

SERN KOU RESOURCES BERHAD [Registration No. 200001016496 (519103-X)]
DIVERSITY POLICY FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

1. INTRODUCTION

- 1.1** The Board of Directors (the “Board”) and the Nomination and Remuneration Committee (“NRC”) of Sern Kou Resources Berhad (“SKRB” or the “Company”) recognise and embrace the benefits of having a diverse organisation and view increasing diversity at the Board and Senior Management level as an essential element for a well-functioning leadership.
- 1.2** The Diversity Policy for the Board and Senior Management (the “Policy”) reflects the Company’s commitment to promote diversity and inclusion for the Board and Senior Management. The Policy sets out the guiding scope and policies and practices which underpin the Company’s approach to instituting a diverse Board and Senior Management team.

2. PRINCIPLES AND OBJECTIVES

- 2.1** The Group strictly adheres to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, which includes the selection of both the Board members and Senior Management. The Board encourages a dynamic and diverse composition of board members and Senior Management by nurturing suitable and potential candidates equipped with competency, skills, experience, good character, time commitment, integrity and other qualities in meeting the future needs of the Company.
- 2.2** The objectives of this Policy are to have a Board and Senior Management which:
- are characterised by a broad range of viewpoints rather than just diversity in skills and experience; diversity in viewpoints would exist if there are diversity in gender, nationality, age, culture and socio- economic backgrounds; and
 - have sustainable development as their core value, thus promoting the interests of all our stakeholders, particularly the long- term interests of our shareholders, fairly and effectively.

3. SCOPE & POLICIES

- 3.1** The Board considers that the concept of diversity incorporates a number of different aspects, such as professional experiences, business experiences, skills, knowledge, gender, age, ethnicity and educational background.

3.1.1 Board Mix

The Board shall include a balanced composition of Executive, Non-executive and Independent Non-Executive Directors to promote a strong element of independences in the Board. The Independent Non-Executive Directors shall be of sufficient caliber and standing, for their views to carry weight.

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3.1.2 Skills and Experience

The Board and Senior Management shall possess a balance of appropriate skills for the requirements of the business of the Company. The Directors and Senior Management shall have a mix of financial, legal, management and other backgrounds which when working in synergy, could provide the Company with considerable experience in a wide range of activities.

3.1.3 Gender

The Board shall, whenever possible, comprise at least 30% women Directors to bring in a diversity of perspectives during the deliberation process.

The Board should cultivate a diverse and inclusive culture across the Company by introducing progressive human capital strategies on the Board and Senior Management to support the participation of women on the Board and Senior Management.

3.1.4 Ethnicity/Nationality

The Company aspires to have a board of directors and Senior Management of different nationality or ethnic backgrounds who can contribute their knowledge and understanding of the business, industry and environment.

3.1.5 Age

The Board is fully committed to promote age diversity, valuing the contribution of both the board members and Senior Management regardless of age, and seeks to eliminate age stereotyping and discrimination.

4. MEASURABLE OBJECTIVES

4.1 This Policy framework for the Group is aimed towards achieving the following objectives:

4.1.1 Selection of candidates will be based on a range of diversity perspectives, including but not limited to, professional experiences, business experiences, skills, knowledge, gender, age, ethnicity and educational background. The ultimate decision will be based on merit and contributions that the selected candidates will bring to both the Board and Senior Management. The Board's composition (including gender, ethnicity and age) will be disclosed in the Corporate Governance Report annually.

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4.1.2 The Board acknowledges the importance of promoting gender diversity. Hence, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remains a priority.

5. MONITORING AND REPORTING

5.1 Pursuant to the Term of Reference, the NRC is (among other things) responsible for:

- reviewing, recommending and considering candidates to the Board and committees of the Board;
- assessing the effectiveness of the Board as a whole, the committees of the Board, the contribution of each individual Directors and performances of the Senior Management on an on-going basis; and
- assessing the balance of the Board membership and determining the core competencies and skills required for the Board.

5.2 The NRC shall report to the Board on:

- initiatives undertaken by the Board in relation to diversity of the board and Senior Management and to achieve the Measurable Objectives;
- progress in achieving the Measurable Objectives; and
- recommendations regarding Measurable Objectives.

5.3 The Board shall, at least annually, assess:

- Measurable Objectives; and
- the progress in achieving the Measurable Objectives.

The Board will ensure that appropriate disclosures are made in the Annual Report regarding the diversity of the Board of Director and Senior Management.

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| <p>Adopted by Board: 24 February 2021 Updated and Adopted by Board on: 24 April 2024</p> |
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