

**HEXTAR INDUSTRIES BERHAD**  
[Registration No. 201101044580 (972700-P)]  
(Incorporated in Malaysia)

**DIVERSITY POLICY**

**1. INTRODUCTION**

This policy is intended to set out the approach in determining the composition of Board of Directors and Senior Management of the Company to ensure it achieves the optimum gender, age, and cultural background diversity without compromising the aspect of merit.

**2. PRINCIPLES AND OBJECTIVES**

2.1 The Group strictly adheres to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, which includes the selection of Board members and Senior Management. The Board encourages a dynamic and diverse composition of members by nurturing suitable and potential candidates equipped with competency, skills, experience, good character, time commitment, integrity and other qualities in meeting the future needs of the Company.

2.2 The objectives of this Policy are to have a Board/Senior Management which:

- is characterized by a broad range of viewpoints rather than just diversity in skills and experience; diversity in viewpoints would exist if there are diversity in gender, nationality, age, culture and socio-economic backgrounds; and
- has sustainable development as its core value, thus promoting the interests of all our stakeholders, particularly the long term interests of our shareholders, fairly and effectively.

**3. SCOPE & POLICIES**

3.1 The Board considers that the concept of diversity incorporates a number of different aspects, such as professional experiences, business experiences, skills, knowledge, gender, age, ethnicity and educational background.

(a) Board Mix

The Board shall include a balanced composition of Executive, Non-executive and Independent Non-Executive Directors to promote a strong element of independences in the Board. The Independent Non-Executive Directors shall be of sufficient calibre and standing, for their views to carry weight.

(b) Skills and Experience

The Board shall possess a balance of appropriate skills for the requirements of the business of the Company. The Directors shall have a mix of financial, legal, management and other backgrounds which when working in synergy, could provide the Company with considerable experience in a wide range of activities.

(c) Gender

The Board takes cognisance of the recommendation of the Malaysian Code on Corporate Governance 2021 to have at least 30% women as decision makers in corporate sector. The Company shall endeavour to increase female representation on the Board if there are appropriate candidates available when Board vacancies arise.

(d) Ethnicity/Nationality

The Company aspires to have a board of directors of different nationality or ethnic backgrounds who can contribute their knowledge and understanding of the business, industry and environment.

(e) Age

The Board is fully committed to promote age diversity, valuing the contribution of its members regardless of age, and seeks to eliminate age stereotyping and discrimination

3.2. The following criteria shall also be considered when evaluating Senior Management composition:

- (i) the suitability of the candidates must be evaluated objectively based on their capabilities to contribute to the organisation regardless of age, gender, ethnicity, educational and cultural background and etc. and must not be influenced by perception or bias;
- (ii) the candidates must be reliable and having the capability to grow the organisation over the long term, and shall not allow biased perception or judgement which will affect the way of doing work;
- (iii) recruitment and selection are meant to recruit people with requisite skills, qualifications and experience, based on the current and future requirements of the organisation in mind. There will be no preference given to male applicants for a position and will ensure that any women with appropriate experience and qualifications are considered equally in the recruitment and selection process; and
- (iv) all decisions associated with career advancement, including promotions, transfers, and other assignments, will have to meet the Company's needs and be determined based on skills, merit, qualifications and competence regardless of age, gender, ethnicity, cultural background or other personal factors.

#### 4. MEASURABLE OBJECTIVES

4.1 This Diversity Policy framework for the Group is aimed towards achieving the following objectives:

- (a) Selection of candidates will be based on a range of diversity perspectives, including but not limited to, professional experiences, business experiences, skills, knowledge, gender, age, ethnicity and educational background. The ultimate decision will be based on merit and contributions that the selected candidates will bring to the Board/Senior Management.

- (b) The Board acknowledges the importance of promoting gender diversity. Hence, the Board strives to achieve at least 30% of women Director on Board when reviewing the Board's composition.
- (c) To promote a balanced representation of women in Senior Management positions, the Board will prioritize merit-based selection, placing emphasis on individuals functional expertise and anticipated contributions to the Company.

## **5. MONITORING AND REPORTING**

Disclosure will be made in the corporate governance section of the Company' Annual Report in line with the promulgations of the Malaysian Code on Corporate Governance and the ACE Market Listing Requirements of the Bursa Malaysia Securities Berhad pertaining to the Company's Diversity policy.

## **6. REVIEW OF THE POLICY**

The Nomination and remuneration committee ("NRC") will review and assess the effectiveness of the Diversity Policy as and when required. The NRC shall deliberate on appropriate amendments to be made to this Diversity Policy to make it more cohesive and any recommendation for revisions shall be approved by the Board.

**END.**