

**HONG KONG EXCHANGES AND CLEARING LIMITED**  
**(“HKEX”)**  
**TERMS OF REFERENCE AND MODUS OPERANDI**  
**OF**  
**PANEL MEMBER SELECTION COMMITTEE**  
**(the “Committee”)**

**Membership**

1. The Committee shall consist of five members – the three chairmen of the Cash Market Consultative Panel, the Derivatives Market Consultative Panel and the Clearing Consultative Panel (collectively, the “Consultative Panels”), and two directors appointed by the HKEX Board after considering the recommendations of the Nomination and Governance Committee.
2. The Company Secretary or his/her nominee shall act as the Secretary of the Committee.

**Frequency and proceedings of meetings**

3. The Committee shall meet before the expiry of the terms of appointment of the members of the Consultative Panels or when there are any casual vacancies as it considers necessary. Additional meetings shall be held as the work of the Committee demands.
4. The chairman of the Committee may convene additional meetings at his/her discretion.
5. Any three members of the Committee shall constitute a quorum of a Committee meeting.
6. Proceedings of meetings of the Committee shall be governed by Article 105 of the Articles of Association of HKEX.

**Duties, powers and functions**

7. The Committee shall –
  - (a) formulate, review and implement the nomination policy for the appointment of members to the Consultative Panels;
  - (b) for and on behalf of the HKEX Board, appoint members to each of the Consultative Panels from time to time; and
  - (c) without prejudice to the generality of the foregoing:
    - (i) consider the selection criteria of members of the Consultative Panels and develop procedures for the sourcing and selection of suitable members of the Consultative Panels;

- (ii) consider and assess the suitability of candidates for appointment or re-appointment as members of the Consultative Panels;
- (iii) consider and assess the suitability of candidates to fill casual vacancies of members of the Consultative Panels;
- (iv) review the nomination policy for the appointment of members to the Consultative Panels at the appropriate time, and approve changes as it considers appropriate;
- (v) review its terms of reference as and when appropriate and make recommendations to the HKEX Board on any changes as it considers necessary;
- (vi) do any such things to enable the Committee to discharge its powers and functions conferred on it by the HKEX Board; and
- (vii) conform to any requirement, direction, and regulation that may from time to time be prescribed by the HKEX Board or contained in HKEX's constitution or imposed by legislation.

### **Reporting Procedures**

8. The Committee shall report to the HKEX Board as and when necessary. Following a meeting of the Committee, the chairman of the Committee shall report on matters within its remit to the HKEX Board at its next meeting.

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