



Ground Properties Company Limited

廣澤地產有限公司

(the “Company”)

(Incorporated in Bermuda with limited liability)

(Stock Code: 989)

NOMINATION COMMITTEE TERMS OF REFERENCE

Pursuant to the approval of the board (the “Board”) of directors (the “Directors”) of the Company on 3 March 2016, the Terms of reference to the Nomination Committee of the Company established on 20 July 2005 (the “Committee”) are amended, as set out below, with effect from 1 April 2016 in compliance with the Corporate Governance Code under the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Membership

1. The members of the Committee shall be appointed by the Board from time to time and shall consist of a minimum of three (3) members, a majority of whom should be Independent Non-executive Directors; and
2. The Chairman of the Committee shall be appointed by the Board and should be the Chairman of the Board or an Independent Non-executive Director.

Secretary

3. The Company Secretary or any person assigned by the Chairman of the Committee shall be the secretary of the Committee.

Attendance at meetings

4. The Committee may invite other members of the Board, the Chief Executive Officer, the head of Finance and Accounting Department or any other person it deems appropriate to attend the meetings.

Frequency of meetings

5. Meetings shall be held at least once (1) a year and at such other times as the Chairman of the Committee shall require or as any member of the Committee may request.

Proceedings of meetings

6. Notice of meeting shall be given at least fourteen (14) days prior to such meeting to be held, unless all members of the Committee unanimously agree to waive such notice;
7. The quorum necessary for the transaction of the business of the Committee shall be two (2), one (1) of whom shall be an Independent Non-executive Director;
8. The members of the Committee may participate in any meetings either in person or by means of a conference telephone or other electronic means of communications;
9. The meeting shall be chaired by the Chairman of the Committee, or in his absence, the members in attendance may appoint a chairman for the meeting;
10. The secretary of the Committee shall record the minutes of the meeting of the Committee in sufficient details the matters considered by the Committee and decisions reached and any concerns raised by any members including dissenting views. Draft and final versions of the minutes of the meetings should be circulated to all members of the Committee for comment and records within a reasonable time after the meetings;
11. Written resolutions signed by all the members of the Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held;
12. Minutes of the meetings and written resolutions of the Committee shall be kept by the secretary of the Committee and such minutes and written resolutions shall be open for inspection at any reasonable time on a reasonable notice by any member of the Committee or any Director; and
13. Unless otherwise provided herein, the meetings and proceedings of the Committee shall be governed by the provisions of the Company's Bye-laws for regulating the meetings and proceedings of the Board.

Annual General Meeting

14. The Chairman of the Committee, or in his absence, another member of the Committee as invited by the Chairman of the Board, or failing this his duly appointed delegate, shall attend the Company's annual general meeting and be prepared to answer questions of the shareholders on the Committee's activities thereat.

Authority

15. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from the management and the management is directed to co-operate with any request made by the Committee;

16. The Committee is authorised by the Board, at the reasonable expense of the Company, to obtain outside legal or other independent professional advice to perform its responsibilities and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and
17. The Committee shall be provided with sufficient resources to perform its duties.

Duties

18. The Committee shall have the following duties:
 - (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - (b) 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;
 - (c) to assess the independence of Independent Non-executive Directors;
 - (d) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman of the Board and the chief executive officer; and
 - (e) to consider other topics, as defined by the Board.

Reporting responsibility

19. The Committee shall report back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements).

Amendment

20. Any amendment to these terms of reference must be approved by the Board.

Publication of Terms of Reference

21. The Committee shall make available its terms of reference on the Stock Exchange's website and the Company's website.