



DIVERSITY POLICY

1. Overview

Nestlé (Malaysia) Berhad (the “Company”) places great emphasis on the principle of diversity and recognises the benefits of diversity in its broadest sense and considers diversity at the Board of Directors’ (the “Board”) level and senior management level (the “Management”) to be an essential element of ensuring the effectiveness of the Board and Management.

A diverse Board and Management is one that possesses a balance of skills, expertise, experience, age, ethnicity/cultural background, gender and a diversity of perspectives that are relevant to the business of the Company, its subsidiary companies, and its strategic objectives.

In accordance with the Terms of Reference for the Nomination and Compensation Committee (the “Committee”), this Diversity Policy (the “Policy”) falls under the purview of the Committee.

2. Approach

All appointments to the Board and Management are based on merit to complement and enhance the skills, experience and expertise of the Board and Management as a whole. The Company also seeks to achieve a good mix of members for the Board and Management from a diverse background and perspective to support the business strategy execution of the Company and its subsidiary companies.

When deciding on appointments to the Board and Management, candidates are considered with no biases or discrimination against the candidates. The Company adopts the policy of not only considering the skills, experience, expertise and independence (for Board appointments) of a candidate, but also other factors, including gender, ethnicity/cultural background and age to ensure that the Board and Management will each function as a diverse team. In respect of appointment to the Board, the Board is committed to achieve at least 30% female directors on the Board in the year 2020.

The Company is committed to its established management development programmes that helps to develop its diverse pool of employee talents in order to prepare them for Management roles.

The Committee is tasked to making suitable recommendations and implement steps/programmes that will assist in achieving diversity and develop a diverse pool of skilled and experienced Board and Management team members.



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It is also the Company's policy to consider the strategic direction of the Company's group of companies as a whole as well as the broader societal, industry needs and trends when deciding on the appointment to the Board and Management.

The Company believes that such merit-based appointment helps the Company to achieve effective stewardship and management of the Company.

3. Review and Monitoring

It shall be the Committee's responsibility to review and monitor the implementation of this Policy on a regular basis to ensure its effectiveness and report the results of its review to the Board. The Committee shall further discuss any amendments to this Policy that may be required and will recommend such amendments to the Board for approval.

This Diversity Policy was reviewed by the Committee on 19 February 2020 and approved by the Board on 25 February 2020.