



ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liabilities)

(Stock Code: 764)

TERMS OF REFERENCE FOR NOMINATION COMMITTEE (Adopted on 31 August 2005 and amended on 23 March 2012)

CONSTITUTION

1. The board (the “Board”) of directors (the “Directors”) of Eternity Investment Limited (the “Company”) has resolved to establish a committee of the Board to be known as the Nomination Committee.

MEMBERSHIP

2. The Nomination Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three members, a majority of whom should be independent. A quorum shall be a majority of members.
3. The chair of the Nomination Committee shall be appointed by the Board and should be the Chairman of the Board or an independent non-executive Director.

ATTENDANCE AT MEETINGS

4. The Company Secretary shall be the secretary of the Nomination Committee.

FREQUENCY OF MEETING

5. Meetings shall be held at least once a year.

AUTHORITY

6. The Nomination Committee is authorized by the Board to make full use of intermediary agencies for identifying qualified director candidates at the Company’s expense and to conduct interviews with prospective candidates for nomination.

DUTIES

7. The duties of the Nomination Committee shall be:
 - (a) 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 *(A.5.2(a))*;
 - (b) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships *(A.5.2(b))*;
 - (c) assess the independence of independent non-executive Directors, having regard to the requirements under the Listing Rules *(A.5.2(c))*; and
 - (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 *(A.5.2(d))*.

PROCEDURES

8. The chair, in consultation with the person responsible for Human Resources and the secretary of the Nomination Committee, should be primarily responsible for drawing up and approving the agenda for each Nomination Committee meeting. The chair, with the assistance of the secretary, shall ensure that all members shall receive sufficient information in a timely manner to enable effective discussion at the Nomination Committee meeting. The chair shall, with the assistance of the person responsible for Human Resources, brief all members on issues arising at each Nomination Committee meeting. The secretary shall circulate the draft and final versions of the minutes of meetings and reports of the Nomination Committee to all members for comments and records within a reasonable time after each meeting, subject to any legal or regulatory restrictions restricting such circulation or the making of such reports. The chair shall report in the forthcoming Regular Board Meeting any key decisions made and shall table before the Board an index of meetings and issues discussed *(D.2.2)*.
9. The secretary of the Nomination Committee shall record minutes of all duly constituted meetings of the Nomination Committee. All minutes shall record in sufficient details the matters considered, decisions reached or recommendations made and any concerns raised by any member including dissenting views.