

Directors and Senior Management Diversity Policy

1. Purpose

The Directors and Senior Management Diversity Policy ("**the Policy**") sets out the approach to diversity on the Board of Directors ("**the Board**") and senior management of VSTECS Berhad ("**the Company**" or "**VSTECS**").

This Policy has been drafted in the context of VSTECS's strategic approach to diversity and it is firmly aligned with the achievement of its business objectives.

This Policy is developed in line with the Malaysian Code on Corporate Governance ("**MCCG**") and reflects the Company's commitment to sustainable and inclusive leadership practices.

2. Scope and application

2.1 The Policy cover diversity in VSTECS's recruitment practices of the Directors and senior management of the Group.

2.2 This Policy should be read together with the following legislations/ regulations:-

- (i) Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"); and
- (ii) Malaysian Code on Corporate Governance ("**MCCG**").

2.3 This Policy is applicable to the following persons:-

- (i) Executive Director, which comprise solely the Chief Executive Officer ("**CEO**");
- (ii) Non-Executive Chairman and Non-Executive Directors; and
- (iii) Senior Management of the Group.

3. Policy statement

3.1 Building a diverse and inclusive culture is integral to VSTECS's success. An inclusive culture helps us respond to Malaysia's diverse customer base.

3.2 The Board affirms its commitment to boardroom and senior management diversity. A truly diversified Board can enhance the Board's effectiveness, creativity and capacity to thrive in good times and weather tough times. The Board works to ensure that there is no discrimination on the basis of, but not limited to, ethnicity, race, age, gender, nationality, political affiliation, religious affiliation, sexual orientation, marital status, education, physical ability or geographic region. Meanwhile, the pursuit of diversified senior management team can assist to identify and cultivate diverse candidates, addressing unconscious biases and expanding the candidate pool to reflect a wider range of backgrounds and experiences.

3.3 The Policy is aligned with the Company's objectives, values and principles. VSTECS's strategic intent for boardroom diversity is the attraction, retention and development of a diverse team of skilled people who are increasingly engaged towards the delivering of VSTECS's strategies. The Policy revolves around the following initiatives:

- Identifying and balancing the different skills and industry experiences, backgrounds and gender of Directors and senior management;

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- Retaining Directors based on merit, in the context of skills, time commitment and experiences, in order for the Board to be effective;
- Providing a safe and healthy environment for the views of Board members or senior management to be heard, their concerns attended to and where, bias, discrimination and harassment on any matter are not tolerated; and
- The Board's Nominating Committee is to review and assess the Board's composition and make recommendations on the appointment of new Directors. The Committee is tasked with the following responsibilities:
 - to take into consideration the benefits that flow from diversity and to appoint candidates based on merit and without prejudice, when reviewing the Board's composition;
 - to consider the balance of skills, experiences, independence, knowledge and the diversity of representation of the Board, as part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors;
 - to work towards achieving the target of having 30% women directors in the Board as recommended by the MCCG;
 - to implement the Policy and to monitor progress towards the achievement of these objectives; and
 - For the diversity in senior management, the CEO shall report on progress made as required to be disclosed in the regular reporting such as Annual Report, Semi-Annual Return and etc.

4. Measurable Objectives

On an annual basis, the Nominating Committee will discuss the implementation of the Policy and recommend measures of implementation to the Board for adoption.

5. Monitoring and Reporting

Disclosure will be made in the corporate governance overview statement of VSTECS's Annual Report and corporate governance report, which promotes transparency and allows investors and stakeholders to evaluate the company's commitment to diversity. The Annual Report may include a summary of the Policy.

6. Administrative Matters

On an annual basis, the Nominating Committee will review and assess the effectiveness of the Policy. Any requirement for amendment shall be deliberated upon by the Committee and any recommendations for revisions shall be proposed to the Board for approval.

The Policy will be held in the custody of the Company Secretaries of VSTECS.

7. Review

The Boardroom Diversity Policy is to be regularly reviewed by the Board as and when required.

Revised pursuant to Board of Directors' approval on 14 May 2025.