



中國海外發展有限公司

CHINA OVERSEAS LAND & INVESTMENT LTD.

(Incorporated in Hong Kong with limited liability)

(Stock Code: 688)

APPOINTMENT, ELECTION AND REMOVAL OF DIRECTORS

1. Introduction

The Company adopts formal, considered and transparent procedures for the appointment, election and removal of directors of the Company (the "**Director(s)**"), including procedures for our shareholders to propose a person for election as a Director.

The process of evaluating the skills and composition of the board of Directors (the "**Board**") is ongoing and is kept under regular review in order to ensure that the Board retains its effectiveness and diversity at all times. With a view to achieving a sustainable and balanced development, the Company has also adopted a board diversity policy in designing the composition of the Board.

2. Appointment and Election of Directors

- The Company has set up a Nomination Committee which is mandated to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, and to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships. On carrying out the above duties, the Nomination Committee will make reference to the board diversity policy adopted by the Board from time to time.
- As the Company is a listed company, every director of which should satisfy the requirements prescribed by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") in respect of directors from time to time. Such requirements include that a director should have the character, experience and integrity and be able to demonstrate a standard of competence commensurate with his or her position as a director of a listed issuer pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").
- The Board, at the recommendation of the Nomination Committee, may from time to time and at any time appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Directors so appointed shall hold office only until the next following annual general meeting of the Company and shall be

eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

- At each annual general meeting one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office, provided that every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years at an annual general meeting of the Company. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. The Company at any general meeting at which any Directors retire in the manner aforesaid may fill the vacated office by electing a like number of persons to be Directors. (Article 105)
- The Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board. (Article 108)
- No person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company at its registered office at least seven days before the date of general meeting. Such period for lodgement of the aforesaid notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting provided that such period shall be at least seven days. (Article 109)
- To enable our shareholders to make an informed decision on their election at a general meeting, the names of all candidates submitted for election or re-election as a Director together with his/her biographical details as set out in Rule 13.51(2) of the Listing Rules, including other directorships held in listed public companies in the past three years and other major appointments, will be set out in a circular to be sent to Shareholders prior to the meeting in accordance with the Listing Rules. An announcement containing the result of the general meeting will be published on the Company's web-site and the Stock Exchange's web-site thereafter.

3. **Removal of Directors**

- Shareholders may by ordinary resolution remove any Director before the expiration of his or her period of office notwithstanding anything in the Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company) and may elect another person in his stead. Any person so elected shall hold office for such time only as the Director in whose

place he is elected would have held the same if he had not been removed. Special notice, in accordance with the Companies Ordinance (Chapter 622 of Laws of Hong Kong), shall be required in relation to any meeting at which such an ordinary resolution is to be considered. (Article 111)

Note: Article number quoted herein shall refer to the corresponding article in the articles of association of the Company.