



# The Hong Kong Building and Loan Agency Limited

香港建屋貸款有限公司

*(Incorporated in Hong Kong with limited liability)*

(Stock code: 145)

## TERMS OF REFERENCE OF THE NOMINATION COMMITTEE

(Revised on 29 August 2013)

### Membership

1. The members of the nomination committee (the “**Committee**”) shall be appointed by the board (the “**Board**”) of directors (the “**Director**”) of The Hong Kong Building and Loan Agency Limited (the “**Company**”) from time to time, a majority of whom shall be independent non-executive Directors.
2. The Board shall appoint the chairman of the Committee who shall be the chairman of the Board or an independent non-executive Director.
3. The company secretary or his/her nominee shall act as the secretary of the Committee.

### Frequency and proceedings of meetings

4. The Committee shall meet before holding of an annual general meeting where appointment of Directors will be considered. Additional meetings shall be held as and when necessary.
5. The chairman of the Committee may convene additional meetings at his or her discretion.
6. The quorum of a meeting shall be two members of the Committee.
7. Proceedings of meetings of the Committee shall be governed by the provisions of the Articles of Association of the Company.

### Duties, powers and functions

8. The Committee shall:-
  - (a) review the structure, size, composition and diversity (including but not limited to skills, knowledge, gender, age, cultural and educational background or professional experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;
  - (b) identify suitably qualified individuals to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships on merits and against objective criteria, with due regard on the benefits of diversity on the Board;

- (c) assess the independence of independent non-executive Directors;
- (d) 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 of the Company, taking into account the Company's corporate strategy and the mix of skills, knowledge, experience and diversity needed in the future;
- (e) review the Board Diversity Policy, as appropriate, and review the measureable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually;
- (f) perform its duties with sufficient resources made available to it and seek independent professional advice, at the Company's expense, to perform its responsibilities when necessary;
- (g) do any such things to enable the Committee to perform its powers and functions conferred on it by the Board; and
- (h) 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 legislation.

### **Reporting Procedures**

9. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report to the Board on the findings and recommendations of the Committee.

### **Terms available**

10. The Committee should make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on The Stock Exchange of Hong Kong Limited's website and the Company's website.

*Note: If there is any inconsistency between the English and Chinese versions of this terms of reference, the English version shall prevail.*