

## KIU HUNG ENERGY HOLDINGS LIMITED

### **Terms of reference of the nomination committee (the “Committee”) of board (the “Board”) of directors (the “Directors”) of Kiu Hung Energy Holdings Limited (the “Company”)**

#### **The Committee**

##### **1. Members and secretary**

- 1.1 The majority of the members of the Committee (the “**Committee Members**”) shall be Independent Non-executive Directors.
- 1.2 The chairman of the Committee shall be appointed by the Board, whom shall be the chairman of the Board or an Independent Non-executive Director.
- 1.3 The secretary of the Committee (the “**Committee Secretary**”) shall be appointed by the Board.
- 1.4 The appointment of additional Committee Members or the determination of the office of any Committee Members or the Committee Secretary shall be allowed only by resolutions passed by the Board and the Committee respectively.

##### **2. Proceedings of meetings and the Committee (the “Committee Meetings”)**

- 2.1 The Committee shall meet before the holding of the annual general meeting of the Company where appointment of Directors will be considered. Additional Committee Meetings shall be held as the work of the Committee requires.
- 2.2 Unless agreed by all the Committee Members present at the Committee Meeting (note: not all the Committee Members), the notice period for convening a Committee Meeting shall not be less than seven clear days (including non-working days).
- 2.3 Any of the Committee Members can convene a Committee Meeting by giving to the Committee Secretary a notice in writing. Upon receipt of such notice, the Committee Secretary shall notify in writing all other Committee Members about the Committee Meeting. Any Committee Member can also convene a Committee Meeting by giving a notice (whether written or oral) directly to all other Committee Members. The Committee Secretary can also convene a Committee Meeting by giving to all Committee Members a notice in writing.
- 2.4 Committee Meetings convened by means of oral notices shall be subsequently confirmed by instrument in writing as soon as possible (but in any event not later than the convening of the Committee Meeting).

- 2.5 “Written” notices referred to above shall include any notices given by way of facsimile.
- 2.6 The Committee Member or the Committee Secretary convening a Committee Meeting shall provide to other Committee Members and the Committee Secretary information about the purpose of the meeting, the time, venue and agenda of the meeting and shall supply to each of them all relevant documents of the meeting and such documents shall be despatched together with the meeting. The agenda of the meeting shall be despatched together with the notice convening the meeting (or the written confirmation of the meeting).
- 2.7 Unless expressed otherwise in the notice convening the meeting, the Committee Meeting shall be held in Hong Kong.
- 2.8 The Committee Secretary shall arrange for a speakerphone so that in case where any of the Committee Members cannot present at a Committee Meeting in person, he can join in the discussion of the agenda of the meeting through telephone calls. Any Committee Member who attend the Committee Meeting over the telephone shall be deemed to have been present at the Committee Meeting.
- 2.9 The quorum of a Committee Meeting shall be not less than two Committee Members (excluding the Committee Secretary) and the quorum shall present at the commencement of and throughout (except during breaks) the Committee Meeting.
- 2.10 If within thirty minutes from the time appointed for a Committee Meeting, a quorum is not present, upon majority agreement by the members who present, the Committee Meeting shall stand adjourned. The notice period for the adjourned Committee Meeting shall not be more than one day and the Committee Secretary or any Committee Member can issue such notice. If within 3 minutes from the time appointed for the adjourned Committee Meeting, a quorum is not present, the Committee Members present shall duly constitute a quorum and shall be entitled to exercise all the power conferred upon the Committee.
- 2.11 The chairman of the Committee shall preside as the chairman of a Committee Meeting. If within fifteen minutes from the time appointed for the Committee Meeting, the chairman of the Committee is not present or, before the Committee Meeting, the chairman of Committee has notify the Committee Secretary or any other Committee Member (who should confirm such notification) that he will not be present at the Committee Meeting or because of any conflicts of interests, the Committee Members present shall choose someone from their number to be the chairman of the Committee Meeting.
- 2.12 Each Committee Member present in a Committee Meeting shall have one vote. All resolutions passed in the Committee Meeting shall be by majority votes. If the votes for and against a resolution are equal, the chairman of the Committee Meeting shall have a casting vote.
- 2.13 The Committee Secretary shall attend all the Committee Meetings and shall keep record of all minutes of such meetings. The draft minutes of each Committee Meeting shall be

circulated to all the Committee Members. The minutes shall be confirmed by the chairman of that particular Committee Meeting signing the same or confirmed by resolutions passed in the following Committee Meeting. All Directors shall, at any time, have access to the minutes of the Committee Meetings.

- 2.14 Save for and except with approval from the majority members who present at a Committee Meeting, no persons other than the Committee Members or the Committee Secretary shall be allowed to attend any Committee Meetings.
- 2.15 Save for and except with the approval from all the Committee Members, no discussion on issues not set out in the agenda of the meeting shall be allowed in the Committee Meetings.

**3. Written resolutions**

Any two Committee Members can pass any resolution by written resolutions.

**4. Appointment of alternates**

No Committee Member shall appoint any alternates.

**5. The powers of the Committee**

The Committee shall have the following powers:

- (a) to formulate the nomination policy for consideration of the Board; and
- (b) to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board.

**6. The obligations of the Committee**

The Committee shall be responsible for the following:

- (a) to implement the nomination policy laid down by the Board;
- (b) 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;
- (c) to identify and nominate individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (d) to assess the independence of independent non-executive Directors;
- (e) 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; and

- (f) to report to the Board the findings and recommendations of the Committee at the next meeting of Board following each Committee Meeting.

The Company should provide the Committee sufficient resources to perform its duties. Where necessary, the Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.