



Tiande Chemical Holdings Limited

天德化工控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 609)

(the “Company” and together with its subsidiaries, collectively the “Group”)

**Terms of reference
relating to the nomination committee (“Nomination Committee”)
of the board of directors (the “Board” or the “Directors”) of the Company**

Adopted on 16 December 2011 and amended on 21 March 2014.

1. Membership

- 1.1 Members of the Nomination Committee (“Members”) shall be appointed by the Board and a majority of its members should be the independent non-executive Directors.
- 1.2 The chairman of the Nomination Committee shall be appointed by the Board and shall be an independent non-executive Director or the Board chairman.
- 1.3 The appointment of the Members and the secretary of the Nomination Committee may be revoked, or additional members may be appointed to the Nomination Committee by separate resolutions passed by the Board.

2. Secretary

- 2.1 The company secretary of the Company or his/her delegate shall be the secretary of the Nomination Committee.
- 2.2 The Nomination Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary of the Nomination Committee.

3. Meeting

- 3.1 The Nomination Committee shall meet at least once each year.

- 3.2 Notice of any meetings has to be given at least 14 days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.
- 3.3 Notice of meeting shall be given to each Member orally in person or in writing or by telephone or by facsimile or electronic transmission at the telephone number or facsimile number or e-mail address etc. from time to time notified to the secretary of Nomination Committee by such Member or by such other means as Members may from time to time determine. Any notice given orally shall be confirmed in writing.
- 3.4 Meeting of Nomination Committee could be held in person or by telephone. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting Nomination Committee of are capable of hearing each other. Member may not appoint any alternate to attend any meeting of Nomination Committee.
- 3.5 The quorum of the Nomination Committee meeting shall be two Members one of whom must be an independent non-executive Director.
- 3.6 Full minutes shall be kept by the secretary of the Nomination Committee. Draft and final versions of minutes shall be circulated to all Members for their comment and records respectively, in both cases within a reasonable period of time after the meeting. Final versions of minutes shall be open for Directors' inspection.

4. Attendance of meetings

- 4.1 At the invitation of the Nomination Committee, the other members of the Board, external advisers and other persons may be invited to attend all or part of Nomination Committee meeting.

5. Resolutions

- 5.1 Resolutions of the Nomination Committee shall be passed by a majority of votes.
- 5.2 A resolution in writing signed by all Members shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.
- 5.3 Only Members are entitled to vote at the meetings.

6. Attendance of annual general meeting

- 6.1 The Chairman of the Nomination Committee, or in his/her absence, another Member (who must be an independent non-executive Director), shall attend the Company's annual general meeting and be prepared to respond to the Company's shareholders' questions on the Nomination Committee's activities and their responsibilities.

7. Authority

The Nomination Committee may exercise the following powers:

- 7.1 to consult the Board about the qualification (including the skills, knowledge and experience) relating to individuals nominated for directorships of the Company;
- 7.2 to access independent legal or professional advice if considered necessary. Arrangement to seek the legal or professional advice could be made through the Company Secretary;
- 7.3 to obtain sufficient resources to discharge its duties;
- 7.4 to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the chief executive officer;

8. Duties

The duties of the Nomination Committee shall be:

- 8.1 to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- 8.2 to review the board diversity policy (including but not limited to gender, age, cultural and educational background, ethnicity, professional and industry experience, skills, knowledge, length of service and the legitimate interests of the Company's principal shareholders) according to the business model and specific needs of the Group and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- 8.3 to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- 8.4 to assess the independence of independent non-executive Directors; and
- 8.5 to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the general manager.

9. Reporting Responsibilities

- 9.1 The Nomination Committee shall report to the Board after each meeting.