

FOSUNPHARMA

复星医药

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 procedures for the appointment of directors, presidents and other 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 (hereafter as the “SSE Listing Rules”), 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, presidents and other senior management, election criteria and procedures and making recommendations.
- Article 3 The senior management referred in these Rules shall refer to the 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 the election criteria and procedures for directors, presidents and other senior management and make recommendations to the board of directors;
- (3) identify qualified candidates for directors, presidents and other senior management on an extensive scale;
- (4) examine candidates for directors, presidents and other 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, presidents and other senior management and provide advice or recommendations on the change of directors, presidents or other 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) other matters authorized by the board of directors.

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, presidents and other senior management shall be made.

Chapter 4 Decision-making Procedures

Article 11 The Nomination Committee shall examine the election criteria and procedures and the term of office of the Company's directors, presidents and other senior management in accordance with relevant laws and regulations and the provisions of the Articles while taking into consideration of the actual circumstances of the Company. The committee shall, upon formation of a resolution, submit it to the board of directors for approval and, if approved, implement it accordingly.

Article 12 The procedures for the election and appointment of directors, presidents and other senior management are set out as follows:

- (1) the Nomination Committee shall actively carry out exchanges with relevant departments of the Company in examining the Company's demand for directors, presidents and other senior management and prepare written materials;
- (2) the committee may search for candidates for directors and presidents on an extensive scale in the Company, its subsidiaries and the job market;
- (3) the committee shall gather information of the preliminary candidates, including occupation, education, job title, detailed work experience and all part-time jobs, and prepare written materials;
- (4) the committee shall seek the consent of the nominees on the nomination or otherwise such persons shall not be considered as candidates for directors and presidents;
- (5) the committee shall convene a meeting to conduct a qualification check of the preliminary candidates based upon the appointment criteria for directors and presidents;

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

Chapter 5 Rules of Procedures

- Article 13 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 14 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 15 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 16 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 17 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 18 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 19 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, the Articles, the SSE Listing Rules, the SEHK Listing Rules and the provisions of these Rules.

- Article 20 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 21 Resolutions and voting results adopted at the meetings of the Nomination Committee shall be reported to the board of directors in writing.
- Article 22 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 23 In case of any item that has not been covered in these Rules, the laws, regulations, rules, the Articles, the SSE Listing Rules and the SEHK Listing Rules shall govern.
- Article 24 These Rules shall take effect from the date of consideration and approval by the board of directors.
- Article 25 The right to interpretation of these Rules shall be vested in the board of directors.

Board of Directors
Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*
26 August 2013

* *For identification purpose only*