

**HANG SENG BANK LIMITED**  
**("the Bank")**

**NOMINATION POLICY**

**1 Objective**

1.1 The Nomination Committee ("**NC**") shall be responsible for :

- leading the process for Board appointments by identifying and nominating suitable candidates for approval by the Board
- making recommendations to the Board for the re-election by shareholders of Directors retiring by rotation

**2 Selection Criteria**

2.1 The factors listed below would be used as reference by the NC in assessing the suitability of a proposed candidate:

- reputation for integrity
- accomplishment and experience in the financial services industry
- commitment in respect of available time and relevant interests
- diversity in all its aspects including, but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service
- independence criteria (applicable to Independent Non-executive Directors only)

The above criteria are for reference only and are not meant to be exhaustive or decisive. NC has the discretion to nominate any person, as it considers appropriate.

**3 Nomination Procedures**

3.1 The Secretary of NC shall invite nominations of candidates from Board members (if any) and shall convene a meeting of NC to deliberate on the proposed candidates.

3.2 NC shall consider the candidates based on merit having regard to the experience, skills, expertise as well as the overall Board diversity. NC shall undertake adequate due diligence in respect of the candidates and make recommendations for the Board's consideration and, if thought fit, approval.

3.3. Existing Directors are subject to retirement by rotation, and are required to retire at the Bank's general meeting but are eligible for re-election. This applies to one-third of the existing Directors.

- 3.4 Newly appointed Directors are subject to election by shareholders at the first general meeting following their appointments.
- 3.5 Shareholders approve the election or re-election of Directors at the Bank's general meeting.
- 3.6 The appointment of Non-executive Directors ("**NEDs**") will be made through a formal letter. According to the Bank's policy on the term of appointment of NEDs, for those NEDs who have served on the Board for more than nine years, his/her term of appointment is one year term. At end of term, they are eligible for re-election. Based on NC's recommendation, the Board will review whether such NEDs remain qualified for his/her position.
- 3.7 A candidate is allowed to withdraw his/her candidature at any time before the Bank's general meeting by serving a notice in writing to the Company Secretary.
- 3.8 The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for re-election/election at any general meetings of the Bank.

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