



**Yip's Chemical Holdings Limited**  
(the "Company")

**Terms of Reference of the Nomination Committee**  
(Adopted by the Board of Directors on 20 December 2021)

**Constitution**

1. The board (the "**Board**") of directors of the **Company** (the "**Directors**" and each a "**Director**") had resolved to establish a committee known as the Nomination Committee (the "**Committee**") in accordance with the Corporate Governance Code (the "**Code**") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

**Membership**

2. The **Committee** shall comprise at least two members, and majority of the members of the **Committee** ("**Members**" and each a "**Member**") shall be independent non-executive **Directors**. The **Committee** shall be chaired by the Chairman of the **Board** or an independent non-executive **Director** and all **Members** shall be appointed and removed by the **Board**.

**Quorum**

3. The quorum necessary for the transaction of the business of the **Committee** shall be two.

**Meetings**

4. The **Committee** shall meet not less than once a year.
5. The Company Secretary of the **Company** or his/her nominee shall act as the secretary of the **Committee**. The **Committee** may from time to time appoint any other person with appropriate qualification and experience as the secretary of the **Committee**.
6. Unless otherwise agreed by all **Members**, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be circulated to each **Member** and any other person, including but not limited to other

**Directors**, required to attend such meeting, no later than 5 working days before the date of the meeting. 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 that Member.

7. Meetings could be held in person, by telephone, by video conference or by using similar communication equipment, provided that all persons participating in the meeting are capable of hearing and being heard by each other.
8. Resolutions of the **Committee** at any meeting shall be passed by a majority of votes of the **Members** present and in case of tie, the Chairman of the **Committee** shall have a casting vote.
9. A resolution in writing signed by all the **Members** shall be as valid and effectual as if it had been passed at a meeting of the **Committee** duly convened and held.
10. Secretary of the **Committee** shall minute the proceedings and resolutions of all **Committee** meetings. Minutes of **Committee** meetings shall be circulated promptly to all **Members** and, once agreed, to all **Directors** of the **Board**.

#### **Annual general meeting**

11. The Chairman of the **Committee** shall attend the annual general meeting and be prepared to respond to any shareholder's questions on the **Committee's** activities.

#### **Authority**

12. The **Committee** is authorised by the **Board** to seek any information it requires from any employee or **Director** in order to perform its duties. In connection with its duties, the **Committee** is authorised by the **Board** to obtain advice at the **Company's** expenses from any person, including independent professional consultants, whom it regards as competent to give such advice. The **Committee** shall be provided with sufficient resources to perform its duties.

#### **Powers and duties**

13. The **Committee** shall review the structure, size and composition (including the skills, knowledge and experience) of the **Board** at least annually with reference to the Board Diversity Policy adopted by the **Board** and make recommendations on any proposed changes to the **Board** to complement the **Board** to achieve the **Company's** corporate strategy as well as to achieve board diversity. [Code Provision B.3.1(a)]

14. The **Committee** shall, in accordance with the Nomination Policy adopted by the **Board**, identify individuals suitably qualified to become **Board** members and select or make recommendations to the **Board** on the selection of individuals nominated to be nominated as **Directors**. [Code Provision B.3.1(b)]
15. The **Committee** shall assess the independence of independent non-executive **Directors**. [Code Provision B.3.1(c)]
16. The **Committee** shall make recommendations to the **Board** on the appointment or re-appointment of **Directors** and succession planning for **Directors**. [Code Provision B.3.1(d)]
17. The **Committee** shall report to the **Directors** its activities as the **Board** may require from time to time.
18. In exercising its power, authorities and discretions and performing its duties, the **Committee** shall take full account of the **Code** as amended from time to time and the **Listing Rules** as amended from time to time.

#### **Review**

19. The **Committee** shall review its terms of reference once every eight years or subject to specific circumstances to ensure it is operating effectively and in compliance with the **Code** as amended from time to time and the **Listing Rules** as amended from time to time and recommend any changes it considers appropriate or necessary to the **Board** for approval.