

# FOSUN PHARMA



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上海復星醫藥集團股份有限公司

**Shanghai Fosun Pharmaceutical (Group) Co., Ltd.\***

(the “Company”)

*(a joint stock limited company incorporated in the People’s Republic of China with limited liability)*

## **Terms of Reference and Implementation Rules of the Nomination Committee under the Board of Directors**

### **Chapter 1 General Provisions**

- Article 1 In order to regulate criteria and procedures for the appointment of directors and senior management of the Company, enhance the composition of the board of directors and improve the structure of corporate governance, the Company has established the Nomination Committee under the board of directors and has formulated these Rules in accordance with the Company Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies in China, the Articles, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereafter as the “SEHK Listing Rules”) and other relevant regulations.
- Article 2 The Nomination Committee is a special body established by the board of directors pursuant to the resolution of the general shareholders’ meeting, mainly responsible for selecting candidates for the Company’s directors and senior management, election criteria and procedures and making recommendations.
- Article 3 The senior management referred in these Rules shall refer to the chief executive officer, president, vice president (including senior vice president), person in charge of finance (CFO), secretary to the board of directors and other senior management provided in the Articles.

### **Chapter 2 Composition**

- Article 4 The Nomination Committee shall comprise three to five directors, the majority of whom shall be independent non-executive directors.

- Article 5        Members of the Nomination Committee shall be nominated by the chairman of the board of directors, more than one-half of the independent directors or more than one-third of all directors. The election and removal of members shall be passed by a majority vote of the members of the board of directors.
- Article 6        The Nomination Committee shall have one chairman (convener) who shall be acted by an independent non-executive director, responsible for presiding over the work of the committee. The chairman of the committee shall be elected and removed by a majority vote of the members of the board of directors.
- Article 7        The Nomination Committee shall have the same term of office as the board of directors. The term of office of members is renewable upon re-election. During which if members no longer act as directors of the Company, they shall automatically lose their office as members from the date of resignation. Members may apply to the board of directors for resignation in writing prior to expiry of the term of office. The board of directors shall, after such members have lost their office or the resignation of such members has been approved, fill the vacancies in accordance with relevant provisions of these Rules.
- Article 8        The Nomination Committee may establish a working group as an organ to take care of daily operations, preliminary preparations, daily liaisons and meeting arrangements.
- The Nomination Committee may have one secretary to assist the chairman of the committee in his daily work.

### **Chapter 3   Duties and Powers**

- Article 9        The main duties and powers of the Nomination Committee are:
- (1) review the structure, size and composition (including the skills, knowledge and experience) of the board of directors annually according to the Company's operating condition, asset size and shareholding structure; and make recommendations on any proposed changes to the board of directors according to the Company's strategy;
  - (2) study and formulate the election criteria and procedures for directors and senior management and make recommendations to the board of directors;
  - (3) identify qualified candidates for directors and senior management on an extensive scale;

- (4) select and examine candidates for directors and senior management and make recommendations;
- (5) assess the independence of independent non-executive directors and review the independent non-executive directors' confirmation on their independence, and make disclosure of its review results in the Corporate Governance Report;
- (6) identify and nominate appropriate candidates to fill casual vacancies of directors for the board of directors' approval;
- (7) make recommendations to the board of directors on the appointment or reappointment of directors and the succession planning for directors (particularly the chairman);
- (8) evaluate the work progress of directors and senior management and provide advice or recommendations on the change of directors or senior management with reference to the review results as and when necessary;
- (9) review and monitor the training and sustainable professional development of directors and senior management; and
- (10) laws, regulations, regulatory requirements of the places where the Company's shares are listed, as well as other matters stipulated in the Articles or authorized by the board of directors.

If the Nomination Committee's recommendations to the board of directors on the following matters are not adopted by the board of directors or are not fully adopted, the Nomination Committee's opinion and the specific reasons for non-adoption shall be documented and disclosed in the board of directors' resolution:

- (1) nominate or appoint or remove directors of the Company;
- (2) appoint or dismiss senior management of the Company;
- (3) laws, regulations, regulatory requirements of the place where the Company's shares are listed and other matters stipulated in the Articles.

Article 10      The Nomination Committee is accountable to the board of directors and its proposed resolutions shall be submitted to the board of directors for consideration and decision. The controlling shareholder shall, without good reason or reliable evidence, fully respect the recommendations of the committee or otherwise no nomination of alternative candidates for directors and senior management shall be made.

Article 11      Without prejudice to the authority and duties of the Nomination Committee as set out in its terms of reference, the ultimate responsibility for selection and nomination of directors of the Company rests with the entire board of directors.

#### **Chapter 4    Decision-making Procedures and Selection Criteria**

Article 12      The Nomination Committee shall examine the election criteria and procedures and the term of office of the Company'

- (6) the committee shall submit to the board of directors its recommendations on candidates for directors and senior management and relevant materials in fifteen days prior to the election of new directors and the appointment of new senior management;
- (7) the committee shall implement other follow-up work in accordance with the decisions and feedback of the board of directors.

Article 14

In evaluating and selecting any candidate for directorship, the following criteria should be considered by the Nomination Committee to ensure that the board of directors of the Company has a balance of skills, knowledge, experience and diversity of perspectives appropriate to the Company:

- (1) character and integrity;
- (2) qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy of the Company that are relevant to the Company's business and corporate strategy;
- (3) any measurable objectives adopted for achieving and implementing the Board Diversity Policy of the Company;
- (4) requirement for the board of directors to have independent non-executive directors in accordance with the SEHK Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the SEHK Listing Rules;
- (5) any potential contributions the candidate may bring to the board of directors in terms of qualifications, skills, knowledge, experience, independence and gender diversity;
- (6) willingness and ability to devote adequate time to discharge duties as a member of the board of directors and its committee(s) of the Company;
- (7) such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the board of directors and/or the Nomination Committee from time to time for nomination of directors and succession planning.

## **Chapter 5 Rules of Procedures**

- Article 15 The chairman shall convene a meeting of the Nomination Committee in five days upon the occurrence of any of the following circumstances:
- (1) when the chairman considers necessary;
  - (2) when more than one-half of the members propose.
- Article 16 Notice of meetings of the Nomination Committee shall be made to all members in three days prior to the meeting. The chairman, if unable to attend, may appoint another member who is an independent non-executive director to preside over the meeting.
- Article 17 Meetings of the Nomination Committee shall be held by more than two-thirds of the members attending the meeting in person. Each member has one voting right. Resolutions adopted at the meeting shall be passed by more than one-half of all members (excluding members not present at the meeting).
- Article 18 The Nomination Committee may vote on a show of hands or on a poll at the meetings. The meetings may be convened by means of communications provided that the members may fully express their opinions.
- Article 19 The secretary to the Nomination Committee and members of the working group may sit in on the meetings of the committee. The committee may invite directors, supervisors and relevant senior management of the Company who are not members to sit in on the meetings if it considers necessary, provided that those who are not members do not have voting rights over the resolutions.
- Article 20 The Nomination Committee shall be provided with sufficient resources (including the resources for seeking independent legal and professional advice) to perform its duties. Relevant departments of the Company shall give cooperation and the expenses incurred shall be borne by the Company.
- Article 21 The procedures for convening the meeting, means of voting and resolutions passed at the meeting of the Nomination Committee shall comply with relevant laws, regulations, regulatory requirements of the place where the Company's shares are listed, the Articles and the provisions of these Rules.
- Article 22 The Nomination Committee shall maintain minutes of the meeting where members attending the meeting shall sign on the minutes. The minutes shall be maintained by the secretary to the board of directors.

Article 23 Resolutions and voting results adopted at the meetings of the Nomination Committee shall be reported to the board of directors in writing.

Article 24 Members attending and sitting in on the meeting shall keep confidential of all matters discussed at the meeting. Disclosure of the relevant information without the authorization of the board of directors shall be prohibited.

## **Chapter 6 Supplementary Provisions**

Article 25 In case of any item that has not been covered in these Rules, or in the event of any conflict with relevant laws, regulations, regulatory requirements of the place where the Company's shares are listed and the requirements of the Articles, the laws, regulations, regulatory requirements of the place where the Company's shares are listed and the Articles shall govern.

Article 26 These Rules shall take effect from the date of consideration and approval by the board of directors, and the same shall apply when they are amended.

Article 27 The right to interpretation of these Rules shall be vested in the board of directors.

Board of Directors  
**Shanghai Fosun Pharmaceutical (Group) Co., Ltd.\***  
22 March 2024

*Note: If there is any inconsistency between the English and Chinese versions of these rules, the Chinese version shall prevail.*

*\* For identification purpose only*