



GCL Technology Holdings Limited

協鑫科技控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3800)

BOARD DIVERSITY POLICY

1. Purpose

This Policy aims to set out the approach to achieve diversity on the Company's board of directors ("Board").

2. Vision

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

3. Policy Statement

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 diversity on the Board.

4. Measureable 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. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board, having due regard to the benefits of diversity on the Board and also the needs of the Board without focusing on a single diversity aspect. The company will not consider diversity to be achieved for a single gender board.

4.2 The Board would ensure that appropriate balance of gender diversity is achieved with the ultimate goal of bringing the Board to gender parity. The Board shall include at least one female director. The Board's composition (including but not limited to gender, ethnicity, cultural, age, educational background, professional experience, or length of service) will be disclosed in the Corporate Governance Report annually.

4.3 The Board focuses on the capability of operation judgment, operation management and crisis management, so more than two-thirds of the Board be capable of the ability of relevant core businesses.

4.4 The Company should arrange continuing diversified development for directors so as to improve their decision-making quality, fulfill their supervisory responsibilities, and strengthen the functions of the Board.

4.5 In addition to the Board level, the Company also advocates gender diversity across the workforce (including senior management). A plans or measureable goals to achieve an appropriate balance between the composition of men and women should be established.

5. Monitoring and Reporting

The Nomination Committee will report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of the Policy. In order to comply with the requirement of the Listing Rule, the Nomination Committee will review the Board's composition annually to ensure the diversity and will not all be a single gender.

6. Independence of Independent Non-Executive Directors

In terms of compliance with the code provision of the Corporate Governance Code of the Main Board Listing Rules, when the Nomination Committee considering the independence of Independent Non-Executive Directors:

6.1 If an Independent Non-Executive Director has served more than nine years, such director's further appointment should be subject to a separate resolution to be approved by shareholders. The papers to shareholders accompanying that resolution should state why the Nomination Committee believes that the director is still independent and should be re-elected, including the factors considered, the process and the discussion of the Nomination Committee in arriving at such determination.

6.2 Where all the Independent Non-Executive Directors of an issuer have served more than nine years on the board, the Nomination Committee (or the Board) should: (a) disclose the length of tenure of each existing Independent Non-Executive Director on a named basis in the circular to shareholders and/or explanatory statement accompanying the notice of the annual general meeting; and (b) ensure to suggest a new Independent Non-Executive Director on the board at the forthcoming annual general meeting.

6.3 It should 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, independent views and input are available to the board. The board should review the implementation and effectiveness of such mechanism on the annual basis.

7. Review of this Policy

7.1 The Nomination Committee will review this Policy annually 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.

7.2 The Nomination Committee will monitor the implementation of this Policy by conducting review of the Board's composition at least one annually taking into account the benefits of all relevant diversity aspects, and adhering to this Policy when making recommendation on any Board appointments. The Nomination Committee will also ensure that Board diversity is considered as part of the evaluation of the Board's effectiveness.

8. Disclosure of this Policy

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

8.2 For the purpose of enhancing transparency and compliance with the Corporate Governance Code of the Main Board Listing Rules, the Company shall disclose an overview of the composition and diversification of the Board in its annual Corporate Governance Report, including:

- (a) Policy on board diversity or a summary of the policy, including any measurable objectives that it has set for implementing the policy, and progress on achieving those objectives;
- (b) Specific implementation policies include:
 - (i) measures to achieve gender diversity among the Board;
 - (ii) the numerical targets and timelines set for achieving gender diversity on its board; and
 - (iii) measures taken to develop a pipeline of potential successors to the board to achieve gender diversity; and

- (c) the gender ratio in the workforce (including senior management), any plans or measurable objectives the issuer has set for achieving gender diversity and any mitigating factors or circumstances which make achieving gender diversity across the workforce (including senior management) more challenging or less relevant.

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