



POLICY ON BOARD GENDER DIVERSITY

1. Background

- 1.1 In June 2012, the Government announced the Cabinet approval of the policy to ensure 30 per cent female participation at the decision-making level in the private sector by 2016. This is the extension of the Policy of At Least 30 Per Cent Women in the Decision-Making Level in the Public Sector announced by the Government in 2004.
- 1.2 Certain studies (for example, Gender Matters, a 2007 McKinsey Report) have shown a correlation between strong business performance and women's participation in management. A gender-balanced board is said to demonstrate a higher collective intelligence. Boards make better decisions where a range of voices, drawing on different life experiences, can be heard and women bring different perspectives and views to the table, to the deliberations and decisions.
- 1.3 In line with the global views on gender diversity and the Government's initiatives, the Bursa Malaysia Main Market Listing Requirement ("MMLR") now requires a listed company to provide, in its annual report, disclosure of gender diversity policies and targets, and measures taken to meet those targets (Appendix 9C, Paragraph 15.08A of the MMLR). Similarly, the Malaysian Code on Corporate Governance issued by the Securities Commission in April, 2017 ("MCCG") recommends boards of listed companies to render an account in their annual reports on their policies on gender diversity, their targets and measures what they have done to increase female representation on their boards.

2. SCOPE AND PURPOSE

This Board Gender Diversity Policy ("Policy") sets out the approach to gender diversity on the Boards of Maybank and its subsidiaries which are licensed under Bank Negara Malaysia ("Licensed Subsidiaries") and is applicable to the Boards of Maybank and its Licensed Subsidiaries.

3. POLICY STATEMENT

While Maybank embraces the proposition that a gender diverse Board would have a positive value-relevant impact on Board performance, appointments on the Board must always be based on merit, with due regard to a candidate's background, skill and experience, and whether the appointment of such candidate would further complement or enhance the existing mix of skill and experience of the Board.

4. KEY OBJECTIVES

- 4.1 Subject to Paragraph 3 above and in line with the recommendations of the Code, the Board endeavors to reflect its commitment towards gender diversity by maintaining at least 30% female representation on the Board.
- 4.2 To promote the specific objective of gender diversity on the Board, this Policy requires:
 - a. The selection process for director appointments to involve the short-listing of potential candidates which must include at least one (1) female representation whenever reasonably possible; and
 - b. That priority is placed on the appointment of a female director to fill a directorship vacated by a retiring or resigning female director.

THE NOMINATION AND REMUNERATION COMMITTEE'S ROLE

- 4.3 The Nomination and Remuneration Committee ("NRC") is responsible, on behalf of the Board, to oversee the general composition of the Board and its effectiveness, and to recommend suitable candidates for appointment of directors to the Board.
- 4.4 The NRC shall endeavour to achieve and maintain an optimal mix of skills, experience and background on the Board. In identifying suitable candidates for appointment to the Board, apart from consideration of merit and the Policy on Fit and Proper Criteria for Appointment, the NRC shall give due regard to the benefits of gender diversity on the Board.
- 4.5 In order to achieve the objectives for increasing female representation on the Board, the NRC shall also:
- a. Identify potential female director candidates (from public and private sectors) to be placed within the pool of qualified director candidates;
 - b. Update the Board of the percentage of female director candidates in the pool of qualified director candidates on a half-yearly basis;
 - c. Conduct an annual assessment of the effectiveness of the key objectives for achieving gender diversity on the Board, and monitoring the achievement of gender diversity targets;
 - d. Make appropriate recommendations to the Board in relation to the key objectives for achieving gender diversity on the Board, and initiatives to support the objectives for achieving gender diversity on the Board; and
 - e. Propose and make recommendations to the Board for the development of onboarding training and induction programmes for female directors.

5. DISCLOSURE

The Board shall disclose in the Annual Report the proportion/number of female directors on the Board, and the progress being made with the measurable objectives.

6. REVIEW

This Policy shall be reviewed at least annually by the Board to ensure its effectiveness.

First issued: 27 March 2013

Revised: 25 January 2018 (as approved by Maybank Board)