



*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 00620)**

## **NOMINATION COMMITTEE — TERMS OF REFERENCE**

(As adopted by the Board on 27 March 2012)

### **Constitution**

1. The board (the “Board”) of directors (the “Directors”) of UDL Holdings Limited (the “Company”) has resolved to establish a committee of the Board known as the nomination committee (the “Nomination Committee”) on 27 March 2012.

### **Membership**

2. The Nomination Committee shall be appointed by the Board and shall comprise of a minimum of three members, a majority of whom shall be independent non-executive Directors.
3. The chairman of the Nomination Committee shall be appointed by the Board and shall be either the chairman of the Board or an independent non-executive Director.

### **Meetings**

4. The Nomination Committee shall meet at least once a year. The Nomination Committee or the Board may request a meeting at such other times if they consider it necessary.
5. Notice of at least 7 days shall be given of a regular Nomination Committee meeting, unless all members unanimously waive such notice. Notwithstanding the notice period, the attendance of members at the meeting shall be deemed waiver of the required length of notice. For all other Nomination Committee meetings, reasonable notice shall be given.
6. The quorum of the Nomination Committee shall be any two members.
7. Meetings can be held in person, by telephone or by video conference. Members of the Nomination Committee may attend a meeting either in person or by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
8. Resolutions of the Nomination Committee at any meetings shall be passed by a majority of votes of the members present.
9. A resolution in writing signed by all the members of the Nomination Committee shall be as valid and effectual as if it had been passed at a meeting of the Nomination Committee duly convened and held.

### **Attendance at meetings**

10. The Nomination Committee may invite other Directors or any other persons it deems appropriate to attend the meetings.
11. The company secretary or his/her nominee or such other person as nominated by the Nomination Committee shall be the secretary of the Nomination Committee.
12. Only members of the Nomination Committee are entitled to vote at the meetings.

### **Reporting procedures**

13. The Nomination 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.
14. Draft and final versions of the minutes of the Nomination Committee meetings shall be circulated to all members of the Nomination Committee for their comment and records respectively within a reasonable time after the meeting.
15. Minutes of the meetings and written resolutions of the Nomination Committee shall be kept by the secretary of the Nomination Committee and shall be available for inspection by any members of the Nomination Committee or the Board.

### **Authority**

16. The Nomination 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 Company's management in order to perform its duties.
17. The Nomination Committee is authorised by the Board to seek independent professional advice and to secure the attendance of outsiders with relevant experience and expertise in appropriate circumstances when necessary, at the Company's expenses.
18. The Nomination Committee shall be provided with sufficient resources to perform its duties.

### **Duties**

19. The duties of the Nomination Committee shall be:
  - (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 the independent non-executive Directors and review the independent non-executive Directors' annual confirmations on their independence;
  - (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 of the Company;

- (e) where the Board proposes a resolution to elect an individual as an independent non-executive Director at the general meeting, it shall set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe he should be elected and the reasons why they consider him/her to be independent;
- (f) to report to the Board on the matters set out in this terms of reference; and
- (g) to consider other matters, as defined by the Board.

### **Annual General Meeting**

- 20. The chairman of the Nomination Committee or in his/her absence, another member of the Nomination Committee or failing this, his/her duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to respond to shareholders' questions on the Nomination Committee's activities.

### **Availability of the Terms of Reference**

- 21. The Board must approve and provide written terms of reference for the Nomination Committee. The Nomination Committee shall make available its terms of reference, explaining its role and the authority delegated to it by the Board, on both the websites of the Company and The Stock Exchange of Hong Kong Limited.

*Note: The Chinese translation thereof is for reference only and the English version shall always prevail in case of any inconsistency between the English version and the Chinese translation thereof.*