



## **BOARD DIVERSITY POLICY**

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### **1. PURPOSE**

The Board of CB Industrial Product Holding Berhad (“CBIP”) sets out the Board Diversity Policy (“the Policy”) in line with Malaysia Code of Corporate Governance (“MCCG”) 2017.

### **2. INTRODUCTION**

CBIP strongly advocates board diversity as a diverse Board with combination in the skills, experience, age, cultural background, gender and other qualities of Directors. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. CBIP’s goals and core principles are taken into consideration in the development of the Policy.

### **3. POLICY**

CBIP’s strategic intent for board diversity is the attraction, retention and development of a diverse team of skilled people towards the delivering of the Company’s strategy. The Policy is centred on the following initiatives:

- 1) Identifying and creating the right balance of skills and industry experience, background and gender of Directors with 30% of women directors as soon as practicable and suitable;
- 2) Retaining Directors based on performance and merit, in the context of skills, time commitment and experience, in order for the Board to be effective;
- 3) The Board’s Nominating and Remuneration Committee (“NRC”) to review and assess the Board’s composition, performance evaluation and recommendations on the appointment of new Directors.

The NRC is tasked with the following responsibilities:

- (a) to appoint Board members based on merit and free of prejudice, whilst simultaneously considering a broader sense of diversity and its advantages, when reviewing Board composition;
- (b) to consider the mix of skills, experience, independence, knowledge and the diversity representation of the Board, as part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Director; and
- (c) to develop measurable objectives to implement the Policy and for monitoring progress towards the achievement of these objectives.

### **4. DISCLOSURE**

The Policy will be published at the corporate website for shareholders’ information and will be reviewed periodically.