



MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

NOMINATION COMMITTEE

Terms of Reference

(Adopted by the Board of Directors on 27 June 2025)

1 Membership

- 1.1 The Nomination Committee (the “**Committee**”) shall be appointed by the board of directors of the Company (the “**Board**”). The members of which must be directors of the Company. It shall consist of not less than three members, including at least one member of a different gender. A majority of the Committee members should be Independent Non-Executive Directors of the Company (“**INEDs**”).
- 1.2 The Board may at any time remove, suspend or replace any member of the Committee at its option by resolution whereupon the Committee should consist of the remaining or replaced members of the Committee.
- 1.3 The Chairman of the Committee shall be appointed by the Board and shall be the Chairman of the Board or an INED.
- 1.4 The Company Secretary of the Company shall be the Secretary of the Committee.

2 Frequency and Proceedings of Meetings

- 2.1 The Committee should meet at least once a year. Any member of the Committee or its Secretary can call for a meeting as necessary.
- 2.2 Notice of at least 14 days should be given for any meeting, unless such notification is waived by all members of the Committee. Notwithstanding the notification period, the attendance of the member of the Committee at the meeting would be deemed to be treated as the waiver of the required notification requirement. If the follow up meeting takes place within 14 days after the meeting, then no notification is required for such follow up meeting.
- 2.3 Resolutions of the Committee should be passed by more than half of the members.

3 Attendance at Meetings

- 3.1 A quorum of a meeting shall be two Committee members of whom one of them must be an INED .

3.2 Any members of the Committee or other attendees may participate in a meeting of the Committee in person or via electronic means including telephonic or videoconferencing or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other.

3.3 Only members of the Committee shall be entitled to vote in the meeting.

4 Annual General Meeting

4.1 The Chairman of the Committee shall attend the annual general meeting of the Company and in his absence at least a Committee member (must be an INED) should attend and handle the shareholders' enquiry on the activities and responsibilities related to the Committee.

5 Committee's Resolutions

5.1 A resolution in writing signed by all the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held and may consist of several documents in the like form each signed by one or more of the members of the Committee.

6 Duties and Authority

6.1 The Committee shall have the following duties and authority under delegation from the Board:

6.11 to 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. When reviewing the structure, size and composition of the Board, the Committee shall take into consideration of a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience in accordance with the Board diversity policy adopted by the Company from time to time to achieve Board diversity;

6.12 to report annually, in the corporate governance report contained in the Company's annual report, on the Board's composition under diversified perspectives, and monitor the implementation of the Board Diversity Policy;

6.13 to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individual(s) nominated for directorship(s);

6.14 to assess the independence of INEDs;

6.15 to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman of the Board and the Managing Director;

- 6.16 to be provided with sufficient resources to enable it to perform its duties, including, where necessary, may seek independent professional advice, at the Company's expense, to perform its responsibilities;
- 6.17 to review the Board Diversity Policy, as appropriate and at least annually, and review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives;
- 6.18 where the Board proposes a resolution to re-elect an independent non-executive Director has served more than nine years, informing the Board why such Director is still independent and should be re-elected, including the factors considered, the process and the discussion of the Board in arriving at such determination. Such Director's further appointment should be subject to a separate resolution to be approved by shareholders;
- 6.19 support the Company's regular evaluation of the Board's performance; and
- 6.20 to do any such things to enable the Nomination Committee to discharge its power, and functions conferred on it by the Board and as required under the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

7 Nomination Policy and Procedure

- 7.1 The Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. To ensure changes to the Board composition can be managed without undue disruption, there should be a formal, considered and transparent procedure for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Committee.
- 7.2 The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities which, in particular, are set out as follows:
 - 7.21 participating in Board meetings to bring an independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
 - 7.22 taking the lead where potential conflicts of interests arise;
 - 7.23 serving on the Audit Committee, the Remuneration Committee and

the Nomination Committee (in the case of candidate for Non-Executive Director) and other relevant Board Committees, if invited;

- 7.24 bringing a range of business and financial experience to the Board, giving the Board and any Committees on which he or she serves the benefit of his or her skills, expertise, varied backgrounds and qualifications and diversity through attendance and participation in the Board/Committee meetings;
 - 7.25 scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance;
 - 7.26 ensuring the Committees on which he or she serves to perform their powers and functions conferred on them by the Board; and
 - 7.27 conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitutional documents of the Company or imposed by legislation or the Listing Rules on the Stock Exchange, where appropriate.
- 7.3 If the candidate is proposed to be appointed as an INED, his or her independence shall be assessed in accordance with, among other things, the factors as set out in Rule 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time. Where applicable, the totality of the candidate's education, qualifications and experience shall also be evaluated to consider whether he or she has the appropriate professional qualifications or accounting or related financial management expertise for filling the office of an INED with such qualifications or expertise as required under Rule 3.10(2) of the Listing Rules.

8 Reporting Procedure

- 8.1 At the next meeting of the Board following a meeting/written resolution of the Committee, copies of the minutes of the meetings/resolutions setting out the findings, recommendations and decisions of the Committee shall be submitted to the Board.
- 8.2 Full minutes of the Committee meeting should be kept by a duly appointed Secretary of the Committee and should be available for inspection at any reasonable time on reasonable notice by any Director of the Company. Minutes of the meeting should record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes of the meeting should be sent to all Committee members for their comments and records, within a reasonable time after the meeting.
- 8.3 The Committee shall make a statement in the annual report about its activities, the process used and criteria adopted to make appointments and whether external advice was used.

- 8.4 The Committee should evaluate its own performance, these Terms, and its membership annually to ensure it is performing its duties effectively, and recommend to the Board any changes it considers necessary.
- 8.5 Where the Board proposes a resolution to elect an individual as an INED at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
- 8.51 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;
 - 8.52 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;
 - 8.53 the perspectives, skills and experience that the individual can bring to the Board; and
 - 8.54 how the individual contributes to diversity of the Board;

9 Availability and Update of the Terms of Reference

- 9.1 These terms of reference shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (e.g. Listing Rules) in Hong Kong. These terms of reference shall be made available to the public by including the same on the websites of the Stock Exchange and the Company.