

**THE BANK OF EAST ASIA, LIMITED**

**TERMS OF REFERENCE**

**of**

**THE NOMINATION COMMITTEE**

## **1. CONSTITUTION**

The Board of Directors had resolved to establish a committee known as the "Nomination Committee" to identify, select and nominate suitable individuals for appointment as Directors, Senior Management<sup>1</sup> and Division Heads of the Bank.

## **2. MEMBERSHIP**

2.1 The Committee members shall be appointed by the Board from amongst the Directors of the Bank and shall consist of not less than two members. A majority of the members of the Nomination Committee should be Non-executive Directors.

2.2 The Chairman of the Committee shall be appointed by the Board.

2.3 The Committee comprises the following members:

Chairman	:	Mr. Eric Li Fook-chuen*
Members	:	Dr. David Li Kwok-po Dr. Lee Shau-kee** Dr. Allan Wong Chi-yun** Mr. Aubrey Li Kwok-sing* Dr. Isidro Fainé Casas*

\* Non-executive Directors

\*\* Independent Non-executive Directors

The quorum of any Nomination Committee meeting is two members, of which at least one should be Non-executive Director.

2.4 The Company Secretary shall act as the Secretary of the Committee.

## **3. FREQUENCY OF MEETINGS**

Meetings shall be held not less than once a year.

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<sup>1</sup> Senior Management: Deputy Chief Executives.

#### **4. DUTIES**

The specific duties of the Committee shall be:

- (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 changes;
- (b) to identify individuals suitably qualified to become Directors, Senior Management and Division Heads and select or make recommendations to the Board on the selections;
- (c) to assess the independence of Independent Non-executive Directors;
- (d) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors, Senior Management and Division Heads and succession planning for Directors, Senior Management and Division Heads in particular the Chairman and the Chief Executive Officer; and
- (e) to attend to the matters as prescribed under the Management Succession Policy of the Bank and other prevailing guidelines.

#### **5. REPORTING PROCEDURES**

- (a) The Secretary shall present the minutes of meetings of the Committee to all members of the Board.
- (b) Corporate Governance Report in the Annual Report

Disclosures<sup>2</sup> should include:

- (i) the role and function of the Committee;
- (ii) the composition of the Committee (including names and identifying in particular the Chairman of the Committee);
- (iii) the nomination procedures and the process and criteria adopted by the Committee to select and recommend candidates for directorship during the year;
- (iv) a summary of the work, including determining the policy for the nomination of Directors, performed by the Committee during the

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<sup>2</sup> Pursuant to paragraphs 2(g) (i) to (v) of Appendix 23 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

year; and

- (v) the number of meetings held by the Committee during the year and the record of individual attendance of members, on a named basis, at meetings held during the year.

**6. NOMINATION PROCEDURES**

Pursuant to Paragraph A.4 of Appendix 14 “Code on Corporate Governance Practices” of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, there should be a formal, considered and transparent procedure for the appointment of new Directors to the Board. The nomination procedures and the process and criteria to select and recommend candidates for directorship are appended.

**7. REMUNERATION**

An amount of HK\$50,000 should be paid to the Chairman of the Committee and HK\$30,000 should be paid to each of the other Committee members.

**8. FREQUENCY OF REVIEW**

This Terms of Reference should be reviewed on an annual basis and as required.