



Lygend Resources & Technology Co., Ltd.

宁波力勤资源科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2245)

Terms of Reference of the Nomination Committee of the Board of Directors

Chapter 1 General Provisions

Article 1 Lygend Resources & Technology Co., Ltd. (the “**Company**”) establishes the Nomination Committee of the board of directors (the “**Committee**”) and formulates these Terms of Reference in order to regulate the selection and appointment of the Company’s directors and management, optimize the composition of the board of directors of the Company (the “**Board**”), implement its talent development and utilization strategy and improve its corporate governance structure in accordance with the Company Law of the People’s Republic of China, the Articles of Association of Lygend Resources & Technology Co., Ltd. (the “**Articles of Association**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and other relevant regulations.

Article 2 The Committee is a special committee under the Board to review and make recommendations on the candidates, selection criteria and procedures of directors and senior management of the Company, to review the structure, size and composition of the Board, and to assess the independence of independent non-executive directors, and is directly accountable to the Board of the Company.

Chapter 2 Composition

Article 3 The Committee shall consist of three or more directors, a majority of whom should be independent non-executive directors.

Article 4 Members of the Committee shall be appointed by the Board.

Article 5 The Committee shall have a chairman who shall be the chairman of the Board or an independent non-executive director and shall be responsible for taking charge of the work of the Committee. The chairman of the Committee shall be designated by the Board.

Article 6 The term of office of the Committee shall be the same as that of the Board, eligible for reappointment if re-elected upon expiry of term. If any member ceases to serve as a director of the Company during this period, he/she shall automatically lose his/her qualification as a Committee member.

Article 7 The chairman of the Committee is responsible for providing information about nominees, preparing the Committee meetings and implementing relevant resolutions of the Committee.

Chapter 3 Duties and Authorities

Article 8 Main duties and authorities of the Committee include:-

1. to propose the terms of service of directors and senior officers of the Company, to handle the process of candidate nomination, to form resolutions for submission to the Board for consideration which, upon adoption, forms the basis for evaluating candidates for directorship;
2. to review, at least annually, the structure, size and composition (including in terms of skills, knowledge and experience) of the Board and to make recommendations on any proposed changes to the Board to align with the Company's strategy;
3. to develop and maintain the Company's director nomination policy, including the nomination process and the procedures and criteria for the Committee's identification, selection and recommendation of director candidates during the year, to review the nomination policy on a regular basis and disclose the policy and progress in achieving the objectives of the policy as set out in the Company's Corporate Governance Report, to review and discuss any necessary amendments and to make recommendations to the Board for approval;
4. to develop and maintain a Board diversity policy and oversee its implementation, periodically review the diversity policy and disclose it or a summary thereof in the Corporate Governance Report, review and discuss any necessary revisions, and make recommendations to the Board for approval. Board diversity may be considered based on a number of factors (including, but not limited to, gender, age, culture and educational background or professional experience), taking into account the Company's circumstances (such as the Board's business strategy and the skills, experience and diversity of perspectives required of current directors), but the Board should not be exclusively consisted of one gender.
5. to identify individuals suitably qualified to serve as directors (taking into account factors including, but not limited to, relevant laws and regulations, the viewpoints and perspectives, skills and experience brought to the Board, and how to promote diversity of members of the Board) and to select or advise the Board on the nomination of such individuals to serve as directors;
6. to assess the independence of independent non-executive directors, to review independent non-executive directors' annual confirmation of their independence to the Company and to disclose the results of their review in the Corporate Governance Report;
7. to assess the adequacy of time that a nominated director candidate can devote to serve as a director, taking into account, among other factors, the number of other public companies in which the candidate serves as a director;

8. to make recommendations to the Board on the appointment or reappointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive;
9. to assess and make recommendations to the Board as to whether a director is able to perform and has adequately performed his or her duties as a director of the Company (particularly where the director has representation on more than one Board). The Committee shall periodically review and report to the Board on the contribution and appropriateness of directors and senior management required to perform their duties to the Company and the adequacy of the time they devote to their duties to ensure that they meet the terms of service and performance indicators, and make recommendations to the Board on the reappointment or replacement of any director or senior management;
10. where the Board intends to submit a proposal at a general meeting to elect a person as an independent non-executive director, the circular and/or explanatory statement to shareholders accompanying the notice of the relevant general meeting shall set out:-
 - (1) the process used to identify the individual, the reasons why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
 - (2) if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, the reasons why the Board believes the individual can still devote sufficient time to their responsibilities as a director;
 - (3) the viewpoints and perspectives, skills and experience that the individual can bring to the Board; and
 - (4) how the individual can promote the diversity of the Board.
11. Such other matters as may be authorized by the Board and as otherwise addressed by relevant laws and regulations.

Article 9 The proposals of the Committee shall be submitted to the Board for consideration and decision. If they are required to be considered by the general meeting of shareholders in accordance with laws and regulations (including the Listing Rules) and other regulatory documents or the Articles of Association, they shall be submitted to the general meeting of shareholders for consideration and approval after being approved by the Board.

Article 10 The Committee shall report regularly to the Board and its chairman shall report its decisions or recommendations to the Board at the next Board meeting following the Committee's meeting, unless the Committee is prevented from doing so by legal or regulatory restrictions (such as restrictions on disclosure due to regulatory requirements).

Article 11 The Committee is authorized by the Board to act under its terms of reference and may obtain any information it requires from employees of the Company; all employees shall cooperate upon the request of the Committee.

Article 12 The Committee shall seek independent professional advice as it deems necessary at the Company's expense.

Article 13 The Committee shall be provided with sufficient resources by the Company to perform its duties.

Chapter 4 Decision-making Procedures

Article 14 The Committee shall, in accordance with relevant laws and regulations, the Listing Rules, the Company's Board diversity policy and the provisions of the Articles of Association, study the terms of service, selection procedures and term of office of the Company's directors and senior management in light of the actual situation of the Company, form resolutions and submit to the Board for consideration.

Article 15 Procedures for the selection and appointment of directors and senior management:-

1. The Committee shall actively communicate with relevant departments to study the Company's demand for new directors and senior management and compile written materials;
2. The Committee may conduct extensive searches for candidates for directors and senior management within the Company, its holding company (or associated companies) and the human resources market;
3. Research the occupation, education, titles, detailed work experience and all part-time positions of shortlisted candidates and compile written materials;
4. Seek the nominee's consent to the nomination, otherwise they shall not be considered as a director or senior management candidate;
5. Convene a meeting of the Committee to examine the qualifications of the shortlisted candidates against the terms of service of directors and senior management;
6. Submit proposals and relevant materials of director candidates and senior management candidates to the Board within one month prior to the election of new directors and appointment of senior management; and
7. Carry out other follow-up work based on the decision and feedback from the Board.

Chapter 5 Rules of Procedure

Article 16 The Committee shall hold regular meetings at least once a year or as frequently as required by other regulatory provisions applicable to the Company from time to time. The Committee may hold ad hoc meetings as needed upon the request of member(s) of the Committee.

The chairman of the Committee shall give at least three days' prior notice and send the agenda and all relevant meeting documents to all members in a timely manner. The meeting shall be chaired by the chairman of the Committee, who may delegate another member (an independent non-executive director) to chair the meeting if he/she is unable to do so.

Article 17 The meetings of the Committee shall be held in the presence of at least two members (including at least one independent non-executive director), each of whom shall have one vote; resolutions made at the meetings shall be passed by a majority of all members; in the event of an equal number of affirmative and negative votes, the chairman of the Committee shall have the right to cast one more vote.

Article 18 The meeting of the Committee may be held on site or by means of communication, and the voting shall be by ballot.

Article 19 When deemed necessary, the Committee may invite directors, supervisors, senior management and heads of relevant departments to attend the meetings.

Article 20 If any member of the Committee has an interest in the matters discussed at the meeting (e.g. (i) any resolution regarding his or her own appointment, including the determination or variation of its terms; and (ii) the termination of his or her own appointment), he/she shall abstain from discussion and voting. If no effective agreement can be formed from discussion due to such abstention, relevant matters shall be considered directly by the Board.

Article 21 The procedures for convening meetings, the voting methods and the resolutions passed at the meetings of the Committee shall comply with relevant laws and regulations, the Listing Rules, the Articles of Association and these Terms of Reference.

Article 22 The Committee shall make minutes of its meetings, recording the following contents: date, time, venue, chairperson and attendees of the meeting, agenda of the meeting, and voting results of each matter. Complete minutes shall be kept by the duly appointed secretary of the meeting. Draft and final versions of the minutes shall be sent to all members of the Committee for their comments and records, respectively, within a reasonable period of time after the meeting. The minutes shall record in sufficient detail the matters considered and decisions reached at the meeting, and shall include any doubts raised or objections expressed by the members.

Article 23 The resolutions and voting results of the Committee meetings shall be reported in writing to the Board.

Article 24 All persons attending the meeting shall be obligated to keep the matters discussed thereat confidential and shall not disclose relevant information without authorization.

Chapter 6 Supplementary Provisions

Article 25 These Terms of Reference shall take effect as of the date when they are approved by the Board by resolution.

Article 26 Any matters not covered hereunder shall be subject to the provisions of relevant national laws, regulations, other regulatory documents, the Listing Rules and the Articles of Association of the Company; if these Terms of Reference are in conflict with the national laws, regulations, other regulatory documents promulgated in the future, or the Listing Rules or the Articles of Association as amended by lawful procedures, the latter shall prevail and amendments to these Terms of Reference shall be made immediately and submitted to the Board for consideration and adoption.

Article 27 The Board shall be responsible for the interpretation of and amendment to these Terms of Reference.

Article 28 The Committee shall disclose its terms of reference, explain its role and the powers delegated by the Board on the website of the Stock Exchange and the website of the Company.

Article 29 These Terms of Reference are written in Chinese, and in case of any discrepancy between the version in any other language and the Chinese version, the Chinese version shall prevail.