

DESON DEVELOPMENT INTERNATIONAL HOLDINGS LIMITED (THE “COMPANY”)
(Stock Code: 262)

Terms of Reference for Nomination Committee

Composition

The Committee must be chaired by the chairman of the Board or an independent non-executive director and comprises a majority of independent non-executive directors.

Proceedings of Meetings

The Committee shall meet as and when necessary or as requested by any Committee member. The meetings and proceedings of the Committee are governed by the provisions of the Bye-Laws of the Company for regulating the meetings and proceedings of the Committee so far as the same are applicable and are not superseded by the regulations imposed by the Board.

Authorities

The authority of the Committee is derived from the Board, therefore the Committee is obliged to report to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions in doing so. Meeting shall be held not less than once a year.

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.

The duties of the Committee are as follows:

1. Review the structure, size and composition (including but no limited to skills, knowledge, gender, age, cultural, educational background, professional experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;
2. Identify individuals suitably qualified to become Board member and select or make recommendations to the Board on the selection of individuals nominated for directorships, with due regard for the benefits of diversity on the Board with reference to the Board diversity policy (the “**Board Diversity Policy**”);
3. Assess the independence of independent non-executive directors;
4. 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;

5. Determine and review the policy for the Board Diversity Policy and the nomination of Directors (the “**Director Nomination Policy**”) as appropriate. The Director Nomination Policy shall set out, inter alia, the nomination procedures and the process and criteria to select and recommend candidates for directorship during the year;
6. Where the Board proposes a resolution to elect an individual as an independent non-executive director at the general meeting, it 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 able to devote sufficient time to the board;
 - (iii) The perspectives, skill and experience that the individual can bring to the board; and
 - (iv) How the individual contributes to diversity of the board.
7. The chairman of the Committee or another member of the Committee shall attend the annual general meeting at which the financial statements are approved.

(The English version shall always prevail in case of any inconsistency between the English version and its Chinese translation.)

(Adopted by the Company pursuant to the Board’s resolutions passed on 31 December 2018)