

ESR Group Limited

(Stock Code: 1821)

Board Diversity Policy (the “Policy”)

1. Purpose

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

2. Vision

- 2.1 The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance.

3. Policy Statement

- 3.1 With a view to achieving 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.
- 3.2 The Board shall have a balance of skills, experience and diversity of views and perspectives appropriate to the requirements of the Company’s business. The Board shall ensure that changes to composition of the Board can be managed without undue disruption. The Board shall include a balanced composition of executive and non-executive directors (including independent non-executive directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement. Non-executive directors (including independent non-executive directors) shall be of sufficient caliber and number for their views to carry weight.
- 3.3 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 diversity on the Board.

4. Measurable Objectives

- 4.1 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. Recruitment and selection practices will be appropriately structured so that a diverse range of candidates are considered. 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) will be disclosed in the Corporate Governance Report annually.

5. Monitoring and Reporting

- 5.1 The nomination committee of the Board (the “**Nomination Committee**”) will report annually in the Corporate Governance Report on the Board’s composition under diversified perspectives, and monitor the implementation of this Policy.
- 5.2 Diversity profile of the Board and the progress in achieving its diversity objectives will be assessed annually.

6. Review of this Policy

- 6.1 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.

7. Disclosure of this Policy

- 7.1 This Policy will be published on the Company’s website for public information.
- 7.2 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 Corporate Governance Report annually.

8. Effective Date

- 8.1 This Policy was adopted by the Company at a meeting of the Board on 20 May 2019 and became effective, on 1 November 2019.

1 November 2019