

ANCHUN INTERNATIONAL HOLDINGS LTD.
Company Registration No. : 200920277C
(Incorporated in the Republic of Singapore)

BOARD DIVERSITY POLICY

1. Purpose

This board diversity policy ("**Policy**") aims to set out the approach towards promoting diversity on the Board and Board committees of Anchun International Holdings Ltd. ("**Anchun**" or the "**Company**").

The purpose of this Board Diversity Policy is to ensure an inclusive and diverse membership of the board of directors of Anchun resulting in optimal decision-making and assisting in the development and execution of a strategy which promotes the success of Anchun for the benefit of its shareholders as a whole, having regard to the interests of other stakeholders.

2. Policy Statement

- 2.1 The Company recognizes and embraces the importance of diversity towards a well-functioning and effective Board. The Company acknowledges that having diversity of thought and background in the Board's composition enables the Board to avoid groupthink, foster constructive debate and make decisions in the best interests of the Company.
- 2.2 The consideration for Board diversity covers a wide range of aspects, including but not limited to age, gender, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, and any other factors that the Board may consider relevant and applicable from time to time. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level in order to provide a range of perspectives, insights and challenge that enable the Board to discharge its duties and responsibilities effectively, support good decision making in view of the core businesses and strategy of the Company and its subsidiary (collectively known as the "**Group**"), and support succession planning and development of the Board.
- 2.3 A diverse Board comprises of business leaders and professionals including but not limited to finance, engineering, business and management backgrounds enables the management of the Company to benefit from a diverse and objective external perspective, on issues raised before the Board.
- 2.4 These aspects of diversity would be considered in determining the optimum composition of the Board and Board committees and when possible, should be balanced appropriately. All Board appointments are made based on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

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3. Role of the Nominating Committee

The Nominating Committee reviews and assesses the Board composition on behalf of the Board and recommends the appointment of new Directors.

In doing so, the Nominating Committee shall consider the benefits of all aspects of diversity, including but not limited to those described above.

The Nominating Committee will consider the balance of skills, experience, independence and knowledge of the Company on the Board and the diversity representation of the Board.

4. Monitoring and Reporting

The Nominating Committee shall oversee the implementation of, and ongoing monitoring of the Company's progress against the objectives set under this Policy.

The Nominating Committee shall report to the Board annually, prior to the finalization of the Company's annual report, on the progress made in achieving the objectives set out above.

5. Review of the Policy

The Nominating Committee shall review the terms of this Policy periodically, where appropriate, to ensure the effectiveness of the Policy.

The Nominating Committee shall recommend any revisions or improvements to the Policy, as may be required from time to time, to the Board for consideration and approval.

6. Disclosure

The Board Diversity Policy will be published on the Company's website for public information.