

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 1481  
**COMPANY NAME** : Advance Synergy Berhad  
**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is committed to ensure that it provides leadership to the business as a whole, having regards to the interests and views of its shareholders and other stakeholders. It is also responsible for setting the Group's strategy, value and standards. The Board has a formal schedule of matters reserved for its decision as listed in Schedule 6 of the Board Charter which is available on the Company's website at <a href="http://www.asb.com.my">www.asb.com.my</a> within a dedicated Corporate Governance section.</p> <p>The Board delegates specific powers to the Board Committees and delegates the Company's governance and management function to Management through the Group Executive Deputy Chair and Group Managing Director. Day-to-day operations of the Group is delegated to management of the respective subsidiaries through the Group Executive Deputy Chair and Group Managing Director.</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

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>	:	The Group Chair provides effective leadership to the Board and the Group and ensures that the Board functions effectively, and is entrusted with the task of instilling good corporate governance practices.  The roles and responsibilities of the Group Chair are provided under the Board Charter.	
<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>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The position of Group Chair, Group Executive Deputy Chair and the Group Managing Director are held by different individuals.</p> <p>There’s clear division of the roles and responsibilities of the Group Chair, Group Executive Deputy Chair and Group Managing Director and there is a balance of power and authority.</p> <p>Their respective roles and responsibilities are set out in the Board Charter.</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

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 Chair of the Board is not a member of the Audit Committee ("AC"), Nomination and Remuneration Committee ("NRC").  The Chair of the Board has not participated in any of the committee meetings.
<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 a qualified company secretary who is an Associate Member of The Malaysian Institute of Chartered Secretaries and Administrators. She is a qualified Chartered Secretary and a Chartered Governance Professional.</p> <p>The roles and functions of the Company Secretary are set out in the Board Charter.</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

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>The agenda of the meeting and Board papers are collated and circulated to Directors by the Company Secretary prior to the meeting (if possible, at least 5 business days in advance).</p> <p>During Board and Board Committees meetings, management may provide further details on each issue raised for discussion or supplementary information.</p> <p>Upon conclusion of each meeting, the minutes are prepared and circulated to Directors for review/comments by the Company Secretary in a timely manner. Thereafter, the minutes are signed by the Chair of the Meeting.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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 Charter sets out, among others, the respective roles and responsibilities of the Board, Board Committees, directors and management as well as the relationship with the management.</p> <p>The Board will review the Board Charter periodically and make any necessary or desirable amendments to ensure they remain consistent with the Board’s objectives, current laws and best practices.</p> <p>The Board Charter was last updated on 27 May 2024.</p> <p>In addition, there is a schedule of matters reserved specifically for the Board’s decision as listed in Schedule 6 of the Board Charter.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group continues to recognise the importance of compliance with laws, rules and regulations and guidelines particularly in corporate governance and corporate liability and sets a high expectation on its personnel to conduct themselves with high standard of honesty, integrity and accountability at all times in the performance of their duties and ensure that all activities or services are conducted in compliance with the applicable laws, rules, regulations and guidelines.</p> <p>Our staff had attended training related to regulatory requirements such as – the “Contemporary Issues In Anti Money Laundering and Anti Terrorism Financing” and “Code of Conduct/Anti Bribery and Anti Corruption”. These training are meant to reemphasise our internal policies and procedures set out in the Group Anti-Bribery and Anti-Corruption Policy.</p> <p>The Company also adopted the Group Anti-Bribery and Anti-Corruption Policy as well as the Group Conflict of Interest Policy and Procedures pursuant to the guidelines issued by the Securities Commission Malaysia. The Group Anti-Bribery and Anti-Corruption Policy further enforces the Advance Synergy Berhad (“ASB”) Group’s Code of Ethics &amp; Conduct to ensure that employees understand their responsibilities in compliance with the ASB Group’s zero tolerance for bribery and corruption within the organisation. It helps them recognise and deal with corrupt gratification, as well as understand their responsibilities.</p> <p>A summary of the Code of Ethics and Conduct is set out in the Board Charter.</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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group closely monitors the ASB Group Whistleblowing Policy and Procedures which provide the necessary avenues and reporting channels for internal staff and external parties to raise concerns about possible improprieties, fraudulent acts or any irregularities. A summary of the incident report was tabled at every quarterly review meeting of the Risk Management and Sustainability Committee (“RMSC”). During the year under review, there was no such incident report.</p> <p>The ASB Group Whistleblowing Policy and Procedures are made available at the Company’s website: <a href="http://www.asb.com.my">www.asb.com.my</a> under the ‘Corporate Governance’ section.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group's Board together with Management take responsibility for the effective governance and management of sustainability initiatives and practices of the Group which may include setting the Group's sustainability strategies, priorities and targets. In connection therewith, they are committed to establish and maintain an effective Sustainability Management System which is supported by underlying internal controls, risk management practices, clear accountability and reporting process.</p> <p>The Board takes into account sustainability considerations, the Economic, Environmental and Social ("EES") risks as well as opportunities and threats to the sustainability of the Group's activities, structure and operations arising from such EES risks when exercising its duties including among others, the development and implementation of the Group's strategies, business plans, performance measurements, major plans of action, risk management and decision making process.</p> <p>The management identifies the type of relevant EES issues caused by its day-to-day operations. Management then determines the materiality of the EES issues based on the level of significance of impact and influence on stakeholder values, and the achievement of the Group's strategic objectives. The Board supports and approves the identification and assessment parameters of material EES issues.</p> <p>In 2022, the Group undertook the process, supported by an independent consultant and involved conducting workshops and consultations with senior management, to shortlist and categorise thirteen (13) material sustainability matters into the three (3) pillars of our sustainability performance management framework as set out in Exhibit 4 on page 30 of the Annual Report 2024.</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 4.2**

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 Board would strive to ensure that the Group's sustainability strategies, priorities and targets as well as performance against such targets are communicated to its internal and external stakeholders.	
<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>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board takes appropriate action such as attending training to ensure they stay abreast with and understand the sustainability issues relevant to the Group and its business which may include topics relating to climate-related risks and opportunities.</p> <p>The NRC also reviews the training attended by the directors.</p> <p>The training attended by the directors, senior management and/or employees of the Group are disclosed on pages 45 to 46 and pages 105 to 108 of the Annual Report 2024.</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 4.4

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 Board recognises the importance of sustainability in all its business operations and had included in the Board or individual director evaluation form, assessment of Board's or individual director's understanding in EES or sustainability issues that are critical to the company's performance.	
		Although EES or sustainability related performance currently does not directly form part of the performance evaluation of the senior management, the Group's Board together with Management take responsibility for the effective governance and management of sustainability initiatives and practices of the Group and are committed to establish and maintain an effective Sustainability Management System which is supported by underlying internal controls, risk management practices, clear accountability and reporting process.	
		Annual review of the performance of the Board and/or senior management may include aspects relating to their performance in addressing the Group's material sustainability risks and opportunities moving forward.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	



### 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>	:	<p>As part of our commitment towards sustainability, we have established a clear governance structure to ensure compliance and performance of the Group's sustainability.</p> <p>The Board is holding ultimate responsibility for the sustainability management of ASB Group. The sustainability matters of ASB Group had been placed under the purview of the RMSC.</p> <p>Group Risk Management and Sustainability Unit ("GRMSU") assists the RMSC to oversee the Enterprise Risk Management and Sustainability process and to maintain sound Enterprise Risk Management and Sustainability policies for the Group. GRMSU supports and provides necessary input while continuously evaluating and enhancing the effectiveness of the Group's risk management and sustainability efforts to align with the overall goals/objectives of the Group. GRMSU is supported by 6 members, consisting of a Group Chief Risk Officer and 5 Group Risk Officers who oversee the process and procedures in integrating and aligning the responsibilities of enterprise risk management with sustainability efforts in enhancing effectiveness of the Enterprise Risk and Sustainability Management System. The Risk Management and Sustainability Unit is established at the business unit level to ensure that their day-to-day business activities are carried out within the established risk policies, procedures and limits as well as the established sustainability policies and/or framework, priorities and targets.</p>

### 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 NRC will assess annually, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual director.</p> <p>During the financial year ended 31 December 2024, the NRC assessed the effectiveness of the Board, Board Committees, and individual directors including the directors standing for election and re-election and recommended to the Board for approval of the retiring directors to be re-elected as they met the criteria of character, experience, integrity, competency and time commitment that will enable them to discharge their respective role as director of the Company effectively.</p> <p>Please refer to pages 104 to 108 of our Annual Report 2024 on the summary of activities of the NRC for the financial year ended 31 December 2024.</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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>For the financial year ended 31 December 2024, the Board of Directors is made up of nine (9) members where three (3) members are Independent Non-Executive Directors representing 1/3 of the Board. Nonetheless, the composition of the Board meets the Main Market Listing Requirements of Bursa Malaysia Securities Berhad where at least two (2) Directors or one-third (1/3) of the total Board members, whichever is higher, are independent. All the directors are Malaysian.</p> <p>The current Directors bring a wide range of business and financial experience, skills and knowledge necessary for the effective stewardship of the Group. Profiles of the Directors are set out on pages 70 to 79 of the Annual Report 2024.</p> <p>The presence of three (3) Independent Non-Executive Directors making up at least one-third (1/3) of the total number of Directors fulfils a pivotal role in ensuring that there is balance of power and authority. Although all the Directors have an equal responsibility for the Group's operations, the role of these Independent Non-Executive Directors is particularly important in ensuring that the strategies proposed by the executive management are fully deliberated upon, and takes into account the long term interests of the shareholders, employees, customers, suppliers and the communities in which the Group conducts its business. Together, their representations on the Board fairly reflect the investment of the minority shareholders of the Company and in addition carry sufficient weight for decision making.</p> <p>Each of the Independent Non-Executive Directors is considered independent of management and free of any relationship that could materially interfere with the exercise of their independent judgement.</p> <p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</p>
<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>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

### 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>The Board, through the NRC, evaluates the independence of its independent directors annually in accordance with the criteria as prescribed by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Independent Directors are required to affirm their commitment to bring independent and objective judgement upon their appointments and annually thereafter.</p> <p>During the financial year ended 31 December 2024, the Board, through the NRC, conducted such assessment on all the Independent Directors and each Independent Director has confirmed his/her independence to the NRC. Based on the said assessment, the Board is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interest of the Company during deliberation at meetings of the Board and Board Committees.</p> <p>As at 31 December 2024, none of the Independent Directors of the Company has served beyond 9 years.</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 5.4 - 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>	:

### 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 Board recognises diversity in the boardroom as a critical element for efficient functioning of the Board and good governance practices. The Board also believes that diversity leads to the consideration of all facets of an issue and, consequently, better decisions and performance. Hence, the appointment of Board members and senior management not only takes into consideration the objective criteria and merit but also gives due regard for diversity in skills, experience, age, cultural background and gender.</p> <p>Profiles of the Directors and Senior Management are set out on pages 70 to 79 and pages 81 to 89 respectively of the Annual Report 2024.</p> <p>The Company recognises that its Directors may be invited to become directors of other companies and the Directors are therefore at liberty to accept other Board appointments so long as such appointments are not in conflict with the business of the Group and do not adversely affect the Directors' performance as a member of the Board.</p> <p>The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities and this is demonstrated by the attendance record of the Directors at the meetings of the Board and Board Committees for the financial year ended 31 December 2024 as set out on page 94 of the Annual Report 2024.</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 5.6

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>	:	The NRC is responsible for making recommendations on any nomination to the Board and to Committees of the Board. The NRC considers candidates for directorship proposed by existing Board members, management or major shareholders, and when appropriate, utilises independent sources to identify suitable candidates. This procedure involves identification of candidates for directorship, evaluation of suitability of candidates, deliberation by the NRC and recommendation to the Board.  The NRC may use a variety of approaches and sources to identify suitable candidates. This may include sourcing from a directors' registry and open advertisements or the use of the services of independent professional recruitment firms to source for the right candidate for directorship or seek independent professional advice at the Company's expense.	
<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>	:	Explanatory notes under the Notice of the Annual General Meeting ("AGM") on page 276 of this Annual Report 2024 provided the relevant information of the Directors standing for re-election and election including the Board's statement on its recommendation to support the re-election of Directors.	
<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>	:	<p>Before 16 December 2024, the NRC was chaired by Datuk Hardev Kaur a/p Hazar Singh ("Datuk Hardev"), an Independent Non-Executive Director.</p> <p>Ms Karen Khoo Kah Mei was appointed as an Independent Non-Executive Director and the Chair of the NRC on 16 December 2024 in place of Datuk Hardev who resigned from the Board and her position as the Chair of the NRC 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**

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	:	Applied	
Explanation on application of the practice	:	The Company has five (5) women directors representing 55.6% of the Board of nine (9) members as at 31 December 2024.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has included gender balance as one of the main criteria for appointment of new directors to promote the representation of women in the composition 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

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>	: Applied
<b>Explanation on application of the practice</b>	<p>The NRC will assess annually, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual director. The evaluation was conducted using the following forms/checklists:</p> <ol style="list-style-type: none"><li>1. Board of Directors Competency Matrix, and Fit and Proper to determine the knowledge, skills, experience and other qualities of the current Board of Directors;</li><li>2. Self-Evaluation Form of Board and Board Committees Effectiveness/Performance to assess the performance of the Board of Directors and Board Committees;</li><li>3. Summary of the Outcome on Self-Evaluation of Board and Board Committees Effectiveness/Performance; and</li><li>4. Individual Director Assessment Checklist.</li></ol> <p>The results of the evaluation show that the current Board has a good mix of age, gender, character, qualifications, skills, knowledge, experience and core competencies as well as good integrity and time commitment which enable the Board and Board Committees to function effectively and efficiently. The individual directors have also discharged their duties effectively.</p>
<b>Explanation for departure</b>	:

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

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

### 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 NRC is responsible for setting the remuneration policy framework for directors and senior management and ensures that the Directors and senior management are fairly remunerated or rewarded for the contributions or individual roles and level of responsibilities. The NRC believes strongly that total remuneration should take into account the competition for talent in an industry where successful people are rewarded and mobile. The Group compensates employees through both fixed and variable compensation.</p> <p>Additionally, the NRC is responsible for determining the overall remuneration policy framework applied to the Group, including the quantum of variable remuneration and the method of delivery.</p> <p>The Remuneration Policy is set out in the NRC Report on pages 103 and 104 of the Annual Report 2024.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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	:	The terms of reference (“TOR”) of the NRC are set out under Schedule 1, Item B of the Board Charter.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The remuneration breakdown of individual directors which includes fees, allowance, salary, bonus, benefits in-kind and other emoluments for the financial year ended 31 December 2024 are set out on pages 108 to 110 of the Annual Report.

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	Anton Syazi Dato' Ahmad Sebi	Executive Director	0	96.000	564.000	66.750	0	87.210	813.960	0	138.000	564.000	66.750	0	92.670	861.420
2	Lee Su Nie	Executive Director	0	96.000	660.000	78.750	52.200	120.170	1,007.120	0	96.000	660.000	78.750	52.200	120.170	1,007.120
3	Yong Teck Ming	Non-Executive Non-Independent Director	75.000	0	0	0	0	0	75.000	75.000	0	0	0	0	0	75.000
4	Aryati Sasya Dato' Ahmad Sebi	Non-Executive Non-Independent Director	30.000	0	0	0	0	0	30.000	30.000	0	60.000	0	0	7.800	97.800
5	Chew Lee Fong	Non-Executive Non-Independent Director	30.000	0	300.000	33.750	25.000	40.050	428.800	30.000	0	300.000	33.750	25.000	40.050	428.800
6	Dr Rali Mohd Nor	Independent Director	8.000	0	0	0	0	0	8.000	8.000	0	0	0	0	0	8.000
7	Chim Wai Khuan	Independent Director	42.000	0	0	0	0	0	42.000	42.000	0	0	0	0	0	42.000
8	Datuk Hardew Kaur a/p Hazar Singh	Independent Director	42.582	0	0	0	0	0	42.582	42.582	0	0	0	0	36.000	78.582
9	Loo Pak Soon	Independent Director	33.844	0	0	0	0	0	33.844	33.844	0	0	0	0	0	33.844
10	Cheah Ping Huey	Non-Executive Non-Independent Director	13.607	0	0	0	0	0	13.607	13.607	0	469.560	160.650	0	91.230	735.047
11	Karen Khoo Kah Mei	Independent Director	1.880	0	0	0	0	0	1.880	1.880	0	0	0	0	36.000	37.880
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

13	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
14	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
15	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>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	In view of the competitive nature of the human resource market, the remuneration of the top five (5) senior management which includes salary, bonus, benefits in-kind and other emoluments for the financial year ended 31 December 2024 was not disclosed on a named basis and the remuneration was disclosed in bands of RM50,000 on page 110 of the Annual Report.	
		-	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

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.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

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>	:	The Chair of the AC is not the Chair of the Board. The Chair of the AC is an Independent Non-Executive Director of the Company.	
<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>	:	A former partner of the external audit firm of the Company and/or the affiliate firm (including those providing advisory services, tax consulting etc.) shall not be appointed as a member of the AC unless there is a cooling-off period of at least three (3) years before the appointment.	
<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 AC reports to the Board on its review and/or recommendation, evaluation, assessment and monitoring on the suitability, objectivity and independence, nomination, appointment, replacement or re-appointment of the external auditors as well as matters pertaining to resignation or dismissal/removal or change of the external auditors. Annually, the external auditor declares to the AC its independence throughout its audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>The AC also reports to the Board on its reviews of the terms, areas of responsibility and scope of the audit as set out in the external auditor's engagement letter; the overall work plan for the forthcoming year, together with the associated fee proposal and cost effectiveness of the audit; the external auditor's independence; any major issues which arise during the course of the audit and their resolution; significant accounting and audit judgements; the recommendations made to management by the auditor and management's response; and the external auditor's overall performance.</p> <p>The duties and functions of the AC are set out in its TOR under Schedule 1 of the Board Charter which is accessible via the Company's website at <a href="http://www.asb.com.my">www.asb.com.my</a> by referring to the 'Corporate Governance' section.</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 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>	:	For the financial year ended 31 December 2024, the AC comprises a Chair, and two (2) members, all of whom are independent non-executive directors.

## 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>Each member of the AC brings an appropriate balance of senior level financial and commercial experience combined with a good understanding of the Group’s business and is therefore considered by the Board to be competent. Members of the AC also undertake ongoing training as required.</p> <p>The AC Chair has vast experience in the areas of accounting, audit, tax and corporate secretarial as well as consultancy matters.</p> <p>The profiles of the AC members are provided in the Annual Report 2024 on pages 75, 76 and 79.</p> <p>The training programmes that the AC members have attended during the financial year ended 31 December 2024 are disclosed in the Annual Report 2024 under NRC 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>	:		

### 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>	:	The Group has in place an effective risk management and internal control framework to identify and assess the risks faced by the Group.  This risk management framework includes risk assessment, response, communication and governance as key components to provide a comprehensive and proactive approach in managing risks. The internal control system focuses on key financial reporting, operational and compliance controls. The system encompasses the policies, processes and activities that contribute to the reliability of financial reporting, the effectiveness and efficiency of operations and compliance with laws and regulations.	
<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>	:	The Board acknowledges its overall responsibility for maintaining a sound risk management and sustainability framework and internal control system to safeguard shareholders' investments and the Company's assets. The Board through the RMSC and AC will review the adequacy, integrity and effectiveness of the Group's risk management and sustainability framework and internal control system periodically. The RMSC and AC reports can be found on pages 56 to 68 and pages 97 to 100 respectively of the Annual Report 2024.  Further information relating to the process for identifying, evaluating, monitoring and managing risks are set out under the Group Enterprise Risk Management and Sustainability Framework in Schedule 2 of the Board Charter.	
<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>	:	<p>The RMSC comprises three (3) Non-Executive Directors with a majority of independent directors.</p> <p>The TOR of the RMSC are set out in under Schedule 1, item D of the Board Charter.</p>

## 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 internal audit function operates independently and reports to the AC. Each year, improvements are implemented to the internal audit reviews including its objectives, scope and procedures to enhance effectiveness.</p> <p>The internal audit adopts a risk-based approach in developing its audit plan based on the Group's key risks profile. Internal audit plan and the scope of the internal audit are presented and approved by the AC on a yearly basis. The Group's internal audit function is performed by the Internal Auditors (outsourced) who are independent of the activities audited by them.</p> <p>The principal role of the internal audit function is to review the Group's operations, evaluating their efficiency, effectiveness and compliance with corporate policies, procedures, laws and regulations.</p> <p>All internal audit reports are presented to the AC.</p> <p>Details of the internal audit function are disclosed under the Risk Management and Sustainability Statement and AC report on pages 66 &amp; 67 and 100 respectively of the Annual Report 2024.</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 Group's internal audit function is performed by the Internal Auditors (outsourced) who are independent of the activities audited by them. The Internal Auditors have confirmed that they are free from any relationship with any director and/or major shareholder of the Group or conflicts of interest with the Group. The Internal Audit team consists of 3 personnel as follows:</p> <ol style="list-style-type: none"><li>1. Ms Lui Wat Yen [Qualification – The Association of Chartered Certified Accountants (“ACCA”)]</li><li>2. Ms Lau Sin Yee [Qualification - ACCA and Certified Internal Auditor]</li><li>3. Mr Tan Boon Seng [Qualification – Master of Business Administration (Finance)]</li></ol> <p>The performance of the internal audit work is guided by, in all material respect, the International Professional Practices Framework issued by the Institute of Internal 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

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>For corporate reporting to our shareholders and stakeholders, our Board ensures that information is complete and accurate and is disseminated in a timely manner. The Company has established a dedicated section for investor on its website. This section provides information relating to corporate governance, annual reports, announcements to Bursa Securities and Board Charter. Contact details are provided on the Company's website to address queries from its shareholders and stakeholders.</p> <p>The Board acknowledges the importance of establishing a direct line of communication with shareholders and investors through timely dissemination of information on the Group's performance and operations via distribution of annual reports and relevant circulars, and release of quarterly financial results, press releases and announcements.</p> <p>The AGM is the principal forum for dialogue with shareholders. There is an open 'question and answer' session in which shareholders may pose questions regarding the resolutions being proposed at the meeting and also on matters relating to the Group's businesses and affairs.</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 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>	:	Not applicable – Not a Large Company	
<b>Explanation on application of the practice</b>	:		
<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 13.1**

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 Notice of the Hundredth AGM dated 30 April 2024 was given to the shareholders more than 28 days prior to the Hundredth AGM held on 19 June 2024 (“100th AGM”).	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board members were in attendance at the 100th AGM to provide explanations to all shareholders’ queries and shareholders were encouraged to participate in discussions and to give their views to the Directors. The Chair of the AC, NRC and RMSC were also in attendance to provide meaningful response to questions.	
<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>	:	The 100th AGM was conducted by way of virtual meeting entirely through live streaming and online remote voting via the Remote Participation and Voting Facilities from Dvote Online operated by Dvote Services Sdn Bhd (“Dvote”). Dvote ensured that good cyber hygiene practices were in place to prevent cyber threats.	
<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>	:	<p>The AGM is the principal forum for dialogue with shareholders. There is an open 'question and answer' session in which shareholders may pose questions regarding the resolutions being proposed at the meeting and also on matters relating to the Group's businesses and affairs.</p> <p>Members were given sufficient time to submit question(s) in real time during the meeting and to submit their questions on the business of the 100th AGM from the date of Notice of 100th AGM until 72 hours before the 100th AGM.</p> <p>The Board members were in attendance at the 100th AGM to provide explanations to all shareholders' queries and shareholders were encouraged to participate in discussions and to give their views to the Directors. The Chair of the AC, NRC and RMSC were also in attendance to provide meaningful response to 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 13.5

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.

*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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company had appointed Dvote as Poll Administrator to conduct the poll by way of electronic voting or online remote voting. Dvote had in place the required infrastructure and tools to support among others a smooth broadcast of the 100th AGM and interactive participation by shareholders.</p> <p>Shareholders were allowed to submit question(s) before and during the 100th AGM as well as to attend, speak (in the form of real time submission of typed texts) and vote remotely at the virtual 100th AGM using Remote Participation and Voting facilities provided by Dvote.</p> <p>Questions posed by the shareholders at the 100th AGM were made visible during the 'question and answer' session.</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 13.6**

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>	:	The minutes of the 100th AGM was published on the Company's website no later than 30 business days after the 100th AGM.
<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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