



SAN MIGUEL BREWERY HONG KONG LTD.

香港生力啤酒廠有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 236)

TERMS OF REFERENCE – NOMINATION COMMITTEE

1. GENERAL SCOPE AND AUTHORITY

- 1.1 San Miguel Brewery Hong Kong Limited (“the Company”) Nomination Committee (“the Committee”) is a Committee of the board of the Company established under Article 131 of the Articles of Association of the Company (“the Articles”).
- 1.2 Proceedings and meetings of the Committee will be governed by the provisions of the Articles for regulating the proceedings and meetings and of the board of the Company in so far as they are applicable and not inconsistent with these Terms of Reference.
- 1.3 The primary purpose of the Committee is to support and advise the board in fulfilling their responsibilities to shareholders in ensuring that the board is comprised of individuals who are best able to discharge the responsibilities of directors having regard to the law and the highest standards of governance by:
 - assessing the skills required on the board;
 - from time to time assessing the extent to which the required skills are represented on the board;
 - establishing process for the review of the performance of individual directors and the board as a whole;
 - establishing process for the identification of suitable candidates for appointment to the board; and
 - having oversight of matters relating to corporate governance bringing any issues to the attention of the Board.
- 1.4 The Committee shall have the right to seek any information it considers necessary to fulfill its duties, which includes the right to obtain appropriate external advice at the Company’s expense.

2. COMPOSITION

- 2.1 The Committee shall comprise at least three members. A majority of the members should be independent non-executive directors, one of whom will be appointed the Committee chairman by the board.

2.2 The initial members shall be:

Mr. Carmelo L. SANTIAGO: Chairman
Mr. Thelmo Luis O. CUNANAN Jr.
Mr. Teruyuki DAINO
Dr. the Hon. Sir David K.P. LI
Mr. NG Wai Sun

2.3 In appointing the members, the Committee will have due regard to the provisions of the best practices of the Code appended to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2.4 A quorum will comprise any two independent non-executive director committee members. In the absence of the Committee chairman or appointed delegate, the members shall elect one of their members as chairman for the meeting.

2.5 The Committee may invite any executive management team members or other individuals to attend meetings of the Committee, as they consider appropriate.

2.6 The Company secretary shall be the secretary of the Committee.

3. MEETINGS

3.1 The Committee shall meet as frequently as required but not less than once a year.

3.2 Any Committee member or the secretary may call a meeting of the Committee.

3.3 A notice of each meeting confirming the date, time, venue and agenda shall be forwarded to each member of the Committee (with a copy to all board members) seven working days prior to the date of the meeting. The relevant supporting papers are sent in full to all committee members at least 3 days before each meeting.

3.4 The Committee shall have access to professional advice from employees within the Company and from appropriate external advisers. The Committee may meet with these external advisers without management being present.

3.5 The chairman of the Committee, or delegate, shall report to the board following each meeting.

3.6 Minutes of proceedings and resolutions of Committee meetings shall be kept by the secretary. Minutes shall be distributed to all Committee members and the chairman of the board, after the preliminary approval has been given by the Committee chairman. Minutes, agenda and supporting papers will be made available to any director upon request to the secretary, providing no conflict of interest exists.

4. DUTIES AND RESPONSIBILITIES

In order to fulfill its responsibilities to the board, the Committee shall:

- review the structure, size and composition (including the skills, knowledge and experience) of the board on a regular basis and make recommendations to the board regarding any proposed changes;
- identify individuals suitably qualified to become board members and select or make recommendations to the board on the selection of, individuals nominated for directorships;
- assess the independence of independent non-executive directors;
- make recommendations to the board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive officer;
- have oversight of all matters relating to corporate governance; and
- be entitled to employ, at the Company's expense, the services of such advisers as it deems necessary to fulfill its responsibilities.

These terms of reference will be subject to review by the board at any time and shall be made available on request to any shareholders of the Company and are posted on the Company's website, *info.sanmiguel.com.hk*.