



Century Legend (Holdings) Limited
世紀建業（集團）有限公司*

(incorporated in Bermuda with limited liability)

NOMINATION COMMITTEE
TERMS OF REFERENCE

Revised on 28 December 2015

* For identification purpose only

CENTURY LEGEND (HOLDINGS) LIMITED

NOMINATION COMMITTEE

TERMS OF REFERENCE

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Century Legend (Holdings) Limited

(“Company”)

Nomination Committee

Terms of Reference

1. CONSTITUTION

- 1.1 The Nomination Committee (hereinafter referred to as the “Committee”) was formed pursuant to the board resolution of the Company passed on 16 September 2005.
- 1.2 The terms of reference for the Committee were revised on 1 April 2012 and 28 December 2015 pursuant to the Corporate Governance Code set out in the Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

2. MEMBERSHIP

- 2.1 The members of the Committee shall be appointed by the board of directors of the Company (the “Board”) and the majority of the members of the Committee shall be Independent Non-executive Directors.
- 2.2 The Chairman of the Committee shall be appointed by the Board and shall be the chairman of the Board or an Independent Non-executive Director. In the absence of the Chairman of the Committee and/or an appointed deputy, the remaining members present shall elect one of their members to chair the meeting. The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chairmanship.

3. MEETINGS

- 3.1 The company secretary of the Company (the “Company Secretary”) shall be the secretary of the Committee (the “Secretary”).
- 3.2 The Committee may from time to time appoint any other person with appropriate qualification and experience as the Secretary.
- 3.3 A quorum of the Committee shall be any two members.

- 3.4 Notice of any meetings has to be given at least 14 days prior to any such meeting being held, unless all members unanimously waive such notice. Irrespective of the length of notice being given, a member attending the meeting shall be deemed waiver of the requisite length of notice of the meeting by the member. Notice of any adjourned meetings is not required if adjournment is for less than 14 days.
- 3.5 Meetings may be held in person, by telephone or video conference. Members may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
- 3.6 Resolutions of the Committee at any meetings shall be passed by a majority of votes of the members present. In the event of equality of votes, the Chairman of the Committee shall be entitled to a second or casting vote.
- 3.7 A resolution in writing signed by all members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee and may consist of several documents in same form each signed by one or more of the members of Committee . Such resolution may be signed and circulated by fax or other electronic communications. This provision is without prejudice to any requirement under the Listing Rules for a Board or Committee meeting to be held.

4. ATTENDANCE AT MEETINGS

- 4.1 At the invitation of the Committee, the Chairman of the Board and/or Managing Director, Head of Human Resources, external advisers and other persons may attend the meetings.
- 4.2 Only members of the Committee are entitled to vote at the meetings.

5. FREQUENCY OF MEETINGS

- 5.1 The Chairman of the Committee, in consultation with the Secretary, shall decide the frequency and timing of its meetings. There shall be as many meetings as the Committee's duties and responsibilities require.
- 5.2 The Committee shall meet not less than one meeting a year.

6. AUTHORITY

- 6.1 A member of the Committee may, through the Company Secretary, seek independent professional advice in appropriate circumstances at the Company's expense to discharge his/her duties as a member of the Committee.
- 6.2 The Committee shall have the right to require the Company's management to furnish any information it requires for the purposes of discharging its duties.
- 6.3 The Committee shall be provided with sufficient resources to discharge its duties.

7. DUTIES & RESPONSIBILITIES

The Committee shall have the following duties and responsibilities: -

- 7.1 to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- 7.2 to identify individuals suitably qualified to become directors of the Company (the "Directors") and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- 7.3 to assess the independence of Independent Non-executive Directors;
- 7.4 to give full consideration to succession planning for the board of directors ("Directors") and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are needed on the Board in the future;
- 7.5 to be responsible for identifying and nominating for the approval of the Board and senior management candidates to fill the Board and senior management vacancies as and when they arise but will make no prior commitment in advance of Board approval to such candidates;
- 7.6 before any appointment is made by the Board, evaluate the balance of skills, knowledge and experience on the Board and, with reference to such evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Nomination Committee shall:

- (a) use open advertising or the services of external advisers to facilitate the search;
- (b) consider candidates on merit and against objective criteria, taking into account (in the case of non-executive appointments) that appointees have enough time available to devote to the position;
- (c) keep under review the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of the organization to compete effectively in the marketplace;
- (d) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (e) in consultation with the Head of Human Resources, recommend to the Board procedures for formal and rigorous annual evaluation of performance of the Board, its committees and individual directors;
- (f) review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending sufficient time in discharging their duties; and
- (g) ensure that on appointment to the Board, Non-executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings.

7.7 The Committee shall also make recommendations to the Board concerning:

- (a) the appointment or re-appointment of directors and succession planning for directors and in particular the Chairman of the Board and the Chief Executive;
- (b) suitable plans for the role of independent director, if thought appropriate;
- (c) membership of the Audit, Executive and Remuneration Committees, in consultation with the chairman of those committees;
- (d) the re-appointment of any Non-executive Director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of his/her knowledge, skills and

experience required;

- (e) the continuation (or not) in service of any director who has reached the age of 65;
- (f) the re-election by shareholders of any Director under the 'retirement by rotation' provisions in the Company's bye-laws on having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
- (g) any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provisions of the law and their service contract; and
- (h) the appointment of any Director to executive or other office other than to the positions of Chairman of the Board and Chief Executive, the recommendation for which would be considered at a meeting of the full Board.

7.8 to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or applicable laws.

7.9 Where the Board proposes a resolution to elect an individual as an Independent Non-executive director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why the Board believes he/she should be elected and the reasons why the Board considers him/her to be independent.

7.9 The Nomination Committee should have a policy concerning diversity of Board members, and should disclose the policy or a summary of the policy in the Corporate Governance Report. Diversity of Board members can be achieved through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience, taking into account the business model and specific needs of the Company.

7.10 In carrying out its responsibilities, the Nomination Committee should give adequate consideration to the principles under A.3 and A.4 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

8. REPORTING PROCEDURES

- 8.1 The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, copies of the minutes/resolutions setting out the findings, recommendations and decisions of the Committee shall be submitted to the Board.
- 8.2 Full minutes of the Committee meetings shall be kept by the Secretary of the Committee. Draft and final versions of minutes of the Committee meetings shall be sent to all members of the Committee for their comments and records within a reasonable time after the meeting.
- 8.3 The Committee shall make whatever recommendations to the Board on any area within its Terms of Reference where action or improvement is needed.

9. AVAILABILITY AND UPDATE OF THE TERMS OF REFERENCE

These terms of reference of the Committee shall be updated and revised as and when necessary in light of changes in circumstances and changes in regulatory requirements (e.g. the Listing Rules) in Hong Kong. These terms of reference shall be made available to the public by including the information on the website of the Company and The Stock Exchange of Hong Kong Limited.

Adopted on 16 September 2005
Revised on 1 April 2012
Revised on 28 December 2015