



HUNG FOOK TONG

Hung Fook Tong Group Holdings Limited

鴻福堂集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1446

BOARD DIVERSITY POLICY

*(Adopted by the Company pursuant to the Board resolution passed on 4 July 2014
and amended and adopted by the Board on 31 December 2018)*

1. Purpose

1.1. This Policy aims to set out the approach to achieve diversity on the board of directors (“**Board**”) of Hung Fook Tong Group Holdings Limited (the “**Company**”).

2. Scope

2.1. This Policy applies to the Board of the Company. It does not apply to diversity in relation to the employees of the Company, nor the Board and the employees of any subsidiaries of the Company.

3. Vision

3.1. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance.

4. Policy Statement

4.1. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board’s composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of perspectives of diversity within the Board.

5. Measurable Objectives

- 5.1. Selection of candidates will be based on a range of diversity perspectives appropriate to the requirements of the Company's business operations and environment as well as the industry in which the Company operates, including but not limited to gender, age, cultural and educational background, ethnicity, professional qualifications, skills, knowledge, industry and regional experience, and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Board's composition (including gender, ethnicity, age, length of service and diversity perspectives) will be disclosed in the Company's corporate governance report annually.
- 5.2. The Nomination Committee will discuss and where necessary, agree on the measurable objectives for achieving diversity on the Board and make recommendation to the Board.
- 5.3. The Board may adopt and/or amend from time to time (as applicable) such diversity perspectives and/or measurable objectives that are appropriate to the Company's business and Board succession planning, as applicable.

6. Monitoring and Reporting

- 6.1. The Nomination Committee will continuously monitor and review the implementation and operation of this Policy and the progress towards achieving the said measurable objectives. According to Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time), a summary of this Policy (including such measurable objectives and the progress towards achieving the same) will be disclosed in the Company's corporate governance report annually.

7. Review of this Policy

- 7.1. The Nomination Committee will review this Policy, as appropriate, to ensure the effectiveness of this Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

8. Disclosure of this Policy

8.1. This Policy will be published on the Company's website for public information.

8.2. 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 in the Company's corporate governance report annually.

Note: If there is any inconsistency between the English and Chinese versions of this Policy, the English version shall prevail.

31 December 2018