



Pacific Textiles Holdings Limited

互太紡織控股有限公司

Nomination Committee

提名委員會

Terms of reference adopted on April 27, 2007

職權範圍採用於 2007 年 4 月 27 日

Members:

Mr. NG Ching Wah (*Chairman*)

Mr. CHAN Yue Kwong, Michael

Mr. SZE Kwok Wing, Nigel

Mr. Lam Wing Tak

Mr. Tsang Kang Po

委員:

伍清華先生 (主席)

陳裕光先生

施國榮先生

林榮德先生

曾鏡波先生

DEFINITIONS

In these terms of reference, unless the context otherwise requires, the following terms have the meaning set out below:

“Board”	means the Board of Directors of the Company;
“Committee”	means the Nomination Committee of the Board of the Company;
“Company”	means Pacific Textiles Holdings Limited (互太紡織控股有限公司);
“Directors”	means the directors of the Company, and “Director” means any one of them;
“Independent Non-executive Directors”	means Directors meeting the requirements of independence set out in the Listing Rules, and “Independent Non-executive Director” means any one of them;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and
“senior management”	means the category of persons considered as senior management under the Listing Rules.

Composition

- 1** The Committee shall comprise not less than three Directors, the majority of whom shall be Independent Non-executive Directors.
- 2** The chairman of the Committee shall be appointed by the Board.
- 3** If any member of the Committee is unable to act for any reason, the chairman of the Committee may, with the agreement of the other members of the Committee, appoint any other Independent Non-executive Director to act as his alternate.
- 4** The secretary of the Committee shall be the Company Secretary or any person designated as such by the Committee from time to time.

Disclosure of interests

- 5** Each member of the Committee shall disclose to the Committee any personal financial interest in, and any potential conflict of interest arising from, any matter to be decided by the Committee. Any member with such interest(s) or potential conflict of interest shall abstain from voting on resolutions of the Committee relating to such interest(s) or potential conflict of interest and from participating in any discussion concerning such resolutions and (if so requested by the Board) shall resign from the Committee.

Proceedings

- 6** The quorum for meetings of the Committee shall be not less than any two of its members.
- 7** The chairman of the Committee may convene meetings at his discretion, but in any event meetings of the Committee are to be held not less than once every year, or at such frequency as required under the Listing Rules or other regulatory requirements applicable to the Company from time to time.

Authorities and Duties

- 8** The Committee is authorised by the Board:
 - 8.1** to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendation to the Board regarding any proposed changes;
 - 8.2** 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;
 - 8.3** to assess the independence of Independent Non-Executive Directors; and
 - 8.4** 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.

- 9** The duties of the Committee are:
- 9.1** to propose nominees for appointment and re-appointment as Directors and Directors for removal from the Board in accordance with relevant codes and policies and the Company's constitutional documents;
 - 9.2** to identify individuals qualified to become members of the Board when a vacancy occurs on the Board by reason of disqualification, resignation, retirement, death or an increase in the size of the Board;
 - 9.3** to consider factors below when it makes recommendation for appointment and re-appointment, *inter alia*:
 - (i) mix of Board members that promotes diversity of background and experience on the Board;
 - (ii) competency;
 - (iii) age of potential/existing Director;
 - (iv) independence of potential/existing Board member;
 - (v) business, technical, or specialized skills and experience of member/potential member;
 - (vi) ability, time, commitment and willingness of a new member to serve and an existing member to continue service; and
 - (vii) specific value a member/potential member can add to the Board.
 - 9.4** to monitor the attendance record of Directors for all Board and committee level meetings;
 - 9.5** to consider engaging outside consultants at the Company's expense to evaluate the Board and its members on an ongoing basis;
 - 9.6** to select, appoint, direct and (if appropriate) terminate outside experts as the Committee deems necessary in the performance of its duties; and
 - 9.7** to consider all other matters as referred to the Committee by the Board.

Miscellaneous

- 10** The Committee shall make available these terms of reference, explaining its role and the authority delegated to it by the Board.
- 11** The Committee shall perform such additional activities, and consider such other matters, within the scope of its responsibilities, as the Committee or the Board deems necessary or appropriate.
- 12** The Committee shall provide such information to the Board as is necessary to assist the Board in reporting to the shareholders relating to the election of an Independent Non-Executive Director in accordance with the Listing Rules or other regulatory requirements applicable to the Company.

- 13** Full minutes of meetings of the Committee shall be kept by the secretary to the meetings of the Committee and such minutes shall be open for inspection at any reasonable time on reasonable notice by any Director. The secretary to any meeting of the Committee shall circulate the minutes of the meeting of the Committee for which he or she has acted as secretary in both draft and final form to all members of the Board within a reasonable time after such meeting is held.
- 14** The Committee shall report back to the Board on all of their decisions or recommendations.

* * *

Nothing contained in these terms of reference is intended to create, or should be construed as creating, any responsibility or liability of the members of the Committee, except to the extent otherwise provided under applicable laws and the Listing Rules.