HuaLi Industrial Group
华利实业集团

Zhongshan Huali Industrial Group Co., Ltd

Board Diversity Policy

1. Policy Purpose

This Policy is formulated in accordance with the *Company Law of the People's Republic of China*, *Guidelines for Corporate Governance of Listed Companies*, *GEM Listing Rules of Shenzhen Stock Exchange*, other relevant laws, regulations, normative documents and the Company's Articles of Association, aiming to elevate corporate governance standards, strengthen the Board's capacity for scientific decision-making and risk control, and ensure the achievement of the Company's sustainable development and long-term strategic goals.

2. Scope of Application

This Policy applies to the nomination, selection, composition, evaluation, disclosure and other related governance management activities concerning members of the Company's Board of Directors. The Nomination, Remuneration and Assessment Committee of the Board shall strictly comply with this Policy when putting forward proposals for director candidates, and the Board shall also abide by it in the nomination and appointment of director candidates.

3. Core Principles

The appointment of Board members shall adhere to the principles of selecting personnel with **both integrity and ability**, **merit-based recruitment**, **objectivity and impartiality**. Core considerations shall include candidates' professional competence, working experience, professional ethics and integrity records. Meanwhile, full attention shall be paid to diversified composition so as to ensure a well-balanced Board structure and efficient operation.

4. Diversity Consideration Factors

Board diversity shall be goal-oriented with measurable targets, taking into account multiple dimensions including, but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, competencies, expertise and tenure of service：

a. **Gender:** The Board shall consist of members of different genders to continuously optimize the gender composition.
b. **Age:** Establish a reasonable age hierarchy to balance experience inheritance and innovative vitality.
c. **Cultural and educational background:** Members shall boast diverse educational experiences and knowledge structures.
d. **Regional and industrial background:** In light of the Company's business layout, incorporate experience covering different regional markets and various industries.

e. **Ethnicity**: The Board comprises members from diverse ethnic backgrounds to foster multicultural integration and broaden global perspectives.
f. **Professional experience and expertise:** Cover specialties including corporate operation and management, economics, finance, accounting, legal affairs, risk control and industrial operation.
g. **Tenure of service:** Maintain a proper ratio of newly-appointed and senior directors to sustain the Board's stability and innovative momentum.
h. **Others:** Relevant regulatory requirements and such other factors as the Board deems appropriate.

5. Board Composition Requirements

Board members shall possess diverse professional experience and educational backgrounds, including personnel with experience in the operation and management of large enterprises, as well as professionals specializing in finance, accounting, legal affairs, risk control and other fields.

The Board shall conduct regular reviews on its own composition, and make timely optimizations and adjustments in light of the Company's development stage, business needs and governance requirements to achieve the diversity objectives.

6. Implementation and Supervision

The Nomination, Remuneration and Assessment Committee shall be responsible for the implementation, supervision and oversight of this Policy:

a. Implement diversity requirements throughout the director nomination and selection procedures;
b. Conduct annual assessments on the diversified composition of the Board and the implementation effectiveness of this Policy;
c. Review the applicability of this Policy in a timely manner, put forward revision proposals and submit them to the Board for approval.

7. Information Disclosure

The full text of this Policy shall be published on the Company's official website for public access.

The Company shall disclose the abstract of this Policy, measurable diversity targets, current status and progress of Board diversity composition, as well as policy implementation and assessment results in its annual report / corporate governance report on an annual basis.

8. Policy Amendment

The Nomination, Remuneration and Assessment Committee shall review this Policy duly in response to regulatory updates and corporate governance practices, formulate amendment proposals, which shall take effect and be disclosed promptly after being reviewed and approved by the Board of Directors.

Zhongshan Huali Industrial Group Co., Ltd
March 30th, 2026