**Shenzhen Woer Heat-Shrinkable Material Co., Ltd.**

**深圳市沃爾核材股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

# Rules of Procedures of the Nomination Committee of the Board of Directors

February 2026

# Contents

# Chapter 1 General Provisions

**Article 1** In order to standardize the selection of the leaders of Shenzhen Woer Heat-Shrinkable Material Co., Ltd. (the "**Company**"), optimize the composition of the Board of Directors, and improve the Company's governance structure, in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Code of Corporate Governance for Listed Companies, the Measures for the Administration of Independent Directors of Listed Companies, the Self-regulatory Guideline No. 1 for Companies Listed on the Shenzhen Stock Exchange — the Standardized Operation of Companies Listed on the Main Board, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the Articles of Association of Shenzhen Woer Heat-Shrinkable Material Co., Ltd. (the "**Articles of Association**") and other relevant provisions, the Company hereby establishes the Nomination Committee of the Board of Directors and formulates these Rules of Procedures.

**Article 2** The Nomination Committee of the Board is a special working body established by the Board in accordance with relevant laws and regulations. It shall be accountable to and reports to the Board and its main duties are to select and make recommendations on the selection criteria and procedures for the directors and senior management of the Company.

# Chapter 2 Composition

**Article 3** The Nomination Committee shall comprise three directors, two of whom are independent directors. At least one director of a different gender shall be appointed to the Nomination Committee.

**Article 4** The members of the Nomination Committee shall be elected by the Board. The Nomination Committee shall have one convener who shall be an independent director elected by the Board and be responsible for presiding over the work of the Committee.

**Article 5** Members of the Nomination Committee must meet the following conditions:

(i) having not fallen into the categories where a person shall not serve as a director of the Company in accordance with the Company Law, securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association;

(ii) having not been publicly determined as an unsuitable director of a listed company by any stock exchange, and the period of such determination has not yet expired;

(iii) having not been subject to any market entry restrictions imposed by the China Securities Regulatory Commission ("**CSRC**") prohibiting the person from serving as a director, and the period of such restrictions has not yet expired;

(iv) possessing good moral character, and possessing relevant professional expertise or work experience in human resource management, corporate management, finance, law and related fields;

(v) other conditions required by relevant laws, regulations, stock exchange rules of the place where the shares of the Company are listed or the Articles of Association.

**Article 6** A person who does not meet the criteria prescribed in the preceding article shall not be elected as a member of the Nomination Committee. A member of the Nomination Committee who becomes disqualified in accordance with the requirements of the preceding article during his/her term shall resign or be removed by the Board.

**Article 7** The term of office of the Nomination Committee shall be consistent with that of the Board. Each member of the Committee shall be eligible for re-election upon the expiry of his/her term of office. If any Committee member ceases to be a director of the Company during his/her term, his/her qualification as a member of the Nomination Committee shall be lost automatically, and the position(s) vacated by such member(s) shall be filled by the Committee in accordance with Articles 3 to 5 as set forth above.

**Article 8** Where the number of members of the Nomination Committee falls below two-thirds of the required number due to members' resignation or removal or other reasons, the Board of the Company shall elect new members for the Committee as soon as possible.

**Article 9** The requirements of the Company Law, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association on the obligations of directors are applicable to members of the Nomination Committee.

## Chapter 3 Duties and Authorities

**Article 10** The Nomination Committee shall be responsible for drafting the selection standards and procedures for directors and senior management, and for selecting and examining candidates for directors and senior management and their qualifications. Its main duties and powers shall be as follows:

(i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in preparing a Board skills matrix and make recommendations to the Board on the size and composition of the Board based on the Company's operating activities, asset size and shareholding structure, and make recommendations on any proposed changes to the Board to complement the Company's strategy;

(ii) to formulate the criteria for identifying candidates for members of the Board and senior management and reviewing and assessing their qualifications, and making recommendations to the Board;

(iii) to formulate and regularly review measurable objectives for the implementation of the Board Diversity Policy and monitor the progress of the implementation of such objectives;

(iv) to widely search for candidates that have the appropriate qualifications to serve as directors and senior management and make recommendations to the Board on the selection and nomination of individuals for the positions;

(v) to examine candidates for director and senior management and provide recommendations;

(vi) to evaluate the independence of the independent non-executive directors;

(vii) to make recommendations to the Board of Directors on the appointment or re-appointment of directors and senior management, and succession planning for directors and senior management; to make recommendations to the current Board on the candidates for Directors of the next session of the Board at the re-election of the Board;

(viii) to develop, review and assess the suitability of the guidelines for the Company's corporate governance guidelines, submit proposed amendments to the Board for consideration, and review and monitor the training and ongoing professional development of directors and senior management;

(ix) to formulate, review and supervise the code of conduct and compliance manual (if any) applicable to directors and senior management members;

(x) to support the Company's regular evaluation of the Board's performance;

(xi) to handle matters as required by laws, administrative regulations, normative documents, securities regulatory rules of the place where the shares of the Company are listed and other matters as authorized by the Board.

**Article 11** The Nomination Committee may make recommendations to the Board of Directors on the following matters:

(i) nomination or removal of directors;

(ii) appointment or dismissal of senior management;

(iii) other matters stipulated by laws, administrative regulations, securities regulatory rules of the Company's listing location, and the Articles of Association.

Where the recommendations of the Nomination Committee are not adopted or are not fully adopted by the Board, the opinions of the Nomination Committee and the specific reasons for the non-adoption shall be recorded in a resolution of the Board and disclosed accordingly.

**Article 12** The Nomination Committee of the Company shall examine the qualifications of the nominees and form clear examination opinions.

The Board shall give full consideration to the Nomination Committee's recommendations regarding the nomination of directors and senior management candidates and shall not set aside such nominations of directors and senior management by the Nomination Committee without sufficient justification or reliable evidence.

**Article 13** When the Nomination Committee performs its duties, relevant departments of the Company shall cooperate accordingly, with all expenses borne by the Company.

## Chapter 4 Convening and Notification of Meetings

**Article 14** The meetings of the Nomination Committee shall be held as needed from time to time. The meetings shall be presided over by the convener, who may appoint one other member who is an independent director as his/her proxy if he/she is unable to attend.

**Article 15** The Nomination Committee shall give notice to all members three days before the convening of the meetings by means of written notification, fax, telephone, e-mail or other expedited means.

In the event of emergency requiring convening an extraordinary meeting, the notice of the meeting can be exempted from the above time limit, and be sent at any time by telephone, e-mail or other means together with relevant materials and information, but the convener should make explanations in the meeting.

**Article 16** Voting at the Nomination Committee meetings will be conducted by show of hands or by ballot. The meetings of the Nomination Committee shall be held on-site. On the premise of ensuring that all participating directors can fully communicate and express their opinions, the meetings may be held by video, telephone or other means in accordance with established procedures when necessary. If voting by other means of communication is adopted, members of the Nomination Committee who have signed the meeting resolutions shall be deemed to have attended the relevant meeting and have agreed to the contents of the resolutions.

**Article 17** The Nomination Committee may invite directors and senior management of the Company to attend its meetings when necessary.

## Chapter 5 Consideration Rules and Voting Procedures

**Article 18** The meetings of the Nomination Committee may not be held unless a quorum of more than two thirds of its members is present. Each member shall have one vote, and resolutions adopted by the meetings shall be approved by more than half of all members. Directors of the Company may attend meetings of the Nomination Committee. Those directors who are not members of the Nomination Committee, however, do not have voting rights on the meeting proposals.

**Article 19** The member of the Committee who serves as an independent director shall attend the meeting in person. If the member is unable to attend the meeting for any reason, he/she shall review the meeting materials in advance, formulate a clear opinion, and appoint another member in writing to attend the meeting on his/her behalf. A non-independent director may delegate another member to attend the meeting and exercise the voting right on his/her behalf if he/she is unable to attend the meeting in person for any reason. If any member of the Nomination Committee appoints another member to attend the meetings and exercise the voting right on his/her behalf, he/she shall submit a power of attorney to the presider before the voting of the meetings. Each member of the Nomination Committee shall appoint only one other member as his/her proxy to exercise the voting right on his/her behalf. Where any member appoints two or more members to exercise the voting right on his/her behalf, such appointment shall be deemed invalid.

**Article 20** A power of attorney shall be signed by the appointing member and the proxy, and shall include at least the following information:

(i) the name of the appointing member;

(ii) the name of the proxy;

(iii) the entrusted matters;

(iv) the instruction as to how to vote on the proposed resolutions (voting for, voting against, abstaining or not participating) and the explanation as to whether the proxy may vote in his/her discretion in the absence of specific instruction;

(v) the validity period of the power of attorney;

(vi) the date of signing the power of attorney.

**Article 21** Members of the Committee will be considered absent from the meetings of the Committee if they fail to attend in person or by proxy. Members of the Nomination Committee who are absent from the meetings of the Committee twice consecutively will be deemed unable to perform their duties and powers and may be removed from the Committee by the Board of the Company.

**Article 22** Matters proposed at the Nomination Committee meetings are subject to collective consideration and voting on a case-by-case basis, i.e. all the proposals are considered by all members present and then are put to vote one by one according to the order of consideration.

**Article 23** The Nomination Committee shall, in accordance with relevant laws, regulations and the provisions of the Articles of Association, and in light of the actual conditions of the Company, study the election criteria, selection procedure and terms of office of the directors and senior management member of the Company, formulate resolutions which are then filed and submitted to the Board for consideration.

**Article 24** Procedures for selection and appointment of directors and senior management:

(i) the Nomination Committee shall proactively communicate with the Company's relevant departments, examine the Company's demand for new directors and senior management;

(ii) the Nomination Committee may search for candidates for directors and senior management within the Company, enterprises in which the Company holds a controlling (or non-controlling) interest and the recruitment market, among others;

(iii) to gather information about the short-listed candidates' professions, academic qualifications, professional titles, detailed work resumes and all concurrent positions held;

(iv) to seek the nominees' consent for nomination; otherwise, the nominees shall not be taken as candidates for directors or senior management;

(v) to convene a Nomination Committee meeting to conduct qualification review of the short-listed candidates based on the qualifications for directors or senior management;

(vi) to conduct other follow-up work based on the decision and feedback from the Board.

**Article 25** Voting at Nominating Committee meetings will be conducted by a show of hands or ballot. If the meeting is held by means of correspondence, voting on the resolutions is by signature. The presider of the meeting shall count the votes on each proposal and announce the voting results on the spot, which shall be recorded by the minute taker.

## Chapter 6 Resolutions and Minutes of Meetings

**Article 26** The Nomination Committee shall maintain meeting minutes on which members present shall sign their names and the meeting minutes shall be kept by the Board Secretary of the Company. The retention period shall not be less than ten years during the existence of the Company.

**Article 27** Minutes of the Nomination Committee meetings shall include at least the following information:

(i) date and venue of the meeting and name of the convener;

(ii) names of attendees, with special statement added for proxies;

(iii) agenda of the meeting;

(iv) highlights of members' speeches;

(v) the way of voting on each item or proposal and voting results that set out the numbers of votes for and against, the number of votes to abstain or the number of not participating;

(vi) other matters that shall be explained or recorded in meeting minutes.

**Article 28** Regarding the resolution passed by the Nomination Committee and the voting results, members of the Nomination Committee or the Board Secretary of the Company shall report details of the resolutions to the Board no later than the day after such resolutions have been come into effect.

**Article 29** Members who attend the meeting shall undertake confidentiality obligations for all items discussed at the meeting and shall not disclose relevant information without authorization.

## Chapter 7 Abstention System

**Article 30** Where a Nomination Committee member or his/her immediate family member, or any other enterprise controlled by a Nomination Committee member or his/her immediate family member has a direct or indirect interest in a matter under discussion at a meeting, the member shall promptly disclose the nature and extent of such interest to the Nomination Committee.

**Article 31** In the scenario mentioned in the preceding article, the interested member shall explain the relevant circumstances in detail at the meeting of the Nomination Committee and clearly indicate that he/she will abstain from voting. However, if the other members of the Nomination Committee agree after discussion that such interests will not have a significant impact on the voting matters, the interested member may participate in the voting. If the Board of the Company deems that it is inappropriate for the interested member in the preceding paragraph to participate in voting, it may revoke the voting results of the relevant proposals and request the disinterested members to vote again on the relevant proposals.

**Article 32** The meeting of the Nomination Committee shall deliberate and make resolutions on the proposals without including the interested member in the quorum. If the Nomination Committee fails to meet the minimum quorum after recusal of the interested member, all members (including interested members) shall resolve procedural matters such as submitting the relevant proposals to the Board for deliberation, and the Board of the Company shall deliberate on such proposals.

**Article 33** The meeting minutes and resolutions of the Nomination Committee shall indicate that interested members are not counted in the quorum and do not participate in the voting.

## Chapter 8 Work Evaluation

**Article 34** During the recess of the Nomination Committee, the members may conduct necessary follow-up on the performance of directors and senior management. Relevant departments of the Company shall actively cooperate and promptly provide the necessary materials to the members.

**Article 35** Nomination Committee members shall have the right to review the following relevant materials:

(i) the Company's periodic reports;

(ii) the Company's announcement documents;

(iii) resolutions and meeting minutes of the Company's shareholders' meetings, Board meetings, and management office meetings;

(iv) other relevant materials deemed necessary by Nomination Committee members.

**Article 36** Nomination Committee members may question the Company's directors and senior management regarding specific matters, and the directors and senior management shall provide responses.

**Article 37** Based on the information and circumstances they understand and possess, Nomination Committee members shall evaluate the performance of the Company's directors and senior management in the previous year.

**Article 38** Nomination Committee members shall maintain confidentiality regarding the Company's information they obtain until such information is publicly disclosed.

## Chapter 9 Board Diversity Policy

**Article 39** In performing its relevant duties, the Nomination Committee shall take into account the board diversity policy set forth in these Rules. It shall be responsible for monitoring the implementation of such policy, where appropriate, for reviewing and revising the policy to ensure its effectiveness.

**Article 40** In reviewing the size and composition of the Board, identifying and nominating candidates for directors, the Nomination Committee shall consider relevant factors to achieve the diversity in board members, based on the Company's business model and specific demands. The Nomination Committee may consider diversity in board members from various aspects, including but not limited to gender, age, cultural and educational background, race, professional experience, skills, knowledge, length of service. After considering the aforesaid relevant factors, the Nomination Committee shall make a final recommendation on the appointment to the Board based on the merits of the candidates and potential contribution brought to the Board.

## Chapter 10 Supplementary Provisions

**Article 41** Unless otherwise explicitly defined by relevant national laws, administrative regulations, and securities regulatory rules of the place where the Company's shares are listed, the term "independent director" as used in these Rules of Procedures shall have the same meaning as "independent non-executive director" under the Hong Kong Listing Rules.

**Article 42** Matters not covered by these Rules of Procedures shall be governed by the relevant provisions of national laws, regulations, normative documents, the Articles of Association and securities regulatory rules of the place where the Company's shares are listed. In the event of any conflict between these Rules of Procedures and the relevant provisions of national laws, regulations, normative documents or securities regulatory rules of the place where the Company's shares are listed, the provisions of the relevant laws, regulations, normative documents or securities regulatory rules of the place where the Company's shares are listed shall prevail.

**Article 43** The Board of the Company shall be responsible for interpreting these Rules of Procedures. These Rules of Procedures shall take effect and be implemented upon approval by the Board, commencing from the date the Company's H Shares are filed with the CSRC and listed for trading on The Stock Exchange of Hong Kong Limited.

Shenzhen Woer Heat-Shrinkable Material Co., Ltd.

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