

Gemdale Properties and Investment Corporation Limited
("Company")

Board of Directors ("Board") – Terms of Reference

Membership

1. The Board shall consist of not less than 2 and not more than 12 members.
2. According to the Bye-laws of the Company, all directors of the Company ("**Directors**") shall be subject to retirement by rotation at the annual general meeting of the Company ("**AGM**") at least once every three years notwithstanding any contractual or other terms on which any Director may be appointed or engaged.
3. The Company shall have formal letters of appointment for directors setting out the key terms and conditions relative to their appointment. A model letter of appointment for non-executive directors and independent non-executive directors is enclosed in Appendix I for reference.
4. The Chairman shall be appointed by the Board.
5. The Company Secretary shall be the secretary of the Board.

Attendance at meetings

6. The Chief Executive Officer and the Chief Financial Officer shall normally attend the meetings. Other individuals may be invited to attend for all or part of any meeting, as and when appropriate.

Frequency and proceeding of meetings

7. The Board normally meets regularly and at least four times a year at approximately quarterly intervals. Additional meetings should be held as the work of the Board demands. The Chairman may convene additional meetings at his discretion. The Chairman should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the executive Director(s) present.
8. The Board proceeding shall be governed by the Company's Bye-laws.
9. Notice of at least 14 days should be given of a regular Board meeting to give all Directors an opportunity to attend.
10. The quorum for a meeting shall be two Board members.
11. The Chairman shall have a second or casting vote in the case of an equality of votes, and this power shall be exercised at the Chairman's own discretion.

12. Directors are requested to declare their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board at Board meetings and the Directors shall abstain from voting when necessary.
13. The Company Secretary is responsible for providing detailed Board papers to be circulated at least three working days in advance of Board meetings with the aim of ensuring the Directors are able to make informed decisions on matters put before them.

Duties, powers and functions

14. The duties, powers and functions of the Board shall be as follows:

Operational strategy

- (a) to determine the Company's objectives, mission, strategies, policies and business plan, etc. and monitor implementation;
- (b) to oversee all matters and to formulate policies in relation to the Company's internal control, businesses and corporate accommodation, investment, succession plans, remuneration and compensation for Directors and employees, risk management, corporate governance and corporate social responsibility, and to supervise the Company's management to implement such policies;

Accountability to stakeholders

- (c) to convene general meetings and to make proposals for the approval of shareholders;
- (d) to ensure accountability towards and sufficient communication with the Company's stakeholders, in particular its shareholders;
- (e) to ensure timely and accurate disclosure to stakeholders;

Finance and fund management

- (f) to monitor and control the Company's operation and financial performance through the determination of the annual budget;
- (g) to be responsible for the preparation and the true and fair presentation of the financial statements, to approve the financial statements, and to appoint and liaise with the Company's external auditor;
- (h) to consider and, if appropriate, declare or recommend to shareholders on appropriation of profit, payment of dividend and allocation to reserve account;

Risk management

- (i) to set appropriate policies to manage risks in pursuit of the Company's strategic objectives;

Corporate Governance functions

- (j) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (k) to review and monitor the training and continuous professional development of Directors and senior Management;
- (l) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (m) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- (n) to review the Company's compliance with the code and disclosure in the Corporate Governance Report;

Others

- (o) to have full and free access to the Company's information to ensure informed decision making;
- (p) to form any committee(s), appoint members thereto, delegate at any time and from time to time to any person or committee(s), any of its powers and functions conferred on it hereunder, review their composition and terms of reference as appropriate; and
- (q) to do any such things to enable to the Board to discharge its obligations and responsibilities.

Reporting procedures

- 15. The secretary should send the minutes of the Board meetings to all Board members for comment and records within a reasonable time after the meeting.

Annual General Meeting ("AGM")

- 16. The Chairman shall attend the AGM and answer questions from shareholders at the AGM.

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