



WING ON COMPANY INTERNATIONAL LIMITED

永安國際有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 289)

(the “Company”)

TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

1. Constitution

- 1.1 The nomination committee of the Company (together with its subsidiaries, the “Group”) (the “Nomination Committee”) is established pursuant to a resolution passed by the board of directors of the Company (the “Board”) at the meeting held on 29 March 2012.

2. Membership

- 2.1 The Nomination Committee shall consist of not less than three members appointed by the Board and a majority of whom shall be independent non-executive directors (“INEDs”).
- 2.2 The Chairman of the Nomination Committee (the “Chairman”) shall be the Chairman of the Board or an INED.
- 2.3 The Company Secretary of the Company, or may be otherwise appointed by the Board, shall be the secretary of the Nomination Committee.
- 2.4 Every member of the Nomination Committee shall ensure that he/she can give sufficient time and attention to his/her duties as a member of the Nomination Committee. He/she shall give the Company on which he/she serves the benefit of his/her skills, expertise and varied backgrounds and qualifications through regular attendance and active participation.

3. Frequency and proceedings of meetings

- 3.1 The Nomination Committee shall meet at least once every year. Additional meetings shall be held as the work of the Nomination Committee demands.
- 3.2 The Chairman may convene additional meetings at his/her discretion.
- 3.3 The quorum for a meeting shall be two members.
- 3.4 Proceedings of meeting of the Nomination Committee shall be governed by the provisions of the Bye-Laws of the Company.

4. Minutes of meetings

- 4.1 The secretary of the Nomination Committee should keep full records of all resolutions passed by the Nomination Committee.
- 4.2 Draft and final versions of minutes of the meetings should be sent to all Nomination Committee members for their comment and records, within a reasonable time after the meeting.

5. Duties

- 5.1 The duties of the Nomination Committee shall be:-
- (a) to review the structure, size and composition (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, required experience, skill, knowledge and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - (b) 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. In identifying suitable candidates, the Nomination Committee shall consider candidates on merit and against objective selection criteria, with due regard for the benefits of diversity on the Board;
 - (c) to review the Board Diversity Policy ("**Policy**") of the Company and the measurable objectives that the Board has set for implementing the Policy and the progress on achieving the objectives, as appropriate; and make disclosure of its review results in the corporate governance report of the Company annually;
 - (d) to assess the independence of INEDs;
 - (e) to make recommendations to the Board on appointment or re-appointment of directors and succession planning for directors, in particular the Chairman of the Board and the Chief Executive Officer of the Company taking into account the Company's corporate strategy and the mix of skill, knowledge, experience and diversity needed in the future, to ensure the long-term success of the Company;
 - (f) to develop a list of desirable skills, perspectives and experience at the outset of the selection process for a new director;
 - (g) to be aware of the factors which may affect a director's time commitment to the Company, including but not limited to:
 - (i) directorship at another company undergoing a period of particularly increased activity, such as an acquisition or a takeover;
 - (ii) chairing the Board and/or Board committees;
 - (iii) membership of Board committees;

- (iv) acting as chief executive officer or full-time executive director for another company; and
 - (v) being an INED for multiple boards and taking up significant commitments at government or non-profit making bodies;
- (h) to evaluate and assess the optimal composition of the Board, taking into account the Company's agreed strategies and objectives;
- (i) to ensure disclosure will be made in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting where the Board proposes a resolution to elect an individual as an INED at the general meeting:
- (i) 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;
 - (ii) if the proposed INED will be holding his/her seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
 - (iii) the perspectives, skills and experience that the individual can bring to the Board; and
 - (iv) how the individual contributes to diversity of the Board;
- (j) to review this terms of reference and effectiveness of the Nomination Committee annually, and recommend to the Board any necessary changes; and
- (k) to perform other functions and powers delegated from the Board to the Nomination Committee from time to time.

5.2 The Nomination Committee should be provided with sufficient resources to perform its duties. Where necessary, the Nomination Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities (including for the appointment of INEDs, the Nomination Committee may consider approaching recruitment agencies and obtaining referrals from business acquaintances and peer industry circles).

6. Availability of this terms of reference

6.1 The Nomination Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board and by including them on The Stock Exchange of Hong Kong Limited's website and the Company's website.