



# NAM CHEONG LIMITED

## Board Diversity Policy

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<b>Document Title:</b>	Board Diversity Policy		
<b>Ref No:</b>	NCL/BDP		
<b>Originator:</b>	Corporate Office	<b>Applicable To:</b>	Nam Cheong Limited
<b>Revision No:</b>	New	<b>Effective Date:</b>	10 January 2023
<b>Approved by:</b>	Board of Directors of Nam Cheong Limited		

## **1 Purpose**

- 1.1 On 15 December 2021, SGX announced that effective for issuers' financial year commencing on or after 1 January 2022, all issuers are to set a board diversity policy that addresses gender, skill and experience, and other relevant aspects of diversity. Issuers must describe the board diversity policy and details such as diversity targets, plans, timelines and progress in their annual reports.
- 1.2 This approval paper sets out a formal Board diversity policy to be adopted by Nam Cheong Limited ("NCL" or the "Company"). In preparing this draft, we have examined the Board diversity policies as adopted by other SGX-listed companies.

## **2 Proposed Board Diversity Policy**

### **2.1 Policy Statement**

1. The Company recognises the need and benefits of embracing diversity at the Board level to enhance stewardship and decision-making capabilities in line with the Company's operating environment.
2. A well-balanced Board with Directors from diverse backgrounds can provide fresh perspectives to solve business issues, foster growth, create value and enhance corporate governance. A diverse Board reduces the risks of group-thinking whereby conformity and biases may lead to tunnel vision and sub-optimal decisions for the Company. The Board is committed to greater diversity and adopting it as a strategic imperative.
3. All Board appointments will continue to be made based on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

### **2.2 Board Composition**

1. The Nominating Committee ("NC") reviews and assesses the Board composition on behalf of the Board and recommends the selection, appointment and re-appointment of Directors to the Board.
2. In reviewing the Board composition, the NC will consider diversity factors such as skills, knowledge, experience including familiarity in the Company's core markets, age, gender, as well as other aspects of diversity as may be relevant. The NC will assess the combined factors against the requirements needed to govern and direct the Company's strategic objectives.
3. The Board is of the view that gender is an important aspect of diversity and will strive to ensure that:
  - Any brief to external search consultants to search for candidates for appointment to the Board will include a requirement to present female candidates; and
  - Female candidates are included for consideration by the NC whenever it seeks to identify a new Director for appointment to the Board.

### **3 Monitoring and Reporting**

- 3.1 The NC will review the Company's progress towards meeting the targets set for promoting and achieving adequate diversity on the Board and keep the Board updated. The Board's assessment of its composition from a diversity perspective is reflected annually under the Corporate Governance section of the Company's Annual Report.
- 3.2 This Policy will also be published on the Company's website under the Corporate Information section.

### **4 Review of the Policy**

- 4.1 The NC will review the Policy to assess its relevance and effectiveness, when appropriate. Revisions, if necessary, will be recommended to the Board for approval.