

**ARA ASSET MANAGEMENT (FORTUNE) LIMITED**  
**(as manager of Fortune Real Estate Investment Trust)**

**Terms of Reference for the Nomination Committee**

**1. Objective**

The purpose of the Nomination Committee is to review the structure, size and composition of the Board on a regular basis and make recommendations to the Board regarding any proposed changes to the composition of the Board; identify, select and make recommendations to the Board on the selection of individuals nominated for directorship, and ensure the diversity of the Board members; assess the independence of the independent non-executive directors of the Manager and make recommendations to the Board on relevant matters relating to the appointment, reappointment and removal of the directors of the Manager and succession planning for the directors of the Manager. The ultimate responsibility for the selection and appointment of Directors rests with the Board.

**2. Membership**

- 2.1 Members of the Nomination Committee shall be appointed by the Board.
- 2.2 Majority of the members of the Nomination Committee shall be independent non-executive Directors.
- 2.3 The Chairman of the Nomination Committee shall be the Chairman of the Board or an independent non-executive Director appointed by the Board.

**3. Meetings**

- 3.1 Meetings of the Nomination Committee may be conducted by means of telephone conferencing, video conferencing or other methods of simultaneous communication by electronic or telegraphic means and the minutes of such meeting signed by the Chairman of the Nomination Committee shall be conclusive of any meeting conducted as aforesaid.
- 3.2 The Nomination Committee shall meet at least once a year.
- 3.3 The quorum of the Nomination Committee shall be any two members.
- 3.4 Resolutions of the Nomination Committee at any meeting shall be passed by a majority of votes of the members present.
- 3.5 A resolution in writing signed by all members of the Nomination Committee shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.
- 3.6 Any member who has an interest in any matters being reviewed or considered by the Nomination Committee shall abstain from voting on the matter.

#### **4. Attendance at Meetings**

- 4.1** At the invitation of the Nomination Committee, Directors, executives and other persons may attend all or part of any meetings.
- 4.2** Only members of the Nomination Committee are entitled to vote at the meetings.
- 4.3** The secretary of the Nomination Committee shall be the company secretary of the Manager for the time being or its authorised designate(s), or such other person appointed/approved by the Nomination Committee ("**Secretary**").
- 4.4** The Secretary shall attend all meetings of the Nomination Committee and minute the proceedings thereof including providing an attendance record of members present.
- 4.5** The Secretary shall keep full minutes of all meetings of the Nomination Committee.
- 4.6** Draft and final versions of minutes shall be circulated to all members of the Nomination Committee for their comments and record within a reasonable time after the meeting.
- 4.7** Minutes of all meetings of the Nomination Committee shall be confirmed by the Chairman of the Nomination Committee or Chairman of the meeting and circulated to all members.
- If the Chairman so decides, the minutes shall be circulated to other members of the Board. Any Director may, provided that there is no conflict of interest and with the consent of the Chairman of the Nomination Committee or the meeting, as the case may be, obtain copies of minutes of meetings of the Nomination Committee.
- 4.8** The notice of each meeting of the Nomination Committee confirming the venue, date and time and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the Nomination Committee at least three (3) working days prior to the date of the meeting.

#### **5. Responsibility, Powers and Discretion**

The Nomination Committee shall have the following responsibilities, powers and discretion:

- 5.1** to review the structure, size, diversity profile and skills matrix of the Board and the needs of the Board and make recommendation on any proposed changes to the Board to complement the Board to achieve the corporate strategy as well as promote unitholder value at least once annually;
- 5.2** to identify suitable director candidates and select or make recommendation to the Board on the selection of individuals to be nominated as Directors;
- 5.3** to assess the independence of independent non-executive Directors having regard to the criteria under the Listing Rules;
- 5.4** to make recommendation to the Board on the appointment or re-appointment of Directors and succession planning for Directors; and

**5.5** to review the Board Diversity Policy of the Manager at least annually and make recommendations on any proposed revisions to the Board.

**6. Reporting Responsibilities**

**6.1** The Nomination Committee shall report to the Board as and when appropriate.

**6.2** The Chairman of the Nomination Committee or his/her duly appointed delegate shall attend the Annual General Meeting of the unitholders of Fortune REIT and be prepared to respond to unitholders' questions on the activities of the Nomination Committee.

**7. Authority**

**7.1** The Nomination Committee is authorised by the Board to seek any information they require from senior management of the Manager in order to perform their duties.

**7.2** The Nomination Committee is authorised by the Board where necessary to have access to independent professional advice.

**7.3** The Nomination Committee shall be provided with sufficient resources to perform its duties.

*Remark: "senior management" refers to the same persons referred to in the annual report of Fortune REIT and required to be disclosed under paragraph 12 of Appendix 16 to the Listing Rules.*

*(Adopted as of 27 July 2022)*