

**CHINESE ESTATES HOLDINGS LIMITED**  
(the “**Company**”)

**Terms of Reference of the Nomination Committee**  
(Updated in September 2013)

**(1) MEMBERSHIP**

- 1.1 The Nomination Committee (the “**Committee**”) is appointed by the board of Directors of the Company (the “**Board**”).
- 1.2 The Committee shall comprise a minimum of three members (the “**Member(s)**”). The majority of the Members shall be independent non-executive Directors (“**INED(s)**”).

**(2) SECRETARY**

Company Secretary shall be the secretary of the Committee. In the absence of the Company Secretary at any meetings of the Committee, the Members may select any person to act as the secretary at such meeting. The Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Committee.

**(3) MEETINGS**

- 3.1 The Committee shall meet at least once each year. A Chairman of the Committee, a Member or a Director may request that a meeting be held if he/she considers it necessary.
- 3.2 Notice of any meetings has to be given at least 7 days prior to any such meeting being held, unless all Members unanimously waive such notice. Irrespective of the length of notice being given, attendance of a meeting by a Member shall be deemed waiver of the requisite length of notice by the Member. Notice of any adjourned meetings is not required if adjournment is for less than 7 days.
- 3.3 The quorum for decisions of the Committee shall be two Members of which one of them must be INED.
- 3.4 The Committee must be chaired by the Chairman of the Board or an INED.
- 3.5 Resolutions of the Committee shall be passed by a majority of votes at a meeting of the Committee which can also be passed by way of unanimous written resolutions. Meetings can be held in person, by telephone or by video conference.
- 3.6 The Company Secretary (or the secretary selected at particular meeting) shall minute the proceedings and resolutions of all meetings of the Committee; draft up the written resolutions for the Committee’s approval and keep the records thereof. Draft and final versions of minutes of the Committee meetings shall be circulated to all Members for comment and records respectively within a reasonable period of time after the meeting.
- 3.7 For other procedures concerning the conduct of meetings of the Committee, the relevant provisions contained in the Company’s Bye-laws for the conduct of the Board meeting shall be applicable to the meetings of the Committee.

#### **(4) ATTENDANCE**

- 4.1 The Company Secretary shall normally attend all the meetings of the Committee, unless requested otherwise by the Committee.
- 4.2 Only Members are entitled to vote at the meetings.

#### **(5) AUTHORITY**

- 5.1 The Committee is authorized by the Board to carry out any activity within its functions and responsibilities outlined in these terms of reference.
- 5.2 The Committee shall have unrestricted access to the Executive Director(s), other senior executives or employees of the Company.
- 5.3 The Committee is authorized by the Board to seek independent professional advice including engaging recruitment agent in appropriate circumstances at the Company's expense to perform his/her responsibilities as a Member. Arrangement to seek independent professional advice could be made through the Company Secretary.
- 5.4 The Committee shall be provided with sufficient resources to perform its duties.

#### **(6) ROLE AND FUNCTION**

The role of the Committee is to lead the process and to make recommendations for appointments to the Board, whether as additional appointment or to fill up the casual vacancy of directorship as and when they arise, in the light of challenges and opportunities facing the Company, as well as business development and requirements of the Company and to take approved action if within delegated authority.

#### **(7) DUTIES**

The duties of the Committee are:

- a. to review the structure, size, composition and diversity (including but not limited to gender, age, cultural and education background, professional experience, skills and knowledge) 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, by giving adequate consideration to the Nomination Policy, Criteria, Procedures and Process and the Board Diversity Policy adopted by the Committee;
- c. to assess the independence of INEDs;
- d. to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman of the Board and the Chief Executive; and
- e. to consult the Remuneration Committee about its remuneration proposals for the candidate to be appointed as a director.

**(8) REPORTING RESPONSIBILITIES**

The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

**(9) CONFIDENTIALITY**

All Members shall treat and keep all information and documents received or accessible from the Company (including, but not limited to, the reports or minutes of the Committee) in the strictest confidence and shall not directly or indirectly communicate or disclose or divulge (whether in writing or orally or in any other manner) any such information or document to any third party without prior written approval from the Board, save as disclosure is required under the laws and regulations of Hong Kong and/or Bermuda or is necessary to perform or discharge Member's duties.

**(10) PUBLICATION OF THESE TERMS OF REFERENCE**

A copy of the terms of reference is available on the websites of the Company and The Stock Exchange of Hong Kong Limited respectively and will be made available to any person without charge upon request.

Should there be any discrepancy between English and Chinese versions, the English version shall prevail.