



瑞安房地產  
SHUI ON LAND

## Shui On Land Limited 瑞安房地產有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 272)

### TERMS OF REFERENCE OF NOMINATION COMMITTEE

#### Definitions

1. For the purposes of these terms of reference (the *Terms*):

*Board* means the board of directors of the Company.

*Code* means Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules.

*Company* means Shui On Land Limited.

*Company Secretary* means the company secretary of the Company.

*Directors* mean the members of the Board.

*Listing Rules* mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).

*Nomination Committee* means the Nomination Committee established by the resolution of the Board in accordance with clause 2 of these Terms.

*Shareholders* mean the shareholders of the Company.

*Stock Exchange* means The Stock Exchange of Hong Kong Limited.

#### Constitution

2. The Board has resolved to establish a committee of the Board to be known as the Nomination Committee.

\* For identification purposes only

January 2019

## **Membership**

3. The members of the Nomination Committee shall be from time to time appointed by the Board and shall consist of not less than three members, a majority of whom shall be independent non-executive Directors. A quorum shall be two members. The chairman of the Nomination Committee shall be appointed by the Board and shall be the chairman of the Board or an independent non-executive Director.

## **Frequency and conduct of meetings**

4. The Committee shall meet as and when necessary or as requested by any member of the Nomination Committee, but in any case, not less than once a year.
5. An agenda and accompanying papers should be sent in full to all members of the Nomination Committee in a timely manner and at least 3 days before the intended date of a meeting of the Nomination Committee (or such other period as agreed by its members).
6. Board members shall attend the meetings if invited by the Nomination Committee.

## **Annual General Meetings**

7. The chairman of the Nomination Committee shall, as far as practicable, attend the Company's annual general meetings and be prepared to respond to any Shareholder's questions on the Nomination Committee's activities.

## **Authority**

8. The Nomination Committee is authorised by the Board to investigate any activity within its terms of reference.
9. The Nomination Committee is authorised by the Board to obtain external independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The Nomination Committee shall be provided with sufficient resources to discharge its duties. The Nomination Committee should be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external nomination consultant who advises the Nomination Committee.

## **Duties**

10. The Nomination Committee shall give adequate consideration to the following principles in carrying out its responsibilities:

- a) The Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. The Nomination Committee should ensure that changes to composition of the Board can be managed without undue disruption. The Board should include a balanced composition of executive and non-executive directors (including independent non-executive directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement. Non-executive directors should be of sufficient calibre and number for their views to carry weight; and
- b) There shall be a formal, considered and transparent procedure for the appointment of new Directors. There should be plans in place for orderly succession for appointments. All Directors should be subject to re-election at regular intervals, and the reasons for the resignation or removal of any Director must be explained.

11. The duties of the Nomination Committee shall include:

- a) The Nomination Committee shall review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations to the Board regarding any proposed changes to complement the Company's corporate strategy;
- b) The Nomination Committee shall identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorship;
- c) The Nomination Committee shall assess the independence of independent non-executive Directors;
- d) The Nomination Committee shall 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;
- e) Where the Board proposes a resolution to elect an individual as an independent non-executive Director at a general meeting, the Nomination Committee shall set out in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant 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 independent non-executive director will be holding the 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;
- f) To have a policy concerning diversity of Board members, or to review the policy on Board diversity as may be adopted by the Board from time to time, and such policy or a summary of the policy shall be disclosed in the corporate governance report; and

- g) The Nomination Committee shall exercise such other powers, authorities and discretions, and perform such other duties, of the Directors in relation to the nomination of directors as the Board may from time to time delegate to it, having regard to the Code.

### **Nomination policy**

12. The Nomination Committee shall consider, among other criteria, the following factors in assessing the suitability of individuals nominated for directorship:
  - a) Reputation for integrity
  - b) Accomplishment, experience and reputation in the real estate industry, in particular for individuals nominated for executive directorship
  - c) Time commitment and attention to the businesses of the Company and its subsidiaries
  - d) Diversity of perspectives, including but not limited to the measurable objectives stated in the Company's Board Diversity Policy
  - e) Any other relevant factors as may be determined by the Nomination Committee from time to time as appropriate
13. Appointment of individuals nominated for directorship (whether to fill a casual vacancy or as an additional Director) or re-appointment of existing member(s) of the Board shall be made in accordance with the Company's Articles of Association, the Listing Rules and other applicable rules and regulations.
14. For appointment of individuals nominated for directorship (whether to fill a casual vacancy or as an additional Director), the Nomination Committee shall undertake adequate due diligence in respect of such individual and make recommendations for the Board's consideration and approval.
15. For re-appointment of existing member(s) of the Board, the Nomination Committee shall make recommendations to the Board for its consideration and approval.
16. The Board shall have the final decision on all matters relating to recommendation from the Nomination Committee on appointment and re-appointment of Directors.
17. The Nomination Committee shall review and monitor the Nomination Policy as appropriate to ensure it remains relevant to the Company's needs, reflects regulatory requirements and good corporate governance practices. The Nomination Policy performed by the Nomination Committee during a financial year shall be disclosed in the Company's corporate governance report as required under the Listing Rules.

### **Reporting procedures**

18. Minutes of the Nomination Committee's meetings shall be kept by a duly appointed secretary of the meeting (who should normally be the Company Secretary), and such minutes shall be available for inspection at any reasonable time on reasonable notice by any Director.
19. Minutes of meetings of the Nomination Committee shall record in sufficient detail the matters considered by the Nomination Committee and decisions reached, including any concerns raised by Directors, members or dissenting views expressed. Draft and final versions of minutes of such meetings should be sent to all members of the Nomination Committee for their comment and records respectively, in both cases within a reasonable time after such meetings.
20. Without prejudice to the generality of the duties of the Nomination Committee set out in these Terms, the Nomination Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless there are legal or regulatory restrictions on its ability to do so.

### **Terms available**

21. The Nomination Committee shall make available these Terms on request and by inclusion on the Stock Exchange's website and the Company's website, thereby explaining its role and the authority delegated to it by the Board.