



EACON Group Co., Ltd

TERMS OF REFERENCE AND RULES OF PROCEDURES OF THE NOMINATION COMMITTEE

1. MEMBERS

- 1.1 The nomination committee (the “**Nomination Committee**”) shall be established by the board of directors (the “**Board**”) of the Company, and the majority of members of the Nomination Committee shall be independent non-executive Directors of the Company.
- 1.2 The Nomination Committee shall be chaired by the chairperson of the Board or an independent non-executive Director within the Nomination Committee and appointed by the Board. At least one member of the Nomination Committee is of a different gender.
- 1.3 The term of office for members of the Nomination Committee is the same as that of the Board, and members may be re-elected upon expiration of their terms of office. A member who ceases to serve as a Director of the Company during the term shall automatically cease to be a member of the Nomination Committee, and the Board of the Company shall make up the number of members in accordance with relevant regulations.

2. SECRETARY

- 2.1 The company secretary (the “**Company Secretary**”) of the Company shall act as the secretary to the Nomination Committee.
- 2.2 The Nomination Committee may, from time to time, appoint any other person with appropriate qualification and experience to act as the secretary to the Nomination Committee.

3. MEETING

- 3.1 The members of the Nomination Committee can call for a meeting anytime when it is necessary.
- 3.2 Due notice should be given for any meeting, unless such notification is waived by all members of the Nomination Committee. Notwithstanding the notification period, the attendance of members of the Nomination Committee at the meeting would be deemed as the waiver of the required notification requirement.
- 3.3 The quorum necessary for convening the meeting of the Nomination Committee shall be two members of the Nomination Committee, one of whom must be an independent non-executive Director.

- 3.4 Meeting can be attended in person or held by means of telephone or videoconferencing or by circulation of the proposed resolution to all members. The members of the Nomination Committee can attend the meeting via telephone or similar communication device (all persons attending such meeting shall be able to hear from such member via such communication device).
- 3.5 Each member of the Nomination Committee shall have one vote. Resolutions of the Nomination Committee shall be passed by more than half of all members.
- 3.6 The resolution signed in writing by all members of Nomination Committee is valid, and the validity is the same as if it is passed in the meeting duly convened and held by the Nomination Committee.
- 3.7 Full minutes of the Nomination Committee shall be kept by the Company Secretary or the duly appointed secretary to the Nomination Committee for review by the Directors. Draft and final versions of the minutes shall be sent to all members of the Nomination Committee successively for their comments and records, within a reasonable time after the meeting.

4. MEETING ATTENDANCE

- 4.1 Upon the invitation from the Nomination Committee, the chairperson of the Board and/or the managing director or the chief executive officer, external advisor and other persons can be invited to attend all or part of any meeting.
- 4.2 Only the members of the Nomination Committee can vote in the meeting.

5. ANNUAL GENERAL MEETING

- 5.1 The chairperson of the Nomination Committee or (if absent) the other member of the Nomination Committee (must be an independent non-executive Director) shall attend the annual general meeting of the Company, respond the shareholders' enquiry on the activities and responsibilities related to the Nomination Committee.

6. DUTIES AND POWERS

The Nomination Committee shall have the following duties and powers:

- 6.1 to review and monitor the structure, size, composition and diversity (including without limitation, the skills, knowledge, experience gender and background) of the Board at least once a year, assist the Board in maintaining a board skills matrix and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- 6.2 to identify individuals suitably qualified to become the Directors and select or make recommendations to the Board on the selection of, individuals nominated for directorships;

- 6.3 to assess the independence of independent non-executive Directors;
- 6.4 to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors (in particular the chairperson or and the chief executive officer);
- 6.5 to review the board diversity policy (“**Board Diversity Policy**”) and/or the nomination policy (the “**Nomination Policy**”), as appropriate, and review the objectives the Board has set for implementing the Board Diversity Policy and/or the Nomination Policy, and the progress on achieving the objectives to ensure the continued effectiveness of the Board Diversity Policy and/or the Nomination Policy;
- 6.6 to report annually on the Board’s composition and make appropriate disclosures regarding the Board Diversity Policy and the Nomination Policy in the Corporate Governance Report;
- 6.7 to assess each Director’s time commitment and contribution to the Board, as well as the Director’s ability to discharge his/her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships of issuers listed on the Main Board or GEM and other significant external time commitments of such director and other factors or circumstances relevant to the Director’s character, integrity, independence and experience;
- 6.8 to support the Company’s regular evaluation of the Board’s performance; and
- 6.9 to perform other duties incidental to the duties of the Nomination Committee delegated as appropriate by the Board or as set out in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the provisions of the Corporate Governance Code from time to time.

Where the Board proposes a resolution to elect an individual as an independent non-executive Director at the shareholders’ meeting, it shall set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant shareholders’ meeting:

- (1) 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;
- (2) if the proposed independent non-executive Director will be the director of their seventh (or more) of a company listed on the Main Board or GEM, why the Board believes the individual would still be able to devote sufficient time to the Board;
- (3) the perspectives, skills and experience that the individual can bring to the Board; and
- (4) how the individual contributes to the diversity of the Board.

7. REPORTING AND RECORDS

- 7.1 The Nomination Committee shall report to the Board after each of its meetings.
- 7.2 Minutes of the Nomination Committee shall be kept and be signed by the members present at the meeting. Members present at such meetings are entitled to require his/her speech at meetings to be explicitly recorded in minutes. The minutes shall be kept by the secretary of the Board. The resolutions passed at the meetings of the Nomination Committee and the voting results shall be reported to the Board in writing. Minutes shall be open for inspection at any reasonable time on reasonable notice by any Director. Draft and final versions of the minutes shall be sent to all Directors successively for their comments and records, within a reasonable time after the meeting.

8. AUTHORITY

- 8.1 The Nomination Committee is authorized by the Board to request the employees of the Company to provide any data within the scope of its duties.
- 8.2 The Nomination Committee shall have access to independent professional advice at the Company's expense if necessary, to perform the responsibilities of the Nomination Committee. (Note: the independent professional advice can be sought via the chief financial officer or the Company Secretary.)
- 8.3 The Company shall provide the Nomination Committee with sufficient resources to perform its duties.