



Hansoh Pharmaceutical Group Company Limited
翰森製藥集團有限公司

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3692)

DIRECTOR NOMINATION POLICY

(Adopted by the Company pursuant to the Board resolution passed on November 26, 2018)

1. PURPOSE

This Director Nomination Policy (the “**Policy**”) aims to:

- set out the criteria and process of the nomination and appointment of directors of the Company;
- ensure that the board of directors (the “**Board**”) of the Company has a balance of skills, experience and diversity of perspectives appropriate to the Company; and
- ensure the continuity of the Board and appropriate leadership at Board level.

2. SCOPE

This Policy applies to the directors of the Company and where applicable, senior management prepared for Board positions under the succession plans of the Company.

3. RESPONSIBILITIES

The ultimate responsibility for selection and appointment of directors of the Company rests with the entire Board.

4. NOMINATION AND APPOINTMENT OF DIRECTORS

4.1 CRITERIA

In evaluating and selecting any candidate for directorship, the following criteria should be considered:

- Character and integrity.
- Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy.
- Any measurable objectives adopted for achieving diversity on the Board.
- Requirement for the Board to have independent directors in accordance with the Hong Kong Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules.
- Any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity.
- Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company.
- Such other factors that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board from time to time for nomination of directors and succession planning.

4.2 NOMINATION PROCESS

(a) Appointment of New Director

- (i) The Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- (ii) If the process yields one or more desirable candidates, the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- (iii) For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

- (iv) Where appropriate, the Board should make recommendations to the shareholders in respect of the proposed election of director at the general meeting.

(b) Re-election of Director at General Meeting

- (i) The Board should review the overall contribution and service to the Company of the retiring director and the level of participation and performance on the Board.
- (ii) The Board should also review and determine whether the retiring director continues to meet the criteria as set out above.
- (iii) The Board should then make recommendations to the shareholders in respect of the proposed re-election of director at the general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as director at the general meeting, the relevant information of the candidate will be disclosed in the circular to the shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

5. MONITORING AND REPORTING

A summary of this Policy, including the nomination procedures and the process and criteria adopted for selection and recommendation for directorship, should be disclosed in the Company's Corporate Governance Report.

6. REGULAR REVIEW

The Board will conduct regular review on the structure, size and composition of the Board and this Policy and where appropriate, make changes to the Board to complement the Company's corporate strategy and business needs.

Note: If there is any inconsistency between the English and Chinese versions of this document, the Chinese version shall prevail.