IHH Healthcare Berhad
(Company No. 901914-V)
("**IHH**" or "**the Company**")
(Incorporated in Malaysia)

BOARDROOM DIVERSITY POLICY

Category	**Corporate Governance**
Subject/Title	**Boardroom Diversity Policy**
Approved by	**Board of Directors**
Effective Date	**27 February 2020**
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1. PURPOSE OF THE POLICY

1.1. Board composition influences the ability of the Company to fulfil its oversight responsibilities. An effective board should include the right group of people, with an appropriate mix of skills, knowledge, experience and independent elements that fit the Company's objectives and strategic goals. The right board composition will ensure sufficient diversity and independence to avert "groupthink" or "blind spots" in the decision-making process. It also enables the board to be better equipped to respond to challenges that may arise and deliver value.

1.2. Practice 4.5 of the Malaysian Code on Corporate Governance recommends that the board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors. This entails the board through its nominating committee to take the necessary steps to ensure that women candidates are sought as part of its recruitment exercise. The board should explicitly disclose in the annual report its gender diversity policies and targets and the measures taken to meet those targets.

1.3. The purpose of this Boardroom Diversity Policy ("**Policy**") is to set out the approach to diversity on the Board of Directors of IHH ("**Board**").

2. PRINCIPLES OF THE BOARDROOM DIVERSITY POLICY

2.1. The Company recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage.

2.2. A truly diverse Board will include and make good use of differences in the skills, global and industry experience, background, age, race, gender and other qualities of Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately.

2.3. All Board appointments are made on merit, in the context of skills and experience, and the Board recognises that boardroom diversity is an essential element contributing to the sustainable development of the Company and emphasises on boardroom diversity so as to cope with the diversified portfolio of the Group's businesses. IHH aspires to have a Board of Directors with diverse nationalities, ethnic or cultural backgrounds who can contribute their knowledge and understanding of the environment in which the Group operates its businesses, which are dispersed in different regions worldwide. The Board takes the necessary measures to ensure that in every possible event, boardroom diversity will be taken into consideration in board appointment(s) as well as annual assessment.

2.4. The Nomination Committee ("**NC**") reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors. It also oversees the conduct of the annual assessment of Board effectiveness. In reviewing the Board composition, the NC will consider the benefits of all aspects of diversity in order to maintain an appropriate range and balance of skills, experience, age, cultural background and gender 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.

2.5. 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.

2.6. The Board also takes cognisance of the Malaysian Code on Corporate Governance ("**MCCG**") to have at least 30% women on the board of Large Companies. Large Companies are defined in the MCCG as companies on the FTSE Bursa Malaysia Top 100 Index or companies with market capitalisation of RM2 billion and above.

3. MEASURES ON BOARDROOM DIVERSITY

The Board is of the view that, while it is important to promote boardroom diversity in terms of gender, age, ethnicity and cultural background, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority and the Board will ensure that Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights. The Board would take into consideration the following measures:

3.1 Gender diversity

(i) The Company appreciates the benefits of having gender diversity in the boardroom as a mix-gendered board would offer different viewpoints, ideas and market insights which enables better problem solving to gain competitive advantage in serving an increasingly diverse customer base, compared to the boardroom dominated by one gender.

(ii) The Company does not set any specific target for women directors on the Board but will actively continue to work towards having at least 30% women directors on the Board.

(iii) The Company shall provide a suitable working environment that is free from harassment and discrimination in order to attract and retain women participation on the Board.

3.2 Age diversity

(i) The Board acknowledges the benefits of having diversity in the boardroom in terms of age demographics, which would create professional environments that are rich with experience and maturity as well as youthful exuberance. The Board with a wide range of age has the advantage of creating a dynamic, multi-generational workforce with a diverse range of skill sets that are beneficial to the Company.

(ii) The Company does not set any specific target for boardroom age diversity but will work towards having appropriate age diversity on the Board.

(iii) The Company does not fix a maximum age for its Directors given that such Directors are normally reputed and experienced in the corporate world and could continue to contribute to the Board in steering the Company.

3.3 Cultural background and Ethnic diversity

(i) The Board recognises that as today's world becomes increasingly global in its outlook and as the marketplace becomes increasingly global in nature, cultural background and ethnic diversity in the boardroom would be encouraged as it provides advantages that can help a company prosper inclusive but not limited to sharing of knowledge in different markets where the Group is operating to enhance the Group's global presence as well as sharing of viewpoints by Directors from different cultural and ethnic backgrounds as when a variety of viewpoints are thrown into the problem-solving mix, new and innovative solutions can be reached.

(ii) The Company does not set any specific target for ethnic and cultural background diversity in the boardroom but will work towards having appropriate ethnic and cultural background diversity in the Board.

The NC is responsible in ensuring that boardroom diversity objectives are adopted in board recruitment, board performance evaluation and succession planning processes.

4. MONITORING

The Board will review the measures set to achieve appropriate boardroom diversity from time to time.