

# **Shenzhen International Holdings Limited**

## **Terms of Reference of the Nomination Committee of the Board of Directors**

### **1. Constitution**

1.1 The board of directors (the “Board”) hereby resolves to establish the Nomination Committee (the “Committee”) of the Board.

### **2. Members and Secretary of the Committee**

2.1 The Committee shall consist of at least three members. The majority of the members shall be independent non-executive directors.

2.2 Members of the Committee shall be appointed by the Board, with a term of service of three years in general and with a renewable term of three years at the Board’s discretion.

2.3 The chairman of the Committee shall be an independent non-executive director, and be appointed by the Board after being elected among the Committee members.

2.4 The secretary of the Committee shall be appointed by the Board and is the secretary of the Company in general.

2.5 Appointment of additional members to the Committee and the replacement or removal of members or the secretary of the Committee shall be subject to approval by the Board and the Committee respectively.

### **3. Proceedings at the Meetings**

3.1 The quorum of meetings of the Committee shall be at least two members.

3.2 The Committee shall convene not less than one meeting every year.

3.3 Period of notice of a meeting shall not be less than five days.

3.4 The notice of a meeting may be served by any member in written or oral form to the secretary, who in turn shall serve the notice in writing or otherwise to each member; it may also be served by any member in written or oral form directly to other members; the secretary of the Committee may convene a meeting by notice in writing.

3.5 A meeting convened by a notice in oral form shall be confirmed as soon as possible in writing prior to the time of the meeting.

- 3.6 A notice “in writing” referred to above shall include a notice by facsimile or email.
- 3.7 The member or the secretary convening a meeting shall inform other members and the secretary of the purpose, time, venue and agenda of the meeting and provide them with relevant documents for reference. Such documents shall be despatched together with the agenda of the meeting, which shall be served together with the notice of the meeting (or the letter confirming the notice of the meeting). The agenda of the meeting shall be prepared by the chairman or the secretary of the Committee and shall be approved by the chairman of the Committee prior to the serving of which to members of the Committee.
- 3.8 The secretary shall procure the availability of telephones with speaker devices at the venue of the meeting so that members who are unable to attend the meeting in person can participate by telephone. Members participating in the meeting by telephone shall be deemed as being present at the meeting.
- 3.9 If within thirty minutes from the time appointed for the meeting a quorum is not present, the meeting shall be adjourned. The time and the venue of the adjourned meeting shall be determined by the majority of the members present. The period of notice of the adjourned meeting, may not be more than one business day in Hong Kong, shall be served by the secretary or any one of the members. In the event that a quorum is not present at the adjourned meeting within three minutes after the time fixed for the meeting, the members present shall constitute a quorum and be entitled to exercise all authority of the Committee.
- 3.10 All meetings shall be presided and chaired by the chairman of the Committee. In the event that the chairman of the Committee is not present within fifteen minutes after the time appointed for holding such meeting or has notified the secretary or other members before the time of the meeting that he will be absent from the meeting or has conflicting interests, which shall be confirmed by recipient(s) of the notification, the members present at the meeting shall choose one of their number as the chairman of the meeting.
- 3.11 Each member present at the meeting shall have one vote. All resolutions put to vote at the meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman of the meeting shall be entitled to a second or casting vote.
- 3.12 The secretary of the Committee shall attend and prepare minutes of all meetings of the Committee. Drafts of minutes shall be circulated to all members present at the meeting for review. The minutes shall be signed by the chairman of the meeting or put to vote at the next meeting for confirmation. All directors shall be entitled to inspect and request at any time copies of the minutes of the meetings.
- 3.13 Any meeting of the Committee shall not deal with any business not included in its agenda unless unanimously agreed by all members present.

#### **4. Resolutions in Writing**

- 4.1 Any resolution in writing signed by all members of the Committee shall be deemed as having been passed at a lawful meeting.

#### **5. Proxy**

- 5.1 Members of the Committee are not entitled to appoint proxies.

#### **6. Authority of the Committee**

- 6.1 The authority of the Committee is as follows:

To appoint professional advisors to provide advice and assistance so as to discharge the duties of the Committee. Where the professional fee exceeds HK\$500,000, discussion with the executive committee of the Board is required.

#### **7. Duties of the Committee**

- 7.1 The duties of the Committee are as follows:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board with due regard for the benefits of diversity of the Board at least once annually and make recommendations on any proposed changes to the Board to complement the Group's corporate strategy;
- (b) to identify individuals suitably qualified as directors, nominate candidates for directors to the Board or make recommendations to the Board in this respect;
- (c) to assess the qualification and experience of candidates for directors and the independence of independent directors, report the results of such assessment and make recommendations in respect of the appointment to the Board;
- (d) to assess and review the qualification and experience of directors who are subject to retirement by rotation and re-election at each annual general meeting, report the results of such assessment and make recommendations in respect of the re-election to the Board;
- (e) to assess the independence and qualification of independent non-executive directors;
- (f) to make recommendations to the Board on the succession planning for directors, in particular the chairman and the chief executive;
- (g) to review the Board Diversity Policy, as appropriate, including any measurable objectives that it has set for implementing the Board Diversity Policy and the progress on achieving these objectives;

- (h) to establish and review from time to time the assessment procedures on nominating directors, re-electing directors and the independence of an independent non-executive director;
- (i) to review the contribution required from a director to perform his responsibilities, and whether he is spending sufficient time performing them on a regular basis;
- (j) to report on the work of the Committee and make proper recommendations to the Board on a regular basis;
- (k) to carry out other work in accordance with the needs and requirements of the Board.

## **8. Circulation of Minutes and Written Resolutions**

- 8.1 After signing of the minutes and written resolutions of the Committee, the secretary shall be responsible for making copies of the same to all directors for records as soon as possible.

## **9. Bye-Laws of the Company**

- 9.1 These terms of reference shall not override the Bye-Laws of the Company, especially the requirements that directors are not entitled to vote in case of conflicts of interests.
- 9.2 The requirements for the proceedings of the Board meetings that are not stipulated in these terms of reference but provided in the Bye-Laws of the Company shall be applicable to the proceedings of the meetings of the Committee.

## **10. Authority of the Board**

- 10.1 These terms of reference may be amended, supplemented and revoked from time to time by the Board without violation of the Bye-Laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (including the Corporate Governance Code).
- 10.2 The Board is not allowed to cancel or modify the authority and duties of the Committee without the consent of the Committee.

## **11. Correspondence Address of Committee Member**

- 11.1 Every Committee member shall provide the secretary with his correspondence address, phone number and e-mail address for the delivery of notices by the Company. The secretary shall notify each of the Committee members of the registered correspondence addresses, phone numbers and e-mail addresses of other members.



- 11.2 For those Committee members who do not provide the secretary with their correspondence addresses, phone numbers and e-mail addresses shall be deemed to have assigned the addresses and phone numbers of the principal office of the Company in Hong Kong from time to time as their registered correspondence addresses and phone numbers.
- 11.3 All the notices and communications issued in accordance with these terms of reference shall be delivered or posted to the registered addresses of the relevant committee members. Where phone calls are applicable, voice messages shall be deemed as effective notices.
- 11.4 The date of issuing notices and holding meetings are inclusive for the purpose of the calculation of the notice period of meetings.

- The End -

***Adoption/amendments of the Terms of Reference:***

<i>March 2004</i>	<i>Adoption approved by the Board</i>
<i>March 2005</i>	<i>Amendments approved by the Board</i>
<i>March 2011</i>	<i>Amendments approved by the Board</i>
<i>March 2012</i>	<i>Amendments approved by the Board</i>
<i>September 2013</i>	<i>Amendments approved by the Board</i>

***Note:*** *The English translation of this Terms of Reference is for reference only. Should there be any discrepancy between the English and Chinese versions, the Chinese version shall prevail.*