



WAH SEONG CORPORATION BERHAD

**(Company No: 495846-A)
(Incorporated in Malaysia)**

DIVERSITY POLICY

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Introduction

In line with the Malaysian Code on Corporate Governance, the Company acknowledges the importance of diversity in its Boardroom, Senior Management and workforce whereby gender diversity is an essential element in attaining effective strategic objectives of the Company and the Group, in enhancing sustainable growth and development and in promoting better corporate governance.

The Company believes in recognising and retaining high performance, talented and dedicated Board members and Senior Management with the required merits, knowledge, experience, expertise, competencies, professionalism, integrity and ability in discharging their responsibility and capability in contributing to the Board and the organisation.

The recruitments of the best talents in the work place regardless of gender, ethnicity and age are with the objective of maximising the performance, efficiencies and effectiveness of the organisation. The selection of candidates are based on merits, skills, knowledge, expertise, experience, professionalism and integrity regardless of gender, ethnicity and age.

Objectives

The Board, Senior Management and workforce diversity is an essential element and measurement of good corporate governance because diversity is a critical attribute of a well-functioning Board and organisation which hence contribute to the sustainable growth and development of the Company and the Group. A diverse Board and Senior Management enhances balance and prudent business decision-making processes since decisions are contributed by both genders with diverse exposures, experiences, knowledges, strengths, perspectives, views, ideas and opinions. By having diversity in the workforce, a wider pool of talents is available for the selection of the right candidates.

Despite core criteria such as merits and competencies of suitable candidates remain priority, the objective of applying this Policy to new appointments on the Board is characterized by a broad range of contributions and viewpoints arising from the diversity in gender, ethnicity and age rather than mere diversity in knowledge, skills and experiences. These factors will contribute to the sustainable growth and development of the Company and the Group and hence safeguard the interests of the Company's shareholders and stakeholders in the long term fairly and effectively.

This Diversity Policy provides a framework for the Company and the Group to achieve:

- A diverse and skilled workforce with the highest standards of professionalism, accountability, integrity and competencies for the continuous improvement in the work place.

- A work place culture characterised by inclusive practices and behaviours for the benefit of all employees.
- Continuous Improvement in the employment opportunities and career development for women.
- Diversity in the Board composition with the required number of independent Directors pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad for more effective oversight of the management and the business and to provide check and balance in the discharge of the Board’s function, deliberation and decision-making.
- A work environment that benefits, values and utilises the contributions of workforce with diverse background, experience and perspective is through improved awareness of the advantages of workforce diversity and successful management of workforce diversity by:-
 - practising and promoting appropriate practices and behaviour consistent with the Company’s Principles of Business Conduct;
 - respecting and valuing different ideas, opinion and ways of thinking and taking advantage of the differences in perspectives to improve business objectives and outcomes;
 - treating each other with respect and dignity;
 - recognising, promoting, rewarding and retaining talents;
 - providing a safe, secure and healthy workplace;
 - making equitable decisions genuinely and fairly; and
 - taking appropriate measures and action to eliminate discrimination.

Procedures

In line with promoting diversity in the Board composition, Senior Management and workforce, the Company has established the following procedures:

- **The Board**
The Company is committed to a merit based approach and the requirements of the Board when assessing and identifying suitable candidates for Board’s appointment instead of merely achieving the objective of having a diversified Board.

The Nomination Committee will review and assess the skills, expertise, experience, gender, age, ethnicity, time commitment and independence of its Directors to ensure their relevance and the efficiencies and effectiveness of the Board as a whole on an annual basis or as and when the need arises including its effectiveness in promoting a diverse Board composition which includes an appropriate number of woman Director(s).

Any revisions to the Policy as recommended by the Nomination Committee will be submitted to the Board for consideration and approval.

- **Officers and Employees**
All persons, regardless of age, gender and ethnicity with the appropriate experience and qualifications are considered equally in the process of selection of suitable candidates for the recruitment of new employees.

Salary range and benefits of employees are standardised regardless of age, gender and ethnicity.

All decisions associated with career advancement, including promotions, transfers, and other assignments in meeting the requirements of the Company and the Group are determined based on merits, skills, performance and contribution regardless of age, gender and ethnicity.

Scope

The concept of diversity on Board includes the following aspects:-

- Independence

The Board comprises of a balanced composition of Executive, Non-executive Directors and Independent Non-executive Directors so that there is a strong element of independence in the Board composition.

The Nomination Committee will review the composition from time to time or as and when the need arises.

- Skills and Experience

The Board possesses a balance of skills appropriate for the business of the Company and the Group which collectively provides the Company and the Group with considerably high level of experience and expertise.

The Nomination Committee will review and assess the appropriate mix of diversity, skills, experience and expertise required on the Board annually and the extent to which the required skills are represented on the Board and to make the necessary recommendations to the Board.

- Gender

The Company will evaluate suitable candidates for gender diversity on Board. The selection process via the Nomination Committee will be exercised with due care and careful assessment will be based on merits, skills, knowledge, appropriate experience and time commitment.

Hence, the Company has not set any specific target for the appointment of woman Director(s) in the Policy and the Nomination Committee will carefully and actively work towards having woman Director(s) on the Board.

- Ethnicity

The Company aspires to have a Board comprising member(s) of different ethnicity and who can contribute positively in respect of knowledge, experience and expertise. The Nomination Committee will conduct the selection exercise with due care and careful assessment will be based on merits, skills, knowledge, appropriate experience and time commitment.

- Age

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

Measurable Objectives

The Company acknowledges the importance in promoting diversity on the Board, its Senior Management and workforce, however the selection criteria for suitable candidates based on an effective blend of merits, competencies, knowledge, skills, experience and contribution to the Board, the organisation and work place should remain the priority.

The Nomination Committee will review the gender, age and ethnicity diversity of the Board and its Senior Management annually.

The Management will review the gender, age and ethnicity diversity of the workplace periodically or as and when the need arises.

The Board via the Nomination Committee and the Management will review and assess the effectiveness of the Policy periodically or as and when the need arises to ensure that the relevant objectives are met and remain effective for the Company and the Group. Any changes to this Policy shall be submitted to the Board for deliberation and approval.

Monitoring and Evaluation

The Board, through the Nominating Committee, will monitor the scope and applicability of this Policy for the Board and the Senior Management from time to time.

The Management is responsible for implementing, monitoring and reporting on the progress of achieving the objectives of this Policy for the workforce.

Publication and Revision

This Policy is available on the Company's website.

The Nomination Committee will review this Policy from time to time and as and when the need arises to ensure its appropriateness and effectiveness. Any revisions to the Policy as recommended by the Nomination Committee will be submitted to the Board for consideration and approval.

This Policy is reviewed and approved by the Board of Directors on 27 November, 2018.