# SHANGHAI JUNSHI BIOSCIENCES CO., LTD.*

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

# CONTENTS

**Chapter I General Provisions.....1**

**Chapter II Composition.....1**

**Chapter III Terms of Reference.....3**

**Chapter IV Duties of Chairman .....4**

**Chapter V Work Procedures.....4**

**Chapter VI Rules of Procedure.....5**

**Chapter VII Supplementary Provisions.....6**

# SHANGHAI JUNSHI BIOSCIENCES CO., LTD.*

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

## Chapter I General Provisions

**Article 1** These terms of reference (these "**Terms**") are established by Shanghai Junshi Biosciences Co., Ltd.* (上海君實生物醫藥科技股份有限公司) (the "**Company**") for the nomination committee (the "**Committee**") under its board of directors (the "**Board**") in accordance with the relevant requirements of relevant laws, regulations and regulatory documents such as the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on the STAR Market of the Shanghai Stock Exchange (the "**STAR Market Listing Rules**") and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**"), the Articles of Association of the Company (the "**Articles of Association**") and the Rules of Procedure of the Board of Directors of the Company in order to further establish a sound system for the election and appointment of directors, general managers and other senior management members of the Company, and improve the Company's corporate governance structure, thereby facilitating the Company to achieve its long-term strategic goals.

**Article 2** The Committee is a body specifically set up by the Board in accordance with the Articles of Association, the STAR Market Listing Rules and the Hong Kong Listing Rules. The Committee is accountable to the Board and is mainly responsible for discussion of, and making recommendations on, candidates for directors and the senior management, and the selection criteria and procedures.

**Article 3** In these Terms, directors refer to the directors elected at the general meetings of the Company, while the senior management refers to the general manager, deputy general managers, the chief financial officer, the secretary to the Board.

## Chapter II Composition

**Article 4** The Committee shall be comprised of three directors, of which the majority shall be independent non-executive directors.

**Article 5** Members of the Committee shall either be nominated by the chairman of the Board, or at least one-third of the members of the Board, and shall be elected by the Board by more than half of all directors

**Article 6** The Committee shall have one chairman (convener), who shall be an independent non-executive director, and shall be responsible for presiding over the work of the Committee. The chairman shall be internally elected from members of the Committee

**Article 7** The term of office of the Committee shall correspond to the term of office of the Board. Members of the Committee may serve consecutive terms if re-elected. In the event that during the term a member of the Committee ceases to be a director of the Company or, in the capacity of an independent non-executive director, ceases to be independent as required by the relevant laws and regulations, the STAR Market Listing Rules, the Hong Kong Listing Rules, or the Articles of Association, his/her membership on the Committee shall lapse automatically, and the Board shall fill the vacancy in accordance with Articles 4 to 6 above and the requirements under the STAR Market Listing Rules and the Hong Kong Listing Rules

**Article 8** If any member fails to attend in person or entrust other members of the Committee as his/her representative to attend meetings of the Committee for two consecutive times, such member shall be deemed to have failed to perform his/her duties, and the Board shall replace such member.

Except for the situation set out in the foregoing paragraph and the circumstances under which relevant laws and regulations, the Articles of Association, the STAR Market Listing Rules or the Hong Kong Listing Rules may prohibit a person from acting as a director or an independent non-executive director, a member shall not be removed from office without cause before the expiration of his/her term of office

**Article 9** A member may resign before the expiration of his/her term of office. The laws and regulations applicable to resignation by a member include the relevant requirements relating to resignation by a director or an independent non-executive director under the Articles of Association, the laws and regulations of the place where the Company is listed, the STAR Market Listing Rules and the Hong Kong Listing Rules.

**Article 10** Where a member of the Committee is removed from office by the Board in accordance with Paragraph 1 in Article 8 hereof or a member resigns from his/her position as a member of the Committee before the expiration of his/her term of office in accordance with Article 9 hereof, he/she may continue to perform his/ her duties and powers as a director or an independent non-executive director of the Company during his/her term of office without any prejudice

**Article 11** The Committee shall have a secretary who is appointed by the chairman of the Committee and is solely responsible for providing information relating to the meetings of the Committee to the Company, doing preparatory works for the meetings of the Committee and implementing relevant resolutions made at the meetings.

**Article 12** The secretariat of the Board is responsible for providing support to assist the Committee in performing its duties and carrying out its work

## Chapter III Terms of Reference

**Article 13** In accordance with the relevant requirements of the Company Law, the STAR Market Listing Rules and the Hong Kong Listing Rules, the Committee is responsible for:

(I) making recommendations to the Board on its size and composition in light of specific circumstances such as the characteristics of the Company's share capital structure;

(II) reviewing the structure, size and composition (including skills, knowledge and experience) of the Board at least annually, and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

(III) studying the criteria and procedures for selecting directors and the senior management, and making recommendations to the Board;

(IV) searching extensively for and identifying individuals with suitable qualifications to become directors and the senior management, and selecting, or making recommendations to the Board on the selection of individuals nominated for directorships;

(V) examining the candidates for directors and the senior management, and making recommendations to the Board in connection with the same;

(VI) assessing the independence of independent non-executive directors;

(VII) making recommendations to the Board on the nomination or appointment of directors and succession planning for directors (particularly the chairman of the Board and the chief executive officer) and the appointment or termination of senior management;

(VIII) considering the diverse policy of members of the Board, including but not limited to gender, age, cultural and educational background or professional experience, as well as the business model and specific needs of the Company;

(IX) reporting back to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions on its ability to do so (such as a restriction on disclosure due to regulatory requirements);

(X) performing other duties required by the Articles of Association, the laws and regulations of the place where the Company is listed, the STAR Market Listing Rules and the Hong Kong Listing Rules, and dealing with other matters authorized by the Board.

**Article 14** The Nomination Committee shall review the qualifications of the nominees for independent directors and formulate clear review opinions. The Company shall disclose the review opinions of the Nomination Committee before the convening of the general meeting to elect independent directors.

**Article 15** Without sufficient reasons or reliable evidence to the contrary, the Board shall fully respect the proposals made by the Committee. If the Board does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinions of the Nomination Committee and the specific reasons for not adopting them in the Board of directors' resolution, and disclose accordingly.

**Article 16** The Committee is accountable to the Board. Its proposals shall be submitted to the Board for consideration and decision.

## Chapter IV Duties of Chairman

**Article 17** Subject to the Articles of Association, the laws and regulations of the place where the Company is listed, the STAR Market Listing Rules and the Hong Kong Listing Rules, the chairman of the Committee is principally responsible for the following duties:

(I) convening regular meetings of the Committee;

(II) convening extraordinary meetings of the Committee if necessary;

(III) presiding over meetings of the Committee;

(IV) organizing the compilation of topical reports on nomination;

(V) reviewing and approving on-going research reports; and

(VI) performing other duties required by the laws and regulations, the STAR Market Listing Rules, the Hong Kong Listing Rules and the Articles of Association, and authorized by the Board and the Committee

**Article 18** Where the chairman of the Committee is unable to discharge his/her duties, a member designated by the chairman shall act on his/her behalf.

## Chapter V Work Procedures

**Article 19** The Committee shall study the election criteria and selection procedures of directors and senior management of the Company in accordance with relevant laws and regulations, the Articles of Association, the STAR Market Listing Rules and the Hong Kong Listing Rules in light of the actual situation of the Company, and submit its related resolutions to the Board for consideration and approval, and implement the same accordingly.

**Article 20** Selection procedures for directors and senior management:

(I) the Committee should actively communicate with relevant departments of the Company to study the Company's demand on directors and senior management, and compile the written materials;

(II) the Committee may extensively search for candidates for directors and senior management within the Company and in the talent market;

(III) the Committee collects the information about the occupation, academic qualifications, job titles, detailed working experience and all part-time employment of the shortlisted candidates, and compiles the written materials;

(IV) the Committee should seek the advice of the nominees on the nomination, otherwise such persons shall not be considered as candidates for directors and senior management;

(V) the Committee convenes a meeting of the Committee to examine the qualifications of the shortlisted candidates according to the employment requirements of directors and senior management;

(VI) the Committee submits the recommendations and materials concerning the candidates for directors before electing new directors and appointing new member of senior management; and submits the recommendations and materials concerning the candidates for new member of senior management before appointing new member of senior management;
(VII) in performing its duties, the Committee may, if necessary, invite persons with relevant experience and experts from independent professional consulting firms to attend its meetings or convene expert panels; and may engage independent professional consulting firms to participate in formulating remuneration plans for directors and senior management; and
(VIII) the Committee conducts other follow-up work in accordance with the Board's decisions and response

**Article 21** As the administrative unit of the Committee, the human resources department of the Company is responsible for preliminary preparation work for decision-making of the Committee and providing relevant information on the Company regarding:
(I) fulfillment of major financial indicators and business objectives of the Company;
(II) the individual scope of work and main duties of directors and senior management of the Company;
(III) the completion status of indicators in the work performance assessment system of directors and the senior management;
(IV) the relevant calculation basis for formulating the remuneration allocation plan and the allocation method of the Company according to the performance of the Company;
(V) the different remuneration systems of the Company and their implementation status based on the requirements of the Committee.

## Chapter VI Rules of Procedure

**Article 22** Extraordinary meetings may be proposed by the chairman of the Committee. Notice of the meeting shall be delivered to all members of the Committee five days before the date of the meeting. The chairman of the Committee shall preside over the meetings. If the chairman of the Committee is unable to attend a meeting, he/she may appoint another member of the Committee (independent non-executive director) to preside over the meeting.

**Article 23** A meeting of the Committee may only be held if it is attended by at least two-thirds of the members of the Committee. Each member of the Committee shall have one vote. A resolution made at the meetings of the Committee is only conditional upon approval by more than half of all the members

**Article 24** Any vote at a meeting of the Committee may be taken by a show of hands or by poll. In principle, meetings shall be held on-site. Where necessary, it may be conducted via video-call, telephone, or other means in accordance with the procedures, provided that all participating committee members are able to communicate fully and express their

opinions.

**Article 25** Where necessary, the directors and the senior management of the Company may be invited to attend the meetings of the Committee. Where necessary, the Committee may engage intermediaries to provide professional advice on its decision-making, and the expenses incurred shall be borne by the Company.

**Article 26** When any subject of discussion of a meeting of the Committee relates to a member of the Committee, such member shall abstain from the meeting

**Article 27** The convening procedures, the method of voting and the proposals passed at the meetings of the Committee shall comply with the requirements of relevant laws and regulations, the STAR Market Listing Rules, the Hong Kong Listing Rules, the Articles of Association and these Terms.

**Article 28** The Committee shall keep minutes of its meetings. The opinions of independent directors should be clearly stated in the minutes of the meeting. The members present at a meeting shall sign the minutes of that meeting. Such meeting minutes shall be kept by the secretary of the Board of the Company.

**Article 29** The resolutions passed at the meetings of the Committee and the voting results shall be submitted to the Board in writing for consideration. The first drafts of the minutes of the meetings of the Committee shall be sent to all members of the Committee for their comments within a reasonable period of time after the meeting. The final draft shall be submitted to each member of the Committee for filing.

**Article 30** All members and persons attending or present at a meeting shall keep confidential all matters discussed at the meeting and shall not disclose any relevant information without authorization

## Chapter VII Supplementary Provisions

**Article 31** Unless otherwise specified, the terms used herein shall have the same meanings ascribed to them in the Articles of Association

**Article 32** Any matters not covered by these Terms shall be implemented in accordance with the provisions of the relevant national laws and regulations, the relevant regulatory rules of the jurisdictions where the Company's shares are listed, the STAR Market Listing Rules, the Hong Kong Listing Rules and the Articles of Association. Where there is a conflict between these Terms and the laws and regulations to be promulgated by the State in the future, the relevant regulatory rules of the jurisdictions where the Company's shares are listed, the STAR Market Listing Rules, the Hong Kong Listing Rules or the Articles of Association as amended in accordance with lawful procedures,

these Terms shall be implemented in accordance with the provisions of the relevant State laws and regulations, the relevant regulatory rules of the jurisdictions where the Company's shares are listed, the STAR Market Listing Rules, the Hong Kong Listing Rules and the Articles of Association. The amended Terms shall be submitted to the Board for consideration and approval.

**Article 33** These Terms shall be amended and construed by the Board.

**Article 34** These Terms shall become effective after being considered and approved by the Board.