

This Board Diversity Policy of Acme International Holdings Limited is available for viewing in English and Chinese. If there is any inconsistency between the English and the Chinese versions of the Board Diversity Policy, the English version shall prevail over the Chinese version.



Acme International Holdings Limited

益美國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1870)

(the “**Company**”)

BOARD DIVERSITY POLICY

(Adopted by the board of directors of the Company on 18 October 2019)

1. PURPOSE

- 1.1. The board diversity policy (the “**Policy**”) sets out the approach to diversity on the board of directors of the Company (the “**Board**”).

2. SCOPE OF APPLICATION

- 2.1. This Policy applies to the Board. This Policy does not apply to diversity in relation to employees of the Company and its subsidiaries.

3. POLICY STATEMENT

- 3.1. The Company recognises and embraces the benefits of having a diverse Board, and sees diversity at the level of the Board as an essential element in maintaining a competitive advantage, and attracting, retaining and motivating employees from the widest possible pool of available talent.
- 3.2. A truly diverse Board will include and make good use of differences in the talents, skills, regional and industry experience, cultural and educational background, gender, age and other qualities of the members of the Board. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All appointments of the members of the Board are made on merit, in the content of the talents, skills and experience which the Board as a whole requires to be effective. Furthermore, for achieving an optimal Board, additional measurable objectives/specific diversity targets may be set and reviewed from time to time to ensure their appropriateness.

- 3.3. One of the key objectives of the nomination committee of the Board (the “**Nomination Committee**”) is to review and assess the composition of the Board and makes recommendations to the Board on the appointment of new directors of the Company. The Nomination Committee also oversees the conduct of the annual review of the effectiveness of the Board.
- 3.4. In reviewing and assessing the composition of the Board, the Nomination Committee will consider the benefits of all aspects of diversity, including without limitation, those described above, in order to maintain an appropriate range and balance of talents, skills, experience and background on the Board.
- 3.5. In recommending candidates for appointment to the Board, the Nomination Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.
- 3.6. In overseeing the conduct of the annual review of the effectiveness of the Board, the Nomination Committee will consider the balance of, among other things, independence and knowledge on the Board and the diversity representation of the Board.

4. MEASURABLE OBJECTIVES

- 4.1. 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.
- 4.2. The Board’s composition (including gender, ethnicity, age and length of service) will be disclosed in the corporate governance report of the Company annually.
- 4.3. The Board will take opportunities to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders’ expectation and international and local recommended best practices. The Board also aspires to having an appropriate proportion of directors who have direct experience in the core markets of the Company and its subsidiaries (collectively, the “**Group**”), with different ethnic backgrounds, and reflecting the Group’s strategy.

5. MONITORING AND REPORTING

- 5.1. The Nomination Committee will report annually, in the corporate governance report of the Company, on the process it has used in relation to Board appointments. Such report will include a summary of this Policy, the measurable objectives set for implementing this Policy and progress made towards achieving these measurable objectives.
- 5.2. A comprehensive induction programme will be provided to each new director of the Company to ensure that he/she has a thorough understanding of the Group’s operations and policies as well as his/her role and responsibilities and to address any gaps in his/her knowledge. Relevant training will also be provided to the directors of the Company from time to time to equip themselves with the attributes and competencies required for the Board in light of the strategic needs of the Group and the environment in which it operates.

6. REVIEW OF THIS POLICY

- 6.1. The Nomination Committee will review this Policy annually, which will include an assessment of the effectiveness of this Policy.
- 6.2. The Nomination Committee will discuss any revisions to this Policy that may be required and recommend any such revisions to the Board for approval.

7. DISCLOSURE

- 7.1. This Policy will be published on the Company's website (www.acmehld.com).