



## **Terms of Reference for Nomination Committee**

Adopted on November 24, 2014  
Amendments adopted on May 28, 2015

## **Terms of Reference for Nomination Committee**

### **1. Objectives**

- 1.1 The primary objectives of the Nomination Committee (the "NC") are to identify and recommend to the board of directors of the Company (the "Board") appropriate candidates to serve as directors of the Company (the "Directors"), evaluate the Board composition and diversity, make recommendations to the Board on matters relating to succession planning as well as assess the independence of independent non-executive Directors.

### **2. Membership**

- 2.1 The NC members shall be appointed by the Board from among the Directors and shall comprise not less than three members, a majority of whom shall be independent non-executive Directors.
- 2.2 Subject to paragraphs 2.1 above and 3.1 below, if a regular NC member is unable to act due to absence, illness or any other cause, the chairman of the NC may appoint any independent non-executive Director or non-executive Director (other than a person who is already a NC member) to serve as an alternate NC member.

### **3. Chairman**

- 3.1 The chairman of the NC shall be the chairman of the Board or an independent non-executive Director identified by the Board. In the absence of the chairman of the NC, the NC members present may elect any of their members who is either the chairman of the Board or an independent non-executive Director to chair the meeting.

### **4. Secretary**

- 4.1 The secretary of the NC shall be the company secretary of the Company or any other persons authorized by the Board.

### **5. Meetings**

- 5.1 The NC members may meet together for the despatch of business, adjourn and otherwise regulate their meetings at least once a year or more frequently as deemed necessary. The chairman of the NC may call for additional meetings at any time at his/her discretion.
- 5.2 The secretary of the NC shall, on the requisition of the members of the NC, summon a meeting of the NC. An agenda and accompanying papers shall be circulated to all NC members (including alternate member(s) that may be appointed pursuant to paragraph 2.2 above) in a timely manner and at least three days before the intended date of a NC meeting insofar as it is practicable.
- 5.3 NC members may participate in a meeting by means of a conference telephone or other communications equipment through which all members participating in the meeting can communicate with each other simultaneously and instantaneously. For the purpose of counting a quorum, such member shall constitute presence at a meeting as if those participating were present in person.
- 5.4 All decisions of the NC shall be made by majority vote.

## **6. Quorum**

- 6.1 The quorum necessary for the transaction of business shall be two NC members, one of whom shall be an independent non-executive Director. A duly convened NC meeting at which a quorum is present shall be competent to exercise all of the powers, authorities and discretions vested in or exercisable by the NC.

## **7. Authority**

- 7.1 The NC may exercise the following powers:
- 7.1.1 to seek any information it requires from any Directors or employees of the Company and/or its subsidiaries and any professional advisers in order to perform its duties and responsibilities, to require any of them to prepare and submit reports and to attend NC meetings and to supply such information as may be requested by the NC;
  - 7.1.2 to obtain, at the Company's expenses, independent professional advice on any matters within its duties and responsibilities, including the advice of independent human resources consultancy firms, and to secure the attendance of outsiders with relevant experience and expertise at the NC meetings if the NC considers it necessary; and
  - 7.1.3 to exercise such powers as the NC may consider necessary and expedient so that its duties and responsibilities can be properly discharged.
- 7.2 The Company will provide sufficient resources for the NC's performance of its duties and responsibilities, including payment of reasonable fees of legal and other independent professional advisers.

## **8. Duties and Responsibilities**

- 8.1 The duties and responsibilities of the NC include the following:
- 8.1.1 to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors;
  - 8.1.2 to assess the independence of the independent non-executive Directors;
  - 8.1.3 to review the structure, size, composition and diversity (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board;
  - 8.1.4 to identify individuals suitably qualified to become members of the Board and make recommendations to the Board on the selection of individuals nominated for directorships;
  - 8.1.5 to have in place a policy concerning the diversity of Board members and review the policy, as appropriate, make recommendations to the Board on any proposed changes to the Board diversity policy as considered appropriate, review the measurable objectives that the Board has set for implementing the policy and the progress on achieving the objectives, where applicable, and to disclose the policy or a summary of the policy in the Corporate Governance Report of the Company;

- 8.1.6 to report to the Board on the matters set out in these terms of reference and where the monitoring activities of the NC reveal cause for concern or scope for improvement, to make recommendations to the Board to address those issues or effect those improvements;
- 8.1.7 to review from time to time, as appropriate, these terms of reference and the effectiveness of the NC, and make recommendations to the Board on any necessary changes; and
- 8.1.8 to consider other topics as defined by the Board.

**9. Reporting procedures**

- 9.1 The secretary of the NC shall circulate the draft and final versions of minutes and reports of the NC meetings to all members of the NC for comment and approval within a reasonable time after each meeting.
- 9.2 The secretary of the NC shall maintain as part of the Company's corporate records all approved minutes and reports of the NC and such minutes and reports shall be made available for inspection at any reasonable time on reasonable notice by any Director.
- 9.3 The chairman of the NC should attend annual general meetings of the Company to answer questions from the shareholders on matters relating to the NC. In his/her absence, he/she shall nominate another NC member or failing this his/her duly appointed delegate to attend in his/her stead.

**10. Others**

- 10.1 The NC shall upload these terms of reference to the website of The Stock Exchange of Hong Kong Limited and the Company's website.