

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 8877  
**COMPANY NAME** : Ekovest Berhad  
**FINANCIAL YEAR** : June 30, 2024

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The Board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The Board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges its principal responsibilities in overseeing management performance and corporate strategies, promoting sound governance and risk management, and ensuring effective succession planning, investor relations, and corporate reporting of the Group.</p> <p>To support the Board in discharging these responsibilities, the Board has established Board Committees, namely Audit and Risk Management, Nomination and Remuneration Committees. These Committees are empowered with the authority to examine specific issues and provide recommendations to the Board.</p> <p>The Board is guided by its Board Charter, which defines the roles and responsibilities of the Board, Executive Chairman, and Executive Director, as well as the principles and practices of corporate governance, and key matters reserved for Board approval.</p> <p>During the financial year, the Board discharged its duties by:</p> <ul style="list-style-type: none"><li>• Periodically reviewing projects and the awarding of significant contracts to ensure proper business conduct and effective management of the Group's performance;</li><li>• Reviewing and deliberating the interim and annual financial reporting with management and External Auditors, ensuring the integrity and reliability of the financial information published to assist the public, investors and shareholders in making informed decisions;</li><li>• Approving investment and corporate initiatives in consultation with corporate advisors and senior management to ensure these efforts add value to the Company;</li></ul>

	<ul style="list-style-type: none"> <li>• Reviewing related party transactions, if any, to comply with Listing Requirements and safeguard the interest of minority shareholders;</li> <li>• Reviewing reports from Board Committees and approving their recommendations;</li> <li>• Consulting with the Company Secretary, External and Internal Auditors and corporate finance advisors before making and disclosing information and announcements about the Group and the Company; and</li> <li>• Enforcing Directors' Fit and Proper Policy, including the requirements of a Director's character and integrity, competence and capability, time and commitment to discharge their roles effectively. Accordingly, Directors' appointment and re-appointment will be assessed based on the provisions in this Policy.</li> </ul>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.2**

A Chairman of the Board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board is appointed.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The current Board Chairman is Tan Sri Dato' Lim Kang Hoo. He instils good governance practices, leadership and effectiveness of the Board by:</p> <ul style="list-style-type: none"> <li>• leading the Group's strategic directions, chairing board meetings, encouraging participation from all Board members;</li> <li>• facilitating discussion and information exchange within the Board to support informed decision making;</li> <li>• liaising with the Executive Directors and the Company Secretary to set the agenda for Board meetings;</li> <li>• ensuring that Board Members receive timely, complete and accurate information; and</li> <li>• serving as a focal point for communication with stakeholders.</li> </ul>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.3

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>On March 6, 2024, the Managing Director transitioned to a Non-Executive Director role. This change allows the Executive Chairman to lead the board and management, supported by two dedicated Executive Directors, during this trying time for the Group.</p> <p>Nonetheless, to ensure a balanced approach to leadership, the Board continue to be composed of a majority of Independent Directors and includes various oversight committees, all chaired by Independent Directors. This structure enhances checks and balances in the decision-making process.</p> <p>Furthermore, the Board appointed Mr. Lee Wai Kuen as the Senior Independent Director ("SID"), succeeding the former Chair of ARMC. Under this role, the SID will continue to serve as:</p> <ul style="list-style-type: none"><li>• A supportive sounding board for the Chairman;</li><li>• A facilitator for communication among directors when necessary; and</li><li>• A valuable point of contact for shareholders and other stakeholders.</li></ul> <p>The above measures reflect our commitment to strong governance and effective leadership.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	The abovementioned division of responsibilities between the Executive Chairman and the role of the Executive Directors will remain until a suitable candidate for the role of Managing Director is found.
<b>Timeframe</b>	:	By 31 December 2026

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.4**

The Chairman of the Board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the Board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	The Chairman of the Board, Tan Sri Dato' Lim Kang Hoo, is not a member of any Board Committees and does not attend their meetings by invitation.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.5

The Board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by two qualified and competent Company Secretaries, Mr. Lim Thiam Wah and Ms. Tee Lee Leng, both members of the Malaysian Institute of Chartered Secretaries and Administrators. They provide guidance to the Board on regulatory compliance, relevant legislation, and best practices in corporate governance.</p> <p>The key role and responsibilities of the Company Secretaries include:</p> <ul style="list-style-type: none"><li>• Keeping the Board and its Committees informed on matters related to corporate governance, legal compliance, procedures and protocol affecting the Company;</li><li>• Coordinating the preparation of meeting agendas and schedules for the Board;</li><li>• Assisting in the proceedings of general meetings;</li><li>• Attending Board meetings, preparing minutes, and ensuring that protocols, procedures, and applicable regulations are followed;</li><li>• Advising the Board on governance matters, listing requirements and statutory obligations as well as their applications of governance practices; and</li><li>• Maintaining the registers, statutory records and company secretarial documents of Ekovest Group of Companies.</li></ul> <p>The appointment and removal of the Company Secretaries are at the discretion of the Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.6**

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company Secretary, in coordination with Management, ensures that Board members receive sufficient notice of upcoming meetings and relevant materials in advance. This allows Board members to review the agenda, consider the topics to be discussed, and seek additional information if necessary before the meeting.</p> <p>After each meeting, the Company Secretary ensures that accurate and detailed records of the proceedings, deliberations, and resolutions are maintained, with the minutes promptly circulated to Board members.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is demarcation of responsibilities between the Board, board committees and management.

There is clarity in the authority of the Board, its committees and individual directors.

### Practice 2.1

The Board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the Board, board committees, individual directors and management; and
- issues and decisions reserved for the Board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established its Board Charter, which outlines its roles, duties, and responsibilities, as well as the principles and practices of corporate governance to be followed. It also defines the key matters reserved for the Board's approval.</p> <p>To enhance objectivity and independence in deliberating specific matters, the Board has formed several Committees, including the Audit and Risk Management Committee, Nomination Committee, and Remuneration Committee. The roles, duties, and responsibilities of these Committees are clearly defined in their respective terms of reference.</p> <p>The Board Charter is reviewed periodically, or as needed, to ensure it aligns with the governance expectations of stakeholders and regulatory authorities. A copy of the Board Charter is available for reference on the Company's website at <a href="http://www.ekovest.com.my">www.ekovest.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The Board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

**Practice 3.1**

The Board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board has formalised a Code of Conduct and Ethics ("the Code"), which outlines provisions on conflicts of interest, abuse of power, corruption, insider trading, and money laundering. It also defines the expected actions and responsibilities of the Board, Management, and staff in adhering to the Code.</p> <p>The details of the Code are available on the Company's website for reference.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The Board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.2

The Board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established Whistleblowing Policy and reporting channel. The Whistleblowing Policy describes the scope, reporting procedures, and the due process to be followed when a violation is reported.</p> <p>Stakeholders who are aware of or suspect a violation of the Code may report the incident by emailing <a href="mailto:ekovest@whistleblower.com.my">ekovest@whistleblower.com.my</a> or mailing their complaints to PO Box #911, L2- 08, Level 2, Cheras Leisure Mall, Jalan Manis 6, Taman Segar, 56100 Kuala Lumpur.</p> <p>To ensure confidentiality and protect the identity of the whistleblower, the Board has assigned the administration of the whistleblowing reporting channel to the Internal Auditor.</p> <p>During the financial period, the Board did not receive any complaints through the whistleblowing reporting channels.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.1

The Board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The Board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board's sustainability responsibility to ensure that the Group's strategic plan supports long-term value creation and includes strategies on economic, environmental, and social considerations underpinning sustainability is defined in the Board Charter. The business strategy and sustainability issues are among the matters reserved for the Board's decision.</p> <p>Senior Management is responsible for identifying, implementing, assessing, monitoring, and reporting sustainability matters, besides establishing and ensuring the effectiveness of internal controls, ethics, and compliance programmes or measures relevant to the sustainability matters. Mr. Lim Chen Thai, Executive Director has been appointed to be responsible for the strategic management of sustainability matters with the assistance of Head of Departments to implement the sustainability matters on a day-to-day basis. The current key sustainability considerations of the Group are energy management, emissions management, water management, waste management, materials, community/society involvement, diversity, health and safety, labour, anti-corruption and bribery, data privacy and supply chain management. (Refer to further details Sustainability Statement in the Annual Report)</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.2**

The Board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company’s core sustainability values, initiatives and performance are communicated to all stakeholders through the Sustainability Statements in the Annual Report. The sustainability targets will be evaluated before they are set for the initiatives.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.3

The Board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board understands the importance of staying updated on sustainability issues, including climate-related risks and opportunities relevant to the Company and its business.	
		At present, the Board receives these updates periodically from its engagement with consultants, and updates and notification from the regulators.	
		The Board through the Nomination Committee will organise ESG related courses in the coming financial year to enhance its knowledge on the subject matter and their roles in managing the sustainability impacts.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	The Nomination Committee will organise ESG related courses for the Board members in the coming financial year to enhance their knowledge on the subject matter and their roles in managing the sustainability impacts.	
<b>Timeframe</b>	:	By 30 June 2025	



### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.4

Performance evaluations of the Board and senior management include a review of the performance of the Board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The performance assessment criteria on managing sustainability risks and opportunities have not been defined.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Going forward, the Group will set the sustainability target and timeline, and the Board and management's actions and responsibilities for achieving these targets. Upon completing this, the sustainability performance evaluation criteria will be defined for the Board and senior management appraisal.	
<b>Timeframe</b>	:	By 31 December 2025	

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.5- Step Up**

The Board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

*Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Executive Director, Mr. Lim Chen Thai is appointed by the Board to lead, co-ordinate and manage the sustainability matters of the Group.

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.1

The Nomination Committee should ensure that the composition of the Board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the Board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nomination Committee conducts an annual review of the size, composition, skill mix and performance of the Board, Board Committees and individual Directors.</p> <p>Two (2) Independent Non-Executive Directors, Ms. Lim Ts-Fei and Mr. Lee Wai Kuen have exceeded the nine (9) years term. At the most recent Annual General Meeting ("AGM"), the Company sought shareholders' approval to re-appoint them as Independent Non-Executive Directors through a two-tier voting process. The justifications for retaining them were:</p> <ul style="list-style-type: none"><li>• Their expertise in corporate and legal matters significantly contributed to the effectiveness of the Board and the Committees;</li><li>• Have exercised their due care during their tenure as Independent Non-Executive Directors of the Company, and they have carried out their professional duties in the interest of the Company and the shareholders; and</li><li>• Their long service with the Company enhances their knowledge and understanding of the Group's business operations.</li></ul> <p>A resolution was voted at the AGM held on 15 Dec 2023 and the result was to retain Ms. Lim Ts-Fei and Mr. Lee Wai Kuen as Independent Directors.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.2**

At least half of the Board comprises independent directors. For Large Companies, the Board comprises a majority independent directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>A majority of Independent Non-Executive Directors promote the expression of objective and independent views during Board meetings, ensuring effective oversight.</p> <p>Currently, the Board has nine members and an alternative director. Three of the nine members are executive members, one is a Non Independent Non-Executive Director and the remaining five are Independent Non-Executive Directors, making up the majority of the Board.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the Board as a non-independent director.

If the Board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Applied																																				
<b>Explanation on application of the practice</b>	:	<p>Two (2) Independent Non-Executive Directors, Ms. Lim Ts-Fei and Mr. Lee Wai Kuen have exceeded the term limit of nine (9) years. The Company sought Shareholders' approval at the last Annual General Meeting to re-appoint Ms. Lim Ts-Fei and Mr. Lee Wai Kuen as Independent Non-Executive Directors through a two-tier voting process. The justifications for retaining them are as follows:</p> <ul style="list-style-type: none"> <li>• Their expertise in corporate and legal matters significantly contributed to the effectiveness of the Board and the Committees;</li> <li>• Have exercised their due care during their tenure as Independent Non-Executive Directors of the Company, and they have carried out their professional duties in the interest of the Company and the shareholders; and</li> <li>• Their long service with the Company enhances their knowledge and understanding of the Group's business operations.</li> </ul> <p>A resolution was passed in the last AGM, and the result was that Ms. Lim Ts-Fei and Mr. Lee Wai Kuen were retained as Independent Directors.</p> <table border="1"> <thead> <tr> <th rowspan="2">Resolution No.</th> <th rowspan="2"></th> <th colspan="2">In Favor</th> <th colspan="2">Against</th> </tr> <tr> <th>Number</th> <th>%</th> <th>Number</th> <th>%</th> </tr> </thead> <tbody> <tr> <td rowspan="2">11</td> <td>Tier 1</td> <td>830,526,125</td> <td>100</td> <td>-</td> <td>-</td> </tr> <tr> <td>Tier 2</td> <td>238,400,766</td> <td>98.30</td> <td>4,115,331</td> <td>1.70</td> </tr> <tr> <td rowspan="2">12</td> <td>Tier 1</td> <td>830,526,125</td> <td>100</td> <td>-</td> <td>-</td> </tr> <tr> <td>Tier 2</td> <td>238,340,766</td> <td>98.28</td> <td>4,175,331</td> <td>1.72</td> </tr> </tbody> </table>					Resolution No.		In Favor		Against		Number	%	Number	%	11	Tier 1	830,526,125	100	-	-	Tier 2	238,400,766	98.30	4,115,331	1.70	12	Tier 1	830,526,125	100	-	-	Tier 2	238,340,766	98.28	4,175,331	1.72
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<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.4 - Step Up**

The Board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
<b>Application</b>	: Not Adopted
<b>Explanation on adoption of the practice</b>	: The Board does not have a formal policy that limits the tenure of independent directors to nine (9) years. In accordance with Bursa's Listing Requirements, the Board follows a twelve-year tenure limit for Independent Directors.

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.5

Appointment of Board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the Board effectively. The Board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b> :	Applied																																																																			
<b>Explanation on application of the practice</b> :	<p>The appointments of Board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age and gender. The NC also evaluates the time commitment and participation of both new candidates and existing Directors to ensure they can dedicate sufficient time to serve the Board effectively.</p> <p>The Board consists of experienced entrepreneurs and professionals from various fields, including construction, property development, engineering, audit, finance, accounting, equity market research and legal practice. Below is an analysis of the age distribution and skill sets of the Board members and key senior management:</p> <table border="1"> <thead> <tr> <th rowspan="2">Age Group/ Gender</th> <th colspan="2">≤ 35 years</th> <th colspan="2">36-45 years</th> <th colspan="2">46-55 years</th> <th colspan="2">56-65 years</th> <th colspan="2">&gt;65 years</th> </tr> <tr> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Number of Directors</td> <td>1</td> <td>1</td> <td>1</td> <td>--</td> <td>--</td> <td>--</td> <td>3</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>Number of Key Senior Management</td> <td>--</td> <td>--</td> <td>--</td> <td>1</td> <td>1</td> <td>1</td> <td>3</td> <td>--</td> <td>--</td> <td>--</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Skill</th> <th>Business Management / Others</th> <th>Accounting &amp; Finance Management</th> <th>Engineering</th> <th>Legal</th> </tr> </thead> <tbody> <tr> <td>Number of Directors</td> <td>4</td> <td>2</td> <td>-</td> <td>3</td> </tr> <tr> <td>Number of Key Senior Management</td> <td>3</td> <td>1</td> <td>2</td> <td>-</td> </tr> </tbody> </table> <p>In addition, the Board defined the fit and proper policy and published it on the corporate website. This policy serves as a guideline for the Nomination Committee and the Board to review and assess the candidates to be appointed to the Board as well as Directors seeking election or re-election.</p>										Age Group/ Gender	≤ 35 years		36-45 years		46-55 years		56-65 years		>65 years		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Number of Directors	1	1	1	--	--	--	3	1	1	1	Number of Key Senior Management	--	--	--	1	1	1	3	--	--	--	Skill	Business Management / Others	Accounting & Finance Management	Engineering	Legal	Number of Directors	4	2	-	3	Number of Key Senior Management	3	1	2	-
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<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.6

In identifying candidates for appointment of directors, the Board does not solely rely on recommendations from existing board members, management or major shareholders. The Board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	When identifying suitably qualified candidates for the appointment of Directors, the Board Charter stipulates that the Nomination Committee will consider recommendations from existing Board members, management, major shareholders, and candidates from third-party sources before making recommendations to the Board for further deliberation.  During the financial year, no new Directors were appointed.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.7

The Board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the listed company as a whole. The Board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors' Profile has been disclosed in the annual report and is also available on the Company's corporate website for shareholder's reference. This profile includes details such as age, gender, nationality, designation, memberships in the Board Committees, other directorships in public listed and non-listed public companies, academic and professional qualifications, work experience and family relationship with any Directors and/or major shareholder of the Company. Shareholders could also ascertain the interest, position or relationship of the Directors through the Analysis of Shareholdings, Related Party Disclosures, Directors' Remuneration and attendance of meetings included in the Annual Report, allowing them to evaluate whether the Directors have discharged their duties in the best interest of the Company prior to voting on their appointment and reappointment.</p> <p>Additionally, the Board has provided a statement in the Explanatory Notes accompanying the Notice of the AGM, supporting the reappointment of Independent Non-Executive Directors.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.8**

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Nomination Committee is chaired by Ms. Lim Ts-Fei, an Independent Director.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The Board comprises at least 30% women directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has three (3) female members constituting one third of the nine (9) Board members.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.10**

The Board discloses in its annual report the company's policy on gender diversity for the Board and senior management.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The gender diversity principle is provided in the Board Charter.</p> <p>The Company has disclosed its consideration of gender diversity in Board and senior management selection and appointment in Corporate Governance Overview Statement. The appointment of the Board and senior management positions are based on objective criteria, merit and with due regard for diversity in skills, experience, age and gender.</p> <p>Presently, the Board has three (3) female members constituting one third of the Board Members.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the Board and individual directors.

## Practice 6.1

The Board should undertake a formal and objective annual evaluation to determine the effectiveness of the Board, its committees and each individual director. The Board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the Board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Departure
<b>Explanation on application of the practice</b>	:
<b>Explanation for departure</b>	: <p>The Board had engaged a human resource consulting firm to assess the Board and selected individual directors' performance in the 2020 financial year.</p> <p>During the financial year, the Nomination Committee reviewed the composition and performance of the Board, Board Committees and individual Directors, and the independent status of Independent Directors. The evaluation was conducted through peer assessment.</p> <p>Overall, the Board is satisfied with the performance and effectiveness of the Board, Board Committees and individual directors. The Board also satisfied that its composition comprises individuals with the mix of skills, experiences, competencies and qualifications. Additionally, Individually, all directors met the criteria outlined in the Fit and Proper policy.</p> <p>The Independent Directors also completed independent declaration form, declared and confirmed that they met the independence criteria as set out in Chapter 1 of the MMLR and they are able to exercise independent judgement and act objectively in the Company's best interest.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

<b>Measure</b>	: The Directors are mindful that they should continue to engage an independent expert at least every three years, to facilitate objective and candid board evaluation. However, the Group is focusing on improving the business operations currently. Accordingly, the independent expert engagement will be reprioritised in due course. Despite no engagement of independent expert subsequent to 2020, individual directors, board and board committees performances are continued to be assessed through peer review and overseeing by NC as mentioned above.
<b>Timeframe</b>	: By 31 December 2025



### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the Board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.1

The Board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has defined its remuneration policy in the Board Charter, which is available on the Company's website.</p> <p>According to this policy, all Executive Directors and Senior Management shall be remunerated based on the Group's performance and individual performance, market conditions and their respective responsibilities.</p> <p>Independent Director shall be remunerated in fee commensurate with their experience, the level of responsibility they assume in the Board Committees, and the skills and expertise they contribute to the Board.</p> <p>The determination of Directors' remuneration requires Board approval. The director concerned would abstain from any discussions regarding their own remuneration.</p> <p>Pursuant to Section 230(1) of the Companies Act, 2016, the directors' fees and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the Board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.2

The Board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of Board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Remuneration Committee comprises five (5) five Independent Non-Executive Directors and is currently chaired by Ms. Jasmine Cheong Chi-May. The Committee's terms of reference of the Committee are available on the corporate website.</p> <p>During the financial year, the Remuneration Committee held a meeting to deliberate the remuneration packages for the Executive Board Members and top five (5) senior management.</p> <p>Broadly, the remuneration for Executive Directors and senior management is based on their individual performance as well as the Group's performance. For Non-Executive and Independent Directors, their remuneration shall be determined based on their responsibilities, qualification and experience.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The details of the remuneration for Directors during the financial year 2024 are as follows:

No	Name	Directorate	Company ('000)								Group ('000)							
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Defined contribution plan	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Defined contribution plan	Total
1	Lim Ts-Fei	Independent Director	30	--	--	--	--	--	--	30	30	--	--	--	--	--	--	30
2	Jasmine Cheong Chi-May	Independent Director	30	--	--	--	--	--	--	30	30	--	--	--	--	--	--	30
3	Chin Wai Kit	Independent Director	30	--	--	--	--	--	--	30	30	--	--	--	--	--	--	30
4	Dato' Majid Manjit Bin Abdullah	Independent Director	30	--	--	--	--	--	--	30	60	--	--	--	--	--	--	60
5	Lee Wai Kuen	Independent Director	30	--	--	--	--	--	--	30	30	--	--	--	--	--	--	30
6	Tan Sri Dato' Lim Kang Hoo	Executive Director	30	--	1,800	--	57.9	--	72	1,959.9	60	84	1,800	--	57.9	--	72	2,073.9
7	Tan Sri Datuk Seri Lim Keng Cheng	Non-Executive Non-Independent Director	30	--	400	--	15.1	--	16	461.1	30	84	640	--	15.1	--	25.6	794.7
8	Dato' Lim Hoe	Executive Director	30	--	720	--	22.7	--	24	796.7	30	--	720	--	22.7	--	24	796.7
9	Lim Chen Thai	Executive Director	30	--	360	--	20.5	--	43.2	453.7	30	66	360	--	20.5	--	43.2	519.7
	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here		Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here		Input info here

	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here		Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here		Input info here
	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here		Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here		Input info here

### Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### Practice 8.2

The Board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Applied – the company discloses the remuneration of members senior management who are not members of the Board																																					
<b>Explanation on application of the practice</b>	:	Details of the remuneration of the top 5 senior management (including salary, bonus, benefits in-kind and other emoluments) during the financial year 2024, are as follow:																																					
		<table border="1"> <thead> <tr> <th rowspan="3">Senior Management</th> <th colspan="4">Range of Remuneration (RM)</th> </tr> <tr> <th>200,001 – 250,000</th> <th>250,001 – 300,000</th> <th>300,001 – 350,000</th> <th>350,001 – 400,000</th> </tr> </thead> <tbody> <tr> <td>Jennifer Kuek (Head of Assets Management)</td> <td></td> <td></td> <td></td> <td>√</td> </tr> <tr> <td>Loo Chee Kin (Head of Construction)</td> <td></td> <td></td> <td>√</td> <td></td> </tr> <tr> <td>Loh Pak Chun (General Manager- Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd)</td> <td>√</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Kharul Anuar Abdul Basit (General Manager-Project Management)</td> <td></td> <td>√</td> <td></td> <td></td> </tr> <tr> <td>Clement Lee Soo Wah (Head of Sales- Property/Hotel)</td> <td></td> <td></td> <td>√</td> <td></td> </tr> </tbody> </table>				Senior Management	Range of Remuneration (RM)				200,001 – 250,000	250,001 – 300,000	300,001 – 350,000	350,001 – 400,000	Jennifer Kuek (Head of Assets Management)				√	Loo Chee Kin (Head of Construction)			√		Loh Pak Chun (General Manager- Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd)	√				Kharul Anuar Abdul Basit (General Manager-Project Management)		√			Clement Lee Soo Wah (Head of Sales- Property/Hotel)			√	
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<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																																							
<b>Measure</b>	:																																						
<b>Timeframe</b>	:																																						

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	The disclosure of top 5 senior management remuneration presented in the band of RM50,000 in Practice 8.2 has substantially reflected the remuneration this senior management received.



No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**Intended Outcome**

There is an effective and independent Audit Committee.

The Board is able to objectively review the Audit Committee’s findings and recommendations.  
The company’s financial statement is a reliable source of information.

**Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the Board.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Presently, the Audit and Risk Management Committee (“ARMC”) members comprise fully Independent Non-Executive Directors.  The ARMC is chaired by Mr. Chin Wai Kit, who is not the Chairman of the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The Board is able to objectively review the Audit Committee’s findings and recommendations. The company’s financial statement is a reliable source of information.

**Practice 9.2**

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The ARMC’s Terms of Reference (“TOR”) stipulate that a former key audit partner shall observe a cooling-off period of at least three years before being appointed as a member of the ARMC. Currently, none of the ARMC members are former partners of the Group’s audit firm.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The Board is able to objectively review the Audit Committee’s findings and recommendations. The company’s financial statement is a reliable source of information.

**Practice 9.3**

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The policy for assessing External Auditors is defined in the ARMC’s TOR. As part of its review processes, the ARMC will obtain written confirmation from the External Auditors that they are and have been independent throughout the audit engagement, in accordance with all relevant professional and regulatory requirements.</p> <p>Annually, the ARMC also evaluates the appointment, performance, and remuneration of the External Auditors before recommending their reappointment to shareholders at the Annual General Meeting. In assessing the External Auditors, the ARMC considers the firm's resource adequacy, service quality, the competency of the staff assigned to the audit, as well as the auditors’ independence and fees.</p> <p>The current External Auditors of the Company have been engaged since 1993 and adhere to a seven-year engagement partner rotation policy.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The Board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	As reported in Practice 9.1, the ARMC comprises solely Independent Non-Executive Directors since 26 May 2011.

## Intended Outcome

There is an effective and independent Audit Committee.

The Board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

## Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b> :	Applied														
<b>Explanation on application of the practice</b> :	<p>The Board has established an effective and independent ARMC. The ARMC possesses a wide range of skills to discharge its duties. Most members are financially literate and understand matters under the purview of the ARMC.</p> <p>The training attended by the members of ARMC during the financial year is as follows:</p> <table border="1"> <thead> <tr> <th>Name of Directors</th> <th>Trainings</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Chin Wai Kit</td> <td> <ul style="list-style-type: none"> <li>Conflict of Interest</li> <li>Market Trends for an Unscripted World</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>30 Aug 2023</li> <li>8 Apr 2024</li> </ul> </td> </tr> <tr> <td>Jasmine Cheong Chi-May</td> <td rowspan="4">Market Trends for an Unscripted World</td> <td rowspan="4">8 Apr 2024</td> </tr> <tr> <td>Dato' Majid Manjit Bin Abdullah</td> </tr> <tr> <td>Lim Ts-Fei</td> </tr> <tr> <td>Lee Wai Kuen</td> </tr> </tbody> </table> <p>Based on the annual board committee assessment, the Board is satisfied with the performance of the ARMC and its members in discharging their duties in accordance with its terms of reference.</p>			Name of Directors	Trainings	Date	Chin Wai Kit	<ul style="list-style-type: none"> <li>Conflict of Interest</li> <li>Market Trends for an Unscripted World</li> </ul>	<ul style="list-style-type: none"> <li>30 Aug 2023</li> <li>8 Apr 2024</li> </ul>	Jasmine Cheong Chi-May	Market Trends for an Unscripted World	8 Apr 2024	Dato' Majid Manjit Bin Abdullah	Lim Ts-Fei	Lee Wai Kuen
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<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>															

<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.1

The Board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible for overall oversight of risk management within the Group, which includes the systems of risk management and internal control for financial, operational and compliance. The Executive Directors and senior management team hold primary responsibility for managing these risks.</p> <p>The Statement on Risk Management and Internal Control is on page 68 of the Annual Report. It explains the risk management and internal control systems the Group has implemented to address its material risks during the financial year.</p> <p>The Board has expressed in the Statement that they are satisfied with the effectiveness and adequacy of the current risk management and internal control systems.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.2

The Board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The details of the risk management and internal control features as well as the Board review of the adequacy and effectiveness of these systems are presented in the Statement on Risk Management and Internal Control of the Annual Report.</p> <p>The ARMC assisted the Board in overseeing the Group's risk management and internal control systems. The procedures adopted by the ARMC in its oversight process include:</p> <ul style="list-style-type: none"><li>i. Reviewing the integrity of the interim financial results, Annual Report and audited financial statements in consultation with Management;</li><li>ii. Evaluating the adequacy and effectiveness of the internal control systems based on the audit findings and timeliness of action taken by Management, as reported by the Internal Auditors;</li><li>iii. Discussing business and operational issues with Management during the meetings, as well as the measures implemented to mitigate and manage these challenges;</li><li>iv. Studying the External Audit Memorandum on the annual audit findings and risk and control issues noted by them during their statutory audit; and</li><li>v. Seeking Management's assurance that the Group's risk management and internal control systems are adequate and effective in all material aspects.</li></ul> <p>Detailed explanations of the risk, internal control framework and the Board review of the adequacy and effectiveness of the framework are presented in the Statement on Risk Management and Internal Control of the Annual Report.</p> <p>The Board has also commented in the said statement that they are satisfied with the effectiveness and adequacy of the current level of risk management and internal control systems and to these effects also</p>

	received assurance from the Executive Directors and Chief Financial Officer.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

**Practice 10.3 - Step Up**

The Board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Board has established a combined audit and risk management oversight function under the ARMC. The members of ARMC comprise wholly Independent Non-Executive Directors.

### Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The ARMC is assisted by an Internal Audit function, which is currently managed by IA Essential Sdn Bhd, an internal audit firm.</p> <p>The Internal Auditors conduct their work in accordance with the broad principles of the International Professional Practice Framework set by the Institute of Internal Auditors. This includes audit planning, execution, documentation, communication of findings and consultation with key stakeholders. Besides reviewing the internal control systems, the Internal Auditor also assesses the governance, risk management and anti-corruption practices of the Group.</p> <p>When reviewing the Internal Audit reports, the ARMC considers the significance of the audit findings and assesses whether management has provided their comments appropriately demonstrating their commitment to implementing the audit recommendations.</p> <p>A private session with the Internal Auditors will be held without the presence of management by the ARMC, if needed to allow the Internal Auditors to exchange their views freely with the ARMC.</p> <p>ARMC will assess the performance whenever an internal audit report is presented. In this assessment, the ARMC will evaluate the quality of services and reports provided, the adequacy of the consulting firm's resources, as well as the independence, objectivity, and professional scepticism of the auditors.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

## Practice 11.2

The Board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Internal Audit Function is outsourced to IA Essential Sdn Bhd, an internal audit consulting firm.</p> <p>The internal audit function is headed by a director who is assisted by a manager and audit executives. The Director in charge is Chong Kian Soon. Kian Soon is a member of Chartered Accountants Australia and New Zealand, the Malaysia Institute of Certified Public Accountants and the Institute of Internal Auditors Malaysia, while the team members are accounting graduates.</p> <p>The Internal Auditors perform their work with reference to the principles of the International Professional Practice Framework of the Institute of Internal Auditors, covering the conduct of the audit planning, execution, documentation, communication of findings and consultation with key stakeholders.</p> <p>The ARMC also reviews the internal audit engagement to ensure that the Internal Auditors’ objectivity and independence are not impaired or affected.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.1

The Board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group is committed to maintaining clear and consistent communication with investors, fostering a better understanding of the Company's business and activities, and enabling an accurate assessment of its prospects. The following methods and strategies are employed by the Board to engage with stakeholders:</p> <ul style="list-style-type: none"><li>i. Annual Report, which contains the financial and operational review of the Group's business, corporate information, and financial statements;</li><li>ii. Announcements to the Bursa Securities;</li><li>iii. Company website at <a href="https://ekovest.com.my">https://ekovest.com.my</a>, where shareholders or investors may access information on the Group under the "Investor Relations" link encompassing financial, stock information, announcements to Bursa Securities and various governance policies and Board Committees' terms of references;</li><li>iv. Shareholders interaction during general meetings; and</li><li>v. Meetings with analysts and fund managers, if required to provide insight into the Group.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company has not adopted the integrated reporting. However, the Board assures shareholders that the information presented in the Annual Report adheres to all regulatory and statutory requirements and guidelines.</p> <p>Similar with the previous year, the Company has reported its Sustainability Statement on page 34 of its Annual Report and is mindful of providing meaningful information in the Annual Report to facilitate stakeholders' understanding and appreciation of the Company's financial results, business performance and operations of the Group.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	The Board will continue to enhance the contents of its Annual Report. The Board will also engage with and respond to stakeholders' queries, if any by providing more information and clarification, complementing the information in the Annual Report and Bursa's announcement.
<b>Timeframe</b>	:	This practice will be reviewed based on the on-going feedback, if any received from stakeholders from time to time.

**Intended Outcome**

Shareholders are able to participate, engage the Board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.1**

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>In the last AGM, the company had issued its notice of AGM twenty-eight (28) days before the meeting.</p> <p>The Board will continue to ensure that the Notice of the AGM is sent to shareholders at least 28 days in advance of the general meeting. This notice will include details of the proposed resolutions, along with background information and relevant explanatory notes.</p> <p>The Notice of 37th AGM dated 27 Oct 2023 was issued to the shareholders 28 days prior to the 38th AGM held on 15 Dec 2023.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

Shareholders are able to participate, engage the Board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.2**

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>General meetings empower shareholders to exercise their rights. During these meetings, shareholders have the opportunity to engage in a question-and-answer session, allowing them to raise questions about the proposed resolutions and matters related to the Group's business and affairs.</p> <p>All Board members attended the last AGM and the Chairpersons of the respective Board Committees and Executive Directors had availed themselves to answer shareholders' questions.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Shareholders are able to participate, engage the Board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The last AGM was held on 15 December 2023 via online meeting platform at <a href="https://www.dvote.my">https://www.dvote.my</a> provided by Dvote Services Sdn. Bhd. The platform provider assured the Board of the cyber hygiene measures, privacy protocols and protection of the shareholders' personal data.</p> <p>Shareholders who could not attend the last AGM have appointed proxies to attend and vote on their behalf.</p> <p>Resolutions were approved by way of poll via electronic voting. The results of the poll were validated by Coopers Professional Scrutineers, an Independent Scrutineer appointed by the Company. The outcome of the AGM was announced to Bursa Securities on the same day.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Shareholders are able to participate, engage the Board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.4

The Chairman of the Board should ensure that general meetings support meaningful engagement between the Board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: To encourage shareholders to participate and raise their questions, the Board recognises the importance of allocating sufficient time for Q&A session, responding to each question fully, and providing clarification adequately.  During the Q&A session of the last AGM, there were 46 questions raised by the shareholders and the Board had responded to these questions point-by-point.  For the benefit of shareholders who were unable to attend the AGM, the polling results and a summary of the matters discussed were announced to Bursa Securities and published on the Company's corporate website.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### Intended Outcome

Shareholders are able to participate, engage the Board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.5

The Board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the Board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Company has leveraged information technology to conduct its General Meetings virtually. In addition to ensuring the security of the system to protect data privacy and prevent cyber threats, the virtual meeting host provided the required infrastructure and tools to facilitate the broadcast of the meeting, allowing participants to view questions raised in real-time.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.6**

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: Minutes of the previous Annual and Extraordinary General Meetings were published on the Company's website at <a href="https://ekovest.listedcompany.com/minutes_of_agm.html">https://ekovest.listedcompany.com/minutes_of_agm.html</a> within 30 days after the meeting.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT  
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

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