



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 1 April 2012

* 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 was formed pursuant to the board resolution of the Company passed on 16 September 2005.
- 1.2 The terms of reference for the Nomination Committee were revised on 1 April 2012 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 (“**Listing Rules**”).

2. MEMBERSHIP

- 2.1 The members of the Nomination Committee shall be appointed by the Board of Directors and the majority of the members of the Nomination Committee shall be Independent Non-executive Directors.
- 2.2 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. In the absence of the Chairman of the Nomination 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 shall be the secretary of the Nomination Committee.
- 3.2 The Nomination Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Nomination Committee.
- 3.3 A quorum of the Nomination Committee shall be any two members.

- 3.4 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, 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 7 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 Nomination Committee at any meetings shall be passed by a majority of votes of the members present.
- 3.7 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.
- 3.8 Full minutes of Nomination Committee meetings should be kept by the secretary of the Nomination Committee. Draft and final versions of minutes of the Nomination Committee meetings shall be circulated to all members of the committee for their comments and records within a reasonable time after the meeting. Such minutes of meeting shall be opened for the Board's inspection.

4. ATTENDANCE AT MEETINGS

- 4.1 At the invitation of the Nomination 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 Nomination Committee are entitled to vote at the meetings.

5. FREQUENCY OF MEETINGS

- 5.1 The Chairman of the Nomination Committee, in consultation with the secretary, shall decide the frequency and timing of its meetings. There shall be as many meetings as the Nomination Committee's duties and responsibilities require.
- 5.2 The Nomination Committee shall meet no fewer than one meeting a year.

6. AUTHORITY

- 6.1 A member of the Nomination 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 Nomination Committee to the Company within its terms of reference.
- 6.2 The Nomination 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 Nomination Committee shall be provided with sufficient resources to discharge its duties.

7. DUTIES & RESPONSIBILITIES

The Nomination 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 of Directors 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 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 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 of Directors in the future;
- 7.5 to be responsible for identifying and nominating for the approval of the Board of Directors candidates to fill board 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 of Directors, evaluate the balance of skills, knowledge and experience on the Board of Directors 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 care (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 of Directors, 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 Nomination 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 of Directors and the Chief Executive;
- (b) suitable plans for the role of senior independent director, if thought appropriate;
- (c) membership of the Audit and Remuneration Committees, in consultation with the chairmen 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 the knowledge, skills and experience required;

- (e) the continuation (or not) in service of any director who has reached the age of 70;
- (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.

8. REPORTING PROCEDURES

The Nomination Committee shall report back to the Board and keep the Board fully informed of its decisions and recommendations, unless prohibited by applicable laws and regulations (such as a restriction on disclosure due to regulatory requirements).

9. PUBLICATION OF THE TERMS OF REFERENCE

The terms of reference of the Nomination Committee will be posted on the website of the Company and on the website of the Stock Exchange of Hong Kong Limited.