

PHARMANIAGA BERHAD

Name of Policy	Gender Diversity Policy	
Companies	Pharmaniaga Berhad & Subsidiary Companies	
Scope	Board members and Head of Divisions	
Version	1.0	Effective Date: 19 th November 2018

1.0 POLICY STATEMENT

- 1.1 Pharmaniaga Berhad (*hereafter referred to as the Company*) and its subsidiary companies (*hereafter referred to collectively as the Group*) are committed towards ensuring the highest standards of integrity, accountability and professionalism in the conduct of its businesses. This is consistent with the Company's core values of **RESPECT, INTEGRITY, TEAMWORK** and **EXCELLENCE**.
- 1.2 Recommendation 2.2 of the Malaysian Code on Corporate Governance 2012 (*hereafter referred to as MCCG 2012*) recommends that the Board should establish a policy formalising its approach to boardroom diversity. The Board through its Nomination Committee (*hereafter referred to as NC*) should take steps to ensure that women candidates are sought as part of its recruitment exercise.
- 1.3 This Gender Diversity Policy (*hereafter referred to as the Policy*) is established to outline the approach to Gender Diversity within the Board of Directors of the Group (*hereafter referred to as Gender Diversity*). The Board should explicitly disclose in the Annual Report its Gender Diversity policies and targets and the measures taken to meet those targets.
- 1.4 This Policy is not intended as an alternative for any other grievances or complaints procedures e.g. employment related grievances concerning terms of employment, performance assessments or other aspects of the working relationship. If the matter is a human resource issue, it shall be referred to the Group Human Capital Management Department, the relevant Human Capital Management Department or other designated parties, for the appropriate action.

2.0 OBJECTIVE OF THE POLICY

- 2.1 This Policy is to ensure that women candidates are sought by the NC as part of its recruitment exercise for the Group's Board of Directors.
- 2.2 The Policy aims to: -
 - a) Promote standards of good corporate practices.
 - b) Reassure that Gender Diversity will be protected with **SOUND JUDGMENT**.

3.0 PRINCIPLES OF THE POLICY

- 3.1 Diversity encompasses various areas such as gender, age, ethnicity and cultural background.
- 3.2 A well-diversified Board will inculcate and make good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of Directors.
- 3.3 These differences will be considered in determining the optimum composition of the Board and when possible, it should be balanced appropriately. All Board members' appointments are made on merit basis, in the context of the skills and experience the Board as a whole requires to be effective.

- 3.4 The NC will review and assess the Board composition on behalf of the Board and recommends the appointment of new Directors. In reviewing the Board's composition, the NC will consider the benefits of all diversity aspects, in order to maintain an appropriate range and balance of skills, experience and background on the Board. In identifying suitable candidates for appointment to the Board, the NC will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.
- 3.5 As part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the NC will consider the balance of skills, experience, independence and knowledge on the Board and the diversity representation of the Board.

4.0 MEASURES ON GENDER DIVERSITY

- 4.1 To pursue the objectives of Gender Diversity, the Board would take into consideration the following measures:
- a) While it is important to promote Gender Diversity, the normal selection criteria based on a multitude combination of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. Thus the Group does not set any specific target for women Directors in its Policy. It will however, actively work towards having more women on the Board.
 - b) The NC is responsible in ensuring that Gender Diversity objectives are adopted in the Board's recruitment and succession planning processes.
 - c) The Group shall adopt a more accommodating boardroom culture and environment that is free from harassments and discriminations, in order to attract and retain more women on the Board.

5.0 MONITORING

- 5.1 The Board will review the measures set to achieve Gender Diversity in the boardroom from time to time.

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