

# SHENZHEN LDROBOT CO., LTD

## Terms of Reference of the Nomination Committee of the Board

### CHAPTER 1 GENERAL PROVISIONS

**Article 1** In order to regulate the appointment of directors, general manager and senior management of SHENZHEN LDROBOT CO., LTD (hereinafter referred to as the “Company”), optimize the composition of the Board and enhance its corporate governance structure, the Company has established the nomination committee (hereinafter referred to as the “Nomination Committee”) of the board of directors (hereinafter referred to as the “Board”) and formulated these terms of reference in accordance with the Company Law of the People’s Republic of China (《中華人民共和國公司法》) (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (《中華人民共和國證券法》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Listing Rules”), the articles of association of SHENZHEN LDROBOT CO., LTD (hereinafter referred to as the “Articles of Association”) and other relevant provisions.

**Article 2** The Nomination Committee is a specialized working body established by the Board, mainly responsible for setting the criteria and procedures for selecting directors, general manager and senior management of the Company, extensively searching for candidates, conducting review and making recommendations.

### CHAPTER 2 FORMATION AND COMPOSITION

**Article 3** The members of the Nomination Committee shall consist of three directors, a majority of whom shall be independent non-executive directors. Such independent non-executive directors shall satisfy the independence requirements stipulated from time to time in the Listing Rules (as amended from time to time) and shall appoint at least one director of a different gender for the Nomination Committee.

**Article 4** Members of the Nomination Committee shall be nominated by the chairman of the Board, more than half of the independent non-executive directors, or one-third of all the directors, and shall be elected by the Board.

**Article 5** The Nomination Committee shall have one chairman (convener), who shall be the chairman of the Board or an independent non-executive director serving as a committee member, and shall be responsible for presiding over the work of the Nomination Committee. The convener shall be elected by a majority of the committee members and shall be reported to the Board for approval.

**Article 6** The term of office of the Nomination Committee shall be coincide with that of the Board. A member may seek for re-election upon the expiry of his/her term of office. A member who ceases to be a director of the Company during his/her term of office will automatically lose his/her membership, and the Nomination Committee shall fill the vacancy in accordance with the provisions of Articles 3 to 5 above.

If the number of members of the Nomination Committee falls below two-thirds of the prescribed membership due to resignation or dismissal of members, or other reasons, the Board of the Company shall convene a meeting as soon as possible to elect new members. The Nomination Committee shall be suspended from exercising its powers and duties as stipulated in these terms of reference until the number of its members reaches two-thirds of the prescribed membership.

**Article 7** A member of the Nomination Committee may not be removed by the Board during his/her term of office without cause.

A member of the Nomination Committee who fails to attend meetings in person and does not appoint another member to attend as his/her proxy shall be deemed not to have failed to attend such meetings. A member of the Nomination Committee who fails to attend two consecutive meetings shall be deemed unable to perform his/her duties properly, and the Board may remove him/her from the committee.

### **CHAPTER 3 DUTIES AND RESPONSIBILITIES**

**Article 8** The duties and responsibilities of the Nomination Committee shall include those stipulated in the relevant code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 of the Listing Rules (as amended from time to time).

**Article 9** Without prejudice to any requirements under the CG Code, the main duties and responsibilities of the Nomination Committee are:

- (I) to review, at least annually, the structure, number and composition of the Board (including skills, knowledge, experience and diversity), assist the Board in preparing a board skills matrix, advise the Board on its size and composition based on the Company’s business activities, asset size and equity structure, and make recommendations on any proposed changes to the Board in order to align with the Company’s strategy;
- (II) to study and advise the Board on the criteria and procedures for selecting directors and senior management;
- (III) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (IV) to extensively search for candidates with suitable qualifications to serve as directors and general manager, and to receive and sort out proposals in relation to candidates for independent non-executive directors from the Board;
- (V) to review and advise the Board on the candidates for directors and general manager;
- (VI) to review and provide recommendations on candidates for other senior management members, subject to the approval by the Board, e.g. deputy general manager, Board secretary and chief financial officer;

- (VII) to develop and maintain a policy for the nomination of the Directors which includes the nomination procedures and the process and criteria adopted by the Nomination Committee to identify, select and recommend candidates for directorship during the year, and to review periodically and disclose the policy and progress made towards achieving the objectives set in the nomination policy in the corporate governance report of the Company;
- (VIII) to identify individuals who are suitably qualified to become a member (including whether the individuals can bring to the Board the perspectives, skills and experiences and how the individuals can contribute to the diversity of the Board) and to select or make recommendations to the Board on the selection of individuals nominated for directorships with regard to the nomination policy of the Company;
- (IX) to advise the Board on the arrangement of the accumulative voting system;
- (X) to assess the independence of independent non-executive directors with regard to the requirements of the Listing Rules (as amended from time to time);
- (XI) to assess the number of directorships held by candidates to be nominated as the independent non-executive directors in other listed companies;
- (XII) to advise the Board on the appointment or reappointment of directors and succession plans for directors (especially the chairman and chief executive officer);
- (XIII) to review the diversity policy of the Board (the “Board Diversity Policy”) and the measurable goals and levels of achievement set by the Board for the Board Diversity Policy from time to time, and to disclose the review results annually in the Company’s annual reports;
- (XIV) where the Board intends to propose a resolution at a shareholders’ meeting to elect a person as an independent non-executive director, to specify the following in the circular to shareholders and/or explanatory statement accompanying the notice of shareholders’ meeting:
  - (a) the processes adopted to identify the person, the reasons for the Board’s determination that such person shall be selected, and the bases upon which the Board believes that the person is independent;
  - (b) where the candidate for independent non-executive director will hold directorship in the seventh (or more) listed company, the reasons for the Board’s conclusion that the person remain able to devote sufficient time to the Board;
  - (c) the insights, skills, and experience the person can bring to the Board;
  - (d) how can the person promote diversity on the Board.
- (XV) to support the Company in evaluating the performance of the Board on a regular basis;
- (XVI) other matters authorized by the Board.

**Article 10** After reviewing the matters specified in the preceding article of these terms of reference, the Nomination Committee shall adopt a resolution at the Nomination Committee meeting and submit the same, together with relevant proposals, to the Board of the Company for consideration and approval.

The Board shall give due weight to the recommendations of the Nomination Committee regarding the nomination of candidates for directors and management, and shall not put on hold the candidates for directors and management nominated by the Nomination Committee without sufficient reasons or reliable evidence.

**Article 11** Relevant departments of the Company shall cooperate with the Nomination Committee in its performance of duties at the Company's expense.

#### **CHAPTER 4 NOTIFICATION AND CONVENING**

**Article 12** The Nomination Committee shall hold at least one meeting annually. The Nomination Committee shall convene its plenary meetings on a regular or irregular basis as necessary for work. The notice of a meeting shall be delivered to all members by the convener three days in advance, via personal delivery, fax, email, mail or other means, and may be given at any time in emergencies. Where expedited means of notification, such as telephone or email, are utilized, and no written objection is received within two days from the date of delivery, the notice shall be deemed to have been received by the intended recipient.

**Article 13** Members of the Nomination Committee may attend meetings in person or appoint other members to attend and exercise voting rights on their behalf. Members of the Nomination Committee who appoint other members to attend a meeting and exercise voting rights on their behalf shall submit a power of attorney to the chairman of the meeting. Such power of attorney shall be submitted to the chairman of the meeting no later than prior to the voting of the meeting.

**Article 14** The meeting shall be convened and presided over by the convener. If the convener is unable or fails to perform his/her duties, the meeting shall be presided over by another independent non-executive director serving as a committee member.

**Article 15** A meeting of the Nomination Committee shall be held with the attendance of more than two-thirds of the members. Each member has one vote, and any resolution of the meeting shall be passed by a majority of all members.

**Article 16** Meetings of the Nomination Committee may be convened either in the form of on-site meetings or through communication voting other than on-site meetings. If communication voting is adopted, a member of the Nomination Committee who signs on the meeting resolution shall be deemed to have attended such meeting and agreed to the content of the meeting resolution.

**Article 17** The Nomination Committee may invite other directors and senior management to attend the meeting when necessary.

**Article 18** If necessary, the Nomination Committee may engage an intermediary agency to provide professional advice for its decision-making, at the Company's expense.

**Article 19** The convening procedures and voting methods of, and resolutions passed at, the meeting of the Nomination Committee shall comply with the provisions of relevant laws, regulations, the Listing Rules, the Articles of Association and these terms of reference.

**Article 20** Minutes of the Nomination Committee shall be maintained by the Board secretary of the Company and signed by the attending members. During the existence of the Company, such minutes shall be kept for not less than ten years.

**Article 21** The resolutions passed at, and the voting results of, the Nomination Committee meeting shall be submitted in writing to the Board of the Company, and such resolutions are subject to consideration and approval by the Board of the Company.

**Article 22** Members attending the meeting and other attendees are obliged to keep confidential all matters considered at the meeting and are not allowed to disclose relevant information without permission.

**Article 23** Any member of the Nomination Committee who is directly or indirectly interested in matters considered at the meeting shall abstain from voting on the relevant resolution. If, following the abstention of interested members, the number of members present at the meeting falls below the quorum required under these terms of reference, all members of the committee (including interested members) shall resolve on procedural matters only, such as submitting the resolution to the Board of the Company for consideration, and the Board of the Company shall review such resolution.

**Article 24** The minutes and resolutions of the meeting of the Nomination Committee shall specify the reasons why interested members were not included in the quorum and did not vote on such resolution.

## **CHAPTER 5 DECISION-MAKING PROCEDURES**

**Article 25** The procedures for selecting directors and general manager are as follows:

- (I) The Nomination Committee shall actively communicate with relevant departments of the Company, study the Company's demand for new directors and general manager, and prepare written materials;
- (II) The Nomination Committee may extensively search for candidates for directors and general manager within the Company, controlled (invested) enterprises and talent markets;
- (III) The Nomination Committee shall collect information on the occupation, education, professional title, detailed work experience, and all part-time jobs of the preliminary candidates, and prepare written materials;
- (IV) The Nomination Committee shall seek consent on the nomination from the nominee. Those whose consent has not been sought or obtained cannot be selected as candidates for directors or general manager;
- (V) The Nomination Committee shall convene a meeting of the Nomination Committee to conduct a qualification review of the preliminary candidates based on the qualifications of the directors and general manager;

(VI) The Nomination Committee shall submit its recommendations and relevant materials regarding candidates for directors and general manager to the Board one to two months prior to the election of new directors and the appointment of new general manager, fully taking into account the Company's diverse policy of board members and employees (including senior management);

(VII) The Nomination Committee shall carry out other follow-up work based on the decisions and feedback of the Board.

**Article 26** The Nomination Committee shall make an assessment of each Director's time commitment and contribution to the Board, and their capacity to effectively perform their responsibilities, including the Director's professional qualifications and work experience, time commitment involved in current directorships in other listing issuers, and other significant external commitments (including all external commitments, full-time employment, significant consultancy roles, major public service roles, and directorships or engagements in statutory or non-profit organizations that require substantial time commitments unrelated to their directorships in listing issuers), and other factors or circumstances related to the Director's character, integrity, independence and experience, as well as any changes or developments that should be reasonably taken into account when assessing whether the director is able to effectively perform his/her duties.

## **CHAPTER 6 WORK EVALUATION**

**Article 27** Members of the Nomination Committee may, as necessary, follow up on the work of directors and senior management of the Company during the recess. Relevant departments of the Company shall cooperate and provide necessary information for such members in a timely manner.

**Article 28** Members of the Nomination Committee have access to the following relevant materials:

- (I) Regular reports of the Company;
- (II) Announcements of the Company;
- (III) Resolutions and minutes of the shareholders' meeting and meetings of the Board and managers of the Company;
- (IV) Other relevant materials deemed necessary by the members of the Nomination Committee.

**Article 29** Members of the Nomination Committee may raise questions to the Company's directors and senior management regarding certain issues, to which the directors and senior management shall answer.

**Article 30** Members of the Nomination Committee shall evaluate the performance of the Company's directors and senior management in the previous year based on the available information.

**Article 31** Members of the Nomination Committee are obliged to keep confidential relevant information they are exposed to before such information is made public.

## CHAPTER 7 SUPPLEMENTARY PROVISIONS

**Article 32** The chairman or, in his/her absence, another member of the Nomination Committee or, in the absence of both of them, his or her duly appointed delegate, shall attend the annual general meeting (the “AGM”) of the Company and be prepared to address questions regarding the Nomination Committee’s work and responsibilities at the AGM.

**Article 33** Any matters not covered in these terms of reference shall be handled in accordance with relevant national laws, regulations, regulatory documents, the Listing Rules and the Articles of Association.

**Article 34** These terms of reference shall come into effect from the date of approval by the Board and the listing and trading of H shares publicly issued by the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

If these terms of reference are in conflict with national laws, regulations, regulatory documents, the Listing Rules or the Articles of Association amended through legal procedures in the future, such laws, regulations, regulatory documents, the Listing Rules and the Articles of Association shall prevail. After being revised pursuant thereto, these terms of reference shall be submitted to the Board for consideration and approval.

**Article 35** The Board of the Company shall be responsible for the interpretation of these terms of reference.

(No text below)

**SHENZHEN LDROBOT CO., LTD**