



NEW FOCUS AUTO TECH HOLDINGS LIMITED

新焦點汽車技術控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 360)

Nomination Committee – Terms of Reference (Adopted on 31 March 2012 and amended on 28 March 2024)

This terms of reference of the Committee was last amended by the board of directors (the “**Board**”) of New Focus Auto Tech Holdings Limited (the “**Company**”) on 28 March 2024 and have incorporated the latest relevant amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) in force as from 31 December 2023.

1. ORGANIZATION

The Board has resolved to establish a nomination committee of the Board (the “**Committee**”).

2. OBJECTIVE

The main objective of the Committee is to regularly review the structure, size and composition of the Board and make recommendations to the Board on any proposed changes to the structure or the independence and quality of nominees to ensure that all nominations are made on a fair and transparent basis, with a view to complementing the Company’s corporate strategy. The Committee is accountable to the Board.

3. COMPOSITION

- 3.1 The members of the Committee (the “**Member(s)**”) shall comprise at least three directors of the Company (the “**Directors**”) who are appointed or removed by the Board. If any Member ceases to be a Director, he/she will cease to be a Member automatically. The vacancy will be filled by appointment of new Member by the Board.
- 3.2 The majority of the Committee shall be independent non-executive Directors of the Company (the “**Independent Non-executive Director(s)**”).
- 3.3 The chairman of the Committee shall be appointed by the Board and shall be the chairman of the Board or an Independent Non-executive Director.

* For identification purposes only

4. SECRETARY

Save as otherwise appointed by the Committee, the company secretary of the Company shall be the secretary of the Committee.

5. DUTIES

5.1 The Committee shall have the following responsibilities, powers and discretions:

- a) review the structure, size, composition and diversity (including but not limited to skills, knowledge and experience) of the Board annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- b) having full regard to the Board diversity policy and the nomination policy, identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- c) assess the independence of Independent Non-executive Directors;
- d) 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) before appointments are made by the Board, evaluating the balance of skills, knowledge and experience on the Board, and, in the light of this evaluation preparing a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Committee shall:
 - i. use open advertising or the services of external advisers to facilitate the search;
 - ii. consider candidates from a wide range of backgrounds; and
 - iii. consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
- f) keeping under review the leadership needs of the Company and its subsidiaries (the "**Group**"), both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- g) keeping up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates at any time;

- h) reviewing annually the time required from non-executive Directors. Performance evaluations should be used to assess whether the non-executive Directors are spending enough time in fulfilling their duties;
- i) ensuring that on appointment to the Board, Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings; and
- j) review the Board diversity policy and/or the nomination policy (where necessary) and review the objectives for implementing the Board diversity policy and/or the nomination policy as set by the Board and the progress on achieving the objectives, ensuring the continued effectiveness of the Board diversity policy and/or the nomination policy.

5.2 The Committee shall also make recommendations to the Board concerning:

- a) formulating plans for succession for both executive and non-executive Directors;
- b) suitable candidates for the role of Independent Non-executive Directors;
- c) membership of the Company's audit and remuneration committees, in consultation with the chairmen of those committees;
- d) the re-appointment of any non-executive Director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required for their positions;
- e) the continuation (or not) in service of any Director who has reached the age of 70;
- f) any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an executive Director as an employee of the Company subject to the provisions of the applicable law and their service contract;
- g) the appointment of any Director to the Company's executive or other office, other than to the positions of chairman and chief executive, the recommendation for which would be considered at a meeting of the full Board; and
- h) the measurable objectives for achieving diversity on the Board.

5.3 The Committee shall formulate a policy concerning diversity of the Board; and shall disclose the policy or a summary of the policy in the corporate governance report. Diversity of Board members can be achieved through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience, taking into account the business and specific needs of the Company.

6. AUTHORITY

- 6.1 The Committee is authorized by the Board to, where necessary, seek independent professional advice, at the Company's expense to perform its responsibilities.
- 6.2 The Committee should be provided with sufficient resources to perform its duties.

7. MEETING OF THE COMMITTEE

7.1 Number of meeting

There shall be at least one meeting of the Committee annually to be convened. Where necessary, an extraordinary meeting may be convened (as may be decided by the Chairman of the Committee).

7.2 Notice of meeting

Unless waived by all Members on the notice, the secretary of the Committee shall give seven days prior notice to the Members in writing for any meeting to be convened and circulate the meeting agenda to the Members, and shall give one day prior notice for any extraordinary meeting to be convened.

7.3 Quorum

Meetings of the Committee shall be attended by more than one-half of the Members to be effective.

7.4 Conducting the meetings

Meetings should be convened by attending in person, telephone or video conference. Members could attend the meetings through telephone conference or similar arrangement which Members could communicate to each other. With consent by all Members, resolutions of the Committee could be passed by written resolutions.

7.5 Resolutions

Any resolution shall be passed by the majority votes of the Members.

7.6 Invitations

The Committee could invite any executive Directors, external advisers or other individuals to attend the meeting but such executive Directors, advisers or individuals are not entitled to vote at the meetings.

7.7 Minutes of the meetings

Full minutes of meetings should be kept by the secretary of the Committee. Minutes shall record matters considered and decisions reached by the Members in detail, including any doubt or disagreement raised by the Members. Draft and final versions of the minutes of the meetings should be sent to all Members for their comment and records, within a reasonable time after the meetings. The final version of the minutes, once has been finalized, shall be submitted by the secretary to the Board for record. If the Secretary of the Committee was unable to attend, his/her delegate(s) or any person presented at the Committee meeting, shall attend the Committee meeting and take minutes.

8. GENERAL MEETING

Chairman of the Committee or his/her nominee shall participate in annual general meeting and respond to possible questions raised by the shareholders regarding remuneration policy, work and duties of the Committee. Unless authorized by the Board, the Member who has been present in the general meeting shall have obligation to keep all matters discussed in the meeting confidential and shall not disclose the relevant information.

9. REPORT

Chairman of the Committee or his/her nominee who chair the meetings shall report to the Board after each meeting of the Committee.