

# **Rules of Procedures of the Nomination Committee under the Board of Directors of China BlueChemical Ltd.**

## **1. GENERAL PROVISIONS**

- 1.1 To safeguard the legitimate rights and interests of shareholders of China BlueChemical Ltd. (hereinafter referred to as the “**Company**”), regulate the proceedings of the nomination committee under the board of directors of the Company (hereinafter referred to as the “**Nomination Committee**”), establish an effective monitoring and incentive mechanism and enhance the structure of corporate governance, these Rules of Procedures are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Listing Rules**”), other relevant laws, regulations and regulatory documents as well as the Articles of Association of China BlueChemical Ltd. (hereinafter referred to as the “**Articles of Association**”) while taking into consideration the actual circumstances of the Company.
- 1.2 The Nomination Committee is a special committee established under and accountable to the board of directors.
- 1.3 The Nomination Committee is responsible for making recommendations to the board of directors on the appointment of directors, senior management and relevant personnel allocated in accordance with the requirements of the Listing Rules based on its recognized standards, assessing the composition of the board of directors and making recommendations on the replacement of its members, and selecting and recommending candidates for directorship, and exercising and performing other powers, functions and duties as prescribed in these Rules of Procedures.

## **2. MEMBERS AND ORGANIZATIONAL STRUCTURE**

- 2.1 The Nomination Committee shall comprise at least three directors, the majority of whom shall be independent non-executive directors and at least one director shall be of a different gender.
- 2.2 Members shall be appointed or removed by the board of directors. The term of office of each member is the same as his/her term of office as director of the Company. However, the board of directors may, depending on the specific circumstances, make adjustment to the term of office or replace the member before the expiration of his/her term.

Any member of the Nomination Committee may resign from his/her position by submitting a resignation report to the Company in writing before the expiration of his/her term of office. The resignation shall take effect on the date when the Company receives such notice of resignation. However, if the resignation results in the number of members of the Nomination Committee falling below the minimum number specified in these Rules of Procedures or the composition of members

specified in the Listing Rules, the original members shall continue to perform their duties pursuant to the applicable laws and regulations, the securities regulatory rules of the stock exchange where the Company's shares are listed as well as these Rules of Procedures until the members of the newly elected Nomination Committee assume office.

- 2.3 The Nomination Committee shall have a convener (also known as the chairman, hereinafter referred to as the “Chairman”) to be acted by the chairman of the Company or an independent non-executive director. The Chairman shall be nominated by the chairman of the Company, subject to the consideration and approval by the board of directors. The Chairman of the Nomination Committee (or in his/her absence, his/her duly appointed delegate) shall attend the Company’s annual general meetings and be prepared to respond to any shareholder’s questions regarding the activities of the Nomination Committee.

### **3. OPERATIONAL PROCEDURES**

- 3.1 Meetings of the Nomination Committee shall include regular meetings and ad hoc meetings. Regular meetings shall be convened at least once a year whereas ad hoc meetings may be convened upon proposal by more than one-half of the members or the Chairman of the Nomination Committee.
- 3.2 Meetings shall be presided over by the Chairman or, if the Chairman is unable to or fails to perform his/her duties, by a member of the Nomination Committee jointly elected by a majority of the members of the Nomination Committee who shall be an independent non-executive director.
- 3.3 Meetings shall be held by more than two-thirds of the members attending the meeting. Each member has one voting right, and voting is conducted by a show of hands or written ballot. Resolutions made by the Nomination Committee shall be passed by a majority of all members. If members are unable to attend the meeting for some reason, they may appoint another member in writing to attend the meeting and exercise the voting right on their behalf.
- 3.4 The Nomination Committee shall maintain minutes and/or resolutions of the meeting where the members of Nomination Committee attending the meeting shall sign on the minutes and/or resolutions of the meeting. The minutes and/or resolutions of the meeting shall be reported to the board of directors.
- 3.5 Meetings may be convened in the form of communications over written resolutions. Written resolutions shall be delivered to all members by methods including email, facsimile, express mail and personal delivery. Members shall, upon voting on the resolutions, return the signed originals of the voting to the Company for filing. Where the majority of all members have given their signatures agreeing to the resolution, such resolution shall be considered to have been passed by the Nomination Committee.

In the event of a meeting of the Nomination Committee convened in the form of communications over written resolutions, the draft minutes and/or draft resolution of the meeting shall be provided to all members of the Nomination Committee

within a reasonable period of time promptly after the meeting so that the members may submit their comments and revisions to such draft minutes and/or draft resolution of the meeting. The meeting minutes and/or draft resolutions, as revised based on the members' comments (if any), shall be finalised upon signature by all members of the Nomination Committee and provided to each member for record-keeping purpose.

- 3.6 The Nomination Committee may invite directors, senior management and other personnel of the Company to sit in on the meeting.
- 3.7 Members shall, in dealing with matters within their terms of reference that they have an interest or may prejudice the interests of the Company, abstain from the meeting on their own initiative.
- 3.8 The Nomination Committee shall be provided with adequate resources to discharge its duties and powers. The Nomination Committee may seek the advice of independent professionals in discharging its duties where necessary and the expenses incurred shall be borne by the Company. The Nomination Committee shall be responsible for establishing the selection criteria of any independent professionals who advise the Nomination Committee, the selection and appointment of such independent professionals and determining their terms of reference.
- 3.9 The Nomination Committee shall make disclosure of its terms of reference to explain its functions and responsibilities as well as other powers delegated by the board of directors on the website of the Stock Exchange of Hong Kong Limited and the Company.

#### 4. POWERS AND RESPONSIBILITIES

The Nomination Committee shall exercise and perform the powers and responsibilities as prescribed by applicable laws and regulations such as the Company Law, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association as well as those delegated by the board of directors lawfully.

The terms of reference of the Nomination Committee authorized by the board of directors shall include (but are not limited to) the requirements provided in B.3.1 of Section B.3 of the Corporate Governance Code in Appendix C1 of the Listing Rules (hereinafter referred to as the “**Corporate Governance Code**”) (the actual terms of reference shall be governed by the Listing Rules and its requirements which are subject to amendments from time to time). The main contents are set out as below:

- 4.1 The Nomination Committee shall make recommendations on the appointment, re-appointment, succession planning or dismissal of directors and senior management of the Company and relevant personnel allocated in accordance with the requirements of the Listing Rules;

- 4.2 The Nomination Committee shall ensure the board of directors has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business;
- 4.3 The Nomination Committee shall review the structure, number of members, composition (including the skills, knowledge and experience) of the board of directors and director selection criteria and nomination procedures at least once a year, assist the board of directors in maintaining a board of directors skills matrix and make recommendations on any proposed changes to the board of directors that may be necessary to align with the Company's strategy, reflecting both current regulatory requirements and good corporate governance practice while meeting the needs of the Company;
- 4.4 Formulate and review the policies on the diversity of the members of the board of directors as appropriate, and prepare appropriate disclosures on diversity policies to be included in the corporate governance report;
- 4.5 The Nomination Committee shall identify people with suitable qualifications for directorship and select and nominate the relevant persons for directorship or give advice to the board of directors;
- 4.6 Assessment of each director's time commitment and contribution to the board and their ability to effectively perform their duties, taking into consideration their professional qualifications and work experience, existing directorships of issuers listed on the Main Board or GEM, other significant external time commitments and other factors or circumstances relevant to their character, integrity, independence and experience;
- 4.7 Support the Company's regular evaluation of the performance of the board of directors (at least once every two years);
- 4.8 The Nomination Committee shall assess the independence of the independent non-executive directors. Where an independent non-executive director is in office for more than nine years, the Nomination Committee shall provide the board of directors with the grounds for its views that such person is still considered independent and the reasons why it considers necessary to re-appoint such person as director, including the factors considered, the process and the discussion of the board in arriving at such decision, which should then be reviewed and approved by the shareholders in the form of an independent resolution;
- 4.9 The Nomination Committee shall examine and evaluate the skills, knowledge, experience and work background of directors to be appointed for casual vacancies and, upon approval by the board of directors, provide its opinions to shareholders as reference for their election in the general meeting;
- 4.10 The Nomination Committee shall verify the name and biographical data of all directors who intend to participate in the election or re-election in order to facilitate shareholders to make well-informed selections;

- 4.11 The Nomination Committee shall, in case of resignation or removal of directors, present to the board of directors the reasons of resignation or removal of relevant directors and the explanations of other items that shareholders should be aware of;
- 4.12 The Nomination Committee shall, in nominating candidates for independent non-executive directors, adhere to the principle of observing the long-term interests of shareholders of the Company and pay attention to the qualifications and professions of nominees and the compliance with the criteria for independent non-executive directors provided in the Listing Rules;
- 4.13 If the board of directors proposes to elect an individual as an independent non-executive director, it shall explain to the board of directors (a) the process used for identifying the individual and why it is believed that the individual should be elected and the reasons why the individual is considered to be independent; (b) if the proposed independent non-executive director will be holding his/her seventh (or more) directorship of an issuer listed on the Main Board or GEM of the Stock Exchange of Hong Kong Limited, the reasons why it is believed that the individual is still able to devote sufficient time to fulfil his/her duties as a director; (c) the perspectives, skills and experience that the individual can bring to the board; and (d) how the individual contributes to diversity of the board, which should then be reviewed and approved by the shareholders in the form of an independent resolution.
- 4.14 The board of directors delegates its responsibility and authority on the selection of directors to the Nomination Committee. Without prejudice to the Nomination Committee exercising its powers and responsibilities, the ultimate responsibility for selection and appointment of directors for approval by the shareholders' meeting rests with the entire directors; and
- 4.15 The Nomination Committee shall deal with other matters prescribed by the applicable laws and regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, as well as those delegated by the board of directors.

## **5. DUTIES AND POWERS OF THE CHAIRMAN OF THE NOMINATION COMMITTEE**

- 5.1 The Chairman shall convene and preside over regular and ad hoc meetings of the Nomination Committee;
- 5.2 The Chairman shall supervise and examine the implementation of resolutions adopted by the Nomination Committee;
- 5.3 The Chairman shall execute important documents of the Nomination Committee;
- 5.4 The Chairman shall report his/her work to the board of directors on a regular basis or in accordance with the arrangements of the board of directors; and

- 5.5 The Chairman shall perform other duties and powers prescribed by the applicable laws and regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, as well as those delegated by the board of directors.

## **6. NOMINATION AND APPOINTMENT OF DIRECTORS**

### **6.1 Selection criteria for directors**

In assessing and selecting candidates for directors, factors that the Nominating Committee should consider include, but are not limited to, the candidate's character and integrity, professionalism, skills and experience, and the potential contributions a candidate can bring to the board of directors in terms of the diversity of gender, age, culture and educational background, etc., whether the candidate meets the required independence criteria, whether he/she is willing and able to devote sufficient time to fulfill the duties of being a director and a committee member under the board of directors, whether the candidate is suitable for the Company's actual situation, and other factors in relation to the Company's business and his/her succession plan, etc.

### **6.2 Nomination and appointment procedures for directors**

After the Nomination committee receives the proposal to appoint a new director or the nomination from a shareholder, the Nomination Committee shall evaluate the candidate's eligibility to serve as a director based on the above criteria in combination with his/her personal profile. If multiple candidates are involved, the Nomination Committee shall prioritize them according to the Company's needs and candidates' respective qualifications. In the case of the reappointment of a director at the shareholders' meeting, the Nomination Committee shall review the overall contribution of the directors to the Company and their services, their participation and performance within the board of directors, and whether such director still meets the above criteria.

The Nomination Committee shall make recommendations to the board on the appointment of suitable candidates as directors, provided that the selection of directors shall be subject to the final decision of the Company's shareholders' meeting.

## **7. MISCELLANEOUS**

- 7.1 To the extent that any provision of these Rules of Procedures conflicts with or violates those of applicable laws and regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, the applicable laws and regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association shall prevail.

For matters not covered by these Rules of Procedures, the applicable laws and regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association (if any) shall prevail.

- 7.2 Unless otherwise specified, the terms "at least" and "more than" in these Rules of Procedure include the number itself, while "over" and "other than" do not include the number itself.
- 7.3 These Rules of Procedures shall take effect from the date of approval by the board of directors and the same applies to any amendments made.
- 7.4 The interpretation of these Rules of Procedures shall be vested in the board of directors.

Fifth amendment as of 18.Aug.2025  
Fourth amendment as of 20.Dec.2018  
Third amendment as of 1.Jun.2016  
Second amendment as of 29.Mar.2012  
First amendment as of 26.Aug.2009  
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