Sinopec Shanghai Petrochemical Company Limited
Board Diversity Policy

1. Purpose

1.1 This policy aims to set out the approach adopted to achieve diversity on the board of directors (the "**Board**") of Sinopec Shanghai Petrochemical Company Limited (the "**Company**").

2. Scope of Application

2.1 This policy applies to the Board, but does not apply to diversity matters relating to the Company's employees.

3. Policy Statement

3.1 In order to achieve sustainable and balanced development, the Company regards the increasing diversity of the Board as the key element to support its strategic objectives and maintain sustainable development. When setting the composition of the Board members, the Company considers the diversity of Board members from many aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and service tenure. All appointments of the Board are based on the principle of "talents are the only people to be appointed". According to specific needs and business models of the Company, the benefits of diversity of Board members are fully considered under objective conditions.

4. Measurable Objectives

4.1 The selection of candidates will be based on a wide range of criteria, including but not limited to gender, age, cultural and educational background, race, professional experience, skills, knowledge and tenure of service. The final decision will be based on strengths of the candidates and the contribution they can make to the Board. The Company avoids a single gender Board and, where necessary, engages an independent specialized institution to assist the selection of potential successors to female Directors so as to maintain gender diversity. The composition of the Board (including gender, age and tenure of service) will be disclosed in the Corporate Governance Report every year.

5. Monitoring and Reporting

5.1 The Nomination Committee will report on the composition of the Board at the diversified level in the Corporate Governance Report every year and monitor the implementation of this policy.

6. Review of this Policy

6.1 The Nomination Committee will review this policy when 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.