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## **SHANGHAI ZENDAI PROPERTY LIMITED**

**上海証大房地產有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 755)**

## **SHANGHAI ZENDAI PROPERTY LIMITED**

**(the “Company”)**

### **TERMS OF REFERENCE**

#### **OF**

### **NOMINATION COMMITTEE (the “Committee”)**

#### **Membership**

1. Members of the Committee shall be appointed by the Company’s board of directors (“**Board**”) from time to time, comprising a majority of independent non-executive directors.
2. The Board shall appoint an independent non-executive director or the chairman of the board (“**Board Chairman**”) as the Committee’s chairman.

#### **Frequency and proceedings of meetings**

3. The Committee shall meet at least annually. Additional meetings shall be held as the work of the Committee demands.
4. In addition, the Committee’s chairman may convene additional meetings at his discretion.
5. The quorum of a meeting shall be two Committee members.
6. Unless otherwise specified herein, proceedings of the Committee’s meetings shall be governed by the Company’s bye-laws.

## **Duties, powers and functions**

7. The Committee shall –
  - (A) formulate the nomination policy of directors, Board Chairman and chief executive of the Company for the Board's consideration and implement the Board's approved nomination policy; and
  - (B) without prejudice to the generality of the foregoing:
    - (i) review the structure, size and composition (including the skills, knowledge, experience and length of service) of the Board at least annually; and make recommendations on any proposed changes to the Board to implement the Company's corporate strategy;
    - (ii) identify and nominate suitably qualified candidates to the Board, and select or make recommendations to the Board on selection of individuals nominated for directorships. To ensure sufficient biographical details of nominated candidates shall be provided to the Board to enable them to make an informed decision;
    - (iii) identify and nominate candidates to fill casual vacancies of Directors for the Board's approval;
    - (iv) assess the independence of independent non-executive directors;
    - (v) regularly review the time required from a director to perform his responsibilities;
    - (vi) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board;
    - (vii) conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the Company's bye-laws or imposed by any applicable legislation or regulations;
    - (viii) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Board Chairman and the chief executive; and
    - (ix) adopt and/or review the policy concerning diversity of Board members, and disclose the policy or a summary of the policy (including any measurable objectives that it has set for implementing the policy, and progress on achieving those objectives) in the corporate governance report of the Company.
8. The Committee shall be provided with sufficient resources to enable it to perform its duties, responsibilities and/or functions, including the resources for seeking independent professional advice at the expense of the Company where necessary.

9. In carrying out its responsibilities, the Committee should give adequate consideration to the following principles:
- (A) The Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. It should ensure that changes to its composition can be managed without undue disruption. It should include a balanced composition of executive and non-executive directors (including independent non-executive directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement. Non-executive directors should be of sufficient calibre and number for their views to carry weight; and
  - (B) There should be a formal, considered and transparent procedure for the appointment of new directors. There should be plans in place for orderly succession for appointments. All directors should be subject to re-election at regular intervals. The Company must explain the reasons for the resignation or removal of any director.

### **Reporting Procedures**

10. The Committee shall report to the Board on a regular basis.

- END -

25 May 2017

*\* For identification purpose only*