



HARBOUR DIGITAL

Harbour Digital Asset Capital Limited

港灣數字產業資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 913)

TERMS OF REFERENCE OF NOMINATION COMMITTEE

(Adopted on 29 March 2012 and revised on 31 December 2018)

1. PURPOSE

The nomination committee (the “**Nomination Committee**”) was established with an objective to review the structure, size and composition of the board of directors (the “**Board**”) and to recommend on matters in relation to appointments or re-appointments of directors (“**Directors**”) of Harbour Digital Asset Capital Limited (the “**Company**”), so as to ensure that all nominations are fair and transparent.

2. MEMBERSHIP

- 2.1 The Nomination Committee shall consist of not less than three (3) members (the “**Member(s)**”) appointed by the Board from time to time.
- 2.2 A majority of the Members shall be independent non-executive Directors.
- 2.3 The Board shall appoint the chairman of the Nomination Committee (the “**Chairman**”) who must be the chairman of the Board or an independent non-executive Director.

3. SECRETARY

The company secretary of the Company (the “**Company Secretary**”) shall be the secretary of the Nomination Committee.

4. MEETINGS AND QUORUM

- 4.1 The Nomination Committee shall meet at least once a year.
- 4.2 The Chairman may convene additional meetings as and when the work of the Nomination Committee demands.
- 4.3 A quorum of the Nomination Committee shall be two (2) Members.
- 4.4 The Chairman (or in his or her absence, a Member designated by the Chairman) shall preside at all meetings of the Nomination Committee. In the absence of the Chairman or a Member designated by the Chairman, the remaining Members present shall elect one of their Members (who shall be the chairman of the Board or an independent non-executive Director) to chair the meeting.

- 4.5 Only Members are entitled to vote at the meeting of the Nomination Committee.
- 4.6 As necessary or desirable, the Chairman may invite members of management or others to attend the meetings of the Nomination Committee. Other Directors shall also have the right of attendance.

5. ANNUAL GENERAL MEETING

The Chairman (or in his or her absence, a Member designated by the Chairman) shall endeavor to attend the annual general meeting of the Company and be prepared to respond to questions from shareholders of the Company on the Nomination Committee's activities and its responsibilities.

6. ROLE AND AUTHORITY

The Nomination Committee is authorised by the Board to determine the procedure, process and criteria to be adopted for purposes of selecting and recommending candidates for directorship and shall be provided with sufficient resources to discharge its duties, including but not limited to obtain professional advice and assistance from internal or external legal, accounting or other advisors at the expense of the Company if necessary.

7. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Nomination Committee include the following:

- 7.1 to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- 7.2 to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorship;
- 7.3 to assess the independence of independent non-executive Directors;
- 7.4 to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particulars, the chairman, chief executive as well as senior management;
- 7.5 formulate and review the Board Diversity Policy, discuss the revisions which may be required, and recommend any such revisions to the Board for consideration and approval;
- 7.6 disclose the Board Diversity Policy or a summary of the policy in the Company's corporate governance report; and
- 7.7 to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or imposed by legislation.

7.8 Where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, the Nomination Committee should assist the Board to set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:

- 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;
- 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;
- the perspectives, skills and experience that the individual can bring to the Board; and
- how the individual contributes to diversity of the Board.

8. REPORTING PROCEDURES

8.1 The Nomination Committee shall report to the Board on a regular basis. The Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

8.2 Minutes of meetings of the Nomination Committee and the record of individual attendance at such meetings shall be prepared by the secretary of the Nomination Committee which shall be sent to all Members and members of the Board as soon as practicable after the conclusion of any meeting of the Nomination Committee.

8.3 Minutes of the Nomination Committee meetings shall be kept by the Company Secretary.

9. AMENDMENTS

The Board may from time to time amend, repeal and/or re-enact all and any part of this terms of reference.

10. GENERAL

This terms of reference will be posted on both the websites of The Stock Exchange of Hong Kong Limited and the Company.

In the case of any inconsistency, the English text of the Terms of Reference of the Nomination Committee shall prevail over the Chinese text.