

# Pacific Basin Shipping Limited

*(incorporated in Bermuda with limited liability)*  
(Stock Code: 2343)

## NOMINATION COMMITTEE

### TERMS OF REFERENCE

Approved and adopted on 28 February 2019

#### 1. Overall Purpose and Objectives

The Nomination Committee (the “NC”) is appointed by the Board of Directors (the “Board”) of Pacific Basin Shipping Limited (the “Company”) to assist the Board in discharging its oversight responsibilities. The NC will oversee the nomination of directors to the Board to ensure that all such nominations are fair and transparent.

#### 2. Authority

The Board authorises the NC, within the scope of its responsibilities, to:

- 2.1 undertake interviews with prospective candidates;
- 2.2 engage independent professional advisor to assist identify qualified director candidates and to perform its responsibilities at the Company’s expense;
- 2.3 to co-operate with other directors from time to time in carrying out its roles and responsibilities; and
- 2.4 delegate execution of its authority to specific directors or members of management when considered appropriate.

#### 3. Roles and Responsibilities

The NC should perform the following duties:

- 3.1 review the structure, size and composition (including the 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;
- 3.2 identify individuals suitably qualified (including their ability to make positive contribution to the performance by the Board of its responsibilities) to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- 3.3 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 based on an evaluation of scope and responsibility of the position and the advice from external recruitment consultants if considered appropriate;
- 3.4 assess the independence of the Company’s independent non-executive directors;

- 3.5 review from time to time these terms of reference and the Board Diversity Policy; and
- 3.6 report to the Board on compliance with The Stock Exchange of Hong Kong Limited's board composition rules and guidelines from time to time.

#### **4. Nomination Policy**

The provisions set out in paragraphs 3.1 to 3.3 are regarded as the key nomination criteria and principles of the Company for the nomination of Directors and these provisions constitute the "Nomination Policy" of the Company.

#### **5. Organisation**

##### **Membership**

- 5.1 The Board will nominate the NC members and its chairman.
- 5.2 The NC will comprise at least 3 members and the majority of the members of shall be independent non-executive directors of the company, and the chairman shall be the chairman of the Board or an independent non-executive director.
- 5.3 A quorum of any NC meeting will be 2 members.
- 5.4 Members will be appointed for a 3 year term of office, subject to re-election as Board member by shareholders at the annual general meeting of the Company.
- 5.5 The secretary of the NC will be the company secretary or such other person nominated by the Board.

##### **Meetings**

- 5.6 Only committee members are entitled to attend meetings. The NC may invite such other persons to its meetings, as it deems necessary.
- 5.7 Meetings shall be held not less than once a year.
- 5.8 Agendas and accompanying papers regarding NC meetings should be sent in full to all directors in a timely manner (at least three days) in advance of each meeting,
- 5.9 Draft meeting minutes should be circulated to all directors for their comments and records within a reasonable time after the meeting is held.