



## **CHINA ENGIN E INTERNATIONAL (HOLDINGS) LIMITED**

**中國航天萬源國際（集團）有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1185)**

### **TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

#### **1. Constitution**

The board of directors (the “**Board**” or “**Director(s)**”) of China Engin E International (Holdings) Limited (the “**Company**”) has established a Committee of the Board known as the Nomination Committee (the “**Nomination Committee**”) pursuant to Article 128 of the Articles of Association of the Company.

#### **2. Membership**

2.1 The Nomination Committee is composed of a minimum of three Directors, a majority of whom shall be independent non-executive Directors.

2.2 Members of the Nomination Committee may only be appointed and removed by the Board.

2.3 The chairman of the Nomination Committee shall be appointed and removed by the Board and must be the chairman of the Board or an independent non-executive Director.

#### **3. Quorum**

Unless otherwise agreed by all the members of the Nomination Committee, two members of the Nomination Committee shall be a quorum.

*\*for identification purpose only*

#### **4. Frequency**

Meetings of the Nomination Committee shall be held as and when required, but not less than once a year.

#### **5. Authority**

5.1 The Nomination Committee is authorized to seek independent professional advice to perform its responsibilities at the Company's expenses where necessary;

5.2 The Nomination Committee will be provided sufficient resources to perform its duties.

#### **6. Duties and powers**

The Nomination Committee is established with the following duties and powers:

- (a) to review the structure, size and composition (including the skills, knowledge, experience) of the Board at least annually and make recommendations on any proposed change to the Board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorship;
- (c) to assess the independence of independent non-executive Directors; and
- (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.
- (e) to review the policy on Board diversity and the measurable objectives that the Board has set for implementing the Board diversity policy, and the progress on achieving the objectives; and make disclosure of its review results in the corporate governance report annually; and
- (f) where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, the Nomination Committee should 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 independent non-executive director 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 contributes to diversity of the Board.

*( It was updated and adopted by the Board on 26<sup>th</sup> February 2019 )*