



中國恒有源發展集團有限公司
CHYY DEVELOPMENT GROUP LIMITED

(the “**Company**” together with its subsidiaries, the “**Group**”)
(*incorporated in the Cayman Islands with limited liability*)

(Stock Code: 8128)

BOARD DIVERSITY POLICY

1 PURPOSE AND OBJECTIVES

- 1.1 This policy (the “**Policy**”) aims to set out the approach to achieve diversity on the Company’s board of directors (the “**Board**”).
- 1.2 The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance and strengthen decision-making capabilities. The Board believes that:
 - (a) diversity of the Board helps the Company create a dynamic environment that leads to higher performance and well-being, and attracts, retains and motivates the Board and employees from the widest possible pool of talent; and
 - (b) balance of experience, competencies, expertise, diversity and skills on the Board is the key foundation for introducing different perspectives into Board discussions, and for better anticipating the risks and opportunities in building a long-term sustainable business.

2 POLICY STATEMENT

- 2.1 The Company is committed to diversity at all levels, including gender, age, cultural and educational background, and professional experience. It is also committed to continuing Board renewal to ensure that the Board is both appropriately refreshed and compliant and that it constantly has the necessary competencies and diversity of attributes and skills to govern and oversee in the ever-changing business environment.
- 2.2 The nomination committee of the Board (the “**Nomination Committee**”) will annually review the following and report to the Board:
 - (a) structure, size and composition of the Board; and
 - (b) diversity of background, skills, and experience (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board and any gaps in the collective skillset of the Board.

- 2.3 All the Board appointments will be considered by the Nomination Committee and recommended to the Board for formal approval based on the diversity criteria as set out in paragraph 2.2 above. The Board shall also consider the Board diversity as part of the annual evaluation of performance and effectiveness of the Board.
- 2.4 The Group will endeavour to identify and implement programs that will assist in the development of a broader and more diverse pool of skilled and experienced employees or individuals and that, over time, their skills will prepare them for board positions.

3 MEASURABLE OBJECTIVES

- 3.1 Recruitment and selection of candidates will be 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. In particular, when identifying potential candidates to the Board, the Nomination Committee and the Board will, among others, (i) consider the current level of representation of different genders on the Board when making recommendations for nominees as well as succession planning to the Board; and (ii) consider the criteria that promotes diversity by making reference to the code of practices on employment published by the Equal Opportunities Commission from time to time.
- 3.2 The Nomination Committee will discuss and where necessary, agree annually on the measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. The Company aims to maintain an appropriate balance of diversity perspectives of the Board that are relevant to the Company's business growth.
- 3.3 The ultimate decision will be based on merit against objective criteria and contribution that the selected candidates will bring to the Board, taking into account the corporate strategy and business operations of the Company.
- 3.4 The Board is also committed to having a Board consisting of more than one gender. The Board should consist of at least one Director of a different gender who genuinely possesses the necessary skills, experience and calibre appropriate to the Company's business. The Board aims to ensure that there is at least one Director of a different gender on the Board and that this is maintained as required by the Rules Governing the Listing on GEM of The Stock Exchange of Hong Kong Limited ("**GEM Listing Rules**") from time to time.
- 3.5 In order to achieve and/or maintain gender diversity, the Nomination Committee will propose a pipeline of potential successors to the Board to achieve gender diversity.

4 MONITORING AND REPORTING

- 4.1 The Nomination Committee shall review and assess the Company's diversity profile annually, including the general balance of the Directors.
- 4.2 The Board shall report annually, in the corporate governance report contained in the Company's annual report (the "**Corporate Governance Report**"), on the Board's composition (including gender, ethnicity, age, length of service), measures to develop a pipeline of potential successors to the Board to achieve gender diversity, and progress on achieving the above measurable objectives of this Policy, in accordance with the GEM Listing Rules.

5 REVIEW OF THIS POLICY

- 5.1 This Policy has been approved by the Board. The Nomination Committee will review this Policy annually to ensure the effectiveness of this Policy and that it is fit for its purpose. The Nomination Committee will discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval where appropriate.

6 DISCLOSURE OF THIS POLICY

- 6.1 This Policy will be published on the Company's website for public information.
- 6.2 A summary of this Policy and the progress on achieving the measurable objectives will be disclosed in the annual Corporate Governance Report.

(If there is any inconsistency between the English version and the Chinese version, the English version shall prevail.)