



(Company No. 217120- W)

(Incorporated in Malaysia under the Companies Act, 2016)

# **BOARD DIVERSITY POLICY**

(Reviewed and Approved by the Board on 2019)

## **INTRODUCTION**

In line with the Malaysian Code on Corporate Governance (“MCCG”) and the intended outcome 4.0 the Board of Directors of Evergreen Fibreboard Berhad (“the Board”) is committed and recognizes the need of diversity in the board and senior management to enable board decisions be made objectively which is of diverse perspectives and insights for the best interest of the Company / Group.

### **1. Objective**

Our Diversity Policy framework shall be in line with MCCG Practice 4.4 as to ensure appointments of board and senior management are based on objective criteria, merit and with due regards for diversity, mix of skills, experience, age, cultural background and gender.

### **2. Responsibilities**

#### ***On Commitment***

The Board is committed to workplace diversity, with a particular focus on supporting the representation of women in view of achieving the MCCG recommended composition in the Board as well as Key Officers / Management in the Company / Group.

The Board shall ensure to develop strategies in order to meet the objectives of this Diversity Policy including monitoring the progress of achieving the objectives.

The Nomination Committee of the Board shall ensure all Board / Senior Management appointment is to be process in a manner that is in line with our policy.

#### ***On Our Policy for Diversity***

The Group’s Policy for diversity: -

- a. On gender diversity, Board shall ensure composition of a minimum of 30% of the overall board’s composition are female;
- b. On the independence of Independent Directors, retaining an Independent Director beyond the 12th year, the Board shall ensure the use of the two-tier voting process to seek annual shareholders’ approval in line with Practice 4.3. of the MCCG.
- c. On having an active and dynamic board, Board shall ensure that the minimum age for recruitment of directors to above 30 (thirty) years and no older than 60 (sixty) years of age; and
- d. On mix of skill of Board and Senior Management, Board shall ensure that recruitment be source from a diverse pool of candidates at not just recommendation by other directors or shareholders.

### **3. Evaluation**

Nomination Committee shall carry out annual evaluation on Individual Directors, Senior Management and Key Officer based on set criteria including the following:

- a) To review on the gaps in diversity including gender diversity, mix of skills and Independence which may be required to be fill; and

- b) To review on the gaps on required skills for board / committee member.

#### **4. Reporting**

##### ***Annual Report***

In line with Paragraph 15.08A(3)(a) of the Main Market Listing Requirements of Bursa Securities, the Company shall ensure to provide in its annual report, a statement about the activities of the nominating committee in the discharge of its duties for each financial year. Statement shall contain how the requirements set out in paragraph 2.20A5 are met and additionally statement shall contain the following information on diversity:

- a. the policy on board composition in regards to the mix of skills, independence and diversity; and
- b. the policy on diversity for board of directors in terms of gender, age and ethnicity as part of the enhanced disclosure requirements in paragraph 15.08A of Bursa Securities Listing Requirements.

#### **5. Procedures in Fostering Diversity**

1. In fostering diversity, the Board shall set its policies and procedures to meet the recommendations made by MCCG and assess the progress of its achievement by:

- a. ensuring that the definition of diversity is communicated and recognize which is to include dimensions in skills, experience, age, ethnicity, and gender;*
- b. ensuring to articulate the benefits of diversity, the importance of being able to attract from a wide pool of talent and the ability to be able to retain board members and senior management personnel*
- c. ensuring to express the company's commitment on diversity at the leadership level and employee level;*
- d. ensuring that recruitment and selection practices at all levels (from the board downwards) are appropriately structured and sourced so that a diverse range of candidates are considered and that there are no conscious or unconscious biases that might discriminate against certain candidates; and*
- e. ensuring to identify and implement succession plan programs that will assist the company in the development of a more diverse pool of skilled and experienced employees that, overtime, will prepare them for senior management and board positions.*

2. Through the Nomination Committee shall source and recommend appointments to the Board based on the objectivity of this diversity policy at all times.

3. Committed in strengthening the pipeline of senior female executives within the group and take necessary steps to ensure that there are no barriers to women succeeding at the highest levels within the Company / Group.

4. Ensure Directors appointed possess a diverse range of skills and knowledge that are able to respond to discussions and able to contribute ideas to the shifting market landscape such as changes in business model, changes in consumer demands and new and emerging risks.

5. Ensure that appointment of Board Members, Senior Management & Key Officers be based on objective criteria, merit and with due regards for diversity in skills, experience, cultural background and gender in line with MCCG Practice 4.4.

This policy was first approved by the Board in June 2018 and subsequently reviewed, amended and approved by the Board in October 2019.

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