

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5026
COMPANY NAME : MHC PLANTATIONS BHD.
FINANCIAL YEAR : DECEMBER 31, 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 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.

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board assumes full responsibility for the operations of the Group and plays an active role in the development of the Company's strategy. The Board considers all aspects of the operations of the Group, particularly in the following areas:</p> <ul style="list-style-type: none">• Reviewing and adopting a strategic business plan for the Group.• Overseeing the conduct of the business of the Group.• Identifying and putting in place systems to manage any principal risk.• Succession planning for senior management.• Developing and implementing an investor relations programme or shareholder communications policy.• Reviewing internal control and management information systems.• Approving and monitoring the development of sustainability strategies, policies and performance.• To promote sustainability business practices covering economic, social and environmental aspects. <p>The Management would present to the Board its recommended Strategic Business Plan, Targets and Budget including CAPEX in the month of February, and the Board would review and deliberate on the matter. The Board would then conduct a mid-year review of the Budget as well as the financial performances, whereby the targets set by the Board were compared against the actual performance for the year to date. At the year end, the management's performance would be measured against the targets set.</p> <p>The Board is also committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The Group's Code of Conduct and Anti-Bribery and Corruption Policy guide the Directors, management and employees with regard to policies and ethics standards to be adhered to in the conduct of the daily affairs and business of the Group.</p>

	For more information on the Company's policies and Code of Conduct and Ethics, please refer to the Company's website www.mhc.com.my	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Executive Chairman is responsible for ensuring Board effectiveness and conduct, and managing Board meetings to ensure robust decision-making, including providing leadership for the Board, and ensuring that the Board carries out its responsibilities in the best interest of the Company and all key issues are discussed in a timely manner. The Executive Chairman is also tasked with facilitating active discussion and participation by all Directors and ensuring that sufficient time is allocated to discuss all relevant issues at Board meetings.</p> <p>The Board, led by the Executive Chairman, currently comprises five (5) members who bring with them a wide mix of knowledge, business acumen, industry expertise and financial experience which are invaluable assets required in their thorough examination and deliberations of the various key issues and matters involving the Group.</p> <p>The roles and responsibilities of the Chairman of the Board have been clearly specified in the Board Charter, which is available on the Company's website at www.mhc.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Executive Chairman is Dato' Seri Mah King Seng and the Managing Director is Tan Sri Dr. Mah King Thian, hence the two (2) positions are held by different individuals. The roles of the Executive Chairman and the Managing Director are distinct and segregated with responsibilities clearly drawn out to ensure a balance of power and authority, so that no one individual has unfettered power of decision.</p> <p>The Executive Chairman is responsible for ensuring Board effectiveness and conduct and governance, and managing the Board meetings to ensure robust decision-making, including providing leadership for the Board, and ensuring that the Board carries out its responsibilities in the best interest of the Company and all key issues are discussed in a timely manner.</p> <p>The Executive Chairman is also tasked with facilitating active discussion and participation by all Directors and ensuring that sufficient time is allocated to discuss all relevant issues at Board meetings.</p> <p>The Managing Director on the other hand is primarily responsible for managing the Group's day-to-day operations, implements of policies and decisions and with his expertise and intimate knowledge of the business of the Group, he is able to efficiently practise "hands on" management in his specific areas of responsibilities.</p> <p>The respective roles and responsibilities of the Chairman of the Board and Managing Director have been clearly specified in the Board Charter, which is available on the Company's website at www.mhc.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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>	
Application :	Applied
Explanation on application of the practice :	The Executive Chairman is not a member of the Audit Committee, Nomination Committee or Remuneration Committee. He also did not participate in any of these Board Committees' Meetings by way of invitation or in any other capacity during 2024.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretary of MHC has legal qualifications and is qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016.</p> <p>The Company Secretary plays an important role in the general meetings in ensuring that the due processes and proceedings are in place and properly managed. During the meeting, the Company Secretary assists the Chairman and the Board in the conduct of the meetings and ensure the minutes are properly recorded, particularly questions and issues raised by the shareholders. The Company Secretary also ensure that deliberation at the Board and Board Committee meetings are well captured, minuted and documented. Additionally, the Company Secretary is also involved in all Board deliberations relating to corporate matters/exercises and provides advise to the Board accordingly in line with prescribed regulations and best practices.</p> <p>The Company Secretary is charged with the duty of ensuring proper filing of all requisite documents and obtaining all the necessary information from the Directors, both for the Company's own records and for meeting statutory requirements and regulatory obligations. The Board has unrestricted access to the advice and services of the Company Secretary. The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging its functions. The roles and responsibilities of the Company Secretary have been set forth in the Board Chartered which is available on the Company's website at www.mhc.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>An annual calendar of Board meetings, Board Committees meetings and the AGM is circulated in advance of each new year in order to facilitate the Directors' time planning and provide the Board with ample notice of meeting.</p> <p>Notices of meetings are circulated at least 7 clear days prior to the date of Board and Board Committees meetings except for special meetings convened to discuss urgent matters. Meeting materials are circulated to the Directors at least 5 working days prior to the respective meeting to allow sufficient time for the Directors to review the meeting papers to ensure effective deliberation at the meeting. Minutes are confirmed by Management before circulation to the Board for next meeting i.e. included in next meeting materials.</p> <p>Action items identified during Board and AC meetings are highlighted for follow-up action by Management. Board and Board Committee meetings proceedings are well-documented by the Company Secretaries. The minutes reflects key deliberations and decisions, rationale for each decision as well as any significant concerns, dissenting views or abstentions by Directors from voting and deliberating on specific matters. Meeting minutes are typically approved at the subsequent Board or Board Committee meeting.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has formalised and adopted a Board Charter as a source of reference and induction literature as well as an insight for existing and prospective Board Members to assist the Board in the performance of their fiduciary duties. The Board Charter provides guidance to the Board pertaining to its role, duties and responsibilities and authority.</p> <p>The Board Charter clearly outlines the Board structure, the Board's processes and the respective roles and responsibilities of the Board, Board Committees, Director's, Chairman, Chief Individual Executive Officer and the Management.</p> <p>The Board will review the Board Charter as and when is required and make any amendment as it deems necessary to ensure consistency and kept up to date in compliance with the regulations.</p> <p>The Board Charter was last reviewed and approved by the Board on 26 February 2024 with reference to the revised MCCG issued by the Securities Commission on 28 April 2021, and is available on the Company's website at www.mhc.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has also formalised a set of ethical standards through a code of conduct, which is subject to periodic review, to ensure Director's practise ethical, business like and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.</p> <p>The Board is required to observe compliance with the Anti-Bribery and Corruption Policy ("ABACP"), Codes as well as the Board Charter and high standard of corporate governance at all times. The Board members are required to declare any personal, professional or business interest that may conflict with director's responsibilities.</p> <p>Where any conflict of interests arises, it is a mandatory practice for the Director concerned to declare his interest and abstain from the decision making process.</p> <p>The Code of Conduct and Ethics was last reviewed and approved by the Board on 24 February 2022 and the said Code and ABACP are available on the Company's website at www.mhc.com.my.</p> <p>During the financial year under review, the Board has revised the Related Party Transaction Policy which outlined the procedures and guidelines for identifying, reviewing and approving the related party transactions for onwards transmission to the Audit Committee for review.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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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.

Application	:	Applied	
Explanation on application of the practice	:	<p>Along with good governance practices and in order to enhance transparency and accountability, the Board has established and put in place the whistleblowing policies and procedures which are made available on the Company's website at www.mhc.com.my</p> <p>The whistleblowing policies and procedures were last reviewed and approved by the Board on 17 November 2022.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Applied	
Explanation on application of the practice	:	The Company has in place a Sustainability Policy that adopts the ESG principles. The Board recognises the value of Sustainability and understands its importance in generating and sustaining short and long-term value for the Group and its stakeholders. The sustainability governance structure is set out in the Sustainability Statement in the Annual Report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Applied	
Explanation on application of the practice	:	The Board recognises that the engagement and feedback of its internal and external stakeholders are an integral part of its sustainability strategies and initiatives. The Company remains committed to the environment and our local communities. The stakeholder engagement is set out in the Sustainability Statement in the Annual Report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board reviews material sustainability matters on an annual basis, taking into account internal and external factors as well as feedbacks from our stakeholder engagements, to ensure the identified material sustainability matters remain relevant and emerging issues are captured as material sustainability matters. The assessment of material sustainability matters is set out in the Sustainability Statement in the Annual Report.</p> <p>The Board also keep themselves abreast with and understanding to the sustainability agendas which are relevant to the Company and its business, hence training was provided to all the Directors and Key Senior Management on the “Sustainability Reporting” to ensure the understanding and knowledge of sustainability issues that are relevant to the Company’s business including risks and opportunities.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Although the Group has a board and senior management evaluation process and has identified a sustainability agenda as one of the key matters to support its long-term strategy and success, the Group at the moment does not have a formal performance evaluation on its board and senior management in addressing the company’s material sustainability risks and opportunities.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Not applicable. The Company is not a large company.	
Timeframe	:		

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.

Application	:	Adopted
Explanation on adoption of the practice	:	The Chief Operating Officer (“COO”) is primarily responsible for providing overall direction, leading strategic decision-making and driving execution for all of the Group’s sustainability related matters.

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.

Application	:	Applied
Explanation on application of the practice	:	The Nomination Committee ("NC") reviewed the Board mix and composition, mix of skills, independence, experience, integrity, competence and other qualities of the Board. At the NC meeting held on 21 November 2024, the NC had conducted and carried out an annual assessment of the Board and its individual members, the AC and its members, and the RC and its members, including assessing in the area of board diversity, composition and governance, decision-making and Boardroom activities, skills and contribution of each director. The NC was satisfied with the performance of the retiring Directors and recommended to the Board for consideration and subsequently to the shareholders for approval at the AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board comprises five (5) members, of whom two (2) are Executive Directors, one (1) is a Non-Independent Non-Executive Director and two (2) are Independent Non-Executive Directors.</p> <p>The Company satisfied Paragraph 15.02(1) of the Main Market Listing Requirements (“MMLR”) of Bursa Securities, which requires that at least two or one-third (1/3) of the Board members, whichever is the higher, comprise Independent Non-Executive Directors and with one female director. The Board believes that the present composition of the Board provides an effective Board with a mix of business experience, general management and accounting and finance.</p> <p>The Non-Executive Directors have broad business and commercial experience. The Independent Directors are actively involved in various Board Committees and they provide independent assessment and opinion.</p> <p>An annual assessment of the independence of the Independent Directors would be conducted on annual basis. Based on the evaluation results, the Board was satisfied that each Independent Director has fulfilled the independence criteria set out in the MMLR of Bursa Securities and they will continue to demonstrate their independence through their engagement in all meetings, providing objective challenge to the Management and bringing independent judgement to decisions taken by the Board.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied	
Explanation on application of the practice	:	None of the Independent Directors of the Company has served the Board for exceeding a cumulative term limit of 9 years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

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.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company will maintain a diversified Board and senior management team which would help in the growth of the Group and all Board and Senior Management appointments are made based on merit, diversity in skills, experience, age, background, gender, ethnicity and other factors.</p> <p>The Board appoints Directors and Senior Management based on the company's requirements/regulatory requirements which then are based on objective criteria ensuring a balanced appointment of wide and varied technical, financial and commercial experience.</p> <p>The Nomination Committee will take into consideration factors which enshrined in the Board's Fit and Proper Policy for Directors such as the time commitment of the Board and Board Committee members in discharging their roles and responsibilities through attendance at their respective meetings, their performance and contribution, possession of the attributes, skill, experience, age, capabilities and qualifications considered necessary or desirable for service and demonstration of independence, integrity and impartiality in decision-making.</p> <p>In line with Paragraph 15.06 of MMLR of Bursa Malaysia, none of the members of the Board holds more than five (5) directorships in listed companies.</p> <p>The Board through the Nomination Committee's annual appraisal believes that the current composition of the Board brings the required mix of skills, independence, gender diversity and core competencies required for the Board to discharge its duties effectively.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

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 Nomination Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied
Explanation on application of the practice	:	<p>The current process with regard to the appointment of new Directors to the Board is based on the recommendation of the Nomination Committee (“NC”). The Board relies on the existing network and referrals from existing Directors, Senior Management and major shareholders as primary means to source for new Directors as they represent a tried and tested method of sourcing high-calibre directors with a sound understanding of the business.</p> <p>Apart from Board’s recommendation, the Company would consider engaging recruitment companies or head hunters to help source and identify candidates for appointments to the board.</p> <p>The Directors appointment process is carried out based on methodical and robust process undertaken by the NC. Candidates recommended are thoroughly assessed based on their competence, integrity, character, time commitment and experience as stated in Paragraph 2.20A of Bursa Securities’ Main Market Listing Requirements. The Board will consider external and independent sources if applicable.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>Through the Board's evaluation, the NC has assessed the Directors' eligibility for re-election by considering their competencies, commitment, contribution, and their ability to act in the best interest of the Company. The Board had on 21 November 2024 endorsed the recommendation of the NC for Tan Sri Dr. Mah King Thian and Puan Wan Salmah Binti Wan Abdullah to be considered for re-election pursuant to the Company's Constitution at its forthcoming Annual General Meeting.</p> <p>The shareholders are able to access the details of Directors' Profiles as set out in the Annual Report including any interest, position or relationship.</p> <p>A supporting statement is also provided by the Board on the appointment and reappointment of Directors by the Nomination Committee are set out in the Annual Report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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 Nomination Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee is chaired by Dato' TPr. Suki Mee, who is an Independent Non-Executive Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Departure	
Explanation on application of the practice	÷		
Explanation for departure	:	The Company does not have a policy on gender diversity but the Board however endeavours to have at least one woman Director participating on the Board at all times. Currently, the Board has one female Director, Puan Wan Salmah Binti Wan Abdullah, representing 20% of the total Board Members.	
		The Board takes cognizance of the importance of gender diversity as laid in the best practice of the MCCG 2021. The Board shall increase women's board representation as and when there is a vacancy as well as when suitable and qualified candidates are identified.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company does not have a policy on gender diversity but the Board however endeavours to have at least one woman Director participating on the Board at all times. The Board also endeavours to have diversity in its workforce in terms of experience, qualification, ethnicity and age.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Not applicable. The Company is not a large company	
Timeframe	:		

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>	
Application	: Applied
Explanation on application of the practice	: At the Nomination Committee meeting held on 21 November 2024, the Nomination Committee had conducted and carried out an annual assessment of the Board and its individual members, the Audit Committee and its members, the Nomination Committee and the Remuneration Committee, assessing the area of board diversity, composition and governance, decision-making and Boardroom activities, and skills and contribution of each Director. The Nomination Committee is satisfied with the current board size and the effectiveness of the Board/Board Committees and thus, no recommendation on the change of composition of the Board is made. The assessment and evaluation were properly documented.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established and put in place the remuneration policy and procedures which are made available on the Company's website at www.mhc.com.my</p> <p>The remuneration of Non-Executive Directors is determined by the Board as a whole. The remuneration package for Executive Directors has been structured to link rewards to corporate and individual performance while Non-Executive Directors' remuneration reflects the experience and level of responsibilities undertaken by individual Non-Executive Directors.</p> <p>Directors' fees and benefits payable to the Directors of the Company are subject to the shareholders' approval at the Company's Annual General Meeting.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Remuneration Committee comprises a majority of Non-Executive Directors. The objectives of Remuneration Committee are as follows:-</p> <ul style="list-style-type: none">• Reviewing and recommending to the Board a formal and transparent policy on the remuneration of the Executive Directors, fixing the remuneration packages of individual Directors and approving employee compensation and benefits.• Setting up a policy framework for all elements of remuneration such as reward structure, fringe benefits and other terms of employment of the Executive Directors. <p>The Terms of Reference of Remuneration Committee can be found on the Company's website at www.mhc.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	The details of the remuneration of Directors of the Company comprising remuneration received/receivable from the Company and subsidiary companies during the FY2024 are disclosed as per attached.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Seri Mah King Seng	Executive Director	-	-	-	-	-	-	-	-	70	1,126	749	-	225	2,170
2	Tan Sri Dr. Mah King Thian	Executive Director	-	-	240	220	-	55	515	30	70	1,126	749	13	225	2,213
3	Puan Wan Salmah Binti Wan Abdullah	Non-Independent Non-Executive Director	-	52	-	-	-	-	52	-	52	-	-	-	-	52
4	Mr. Heng Beng Fatt	Independent Non-Executive Director	-	53	-	-	-	-	53	-	53	-	-	-	-	53
5	Dato' TPr. Suki Mee	Independent Non-Executive Director	-	53	-	-	-	-	53	-	53	-	-	-	-	53
6	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
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
8	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
9	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
10	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
11	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
12	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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company does not comply with the recommendations to disclose the detailed remuneration of the top five Senior Management (ie. the top five highest paid executives) in bands of RM50,000 on a named basis by virtue of the sensitivity associated with the disclosure of such information.</p> <p>The Company notes that the disclosure of details in excess of the above may be detrimental to its business interests, given the competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the Company's business activities, where poaching has become common place.</p> <p>The Company further believes that the interest of the shareholders will not be prejudiced as a result of such non-disclosure of the identity and remuneration of the Company's top five (5) senior management personnel who are not Directors.</p> <p>The Board ensures that the remuneration of Senior Management is commensurate with the performance of the Company, with due consideration to attracting, retaining and motivating Senior Management to lead and run the Company successfully. Additionally, the Company has disclosed the total key management personnel compensation in a Note to the Audited Financial Statements for the financial year 2024.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Not applicable. The Company is not a large company
Timeframe	:	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

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.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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.

Application	:	Applied	
Explanation on application of the practice	:	The Chairmanship of the Audit Committee and Board are held by different individuals. The Chairman of the Audit Committee is Mr. Heng Beng Fatt and the Chairman of the Board is Dato' Seri Mah King Seng.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The 'Restriction in Appointment of External Audit Partner' policy is stated in the Terms of Reference of the Audit Committee and made available on the Company's website at www.mhc.com.my</p> <p>The Board has not appointed any former key audit partner as a member of the Audit Committee.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee had deliberated the outcome of the Evaluation of the External Auditor (EA) including the assessment of the Engagement Team's qualifications, credentials and experience, particularly in the financial service sector, the firm's competitive advantage with global network resources, their audit work approach, and their ability to provide value-added service as well as to perform the work within MHC's timeline.</p> <p>The EA had also confirmed their independence throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application :	Not Adopted
Explanation on adoption of the practice :	

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.

Application	:	Applied	
Explanation on application of the practice	:	<p>All members of the Audit Committee are credible professionals of caliber, who play key supporting roles by contributing their knowledge, guidance and experience towards making independent judgement on issues of strategies, performance, resources and standards of conduct.</p> <p>Majority of the members of the Audit Committee have the necessary financial and commercial expertise required to meet their responsibilities and provide an effective level of challenge to management.</p> <p>All the Audit Committee members receive ongoing training and development as detailed in the "Continuous Training of Directors" section of the CG Overview Statement in the Annual Report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has put in place a risk management framework and ongoing process to assess the various types of risks, which might have an impact on the profitable operation of the Group's business.</p> <p>The Board has established a formal Group Risk Management Committee that comprises the Managing Director and senior management. The Group Risk Management Committee is entrusted with the responsibilities of identifying and evaluating various critical risks that are considered likely to affect the profitable operation of the business units in the Group.</p> <p>The key features of the risk management framework are set out in the Statement on Risk Management and Internal Control in the Annual Report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied	
Explanation on application of the practice	:	The key features of the risk management framework are set out in the Statement on Risk Management and Internal Control in the Annual Report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application :	Not Adopted
Explanation on adoption of the practice :	

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.

Application	:	Applied	
Explanation on application of the practice	:	In accordance with the Code and the Listing Requirements of Bursa Securities, the Board has established an internal audit function which reports directly to the Audit Committee. The function is currently outsourced to an independent professional firm, namely KPMG Management & Risk Consulting Sdn Bhd. The Audit Committee had also undertaken an annual assessment of the quality of the internal auditor based on an assessment questionnaire, and no material issue and major deficiency had been noted which pose a high risk to the overall system of internal control under review.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Applied
Explanation on application of the practice	:	The Group outsourced its internal audit function. The Internal Audit Function adopts a risk-based approach with focus on effective risk management practices. The role of the internal audit function, which reports directly to the Audit Committee, is to support the Audit Committee by providing it with independent and objective reports on the adequacy and effectiveness of the system of internal control and the extent of compliance with the procedures and by recommending ways to rectify shortfall and improve the existing control environment in relation to the Group’s operations. It submits its findings and recommendations to the Audit Committee and senior management of the Group. As the internal audit function is outsourced, it is not practical to disclose the number of resources in the said department, names and qualifications of the person responsible for the internal audit. However, the Audit Committee undertook the annual assessment of the quality of the internal auditor based on an assessment of questionnaire, and no material issue and major deficiency had been noted which pose a high risk to overall system of internal control under review.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of timely dissemination of information to its shareholders to keep them well informed of all major developments of the Group. Disclosures in the Annual Report, announcements and releases of the quarterly financial results provide the shareholders and the investing public with a periodic overview of the Group's performance and operations.</p> <p>The Company uses the Annual General Meeting ("AGM") as a forum for dialogue and interaction with all its shareholders. Shareholders are encouraged to attend and participate in the AGM. They will be given the opportunity to seek clarification on any matters pertaining to the Company's affairs and performance, as the Directors and the representatives of the external Auditors will be present to answer any questions that they may have.</p> <p>The Company maintains a corporate website at www.mhc.com.my which provides the relevant information to its stakeholders.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Applied	
Explanation on application of the practice	:	The Company dispatched the Notice of its AGM to shareholders at least 28 days before the AGM, which is well in advance of the 21 days requirement stipulated in the Companies Act 2016 and Main Market Listing Requirements.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Other than Puan Wan Salmah Binti Wan Abdullah , all Directors and the Chairman of the Audit, Nomination, Remuneration and Risk Management Committees attended the Annual General Meeting held on 24 May 2024 were available to engage with the shareholders and to answer questions raised by them.	
		The Board acknowledges the importance of ensuring shareholders have the opportunity to engage with all directors at general meetings. Moving forward, the Board will enhance measures to ensure full attendance at future meetings.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>As the Company does not have large number of shareholders and has less than 100 shareholders who attend its AGM, hence, the Board views that the current practice is sufficient.</p> <p>The Company has adopted poll voting, in accordance with Paragraph 8.29A of the Bursa Securities Main Market Listing Requirements, at its 64th AGM held on 24 May 2024 for all resolutions proposed. Shareholders who are unable to attend the AGM are allowed to vote via proxy.</p> <p>The 64th AGM was held at the Company's office. This venue was easily accessible and familiar to most shareholders of the Company since several past AGMs were held at the same venue.</p> <p>Taking into account the intended outcome of this practice, the Board will continue to monitor developments in the market with respect to new technologies to facilitate the conduct of meeting remotely and may consider implementing the same in the future if there is a strong case for change and is in compliance with legal requirements.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Not applicable. The Company is not a large company
Timeframe	:	

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>	
Application :	Applied
Explanation on application of the practice :	The Company had conducted the physical 64th Annual General Meeting held on 24 May 2024 to have the interaction and opportunity to their shareholders to pose the relevant questions in relation to the Company's financial and non-financial performance as well as the Company's long-term strategies.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

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>	
Application :	Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice :	
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

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>	
Application	: Applied
Explanation on application of the practice	: The Minutes of the 64th AGM was published on the Company's website within 30 business days after the AGM.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**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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