

CAPE EMS BERHAD
[Formerly known as CAPE EMS MANUFACTURING (M) SDN. BHD.]
[Registration No. 199901026859 (501759-M)]
(Incorporated in Malaysia)

GENDER DIVERSITY POLICY

Gender Diversity Policy			
Board's Approval Date	Effective Date	Revision Date	Version Number
1 April 2022	1 April 2022	-	-

Version	Date	Summary of Changes

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1. INTRODUCTION

Paragraph 15.08A(3) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("MMLR") provides that the Company is required to disclose in its annual reports, the diversity policy on the board composition having regard to the mix of skills, independence, and diversity (including gender diversity) required to meet the needs of Cape EMS Berhad [Formerly known as Cape EMS Manufacturing (M) Berhad] ("Company").

In addition, Practice 5.55 of the Malaysian Code on Corporate Governance 2021 ("MCCG") recommends that the appointment of the board of directors ("Board") and senior management of the Company and its subsidiaries are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background, and gender. The Board of the Company is pleased to set out below its approach to boardroom diversity through its Nominating Committee ("NC") which takes steps to ensure that women candidates are sought as part of its recruitment exercise.

2. PRINCIPLES

As part of the continuous endeavors in supporting the Company and its group of companies ("CAPE" or the "Group") competitive advantages, the Group recognises that diversity is a critical attribute of a well-functioning leadership team, a more diverse leadership team better reflects the realities of the society, strengthens strategy formulation and risk management by adding varying perspectives and enhances the overall credibility of the Group. The Group embraces the advantages of having a diverse Board and considers diversity at the Board level as a fundamental and significant element. Diversity incorporates different areas such as age, gender, ethnicity, and cultural background. A well-diversified Board will inculcate and utilise contrasts in the skills, regional and industry experience, background, race, gender, and different characteristics of Directors. These distinctions will be considered in deciding the optimum composition of the Board and whenever possible, it should be adjusted appropriately. All the appointments of the Board members are made on merit premise, with regards to the abilities and experience of the Board as a whole, required to be effective.

The Board recognises that board diversity is an essential element contributing to the sustainable development of the Group and it does not discriminate based on ethnicity, age, gender, nationality, political affiliation, religious affiliation, marital status, education background, or physical ability. This includes working towards the representation of at least 30% of women directors in the Board composition. Women's participation in decision-making positions should not be focused on board positions alone but also be broadened to include women in senior management, as the same benefits apply. Diversity, when extended to senior management, will also serve as a talent pipeline for Board candidacy.

The NC oversees matters relating to the nomination of new Directors and senior management, annually reviews the required mix of skills, experience, assessment of Directors and senior management, reviews succession plans and, diversity (including gender diversity); oversees training courses for Directors and other requisite qualities

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of Directors, as well as the annual assessment of the effectiveness of the Board as a whole, its Board Committees and the contribution of each individual Director.

The NC should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the NC and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance (including how to address the material sustainability risks and opportunities), contribution to the board based on a skill matrix outlined in the Fit and Proper Policy and the Gender Diversity Policy ("GDP"). In reviewing the Board's composition, the NC will consider all advantages from diversity aspects in order to maintain an appropriate range and equilibrium of skills, experience, and background on the Board. In recognizing 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. As part of the annual performance evaluation of the effectiveness of the Board, Board Committees, and individual Directors, the NC will consider the equilibrium of skills, experience, independence, and knowledge of the Board and the variety portrayal of the Board.

3. MEASURES ON GENDER DIVERSITY

To pursue the objectives of gender diversity, the Board would take into consideration the following measures:

- (a) the NC is responsible for ensuring that gender diversity objectives are adopted in Board recruitment and succession planning processes.
- (b) the NC will shortlist the potential women candidate based on the following criteria:
 - (i) Character and Integrity
 - (ii) Experience and competence
 - (iii) Qualifications;
 - (iv) Skills and competence;
 - (v) Functional knowledge;
 - (vi) Expertise and experience;
 - (vii) Character;
 - (viii) Background;
 - (ix) Integrity and professionalism;
 - (x) Time and commitment; and
 - (xi) In the case of the candidates for the position of Independent Non-Executive Directors, the NC would also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.
- (c) the Board shall comprise of at least 30% female Directors in the GDP and will actively pursue having more female Directors on the Board and senior management.

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- (d) the Group shall embrace a more accommodating boardroom culture and climate that is liberated from discrimination and harassment, in order to attract and retain women participation on the Board and senior management.

4. MONITORING

The Board, through NC, will monitor the scope and applicability of this GDP, from time to time on the progress of achieving the objectives.

5. DISCLOSURE

Pursuant to paragraph 15.25 of the MMLR, the Company must ensure that its Board provides an overview of the application of the principles set out in the MCCG, in its annual report. The Board will disclose its gender diversity policies and the proportion of women participation at the Board level in the Company's annual reports.

6. REVIEW OF THIS GDP

The Board shall review and assess the relevance of this GDP from time to time or when changes to the business environment or regulatory requirements necessitate a revision.

7. REVISION OF THIS GDP

The provisions of this GDP can be amended and supplemented from time to time by a resolution of the Board.

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