

BOARD DIVERSITY POLICY

Purpose

The Board Diversity Policy (the “Policy”) sets out the approach to diversity on the Board of Directors of Li & Fung Limited (the “Company”).

Scope of Application

The Policy applies to the Board. It does not apply to diversity in relation to employees of the Company.

Policy Statement

The Company believes that diversity at every level is in the interests of all its stakeholders including employees, customers and shareholders. With a view to achieving a sustainable and balanced business, 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.

The Nomination Committee (the “Committee”) reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors when necessary.

- In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to maintain an appropriate range and balance of skills, experience and background on the Board.
- In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.
- The Committee will consider the balance of skills, experience, independence and knowledge of the Company on the Board and the diversity representation of the Board.

Measurable Objectives

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. The Board's composition (including gender, ethnicity, age, length of service) will be disclosed in the Corporate Governance Report annually.

Monitoring and Reporting

The Committee will report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of this Policy.

Review of the Policy

The Committee will review the Policy annually and will discuss any revisions that may be required and recommend any such revisions to the Board for approval.