of the views of shareholders and make himself/herself available to respond to any shareholders' questions on the Committee activities.

10. Powers of the Board

- 10.1 The Board may, subject to compliance with the Bye-laws and the Listing Rules, amend, supplement and revoke these Terms of Reference.
- 10.2 The power to interpret these Terms of Reference shall vest in the Board.

11. Publication of these Terms of Reference

- 11.1 These Terms of Reference will be posted on the respective websites of the Company and The Stock Exchange of Hong Kong Limited.

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(If there is any inconsistency between the English and Chinese versions of these terms of reference, the English version shall prevail.)