

东曜药业

TOT BIOPHARM International Company Limited

東曜藥業股份有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1875)

Terms of Reference for the Nomination Committee

(as approved by the board of directors on 22 December 2022 and effective on 1 January 2023)

1. Matters of the Nomination Committee concerning the composition, number of members, duties and powers, rules of proceedings and resources that TOT BIOPHARM International Company Limited (the “**Company**”) should provide when the Nomination Committee exercises its authority etc., shall be governed by the provisions of these Terms of Reference.
2. Members
 - 2.1 The chairperson of the Nomination Committee (the “**Chairperson**”) shall be the chairperson of the Board of Directors or an independent non-executive director, and the majority of its members shall be independent non-executive directors.
 - 2.2 Members of the Nomination Committee shall meet the following criteria:
 - 1) honest and practical;
 - 2) fair judgment;
 - 3) professional knowledge; and
 - 4) rich experience.
3. Authority
 - 3.1 The Nomination Committee is granted the authority to act within these Terms of Reference.
 - 3.2 The Nomination Committee shall be provided with sufficient resources to perform its duties.
 - 3.3 The Nomination Committee is authorised by the Board of Directors, at the Company’s expense but subject to prior discussion with the Board of Directors on costs, to obtain outside legal or other independent professional advice as necessary to assist the Nomination Committee if it considers necessary.

4. The Nomination Committee shall perform the following duties:
 - 4.1 To review the structure, size and composition of the Board of Directors (including skills, knowledge and experience) and the time commitment required from and contributions of each of the Directors at least once every year, and to make recommendations on any proposed changes to the Board of Directors in response to the corporate strategy of the Company.
 - 4.2 To identify individuals suitably qualified to become a director and to select such nominated person(s) as director(s) or to provide advice to the Board of Directors in this regard.
 - 4.3 To assess the independence of independent non-executive directors. In particular, for independent non-executive directors serving more than nine years (“**Long Serving INED**”), to explain factors considered, the process and discussion of the Nomination Committee in arriving at the conclusion that the relevant Long Serving INED is independent when making recommendations to the Board of Directors on the re-election of such Long Serving INED.
 - 4.4 To make recommendations to the Board of Directors on the appointment or reappointment of directors and on the succession planning of directors (especially the chairperson of the Board of Directors and chief executive officer).
 - 4.5 The appointment of directors of the Company shall take into account the overall combination of the Board of Directors. The combination of the Board of Directors shall be diversified and an appropriate diversification policy shall be formulated to cater for the operation, operation mode and development need, and shall include but not limited to the following two major criteria:
 - 1) basic criteria and value: gender, age, nationality, cultural and educational background, etc.; and
 - 2) professional knowledge and skills: professional background (such as law, accounting, industry, finance, sales and marketing or technology), professional skills and industry experience, etc.

The Nomination Committee shall review the diversification policy and its implementation on an annual basis, to develop and review measurable objectives for implementing the diversification policy and to monitor the progress on achieving these objectives.

- 4.6 To formulate and review the policy for the nomination of directors which includes the nomination process and the criteria for the Nomination Committee and/or the Board of Directors to identify, select and recommend candidates for directorship.
- 4.7 To formulate and review on an annual basis the mechanism(s) to ensure independent views and inputs are available to the Board of Directors.
- 4.8 To review and monitor the training and continuous professional development of directors so as to ensure that the Directors continue to possess full information and are able to contribute to the Board of Directors according to its needs. To coordinate with the Company for arranging appropriate trainings with appropriate focus on the roles, functions and responsibilities of directors of a listed company.
- 4.9 To report to the Board of Directors on matters relating to the provisions of these Terms of Reference.
- 4.10 To study other issues as defined by the Board of Directors.
5. The Chairperson should attend the Annual General Meeting of the Company and be prepared to answer any questions raised by the shareholders concerning the activities and the responsibilities of the Nomination Committee. If the Chairperson is unable to attend, a member of the Nomination Committee must attend the Annual General Meeting of the Company. Such member should be prepared to answer any questions regarding the activities of the Nomination Committee raised by the shareholders.
6. The role of the Nomination Committee and its scope of authority as granted by the Board of Directors will be published on the website of the Company and the website of The Stock Exchange of Hong Kong Limited.
7. Meeting and records
 - 7.1 The Nomination Committee shall hold regular meeting for at least once a year. Additional meetings of the Nomination Committee may be held when necessary.
 - 7.2 Meetings of the Nomination Committee may be convened by any of its members or the company secretary. Unless agreed by all members of the committee, at least 14 days' notice shall be given before the meeting. Regardless of the length of the notice period, if a member of the committee is present at the meeting, he/she shall be deemed to have agreed to waive the notice period unless, at the beginning of the meeting, such member attending the meeting is present to express his/her objection to the meeting's handling of any matters on the ground that the meeting has not been properly convened.

- 7.3 The Chairperson shall preside over all meetings of the committee. In his/her absence, he/she shall be substituted by a representative appointed by the Chairperson. The Chairperson shall be responsible for leading the committee, including arranging for meeting, preparing agenda and reporting to the Board of Directors regularly.
- 7.4 At the invitation of the Chairperson and/or the Board of Directors, other directors, senior management, external consultants and other persons may be invited to attend the whole or part of any meetings. But only members of the committee may vote at the meeting.
- 7.5 Meetings can be held in person, by telephone or through video conference, but all participants must be able to hear each other.
- 7.6 Any resolution of the Nomination Committee shall be passed by a majority of members present in a meeting.
- 7.7 The company secretary shall attend all meetings of the committee (except for legitimate reasons, for instance, when he/she is required to abstain from attending the meeting due to conflicts of interest) and take minutes regarding all discussions in any meetings of the Nomination Committee and the minutes shall record the following matters in details:
- 1) Session, time, date and location of the meeting;
 - 2) Name of the chairperson of the meeting;
 - 3) Attendance of members, including the name and number of members who are present, on leave or absent;
 - 4) Name of person who took the minutes;
 - 5) Matters reported in the meeting;
 - 6) Matters discussed in the meeting; and
 - 7) Other matters that should be recorded.

- 7.8 The draft and final version of the minutes of the Nomination Committee meeting shall be sent to all members of the Nomination Committee for comment and record within a reasonable time after the meeting. The final version of the minutes of the meeting shall be signed by the Chairperson or by the chairperson of that meeting.
- 7.9 A complete record of all minutes of the Nomination Committee shall be kept by the secretary officially appointed for such meetings (who is usually the company secretary) and shall be available for inspection by the members of the Nomination Committee or the members of the Board of Directors at any reasonable time upon reasonable notice.
8. Meeting agenda of the Nomination Committee shall be determined by the convener. Other members may also propose motion for the Nomination Committee to discuss.
9. Members of the Nomination Committee should avoid participating in any discussion on matters that concern their own interests.
10. The Nomination Committee shall regularly review matters relating to these Terms of Reference and submit any amendments to the Board of Directors. These Terms of Reference are implemented after being approved by the Board of Directors.