



## TAO HEUNG HOLDINGS LIMITED

稻香控股有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 573)**

### **TERMS OF REFERENCE FOR NOMINATION COMMITTEE**

**(Approved by the Board on 9 June 2007)**

#### **Purpose**

1. The purpose of the Nomination Committee is to identify, screen and recommend to the board of directors (the “**Board**”) appropriate candidates to serve as directors of Tao Heung Holdings Limited (the “**Company**”), to oversee the process for evaluating the performance of the Board and to develop, recommend to the Board and monitor nomination guidelines for the Company.

#### **Composition**

2. The Nomination Committee shall be appointed by the Board from time to time and shall consist of not less than two independent non-executive directors, each of whom shall meet the independence requirements from time to time as stipulated in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Board shall appoint one member of the Nomination Committee as the chairman (the “**Chairman**”).

#### **Meetings**

3. The Nomination Committee shall meet at least once annually or more frequently if circumstances require and shall act by unanimous written consent.
4. The Chairman (or in his or her absence, a member designated by the Chairman) shall preside at all meetings of the Nomination Committee. The Chairman shall be responsible for leading the Nomination Committee, including scheduling meetings, preparing agendas and making regular reports to the Board.

#### **Access**

5. The Nomination Committee shall have full access to management and may invite members of management or others to attend its meetings. The Nomination Committee will consult the chairman and/or chief executive officer of the Company about their proposals relating to the selection and appointment of directors.

*\*For identification purpose only.*

## **Minutes**

6. Minutes of each Nomination Committee shall be prepared and sent to all Nomination Committee members. The Nomination Committee shall evaluate and assess the effectiveness of the Committee and the adequacy of this Nomination Committee Terms of Reference on an annual basis and recommend any proposed changes to the Board.

## **Authority**

7. The Nomination Committee is authorised by the Board to determine the procedures, process and criteria to be adopted for purposes of selecting and recommending candidates for directorship and shall be provided with sufficient resources to discharge its duties, including but not limited to obtaining professional advice and assistance from internal or external legal, accounting or other advisors at the expense of the Company.

## **Responsibilities and Duties**

8. The Nomination Committee shall perform the following duties:-
  - (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed change;
  - (b) to develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship;
  - (c) to identify individuals who are qualified/suitable to become a Board member and to select or make recommendations to the Board on the selection of individuals nominated for directorships;
  - (d) to assess the independence of independent non-executive directors and to determine their eligibility;
  - (e) to make recommendations to the Board on matters relating to the appointment or reappointment of directors and succession planning for directors, in particular, the chairman and the chief executive officer; and
  - (f) to review and assess the adequacy of the corporate governance guidelines of the Company and to recommend any proposed changes to the Board for approval.