

BERMAZ AUTO BERHAD

(Company No. 900557-M)

Board Diversity Policy

Bermaz Auto Berhad (or the “Company”) recognises the importance of boardroom diversity and values the benefits that diversity can bring to its board of directors (the “Board”). Diversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink and ensures that the Company has the opportunity to benefit from all available talent. The promotion of a diverse Board makes prudent business sense and makes for better corporate governance.

The Company seeks to maintain a Board comprised of talented and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds. The skills and backgrounds collectively represented on the Board should reflect the diverse nature of the business environment in which the Company operates. For the purposes of Board composition, diversity includes, but is not limited to, business experience, nationality age, gender, and ethnicity.

In this regard, the Nomination Committee (“NC”) was tasked with the responsibility for identifying, assessing and recommending the right candidates to the Board as well as reviewing and assessing the composition and performance of the Board.

The Company is committed to a merit based system for Board composition within a diverse and inclusive culture which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination. When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the NC will consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board in order to maintain an optimum mix of skills, knowledge and experience on the Board.

In the process to create and achieve boardroom diversity, the NC is tasked to undertake the following :-

1. The candidate is identified based upon the recommendation by the existing Directors, Senior Management staff, major shareholders and/or other consultants,
2. NC will then assess the appropriate mix of diversity (including age, gender, ethnicity) skills, experience and expertise required on the Board;
3. Made recommendation to the Board in relation to the appointments; and
4. Decisions to be made by the Board on the proposed new appointment.

The NC will periodically assess the appropriate mix of diversity (including gender, ethnicity, age), experience, skills and expertise required of its directors in light of the needs of the Board, including the extent to which the current composition of the Board reflects a diverse mix of knowledge, experience, skills and backgrounds.

Any search firm engaged, where required, 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 generally.

Annually, the Board or a committee of the Board will review this policy and assess its effectiveness in achieving the appropriate boardroom diversity.

The Board is mindful of trying to achieve diversity, where possible within the Board. However, the Board members’ appointment will still be based on meritocracy as the main criteria.

This Policy was adopted by the Board on 13 June 2017 and a copy of this Board Diversity Policy is available on the Company’s website.