

<b>LMS COMPLIANCE LTD.</b>		<b>BOARD DIVERSITY POLICY MY/HRD/008</b>	
<b>TITLE: BOARD DIVERSITY POLICY</b>			
Document No: MY/HRD/009	Revision No: 00	Page 1 of 5	
Effective Date: AUGUST 2023			

Issue by:



HR Department



Reviewed And Approved by:



Ooi Shu Geok  
CEO

## 1.0 PURPOSE

- 1.1** This Policy aims to set out the approach of LMS Compliance Ltd. (the “**Company**”) to achieve diversity on the Company’s Board of Directors (the “**Board**”).

## 2.0 PHILOSOPHY

- 2.1** The Company recognises the benefits of having a diverse Board and is of the view that diversity at Board level is an essential element in enhancing the quality of its performance and competitive advantage, instilling good corporate governance practice.
- 2.2** The Company also believes that board diversity is also an attribute of a well-functioning board. A truly diverse Board will promote and enhance the inclusion of different perspectives and ideas, decision-making, knowledge, skills, experience, cultural background, gender and age to ensure that the Company may benefit from all available talent.

- 2.3** The Company is accordingly committed to promoting diversity of the Board.

## 3.0 SCOPE

- 3.1** This Board Diversity Policy applies to the Board but also complements the wider policies and values of the Company and its subsidiaries.

## 4.0 POLICY STATEMENT

- 4.1** The Company seeks to maintain a Board comprising of talented and dedicated directors with an appropriate level of independence and with diversity of experience, skills, and backgrounds to enable it to make strategic decisions in the best interests of the Company, taking into consideration the nature of the environment in which the Company operates.

<b>LMS COMPLIANCE LTD.</b>		<b>BOARD DIVERSITY POLICY MY/HRD/008</b>	
<b>TITLE: BOARD DIVERSITY POLICY</b>			
Document No: MY/HRD/009	Revision No: 00	Page 2 of 5	
Effective Date: AUGUST 2023			

**4.2** With a view to achieving a sustainable and balanced development, the Company sees 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 the following:

- a) gender;
- b) age;
- c) nationalities;
- d) ethnicity;
- e) cultural background;
- f) educational background;
- g) experience;
- h) skills;
- i) knowledge;
- j) independence; and
- k) length of service,

and any other factors that the Board may consider relevant and applicable from time to time.

**4.3** In complementing the above and without limiting to specific attributes of diversity that a Board should possess, the Company is of the view that the normal selection criteria based on an effective blend of competencies, skills, extensive experience, and knowledge to strengthen the Board remains a priority to ensure decisions are made objectively and in the best interests of the Company taking into account diverse perspectives and insights.

## **5.0 APPOINTMENTS TO THE BOARD**

**5.1** Selection of candidates will be based on a range of diversity perspectives as mentioned above. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board, having due regard for the needs on the Board, suitability for the role, Board balance and composition and the consideration of diversity as aforesaid. Other relevant matters will also be taken into account, such as independence and the ability to fulfil required time commitments.

*(The remainder of this page is intentionally left blank)*

<b>LMS COMPLIANCE LTD.</b>		<b>BOARD DIVERSITY POLICY MY/HRD/008</b>	
<b>TITLE: BOARD DIVERSITY POLICY</b>			
Document No: MY/HRD/009	Revision No: 00	Page 3 of 5	
Effective Date: AUGUST 2023			

**5.2** Any search firm engaged to assist the Board or a committee of the Board in identifying candidates for appointment to the Board will be specifically directed to include diverse candidates.

## **6.0 MONITORING AND REPORTING**

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

**6.2** The Board shall also conduct an annual review to assess if the existing attributes and core competencies of the Board are complementary and contributes to the efficacy of the Board. This enables the Board to maintain or enhance the balance and diversity within the Board.

## **7.0 MEASURABLE OBJECTIVES**

**7.1** Our Board Diversity Policy sets out the Board's commitment to the following plans and objectives:

- in respect of gender diversity, the Company is committed to achieve a balanced representation of women on the Board as the Company believes that female participation brings immense value to the business;
- consider looking for candidates beyond personal networks and make use of other sources such as executive search firms and business network groups;
- considering a wide pool of candidates of both genders for appointment to the Board.
- in the event where search firms are utilised, preference shall be given, where appropriate, to search firms that places emphasis on gender diversity (such as adopting best practices of Statement of Good Practice promulgated by Council for Board Diversity) in their search criteria and processes relating to board appointments in Singapore;
- ensuring that Board diversity is considered as part of the annual evaluation of the Board's effectiveness;
- considering all aspects of diversity when reviewing the composition of, and succession planning for the Board.

<b>LMS COMPLIANCE LTD.</b>		<b>BOARD DIVERSITY POLICY MY/HRD/008</b>	
<b>TITLE: BOARD DIVERSITY POLICY</b>			
Document No: MY/HRD/009	Revision No: 00	Page 4 of 5	
Effective Date: AUGUST 2023			

**7.2** The Nominating Committee will discuss annually all measurable objectives for maintaining 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.

**8.0 REVIEW THIS POLICY**

**8.1** The Nominating Committee will review this Policy from time to time as appropriate, to ensure the effectiveness of this Policy. The Nominating Committee will also discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

**9.0 DISCLOSURE OF THIS POLICY**

**9.1** This Policy may be published on the Company’s website for public information.

**9.2** A summary of this Policy together with the measurable objectives set for implementing this Policy, and the progress made towards achieving those objectives will be disclosed in the Corporate Governance Report annually.

*(The remainder of this page is intentionally left blank)*