



Manfield Chemical Holdings Limited

萬輝化工控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1561)

(the “Company”)

**Terms of reference
of
Nomination Committee
(the “Committee”)**

Membership

1. The Committee shall consist of at least three directors with majority of independent non-executive directors (“INED”) appointed by the board of directors (the “Board”) from time to time.
2. The Board shall appoint one of the members as the Chairman of the Committee.
3. The company secretary of the Company or a nominee shall be the Secretary of the Committee.

Frequency and proceedings of meeting

1. The Committee should meet at least once per year. Additional meetings shall be held as the work of the Committee demands.
2. The Chairman of the Committee may convene additional meetings at his discretion.
3. The quorum of the Committee meeting shall be two members of the Committee.
4. Proceedings of meetings of the Committee shall be governed by the provisions of the Articles of Association of the Company.

Duties, powers and functions

1. The Committee is authorized by the Board to:-
 - (a) make full use of intermediary agencies for identifying qualified director candidates at the Company’s expenses; and
 - (b) conduct interviews with prospective candidates for nomination.

2. The Committee shall:-
 - (a) Review and monitor the structure, size and composition (including the skills, knowledge and experience and diversity of perspectives) of the Board to complement the Company's corporate strategy;
 - (b) Identify and nominate qualified individuals for appointment as additional directors or to fill Board vacancies as and when they arise;
 - (c) Make recommendations to the Board on matters relating to the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and the managing director;
 - (d) Assess the independence of INED and review the INEDs' annual confirmations on their independence; and make disclosure of its review results in the Corporate Governance Report of the Annual Report; and
 - (e) Report back to the Board on decisions or recommendations made, unless there are legal or regulatory restrictions to do so; and
 - (f) Be provided with sufficient resources to enable it to perform its duties, including, where necessary, may seek independent professional advice, at the Company's expense, to perform its responsibilities.

Nomination Policy and Procedures

1. The Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. To ensure changes to the Board composition can be managed without undue disruption, there should be a formal, considered and transparent procedure for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Committee.
2. The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities which, in particular, are set out as follows:
 - (a) participating in Board meetings to bring an independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
 - (b) taking the lead where potential conflicts of interests arise;
 - (c) serving on the Audit Committee, and the Remuneration Committee and the Nomination Committee (in the case of candidate for Non-Executive Director) and other relevant Board Committees, if invited;

- (d) bringing a range of business and financial experience to the Board, giving the Board and any Committees on which he or she serves the benefit of his or her skills, expertise, and varied backgrounds and qualifications and diversity through attendance and participation in the Board/Committee meetings;
 - (e) scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance;
 - (f) ensuring the Committees on which he or she serves to perform their powers and functions conferred on them by the Board; and
 - (g) conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitutional documents of the Company or imposed by legislation or the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), where appropriate.
3. If the candidate is proposed to be appointed as an INED, his or her independence shall be assessed in accordance with, among other things, the factors as set out in Rule 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time. Where applicable, the totality of the candidate's education, qualifications and experience shall also be evaluated to consider whether he or she has the appropriate professional qualifications or accounting or related financial management expertise for filling the office of an INED with such qualifications or expertise as required under Rule 3.10(2) of the Listing Rules.

Reporting Procedures

1. Where the Board proposes a resolution to elect an individual as an INED 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:
 - (a) 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;
 - (b) if the proposed INED will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
 - (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.
2. The Secretary of the Committee shall circulate the minutes of the Committee meetings, reports of the Committee and relevant information to all directors of the Company.

Updated as of 5 December 2018