
DIVERSITY AND INCLUSION POLICY

1. Purpose

1.1 This Policy on Diversity and Inclusivity sets out the approach for achieving and maintaining diversity and inclusivity on the Board of Directors of TXCD Berhad ("TXCD" or the "Company") and provides a high level indication of the Board's approach to diversity in senior management roles which is governed in greater detail, through TXCD's policies.

2. Policy Statement

2.1 TXCDt recognises the importance of diversity and inclusivity.

2.2 The term "diversity" refers to the diversity of skill-sets, experience, gender, ethnicity, age, background and other relevant personal attributes important in providing a range of perspectives, insights and challenge needed to support good decision making.

2.3 The term "inclusivity" refers to the mind-set and culture of including and treating fairly and equally persons who might otherwise be excluded or marginalised on the grounds of social background, race, sexual orientation, physical disability and any other differences.

2.4 TXCD is committed to treating people with dignity and respect and ensuring a diverse and inclusive working environment at all levels of the Company.

2.5 Diversity and inclusivity guard against group thinking, foster robust discussions, which in turn leads to better decision-making. TXCD seeks to achieve and maintain diversity and inclusivity at both the Board and senior management levels.

2.6 In satisfying the Company's commitment to selecting the best persons to propose to shareholders as candidates for the Company's Board of Directors, when assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Board will not only consider core competencies namely the expertise, experience and leadership competencies of candidates but also the manner in which candidates can enhance and complement the collective diversity of the existing Board.

2.7 Likewise when identifying suitable candidates for appointment to senior management roles, the Board will consider candidates based first and foremost on merit against objective criteria and shall also give due consideration to the benefits of diversity which the candidates can bring to the senior management team.

2.8 If professional bodies are engaged to assist with the search process, explicit instructions will be given to such professional bodies of the Company's commitment in building and maintaining a diverse and inclusive culture to ensure alignment in the search for talent.

2.9 On gender diversity

- In respect of appointments to the Board and senior management, being duly qualified is the ultimate pre-condition. During the process of selecting new appointees, candidates have to be assessed based on the same criteria, regardless of gender. The Board will nevertheless ensure that women and men have equal opportunities in the selection process. If professional bodies are engaged to assist with the search process, explicit instructions will be given to such professional bodies that both women and men are to be proposed.
- The Board aims to maintain significant and appropriate female representation on the Board and will take opportunities to increase the number of female Board Members over time recognising that the Board's needs will change over time taking into account the skills, experience and other diversity requirements of the Board.
- As one of the functions of the Nominations Committee ("NC") is to review and assess Board composition and recommend the appointment of new members, the Board will exercise best endeavours to appoint at least one female director to the NC to safeguard against gender bias.
- As the functions of the Compensation Committee include succession planning for selected senior executive positions as well as the review of development plan for key senior executives and high potential talent of the Company, the Board will exercise best endeavours to appoint at least one female director to the Compensation Committee to advance the interest of female employees and support mentoring and development opportunities for female executives, ensuring unbiased career progression.

3. Disclosure of this Policy

- 3.1 This Policy shall be published on the Company's website for public information.

4. Delegation, Monitoring and Reporting

- 4.1 The NC is delegated with the responsibility for establishing measurable objectives to support this Policy.

- 4.2 The NC shall review this Policy from time to time, as appropriate, to ensure its effectiveness. The NC will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

EFFECTIVE DATE

This Policy will take effect from 1 January 2026.