



杭州启明醫療器械股份有限公司  
**Venus Medtech (Hangzhou) Inc.**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE OF THE  
BOARD OF DIRECTORS**

The English version is for reference only. Should there be any inconsistency between the English and Chinese versions, the latter shall prevail.

## **Chapter 1 Composition of the Nomination Committee**

**Article 1** The Nomination Committee is a special committee under the Board.

**Article 2** The Nomination Committee shall comprise at least three directors, over half of which shall be independent non-executive directors. At least one member of the Nomination Committee shall be of a different gender.

**Article 3** The members of the Nomination Committee must be nominated by the chairman of the Board or over one-third of the directors or over half of the independent non-executive directors by the way of election of the Board.

**Article 4** The Nomination Committee shall have one chairman who shall be an independent non-executive director or the chairman of the Board. The chairman of the Nomination Committee must be nominated by the chairman of the Board and appointed by the Board and will lead the Nomination Committee and preside over the meetings of the Nomination Committee. A vice-chairman may be appointed where necessary and shall preside over the meetings of the Nomination Committee in the absence of the chairman.

**Article 5** The term of office of members of the Nomination Committee shall be the same as that of the directors and members of the Committee may serve consecutive terms if re-elected upon the expiration of their terms. If any member ceases to be a director of the Company, he/she shall automatically be disqualified as a member of the Committee and the Board shall fill the vacancy according to the Articles of Association of the Company. If the chairman of the Nomination Committee will no longer be the independent director of the Company, he/she shall automatically be disqualified as a convener and will appoint a new convener according to these Terms.

## **Chapter 2 Scope of Authority of the Nomination Committee**

**Article 6** The Nomination Committee may exercise the following powers:

- (1) with due regard for the benefits of diversity on the Board, to identify individuals suitably qualified to become Board members and to select or to make recommendations to the Board on the selection of individuals nominated for directorships;
- (2) to determine the composition of Board members based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service; to report to the Board on the composition of Board members and monitor the implementation of diversity policy for board members;
- (3) to review the structure, size and composition of members of the Board (including the skills, knowledge, experience and diversity) at least once annually, assist the Board in maintaining a board skills matrix, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

- (4) to disclose a summary of the diversity policy for Board members, and measurable objectives that it has set for implementing the policy and the progress of achieving the objectives in the Corporate Governance Report annually;
- (5) to assess individuals suitably qualified to become directors, general manager, deputy general manager, chief financial officer, chief legal advisor, chief economist, assistant to general manager and the secretary to the general manager/company secretary, provide assessment opinion and make recommendations of assessment and appointment;
- (6) to assess the independence of independent non-executive directors based on the following factors, which include (but not limited to):
  - a. the considerations to the Rule 13 to the Chapter 3 and Rule 12(1) (a) to the Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
  - b. any interests/relationships of its immediate family members (being the spouse, child or step-child of the director or the spouse of the member, natural or adopted, under the age of 18 years) and holding cross-relationships by the independent non-executive directors or have any significant links with other Directors; and
  - c. length of service as the independent non-executive director of the Company.
- (7) In nominating individuals to be appointed as independent non-executive directors, to consider if he/she holds too many directorships and the designated independent non-executive directors devote sufficient time for the Board; to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors (in particular the chairman and the general manager), taking into account the Company's corporate strategy and mix of skills, knowledge, experience and diversity needed in the future;
- (8) to consider the criteria, procedures and methods for the selection of directors, the general manager and other senior management of the Company and provide recommendations thereon to the Board;
- (9) to support the Company's regular evaluation of the Board's performance;
- (10) to assess each director's time commitment and contribution to the Board, as well as the director's ability to discharge his or her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships of listed companies (if any) and other significant external time commitments of such director and other factors or circumstances relevant to the director's character, integrity, independence and experience;
- (11) other duties or assigned matters delegated to the Nomination Committee by the Board;
- (12) the relevant requirements for powers and duties of the Nomination Committee according to the listing rules of the place where the shares are listed as amended from time to time.

### **Chapter 3 Rules of Procedures for the Nomination Committee**

**Article 7** The Nomination Committee will meet at least once annually, discuss and determine related matters according to the above duties. In the event of one of following circumstances, the convener of the Committee shall give a 7 days' prior notice to all members, via telephone, facsimile, postal service, email or direct delivery:

- (1) whenever the Board deems necessary;
- (2) whenever the convener of the meeting of the Nomination Committee deems necessary;
- (3) when more than two members propose.

**Article 8** The notice of meeting shall contain: information on the form, time, venue, duration and agenda of the meeting, time of issuance of the notice and other relevant information.

**Article 9** Upon receipt of the notice, all members of the Nomination Committee shall promptly provide confirmation and relevant replies (including but limited to the confirmation of attendance and other arrangement) via a proper means.

**Article 10** The Nomination Committee should report its work of previous year to the Board at the first regular meeting of the Board of the Company for the year.

**Article 11** The holding of a meeting of the Nomination Committee shall subject to the attendance of more than two-thirds of all the members of the Nomination Committee. The resolutions made by the meeting shall be subject to approval by over half of all members of the Nomination Committee.

**Article 12** The secretary to the Board/company secretary shall be responsible for organizing and coordinating the work between the Nomination Committee and other relevant departments. The secretary to the Board/company secretary shall attend the meetings of the Nomination Committee. Where necessary, the Nomination Committee shall invite directors, supervisors and other senior management personnel of the Company to attend the meetings.

**Article 13** Minutes should be kept for the meetings of the Nomination Committee and signed by members of the Nomination Committee attending the meetings. The draft and final versions of minutes of the meetings shall be circulated to all members for their comments and kept for records respectively within a reasonable time after the meetings. Full minutes of the meetings should be kept by the secretary to the Board/company secretary.

**Article 14** The Nomination Committee shall report its decisions or recommendations to the Board, unless there are legal or regulatory restrictions on their ability to do so.

**Article 15** The Nomination Committee should be provided with sufficient resources to perform its duties. Where necessary, the Nomination Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.

**Article 16** These terms of reference, explaining the role of the Nomination Committee and the authority delegated to it by the Board, shall be made available to the public, and its terms of reference shall be published on the Company's website and the website of stock exchange where our shares are listed in accordance with the requirements of the listing rules.

**Article 17** The members of the Nomination Committee shall attend the meeting in person. If a member is unable to attend the meeting in person, such member shall, by signing and submitting a letter of proxy, authorize another member of the Nomination Committee to attend and express opinion at the meeting on his/her behalf. Such letter of proxy shall expressly state the scope and term of the authorization. No member shall accept any such authorization from two or more other members concurrently. The member attending the meeting on behalf of another member shall exercise the rights within the scope of authorization. If a member does not attend a meeting in person or authorize another member to exercise his/her rights on his/her behalf, nor does he/she submit any opinion in writing prior to the meeting, he/she shall be deemed to have waived his/her rights. A member who is unable to attend a meeting in person may also exercise his/her rights by submitting in writing his/her opinion with respect to any matter on the meeting agenda, provided that such written opinion shall be submitted to the chairman before the meeting.

**Article 18** If any member does not attend a meeting in person or authorize another member to attend such meeting on his/her behalf, nor does he/she submit any opinion in writing prior to the meeting on two consecutive occasions, or if such member fails to attend in person three-quarters of all meetings of the Committee held during any year, such member shall be deemed having failed to perform the responsibilities of the Nomination Committee, and the Board may change the members of the Nomination Committee in accordance with these Terms.

**Article 19** If a member of the Nomination Committee is interested in any matter being considered by the Nomination Committee, such member shall abstain from the discussion and decision of such matter.

**Article 20** The Nomination Committee shall determine the qualification criteria, selection procedure and term of office of a proposed Director or manager pursuant to relevant applicable laws and regulations and the Articles of Association, taking into account of the actual situation of the Company. After a resolution is made, it shall be filed for the record and reported to the Board for approval and implementation.

**Article 21** For the procedure of selecting directors and general managers:

- (1) the Nomination Committee shall actively communicate with the relevant departments of the Company to check the demand for new directors and general managers and to prepare written reports;
- (2) the Nomination Committee may carry out extensive search for the candidates of directors and general managers within the Company and its holding, associated companies as well as on the human resources market;
- (3) to obtain the information of the occupation, education background, job title, detailed working experience and concurrent jobs of the proposed candidates and to prepare written reports;

- (4) to seek the consent of the proposed candidates for nomination, otherwise he/she shall not be put on the list of candidates of directors and general managers;
- (5) to convene the meeting of the Nomination Committee and to check the qualification of proposed candidates according to the job qualifications required for a Director and general manager;
- (6) to put forward the recommendation about the proposed candidates for directors and selected personnel for new general managers and relevant materials to the Board one to two months prior to the election of new directors and the appointment of new general managers;
- (7) to conduct follow-up work according to the decision and feedbacks of the Board.

#### **Chapter 4 Others**

**Article 22** At the invitation of the chairman of the Board, the chairman of the Nomination Committee or in the absence of the chairman, another member of the Nomination Committee or his/her authorized representative should be available to answer questions at the annual general meeting of the Company.

**Article 23** These Terms have been considered and approved by the Board and shall become effective and implemented from the date of the Company's initial public offering of H shares and its listing on the Hong Kong Stock Exchange.

**Article 24** These Terms shall be revised from time to time and implemented pursuant to the relevant laws and regulations and the listing rules to the place where our shares are listed in force if these terms are not timely amended.

**Article 25** Any matters not covered herein shall be implemented in accordance with the relevant laws, administrative regulations, regulatory documents of the State, Articles of Association and listing rules to the place where our shares are listed. Where these Terms conflict with any laws, administrative regulations, the regulatory documents promulgated and enacted by the State or Articles of Association as amended by legal procedures or the listing rules to the place where our shares are listed as amended, such laws, administrative regulations, regulatory documents of the State, Articles of Association and the listing rules to the place where our shares are listed shall prevail, and these Terms shall be amended forthwith and submitted to the Board for consideration.

**Article 26** These Terms shall be interpreted by the Board.