

AEON STORES (HONG KONG) CO., LIMITED
永旺（香港）百貨有限公司
(the “Company”)
(Stock Code: 984)

TERMS OF REFERENCE AND OPERATION
OF
NOMINATION COMMITTEE
(Revised on 15 March 2013)

Membership

1. The Nomination Committee (the “Committee”) shall consist of at least three members and a majority of the members shall be independent non-executive directors appointed by the board of directors (the “Board”) of the Company from time to time.
2. The chairman of the Committee shall be the Chairman of the Board.

Frequency and proceedings of meetings

3. The Committee shall meet at least once annually.
4. The quorum of a meeting shall be two members of the Committee.
5. Proceedings of meetings of the Committee shall be governed by the provisions of Article 120 of the Articles of Association of the Company.
6. The Company Secretary or in his absence, his delegate shall act as the secretary of the Committee meetings.

Authority and Duties

7. The Committee shall:
 - (a) review the structure, size and composition (factors including but not limited to gender, age, cultural and educational background, professional qualification, 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) identify individuals suitably qualified to become members of the Board on merit and against objective criteria and with due regard for the benefits of diversity on the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;
 - (c) assess the independence of the independent non-executive directors;

- (d) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive;
- (e) be provided sufficient resources to perform its duties; and
- (f) where necessary, seek independent professional advice, at the Company's expense, to perform its responsibilities.

15 March 2013

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NOMINATION COMMITTEE

Measurable Objectives

It is set out below a list of measurable objectives for this nomination committee. The list is only an indication of factors relevant to the committee's business and shall not be regarded as conclusive nor exhaustive in nature. Where appropriate, the committee may take into account and/or further adopt and/or weight against one another such factor(s) relevant to the business to be transacted.

1. Age : 18 or over.
2. Gender : Welcome both genders with no preference for any particular proportion.
3. Professional qualification : At least one Independent Non-executive Director shall possess appropriate professional qualifications in finance and accounting and meets the requirements of rule 3.10 of the Listing Rules.
4. Composition : One third of the Board or minimum three members shall be Independent Non-executive Directors to meet the requirements of rules 3.10 & 3.10A of the Listing Rules.
5. Service period : Independent Non-executive Directors' tenure (as at the date of re-appointment) shall not have attained nine years from their date of first appointments and such re-appointment shall last up to the next annual general meeting date of the Company despite the fact that such re-appointment shall result in a service period longer than 9 years.
6. Other experience : Knowledge and experience which may contribute to the business of the Company.
7. Nationality : No particular preference.
8. any other relevant factors.