

PROTASCO BERHAD

GROUP DIVERSITY, EQUITY & INCLUSION POLICY

1. INTRODUCTION

Protasco Berhad (referred as “the Group”) is committed to fostering a diverse, equitable and inclusive (“DEI”) organisation that values differences, promotes equal opportunity and enables all individuals to contribute meaningfully to the Group’s long-term success. Diversity and inclusion are integral to good corporate governance, effective risk management, sustainable value creation and responsible business conduct.

This Policy is established in alignment with:

- a) the Malaysian Code on Corporate Governance (“MCCG”)
- b) Bursa Malaysia Securities Berhad’s Listing Requirements and Corporate Governance Guide on Board Diversity and Inclusion
- c) the National Reporting Standards Framework (“NRSF”) under the Social pillar through its human capital management practices, and under the Governance pillar through Board composition, succession planning and oversight.
- d) the Global Reporting Initiative (“GRI”) Standards (including GRI 2, GRI 404, GRI 405 and GRI 406)
- e) the International Sustainability Reporting Framework (“ISRF”) Sustainability Disclosure Standards S1 (General Requirements for Sustainability-related Financial Information) and S2 (Climate-related Disclosures), where relevant to human capital, governance and risk management.

This Policy underscores the Group’s commitment to non-discrimination, respect for human rights, and the creation of a safe and inclusive workplace across all levels of the organisation.

2. PURPOSE AND OBJECTIVES

The objectives of this Policy are to provide a structured framework for the Group to:

- a) Promote a diverse Board, Senior Management and workforce that reflect a broad mix of skills, experience, perspectives and backgrounds, enhancing decision-making and organisational resilience.
- b) Foster an inclusive workplace culture characterised by fairness, mutual respect, dignity and equal opportunity for all employees and stakeholders.

- c) Ensure equitable employment practices throughout the employee lifecycle, including recruitment, remuneration, performance evaluation, promotion, training and succession planning.
- d) Support gender diversity, particularly the representation of women at Board and Senior Management levels, in line with MCCG and Bursa Malaysia expectations.
- e) Strengthen awareness and accountability among employees regarding their rights and responsibilities relating to diversity, equity, inclusion and non-discrimination.
- f) Enhance sustainability reporting and transparency on human capital and governance matters in accordance with NRSF, GRI and ISRF S1 and S2.

3. SCOPE OF POLICY

This Policy applies to:

- a) the Board of Directors.
- b) Senior Management.
- c) all employees of the Group, including permanent, contract and temporary staff; and
- d) where applicable, contractors, business partners and other relevant stakeholders engaged by the Group.

4. DEFINITION OF DIVERSITY AND INCLUSION

Diversity

In accordance with the GRI Standards, diversity refers to the representation and composition of individuals with different characteristics within an organisation, particularly in relation to governance bodies, employees and management.

Under GRI 405: Diversity and Equal Opportunity, diversity is assessed and disclosed by reference to characteristics such as gender, age and other aspects of diversity, recognising that diversity contributes to effective governance, decision-making and equal opportunity.

For the purpose of this Policy, the Group adopts the term diversity as a collective mixture of differences among individuals, including but not limited to:

- a) gender and gender identity
- b) age
- c) ethnicity, nationality and cultural background
- d) educational background and professional experience
- e) skills, competencies and perspectives
- f) disability status; and
- g) other characteristics protected under applicable laws and regulations.

GRI reference:

GRI 405-1: Diversity of governance bodies and employees

GRI 405-2: Ratio of basic salary and remuneration of women to men

Inclusion

While the GRI Standards do not define “inclusion” as a standalone term, the concept of inclusion is embedded across GRI 405 (Diversity and Equal Opportunity) and GRI 406 (Non-discrimination), which emphasise fair treatment, equal access to opportunities, and freedom from discrimination or exclusion.

In line with these standards, inclusion the Group refers it to the creation and maintenance of a work environment in which:

- a) individuals are treated fairly and with dignity and respect.
- b) discrimination, harassment and exclusion are not tolerated; and
- c) all individuals have equitable access to opportunities, resources, development and participation, enabling them to contribute fully to the organisation’s objectives.

GRI reference:

GRI 406-1: Incidents of discrimination and corrective actions taken

GRI 2-23: Policy commitments (non-discrimination and equal opportunity)

GRI 2-24: Embedding policy commitments

5. BOARD AND SENIOR MANAGEMENT DIVERSITY

5.1 Board Diversity Principles

The Group recognises that a diverse Board enhances governance effectiveness, strategic oversight and long-term sustainability. In line with MCCG and Bursa Malaysia requirements:

- a) The Board shall comprise individuals with an appropriate balance of skills, experience, independence, gender, age and ethnicity.
- b) Gender diversity shall be a key consideration in Board composition, with the Group committing to having at least one (1) female Director on the Board and progressively working towards higher female representation.
- c) The Nomination and Remuneration Committee (“NRC”) shall actively seek and consider women candidates as part of Board recruitment, re-election and succession planning processes.

5.2 Senior Management Diversity

The Group is committed to promoting diversity within Senior Management by:

- a) ensuring fair and merit-based appointment and promotion processes.
- b) encouraging the development and advancement of women and underrepresented groups into leadership roles; and
- c) integrating diversity considerations into talent management and succession planning frameworks.

6. WORKFORCE DIVERSITY, EQUITY AND INCLUSION

6.1 Equal Opportunity and Non-Discrimination

The Group upholds the principle of equal opportunity and prohibits discrimination, harassment or victimisation in any form. Employment decisions shall be based on merit, qualifications, competence and performance, without regard to gender, age, ethnicity, religion, disability or other legally protected characteristics.

6.2 Inclusive Workplace Culture

The Group is committed to maintaining a workplace that:

- a) is safe, respectful and free from harassment, bullying and discrimination.
- b) supports employee wellbeing and sustainable practices; and
- c) values diverse perspectives and encourages open communication and collaboration.

6.3 Capability Building and Awareness

The Group shall, where appropriate:

- a) provide training and awareness programmes on diversity, inclusion and unconscious bias.
- b) promote leadership accountability for inclusive behaviours; and
- c) encourage employee participation in initiatives that support an inclusive culture.

7. GOVERNANCE, ROLES AND RESPONSIBILITIES

7.1 Board of Directors

The Board has overall accountability for:

- a) approving this Policy and ensuring it remains relevant and effective.
- b) setting the tone at the top in promoting diversity and inclusion; and
- c) overseeing the integration of DEI considerations into the Group's governance, strategy and risk management.

7.2 Nomination and Remuneration Committee (NRC)

The NRC is responsible for:

- a) overseeing Board and Senior Management diversity objectives.
- b) ensuring diversity considerations, particularly gender diversity, are embedded in nomination, recruitment and succession planning processes; and
- c) monitoring progress against established diversity targets and commitments.

7.3 Senior Management

Senior Management is responsible for:

- a) implementing this Policy across the Group.
- b) fostering an inclusive workplace culture; and
- c) reporting to the Board on diversity-related initiatives, performance and challenges.

8. MEASURES AND TARGETS

To achieve the objectives of this Policy, the Group shall:

- a) Incorporate diversity considerations into Board and workforce planning, recruitment and succession processes.
- b) Maintain a policy commitment that at least one (1) Board member shall be female, with ongoing efforts to improve female representation at Board and Senior Management levels.
- c) Promote fair remuneration and career development practices to support pay equity and equal advancement opportunities.
- d) Create a work environment that is free from discrimination and harassment to attract and retain a diverse workforce.

Targets and progress may be reviewed periodically, considering business needs, talent availability and regulatory expectations.

9. REPORTING AND DISCLOSURE

The Group shall disclose relevant diversity and inclusion information in its Annual Report and Sustainability Report, as applicable, in accordance with:

- Bursa Malaysia's reporting requirements.
- NRSF.
- GRI Standards; and
- ISRF S1 and S2, where human capital and governance matters are material to the Group.

10. MONITORING, REVIEW AND CONTINUOUS IMPROVEMENT

The Board, through the NRC, shall periodically review the effectiveness, scope and implementation of this Policy. Any material amendments shall be approved by the Board.

The Group remains committed to continuous improvement in its diversity, equity and inclusion practices to support sustainable growth and long-term stakeholder value.

This Policy shall be read together with other relevant Group policies, including but not limited to the Code of Conduct, Sustainability Policy, Human Rights Policy Non-Discrimination Policy, Human Rights Violation Policy and Group's Human Resource Human Guidebook.