

**SD Guthrie Berhad
(formerly known as Sime Darby Plantation Berhad)**

SALIENT FEATURES OF THE BOARD COMPOSITION POLICY

1. Purpose

This Policy sets out the approach of the Board on the composition of the Board of Directors of SD Guthrie Berhad (formerly known as Sime Darby Berhad) (SD Guthrie or Company).

2. Policy Statement

- 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.
- 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.
- 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.
- The Board will comprise at least 30% women Directors.
- 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.
- The Board will work towards diversifying the ethnic composition of the Board as and when vacancies arise and suitable candidates are identified.
- The Board will maintain a composition where a majority of its Directors are Independent Directors.
- Long tenures of Independent Directors and familiarity may erode the Board's objectivity. The tenure of Independent Directors is limited to a cumulative term limit of nine (9) years without further extension. The Independent Director may continue to serve on the Board as a Non-Independent Director upon completion of the nine (9) years.
- 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.
- No Head of State (or equivalent) and Active Politician may be appointed as a Director of SD Guthrie. Existing Directors who wish to be nominated as candidates in any election or are elected/ appointed to hold a Head of State (or equivalent) or Active Politician position must resign from the Board.

3. Monitoring and Reporting

The Board, through the Nomination & Remuneration Committee, is responsible for the implementation of this Policy and for monitoring progress towards the achievement of the Board's objectives.