

SHOUGANG CONCORD CENTURY HOLDINGS LIMITED

(“Shougang Century”/the “Company”)

BOARD DIVERSITY POLICY

1. Purpose

1.1 This Policy aims to set out the approach to achieve diversity at all levels on the board of directors (the “Board”) of Shougang Century.

2. Vision

2.1 The Company recognizes and embraces the benefits of having a diverse Board, including gender diversity and the importance of being able to attract, retain and motivate directors from the widest possible pool of available talent, and also aware of development of a broader and more diverse pool of skilled and experienced employees and that, in their skills, will prepare for senior management and board position, to enhance the quality of its performance.

3. Scope of Application

3.1 This Policy applies to the Board. It does not apply to diversity in relation to employees of the Group, which is covered by equal opportunities legislation in Hong Kong.

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. Through diversity, business results can be driven, reputation can be enhanced and a diverse team of talented people can be attracted, retained on the Board.

5. Implementation

5.1 In designing the Board’s composition, Board diversity has been considered at all levels from a number of aspects, including but not limited to gender, language, age, religion, social-economic status, cultural and educational background, ethnicity, professional experience, regional and industry experience, skills, knowledge, thinking styles, know-how and length of service.

5.1.1 Gender Diversity

The importance of gender diversity is recognized as gender diversity enables the Board to better able to understand their customers' and stakeholders' needs and is positively associated with the Company's financial performance, more effective board and better risk management.

The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment or discrimination on the basis of gender, physical or mental state, race, nationality, religion, age, family status or sexual orientation, or any other attribute recognized by the laws of the country in which the Group operates. The same principle, in particular gender diversity, is applied to the selection of potential candidates for appointment to the Board.

5.1.2 Independence

The Board includes a balanced composition of Executive, Non-executive Directors and Independent Non-executive Directors ("INEDs") so that there is a strong element of independence in the Board. INEDs shall be of sufficient calibre and stature for their views to carry weight.

5.1.3 Skills and Experience

The Board possesses a balance of skills appropriate for the requirements of the business of the Company. The directors have a mix of finance, legal, academic and management backgrounds that taken together provide the Company with considerable experience in a range of activities including varied industries, manufacturing, banking, investment and the professions. Our INEDs possess professional qualifications such as legal and accounting qualifications.

A board skills matrix will be prepared to help the Board to assess the current mix of competencies and diversity on the Board and identify any gaps that may exist during the process of nomination.

5.2 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. Shougang Century remains committed to meritocracy in the Boardroom, which requires a diverse and inclusive culture where directors believe that their views are heard, their concerns are attended to and they serve in an environment where bias, discrimination and harassment on any matter are not tolerated. The Board's composition will be disclosed in the Corporate Governance

Report annually.

6. Measurable Objectives

- 6.1 Recruitment and selection of candidates will be based on a range of diversity perspectives at all levels, including but not limited to gender, language, age, religion, social-economic status, cultural and educational background, ethnicity, professional experience, regional and industry experience, skills, knowledge, thinking styles, know-how and length of service, 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.

7. Monitoring and Reporting

- 7.1 The Nomination Committee will discuss and agree annually all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.
- 7.2 The Nomination Committee will also report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of this Policy.

8. Review of this Policy

- 8.1 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.

9. Disclosure of this Policy

- 9.1 In addition to the disclosure of the summary of this Policy and measurable objectives for achieving diversity on the Board in the Corporate Governance Report annually, this Policy is also available on the Company's website.

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