

**KLUANG RUBBER COMPANY (MALAYA) BERHAD**  
**BOARD DIVERSITY POLICY**

**A) INTRODUCTION**

The Board of Kluang Rubber Company (Malaya) Berhad (“Kluang” or “The Company”) recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance.

To the extent practicable, the Company will address the recommendations from the Malaysian Code on Corporate Governance 2017 (“MCCG”).

**B) OBJECTIVES**

The purpose of the Board Diversity Policy (“Policy”) is to set out the approach to achieve the objective of the Board having the diversity of perspectives, experiences and skills necessary for effective governance of the Company.

**C) POLICY STATEMENT**

The Company views increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives.

Appointment of Board members are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

**D) RESPONSIBILITIES AND MEASURES**

The Nomination Committee adopts a non-discriminatory policy towards identifying, assessing and appointing suitably qualified Directors to its Board, and will regularly evaluate the composition and performance of the Board. This ensures that these objectives are adopted in board recruitment, board performance evaluation and succession planning processes.

All Board appointments are based on a range of diversity perspectives, with the ultimate decision based on merit and the contribution that the candidate will bring to the Board. The Board composition will be reported annually in the Statement of Corporate Governance.

The Board also recognizes the importance of fostering the development of women in decision-making positions in the corporate sector. Whilst the Board has not implemented any definitive policy on the proportion of female Directors, suitable female candidates are considered for Board participation.

In identifying candidates, the Board is not limited to recommendations from existing Board members, management or major shareholders. The Board will also consider utilizing independent sources to identify suitably qualified candidates, and will conduct all Board appointment processes in a manner as recommended by the MCCG.

#### Gender

- The Company appreciates the benefits of having gender diversity in the Boardroom, as this could offer various perspectives and ideas.
- The Company does not set any specific target for female Directors, but works towards having female participation on the Board.

#### Age

- With a wide range of age, the Board has the advantage of creating a dynamic, multi-generational workforce with a diverse range of skill sets.
- The Company does not set any specific target for the boardroom age diversity or fix age limits for its Directors, so long as the Director is able to contribute.

### **E) REVIEW**

The Board, through the Nomination Committee, as appropriate, will review the policy to ensure the effectiveness of the Policy.

Any revisions to the Policy shall be recommended to the Board for consideration and approval.

### **F) REPORTING**

The Board will disclose in its Annual Report the policy on gender diversity and to the extent practicable, the measures to meet those targets.

*The Policy was reviewed and approved by the Board on 18 September 2017.*