

# CHINESE PEOPLE HOLDINGS COMPANY LIMITED

## (“the Company”)

*(Incorporated in Bermuda with limited liability)*

### **Terms of Reference for the Nomination Committee**

The board of directors (the “Board”) of the Company has approved the following terms of reference for the Nomination Committee established by the Company which set out the Committee’s authorities and duties:-

#### **1. Membership**

- 1.1 Members of the Nomination Committee shall be appointed by the Board.
- 1.2 A majority of the members of the Nomination Committee shall be independent non-executive Directors.

#### **2. Chairman**

- 2.1 The Chairman of the Nomination Committee shall be appointed by the Board.

#### **3. Secretary**

- 3.1 The Company Secretary shall be the secretary of the Nomination Committee.
- 3.2 In the absence of the secretary of the Nomination Committee, the members present at the meeting of the Nomination Committee shall elect another person as the secretary.

#### **4. Quorum**

- 4.1 The quorum for meetings of the Nomination Committee shall be any two members.
- 4.2 A duly convened meeting of the Nomination Committee at which a quorum is present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting, shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Nomination Committee.

#### **5. Frequency of meetings**

- 5.1 The Nomination Committee shall meet at least once a year (“regular meeting”).

## **6. Attendance at meetings**

- 6.1 Members of the Nomination Committee may attend meetings of the Nomination Committee either in person or through other electronic means of communication.

## **7. Notice of meetings**

- 7.1 A meeting of the Nomination Committee may be convened by any of its members, or by the secretary of the Nomination Committee at the request of any of its members.
- 7.2 Unless otherwise agreed by all the members of the Nomination Committee, notice of at least 14 days shall be given of a regular meeting of the Nomination Committee, and such notice shall be sent to each member of the Nomination Committee and to any other person invited to attend by post or through other electronic means of communication. For all other meetings of the Nomination Committee, reasonable notice shall be given.
- 7.3 In respect of regular Nomination Committee meetings and so far as practicable in all other cases, an agenda and accompanying supporting papers shall be sent to all members of the Nomination Committee and to other attendees as appropriate at least 3 days before the date of the meeting (or such other period as agreed) by post or through other electronic means of communication.
- 7.4 Any member of the Nomination Committee shall be entitled, by notice to the secretary of the Nomination Committee, to include other matters relevant to the functions of the Nomination Committee in the agenda of a Nomination Committee meeting.

## **8. Minutes of meetings**

- 8.1 The secretary of the Nomination Committee (or his/her delegate) in attendance at the meetings of the Nomination Committee shall minute in sufficient detail the matters considered and decisions reached at such meetings. The minutes shall also include any concerns raised by any member of the Nomination Committee and/or dissenting views expressed.
- 8.2 The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant member of the Nomination Committee shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Nomination Committee in which he/she or any of his/her associates has a material interest, unless the exceptions set out in note 1 to Appendix 3 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") apply.

- 8.3 Draft and final versions of minutes of Nomination Committee meetings shall be sent to all Nomination Committee members for their comment and records respectively, in both cases within a reasonable time after the meeting. Once the minutes are signed, the secretary shall circulate the minutes and reports of the Nomination Committee to all members of the Board.
- 8.4 Minutes of the Nomination Committee shall be kept by the secretary of the Nomination Committee and shall be available for inspection by any member of the Nomination Committee or the Board at any reasonable time on reasonable notice.

## **9. Annual general meeting**

- 9.1 The chairman of the Nomination Committee or in his/her absence, another member of the Nomination Committee or failing this, his/her duly appointed delegate, shall attend the Annual General Meeting of the Company and be prepared to respond to questions at the Annual General Meeting on the Nomination Committee's activities and their responsibilities.

## **10. Other regulations governing the meetings and proceedings of the Nomination Committee**

- 10.1 Unless otherwise specified above, the provisions contained in the Company's Bye-Laws for regulating meetings and proceedings of directors shall apply to the meetings and proceedings of the Nomination Committee.

## **11. Duties**

The duties of the Nomination Committee are as follows:-

- 11.1 review the structure, size and composition (by taking into account the criteria as set out in the Board Diversity Policy adopted by the Company from time to time) of the Board at least annually and make recommendations any proposed changes to the Board to complement the Company's corporate strategy;
- 11.2 to review the Board Diversity Policy regularly (including any measurable objectives that the Board has set for implementing the Board Diversity Policy and the progress on achieving those objectives); and make disclosure of its review results in the corporate governance report of the Company annually;
- 11.3 to identify, nominate and recommend qualified individuals for the approval of the Board to fill vacancies on the Board;
- 11.4 to assess the independence of independent non-executive directors;

- 11.5 to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive;
- 11.6 to review and monitor the training and continuous professional development of directors and senior management; and
- 11.7 to report to the Board on its decisions or recommendations, subject to legal or regulatory restrictions.

## **12. Reporting responsibilities**

- 12.1 The Nomination Committee shall compile a report to shareholders on its role and work performed by it during the year, including the assessment and evaluation of the composition of the Board and its effectiveness, as well as the independence of the independent non-executive directors, for inclusion in the Company's Corporate Governance Report.
- 12.2 The Nomination Committee shall report back to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so.

## **13. Others**

- 13.1 The Nomination Committee shall have access to independent professional advice, at the Company's expenses if considered necessary and shall be provided with sufficient resources to discharge its duties.
- 13.2 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 they believe he/she should be elected and the reasons why they consider him/her to be independent.
- 13.3 All members of the Nomination Committee shall have access to the advice and services of the secretary of the Nomination Committee with a view to ensuring that procedures of the Nomination Committee and all applicable rules and regulations are followed.
- 13.4 In the event that the Nomination Committee or any member of the Nomination Committee requires access to outside independent professional advice in connection with its/his/her duties, a request may be made to the Board through the company secretary. All such requests shall be processed in accordance with the Company's pre-defined procedures for seeking independent professional advice at the Company's expenses.

13.5 Every member of the Nomination Committee shall ensure that he/she can give sufficient time and attention to his/her duties as a member of the Nomination Committee. He/She shall give the Company the benefit of his/her skills and expertise through regular attendance and active participation.

13.6 The Nomination Committee is authorised by the Board to seek such further information from the management of the Company as it may require in order to enable it discharge its duties.

#### **14. Publication of the terms of reference of the Nomination Committee**

14.1 The terms of reference of the Nomination Committee, as revised from time to time, will be posted on the website of the Company, and will be made available on request.

*(The English version shall prevail over the Chinese translation in case of any discrepancies or inconsistencies.)*

*Last version date: 17 September 2013*