



# Changsha Broad Homes Industrial Group Co., Ltd. 長沙遠大住宅工業集團股份有限公司

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2163)**

## Changsha Broad Homes Industrial Group Co., Ltd.

### Board Diversity Policy

#### 1. PURPOSE

1.1 Changsha Broad Homes Industrial Group Co., Ltd. (長沙遠大住宅工業集團股份有限公司) (the “**Company**”) establishes the Board Diversity Policy (this “**Policy**”) according to the Corporate Governance Code and Corporate Governance Report set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. This Policy aims to set out the principles and policy to achieve the diversity on the Company’s board of directors (the “**Board**”).

#### 2. VISION

2.1 This Policy aims to enhance the performance of the Company.

2.2 As for the appointment of the Board, the Company places particular emphasis on reflecting diversity in the composition of the Board.

#### 3. PRINCIPLES

3.1 With a view to achieving a sustainable and balanced development, the Company regards increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development.

3.2 In determining the composition of the Board, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointment will be based on meritocracy, and candidates will be considered by objective criteria, having due regard for the benefits of diversity on the Board.

3.3 The Board should have a balance of skills, experience and diversity of perspectives appropriate to the business model and specific requirements of the Company.

3.4 The Company understands that directors are appointed by the shareholders and such shareholders' right would not be restricted during the implementation of this Policy. Merit-based recruitment and creation of values to the Board and shareholder are the basic principles.

## **4. CONSIDERATION**

4.1 In selecting director candidates, Board diversity will be considered, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. Directors with technical, legal, financial, management and audit background will provide rich experience in various extensive businesses to the Company. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

4.2 The director candidates should conform to the following principles:

- (1) Compliance with the requirements of relevant laws, regulations and the Articles of Association to ensure the effective discussions at the Board and to enable the Board to make scientific, prompt and careful decisions;
- (2) Having required knowledge, skills and quality appropriate to duty performance;
- (3) The appointment of such candidates contributes to a reasonable professional structure in the Board; and
- (4) The Board should possess a balance of different skills appropriate to the requirements of the business of the Company.

## **5. MONITORING AND REPORTING**

5.1 The Nomination Committee of the Board (the “**Nomination Committee**”) will review and evaluate the implementation of this Policy, as appropriate, to ensure the effectiveness of this Policy and report, in the Corporate Governance Report, on the Board’s composition under diversified perspectives. The Nomination Committee will discuss any revisions to this Policy when necessary, and recommend such revisions to the Board for consideration and approval.

## **6. DISCLOSURE OF THIS POLICY**

6.1 This Policy will be published on the Company’s website for public access.

6.2 The Board will establish measurable objectives for implementing the Board Diversity Policy from time to time. A summary of this Policy together with the measurable objectives set for implementing this Policy, and the progress made towards achieving those objectives will be disclosed by the Company in the annual Corporate Governance Report.

## **7. OTHERS**

7.1 Should there be any conflicts between the Chinese and the English versions of this Policy, the Chinese version shall prevail.

7.2 This Policy shall take effect from the date of listing of the H shares of the Company on The Stock Exchange of Hong Kong Limited and the Nomination Committee of the Board shall be responsible for the explanation for this Policy.