

BOARD COMPOSITION POLICY

1.0 PURPOSE

- 1.1 This Policy sets out the approach of the Board on the composition of the Board of Directors of Mega First Corporation Berhad (“MFCB” or the “Company”).

2.0 POLICY STATEMENT

- 2.1 The Board remains committed to selecting the best person for appointment to the Board. The Board’s overriding objective in any new appointment is to select the best candidate with a view to achieving a high-performing Board. Appointments to the Board are based on merit against objective criteria with consideration being given to the intrinsic capabilities of the individual.
- 2.2 The Board aims to have an appropriate level of diversity in the Boardroom to reflect the diverse nature of the Company’s operations and to support the achievement of the Company’s strategic objectives. Diversity in terms of skills, background, knowledge, international and industry experience, culture, independence, age and gender, among many other factors, will be taken into consideration when seeking to appoint a new Director to the Board so as to bring relevant perspectives to Board discussions.
- 2.3 The Board will continuously enhance the Board’s composition in line with the evolving circumstances and needs of the Group given its size, business diversity and geography.
- 2.4 With respect to gender diversity, the Board will maintain at least two (2) women Directors and will actively work towards having a minimum of 30% women as members of the Board.
- 2.5 The Board embraces age diversity to balance the Board’s insight and experience, and to have a range of perspectives to facilitate robust discussions of issues during deliberations and decision making. The Board will work towards having a generationally-diverse Board that will create a balance between maturity and experience with an injection of energy, and greater level of flexibility and adaptability to reinvigorate the Company.
- 2.6 The Board will work towards diversifying the ethnic composition of the Board as and when vacancies arise and suitable candidates are identified.
- 2.7 The Board acknowledges the importance of Independent Directors, in particular those who are subject matter experts in the fields of business that the Group is involved, in order to support objective and independent deliberation, review and decision making. A Board comprising a majority of Independent Directors allows for more effective oversight of Management. The Board aims to have a majority of Independent Directors at all times.
- 2.8 Active politicians shall not be appointed as a Director. An active politician is defined as a person who is either an elected Member of Parliament or State Assemblyman or office bearers of a political party who hold office as the chairman or president or deputy president or vice-president or secretary general or deputy secretary general or treasurer or committee member whether at national level or state level or divisional level.



2.9 In identifying, considering and recommending suitable persons for appointment as Directors, the Board shall rely on sources from existing Board members, Management, major shareholders, independent search firms and other independent sources.

3.0 MONITORING AND REPORTING

3.1 The Board, through the Nomination Committee ("NC"), is responsible for the implementation of this Policy and for monitoring progress towards the achievement of the Board's objectives.

3.2 The NRC will review this Policy periodically and will recommend to the Board changes, if any.

4.0 REFERENCE

4.1 This Policy should be read in conjunction with the Terms of Reference of the NC.