

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0190
COMPANY NAME : EVERSAFE RUBBER 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 PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Eversafe Rubber Berhad ("Eversafe" or "the Group") is guided by a seasoned and dynamic Board of Directors ("Board"), which is ultimately responsible for establishing the Group's strategic direction and policies. With a well-balanced composition of experienced Executive Directors and Independent Non-Executive Directors, the Board plays a crucial role in overseeing the Group's governance and driving sustainable shareholder value.</p> <p>The Board's primary responsibility is to govern Eversafe rather than manage its day-to-day operations. To ensure effective governance, it delegates specific authorities and responsibilities to the Group Chief Executive Officer ("CEO"), Executive Directors, and Board Committees. These Committees, namely the Audit Committee, Nominating Committee, and Remuneration Committee, provide oversight on key areas such as financial performance, risk management, corporate governance, and regulatory compliance. The Board also defines the level of principal risks the Group is willing to undertake to achieve its strategic objectives while steering the Group's long-term business direction.</p> <p>As part of its governance responsibilities, the Board reviews and approves the Group's strategic initiatives, monitors business performance, and ensures the effectiveness of internal controls. It remains committed to fulfilling its fiduciary duties by safeguarding the Group's resources and enhancing long-term shareholder value, while also considering the interests of other stakeholders.</p> <p>The Board Committees, composed of Non-Executive Directors, operate within clearly defined Terms of Reference approved by the Board. Each Committee provides expertise on specific matters, assesses key business issues, and presents recommendations to the Board. However, the final decision-making authority on all matters</p>

	rests with the Board. The roles, responsibilities, and functions of the Board are outlined in the Board Charter, while the Terms of Reference for the Board Committees are available on the Group's website - www.eversafe.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 Board is chaired by Tan Sri Dato' Dr. Sak Cheng Lum, the Independent Non-Executive Chairman, who is responsible for promoting strong corporate governance, providing leadership, and ensuring the Board operates effectively within a high-performance culture.</p> <p>As outlined in the Company's Board Charter, the Chairman's key responsibilities include:</p> <ul style="list-style-type: none">a) Leading the Board by facilitating meetings and discussions, ensuring its effectiveness in all aspects, setting the agenda, and allocating adequate time for deliberations.b) Ensuring Board members receive accurate, timely, and clear information to support informed decision-making.c) Encouraging active participation among Board members and fostering an environment where differing views can be openly expressed.d) Overseeing effective communication with shareholders and stakeholders, ensuring their perspectives are conveyed to the Board.e) Supporting the contributions of Non-Executive Directors and maintaining a constructive working relationship between Executive and Non-Executive Directors.f) Managing the interaction between the Board and Management to ensure clear governance and oversight.g) Leading the Board in establishing, maintaining, and monitoring best practices in corporate governance across the Group. <p>The full scope of the Chairman's responsibilities is detailed in the Board Charter, available on the Company's website - www.eversafe.com.my.</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

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 roles of Chairman and CEO are held by separate individuals, ensuring a clear distinction of responsibilities and maintaining a balance of authority and accountability within the Group.</p> <p>The Chairman provides overall leadership to the Board, overseeing its orderly function and ensuring effective deliberations where all Directors contribute meaningfully to discussions without any single member dominating.</p> <p>Meanwhile, the CEO is responsible for executing corporate strategies, policies, and decisions set by the Board while managing the Group's overall business operations.</p> <p>The specific responsibilities of the CEO are outlined in the Board Charter, which is available on the Company's website: www.eversafe.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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Chairman of the Board, Tan Sri Dato' Dr. Sak Cheng Lum, is also a member of the Audit Committee and serves as the Chairman of both the Nominating Committee and Remuneration Committee.
	:	The Chairman remains fully aware of his distinct roles across these committees. All matters are carefully deliberated at the respective committee level, ensuring active participation from other committee members. Their presence fosters balanced discussions, promoting open dialogue and objective decision-making while maintaining fairness and impartiality.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Company after review intends to maintain current practice.
Timeframe	:	The Board will continuously review this practice and consider the appropriateness of compliance in the future.

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 Board is supported by two (2) qualified and experienced Company Secretaries who are members of professional bodies and qualified to act as Company Secretaries under Section 235 of the Companies Act 2016.</p> <p>The Company Secretaries play a vital role in advising the Board on corporate governance matters, ensuring compliance with relevant regulations, policies, and procedures, and facilitating seamless information flow between the Board, Board Committees, and Management.</p> <p>Their key responsibilities include:</p> <ul style="list-style-type: none">• Attending Board, Committee, and General Meetings, ensuring discussions and decisions are accurately documented, with minutes circulated promptly and properly maintained.• Ensuring compliance with the Company's Constitution, Listing Requirements, Companies Act 2016, Malaysian Code on Corporate Governance ("MCCG"), and other applicable regulations.• Providing guidance to the Board on legal and governance matters related to the Company's Constitution, the Companies Act 2016, and best corporate governance practices.• Fulfilling statutory obligations as prescribed under the Companies Act 2016. <p>The full scope of the Company Secretaries' roles and responsibilities is outlined in the Board Charter, available on the Group's website – http://www.eversafe.com.my.</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

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>Board meetings for the upcoming year are scheduled in advance before the end of the current financial year. This allows Management sufficient time to plan the Group's business and corporate affairs while ensuring the timely preparation and dissemination of relevant information to the Board. The Board follows a structured schedule of matters reserved for its decision, with Board papers circulated at least five (5) days before each meeting unless a shorter notice period is mutually agreed upon by the Directors. This practice ensures that all Directors have adequate time to review materials and seek any necessary clarification before discussions.</p> <p>The deliberations and decisions made during Board and Board Committee meetings are meticulously recorded in the minutes by the Company Secretaries, including instances where Directors abstain from voting or deliberation. Minutes from previous meetings are distributed to Directors and/or the relevant Committees before the next meeting for review, ensuring accuracy before formal confirmation. Directors are given the opportunity to provide comments or request clarifications before the minutes are approved as a true and accurate record of the proceedings.</p> <p>To support informed decision-making, Management ensures that Directors receive comprehensive and timely information both prior to meetings and on an ongoing basis, enabling them to effectively fulfil their duties and responsibilities.</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 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 established a formal Board Charter that defines its strategic intent and sets out the roles and responsibilities in fulfilling its fiduciary and leadership duties.</p> <p>The Charter serves as a guiding framework for the Board, Board Committees, Directors, and Management, ensuring alignment with the Listing Requirements and the principles of the MCGG. To ensure relevance and effectiveness, the Board Charter is reviewed periodically or as needed to address the evolving needs of the Group and any new laws, regulations, or corporate governance requirements that may impact the Board's responsibilities.</p> <p>The Board Charter is available for reference on the Group's website - http://www.eversafe.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 Board is committed to fostering a corporate culture that upholds ethical conduct across the Group. To reinforce this commitment, the Group has established a Code of Conduct and Ethics, which serves as a guiding framework for all employees in carrying out their responsibilities with integrity and professionalism.</p> <p>The Code of Conduct and Ethics outlines the standards of ethical behaviour expected from employees, emphasising trustworthiness, accountability, and corporate responsibility. It provides clear guidance on professional conduct in the workplace, ensuring compliance with applicable laws, regulations, and corporate governance best practices. By adhering to the Code, employees contribute to a transparent, responsible, and ethical working environment that aligns with the Group's values and business objectives.</p> <p>The Board periodically reviews and updates the Code of Conduct and Ethics to ensure its continued relevance and effectiveness in addressing evolving regulatory requirements and ethical expectations.</p> <p>The Code is accessible for reference on the Group's website – http://www.eversafe.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 3.2

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 is committed to maintaining the highest standards of integrity, transparency, and accountability in all its business operations. To reinforce this commitment, the Group has established a Whistleblowing Policy, providing employees and stakeholders with a secure and confidential avenue to report any wrongdoings, misconduct, illegal activities, or unethical business practices that have occurred, are occurring, or may potentially occur in the future.</p> <p>The Whistleblowing Policy is designed to encourage a culture of openness and accountability, ensuring that genuine concerns can be raised without fear of retaliation, victimisation, or discrimination. This policy reflects the Group's stance on good corporate governance and ethical business practices, reinforcing its commitment to upholding integrity in all aspects of its operations.</p> <p>The Whistleblowing Policy and disclosure procedures are publicly accessible on the Group's website for reference. Reports of misconduct may be submitted directly to the Chairman of the Audit Committee through a written submission via post or email at whistleblower@eversafe.com.my.</p> <p>All reports received will be handled with strict confidentiality. Upon receipt, the Group's Company Secretaries will conduct a preliminary assessment before presenting the findings to the Audit Committee at its scheduled meetings. After a thorough evaluation and investigation, appropriate actions will be taken, and the whistleblower will be notified of the outcome in accordance with the policy's provisions.</p> <p>This initiative underscores the Group's commitment to ethical conduct and provides a transparent and responsible mechanism for addressing concerns.</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	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

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	:	<p>Our sustainability initiatives are guided by a strong governance framework, with the Board of Directors providing strategic oversight and direction in the formulation, execution, and continuous enhancement of our sustainability policies and strategies. The Board plays a crucial role in ensuring that sustainability remains a key focus within the Group's overall business strategy, aligning with our long-term objectives and stakeholder expectations.</p> <p>To facilitate the effective implementation of these initiatives, the Board is supported by the Management team, which is responsible for translating sustainability strategies into actionable plans and overseeing the implementation of these strategies across all business operations.</p> <p>A Sustainability Committee was also established to drive ESG initiatives across the Group. The Committee is responsible for identifying sustainability risks and opportunities, monitoring progress, and ensuring alignment with the Group's long-term sustainability goals. It collaborates closely with various departments to integrate sustainable practices into our operations while fostering a culture of continuous improvement in ESG performance.</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 4.2

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 Company's sustainability strategies and initiatives are detailed in the Sustainability Statement in the 2024 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 conducts an annual evaluation of the Group's business and sustainability objectives, strategies, and financial targets to ensure alignment with its long-term vision and stakeholder expectations. In addition, the Board continuously reviews the Group's performance and risk profile, making regular assessments to uphold the highest standards of governance, accountability, and operational excellence.</p> <p>To ensure regulatory compliance and adhere to industry best practices, the Board stays fully informed of the latest regulations, guidelines, and emerging environmental issues relevant to the business. A strong emphasis is placed on integrating environmental considerations into the decision-making process, ensuring that the Group adopts robust and sustainable business practices that support long-term value creation while addressing evolving environmental challenges.</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	:	Currently, the Board does not have a structured process for evaluating the performance of the Board and senior management in relation to sustainability. However, the Board recognises the importance of integrating sustainability considerations into performance assessments and will explore mechanisms to incorporate sustainability-related reviews into the evaluation framework for both Board members and senior management moving forward.	
		The Board and Management remain committed to ensuring that the Company’s strategies, business plans, and risk management frameworks continue to incorporate sustainability considerations, reinforcing the Group’s dedication to responsible and long-term value creation.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	The Company does not have any alternative practice currently.	
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	:	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 5.1

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	:	<p>The Group is committed to diversity and inclusion, recognising that a well-balanced mix of skills, experience, and perspectives within the Board and Senior Management is essential for driving long-term success. A diverse leadership team incorporates a wide range of expertise, backgrounds, age groups, ethnicities, and gender representation, ensuring a variety of viewpoints that align with the Group's business needs and strategic objectives.</p> <p>To maintain an effective and well-structure Board, the Nominating Committee conducts periodic reviews of its composition and size, ensuring it remains suitable and aligned with the Group's evolving needs. Additionally, the Nominating Committee performs annual performance assessments of all Directors, including those seeking re-election, to evaluate their competency, preparedness, and independence. Directors who meet the required standards through this evaluation process are recommended to the Board for re-election.</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 5.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board consists of eight (8) members, comprising four (4) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director, and three (3) Executive Directors, including the CEO.</p> <p>The Independent Non-Executive Directors are as follows:</p> <ul style="list-style-type: none">a) Tan Sri Dato' Dr. Sak Cheng Lumb) Mr. Ng Meng Kwaic) Tuan Haji Mohd Isa bin Haji Mohd Talibd) Ms. Ong Beow Chieh
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 5.3

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	:	Tan Sri Dato’ Dr. Sak Cheng Lum, Mr. Ng Meng Kwai and Haji Mohd Isa Bin Haji Talib, were appointed as Independent Non-Executive Director of the Company on 30 May 2016. Having exceeded a cumulative term of nine (9) years, their retention as Independent Non-Executive Directors was subject to shareholders’ approval at the Tenth Annual General Meeting through a two-tier voting process.	
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 Board recognises the importance and advantages of boardroom diversity, encompassing factors such as age, gender, nationality, ethnicity, and socioeconomic background. Accordingly, the appointment of Board members and Senior Management personnel is based on objective criteria, merit, and a commitment to diversity in skills, experience, age, cultural background, and gender. The Group upholds a strict policy of non-discrimination in all aspects.</p> <p>When evaluating candidates for directorship, the Nominating Committee considers a comprehensive set of factors, including skills, knowledge, experience, diversity, background, integrity, competence, time commitment, and independence, to ensure alignment with the Group's strategic objectives and business needs.</p> <p>As a result, the Board comprises a diverse range of expertise, experience, and perspectives, equipping it to effectively govern the Group and drive it towards its goals. Furthermore, the Board's collective competencies enhance its ability to fulfill its responsibilities with accountability. In cases where specialised expertise is required, the Board may seek professional advice from external consultants to supplement its decision-making process.</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 Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied
Explanation on application of the practice	:	<p>The appointment of a new Board member is subject to thorough deliberation by the full Board, based on the recommendations of the Nominating Committee. As part of its established process, the Group ensures that the Nominating Committee sources potential candidates through open advertising or the engagement of external advisors.</p> <p>Before making a recommendation, the Nominating Committee conducts a comprehensive evaluation of each candidate, considering the following factors:</p> <ul style="list-style-type: none">a) Relevant skills, knowledge, expertise, and experience;b) Character, integrity, competence, and commitment, including the ability to dedicate sufficient time to effectively fulfil the role of a Director;c) Professionalism and leadership capabilities;d) Level of independence and ability to provide objective judgment;e) Boardroom diversity, including gender, age, professional background, and experience, to enhance Board effectiveness. <p>The objective is to ensure that the Board composition meets both the current and future needs of the Group, aligning with its strategic direction and governance requirements.</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	:	The Company ensures that any changes in boardroom composition are promptly announced on Bursa Malaysia. Additionally, relevant information about each newly appointed director is disclosed alongside the boardroom change announcements.	
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 Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied
Explanation on application of the practice	:	<p>The Nominating Committee comprises:</p> <ul style="list-style-type: none"> a) Tan Sri Dato' Dr. Sak Cheng Lum (Chairman) b) Mr. Cheah Eu Lee c) Mr. Ng Meng Kwai <p>Tan Sri Dato' Dr. Sak Cheng Lum is the Independent Non-Executive Chairman of the Board.</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 5.9

The board comprises at least 30% women directors.

Application	:	Applied
Explanation on application of the practice	:	<p>The current Board composition includes one female director, in compliance with Rule 15.02 of the ACE Market Listing Requirements. The Board acknowledges the significance of boardroom diversity, encompassing factors such as age, gender, nationality, and ethnicity, and recognises the value it brings to the Group. While gender diversity is an important aspect, the Board believes that a well-rounded composition should also reflect a diverse range of competencies, skills, knowledge, and perspectives to enhance decision-making and governance effectiveness.</p> <p>The Board remains committed to fostering a corporate culture that promotes gender diversity and inclusivity. In identifying candidates for future Board vacancies, the Nominating Committee will prioritise the selection of suitably qualified female candidates in alignment with the best practices outlined in the MCCG. However, no specific timeline has been set for this process.</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 5.10

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 formal policy on gender diversity for the Board and Senior Management. However, it remains committed to supporting gender diversity in line with the recommendations of the MCCG and recognises the importance of fostering and developing female talent across all levels of the organisation.	
		The Board acknowledges the value of boardroom diversity and the broad perspectives it brings. Nonetheless, the selection of Board members and Senior Management remains primarily based on key criteria such as character, competencies, skills, knowledge, integrity, and other essential qualities that enhance the Board's effectiveness and strengthen the leadership of the Company.	
<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 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	:	<p>The Board has entrusted the Nominating Committee with the responsibility of establishing, maintaining, and reviewing the criteria for the recruitment process and the annual assessment of Directors. This includes evaluating the effectiveness of the Board as a whole, assessing the performance of individual Directors, and reviewing the effectiveness and term of office of each Board Committee and its members on an annual basis.</p> <p>All assessments and evaluations conducted by the Nominating Committee in fulfilling its responsibilities are systematically documented. The criteria for the annual assessment of individual Directors include, among other factors, their roles, duties, responsibilities, competencies, expertise, and overall contributions. Meanwhile, the evaluation of the Board and its Committees considers factors such as composition, structure, accountability, responsibilities, adequacy of information, and decision-making processes.</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 7.1

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 Remuneration Committee, in collaboration with the Board, ensures that the Group's remuneration policy remains aligned with its corporate objectives and serves the best interests of shareholders. The policy is designed to be competitive with market norms and industry standards, enabling the Group to attract and retain individuals of high calibre.</p> <p>Director remuneration is structured based on their experience, expertise, and the level of responsibility they assume within the Group. Directors do not participate in discussions or decisions regarding their own remuneration and are required to abstain from voting on matters related to their compensation.</p> <p>Details of the remuneration policy are outlined in the Remuneration Committee's Terms of Reference, which is available on the Group's website – http://www.eversafe.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 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 consists of the following members:</p> <ul style="list-style-type: none">• Tan Sri Dato' Dr. Sak Cheng Lum (Chairman)• Tuan Haji Mohd Isa bin Haji Talib• Dato' Seri Cheah Eu Kiat <p>The Remuneration Committee is responsible for:</p> <ul style="list-style-type: none">• Recommending the remuneration structure for each Director in all its forms, with the respective Directors abstaining from deliberating on their own remuneration.• Determining the policies and scope of service agreements for both Executive and Non-Executive Directors.• Establishing and reviewing the remuneration packages of individual Directors to ensure they remain competitive and sufficient to attract and retain the necessary talent to drive the Group's success. <p>The Terms of Reference of the Remuneration Committee is available on the Group's website - http://www.eversafe.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	:	A detailed disclosure on named basis for the remuneration of individual directors is included in the Group's Annual Report 2024 under the Corporate Governance Overview Statement. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

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 Cheah Eu Kiat	Executive Director	35	Input info here	Input info here	Input info here	Input info here	Input info here	35	71	Input info here	240	Input info here	28	53	392
2	Eu Ah Seng	Executive Director	35	Input info here	Input info here	Input info here	Input info here	Input info here	35	50	Input info here	216	Input info here	17	38	321
3	Cheah Siang Tee	Executive Director	35	Input info here	Input info here	Input info here	Input info here	Input info here	35	71	Input info here	441	Input info here	61	113	686
4	Tan Sri Dato' Dr Sak Cheng Lum	Non-Executive Non-Independent Director	40	Input info here	Input info here	Input info here	Input info here	Input info here	40	40	Input info here	Input info here	Input info here	Input info here	Input info here	40
5	Cheah Eu Lee	Non-Executive Non-Independent Director	35	Input info here	Input info here	Input info here	Input info here	Input info here	35	65	Input info here	Input info here	Input info here	Input info here	11	76
6	Haji Mohd Isa bin Haji Taib	Non-Executive Non-Independent Director	35	Input info here	Input info here	Input info here	Input info here	Input info here	35	35	Input info here	Input info here	Input info here	Input info here	Input info here	35
7	Ng Meng Kwai	Non-Executive Non-Independent Director	50	Input info here	Input info here	Input info here	Input info here	Input info here	50	50	Input info here	Input info here	Input info here	Input info here	Input info here	50
8	Ong Beow Chieh	Non-Executive Non-Independent Director	35	Input info here	Input info here	Input info here	Input info here	Input info here	35	35	Input info here	Input info here	Input info here	Input info here	Input info here	35
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
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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board recognises the importance of transparency in disclosing key senior management's remuneration, as recommended by the MCCG. In line with this, the remuneration details of the Group's Executive Directors namely Dato' Seri Cheah Eu Kiat, Mr. Eu Ah Seng, and Mr. Cheah Siang Tee have been disclosed in the Annual Report 2024.</p> <p>However, the Board believes that disclosing the remuneration of other key senior management personnel who are not Directors may not be in the best interest of the Group. Given the competitive landscape and the demand for skilled professionals with the necessary knowledge, technical expertise, and industry experience, such disclosures could impact the Group's ability to attract and retain talent. As a result, the Board has opted not to disclose specific remuneration details for non-Director senior management personnel.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
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	:	<p>The roles of Chairman of the Audit Committee and Chairman of the Board are held by separate individuals, ensuring an objective review of the Audit Committee's findings and recommendations.</p> <p>Tan Sri Dato' Dr. Sak Cheng Lum serves as the Chairman of the Board, while Mr. Ng Meng Kwai holds the position of Chairman of the Audit Committee.</p> <p>This clear distinction strengthens the Board's independence and supports the implementation of robust corporate governance practices.</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 9.2

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	:	Currently, none of the members of the Audit Committee has been a key audit partner in the 3 years prior to their appointment.	
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 is responsible for conducting an annual assessment of the external's suitability, objectivity, competency, and independence. Based on this evaluation, the Committee makes recommendations to the Board regarding the appointment, re-appointment, or termination of the external auditors.</p> <p>The assessment of the external auditors includes the following key areas:</p> <p>a) Audit Plan & Scope – Reviewing the proposed audit plan, scope of work, and any modifications to the audit approach.</p> <p>b) Internal Controls – Evaluating the auditors' assessment of the Group's internal control systems.</p> <p>c) Audit Fees & Suitability – Assessing the appropriateness of audit fees and deliberating on the suitability of the auditors for nomination, appointment, or re-appointment, as well as the rationale for any resignation or dismissal.</p> <p>d) Audit Execution & Support – Reviewing the level of cooperation provided by employees to the external auditors and identifying any challenges encountered during the audit process.</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	:	Adopted
Explanation on adoption of the practice	:	The Audit Committee consists exclusively of Independent Non-Executive Directors, ensuring impartial oversight. Its members do not participate in the Group's day-to-day management nor engage in any business dealings or relationships with the Group. This independence enables the Audit Committee to exercise objective judgment and act in the best interests of the Group at all times.

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	:	All Audit Committee members possess financial literacy and play a critical role in assisting the Board by overseeing and evaluating the financial reporting process. They ensure that financial reports are accurate, complete, and compliant with relevant accounting standards. The qualifications and experience of each Audit Committee member are detailed in the Profile of Board of Directors section of the Annual Report 2024. Additionally, members actively participate in continuous professional development programs to stay informed about the latest advancements in accounting, auditing standards, practices, and regulations. A summary of the training programs attended by the Audit Committee members during the financial year ended 31 December 2024 is disclosed in the Corporate Governance Statement of the Annual Report 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

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 is responsible for overseeing, reviewing, and monitoring the adequacy and effectiveness of the Group's internal control system. To achieve this, the Board has established a structured risk management framework that defines the Group's risk tolerance levels while identifying, assessing, controlling, monitoring, and reporting key business risks on an ongoing basis.</p> <p>The Group's internal control system covers financial, operational, and compliance aspects, safeguarding assets and, ultimately, shareholders' investments. However, like any internal control mechanism, it provides reasonable, but not absolute, assurance against the risk of misstatements or financial losses.</p> <p>The Board conducts an annual review of the effectiveness, adequacy, and integrity of the risk management framework and internal control system. This ensures that the Group's significant risks are effectively managed and that the framework remains responsive to the evolving business environment.</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 features of the Group's risk management and internal control framework is as set out in the Statement of Risk Management and Internal Control of the Group's 2024 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	:	<p>The Group's internal audit function is led by Mr. Leong Yew Wah, the in-house Internal Auditor, and is supported by an independent professional audit firm appointed by the Audit Committee. This firm conducts assessments to evaluate the adequacy and effectiveness of the Group's corporate governance and internal control systems, offering an objective and independent perspective.</p> <p>The internal audit function presents its findings, recommendations, management's responses, and action plans through an internal audit report submitted directly to the Audit Committee. This report is subsequently tabled for discussion at Audit Committee meetings before being escalated to the Board for further deliberation.</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 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	:	<p>Mr. Leong Yew Wah, our internal auditor, along with the outsourced internal audit firm, maintain complete independence and objectivity in executing their internal audit functions, as they have no relationships or conflicts of interest with the Group.</p> <p>The outsourced internal audit firm reports directly to the Audit Committee and, ultimately, to the Board, ensuring transparency and impartiality in their assessments.</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 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group recognises the significance of maintaining effective communication channels to ensure stakeholders receive timely, comprehensive, accurate, and valuable information. In line with this commitment, the Group's website features a dedicated Investor Relations section, which provides access to key announcements, including quarterly financial reports, relevant circulars, and press releases. Additionally, the section includes annual reports, as well as details on the Group's corporate and governance structure.</p> <p>As part of its commitment to transparency, the Group actively responds to shareholder inquiries received via letters, phone calls, and emails in a timely manner. While striving to provide as much information as possible, the Board remains mindful of regulatory requirements governing the disclosure of material and price-sensitive information.</p> <p>Furthermore, the Group conducts Annual General Meetings and Extraordinary General Meetings when necessary, serving as key platforms for engagement. These meetings offer shareholders the opportunity to interact with the Board and discuss matters related to the Group's operational, financial, and administrative affairs.</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	:	<p>The date of Notice of the Group’s Tenth Annual General Meeting is 16 April 2025 and the Tenth Annual General Meeting is scheduled to be held on 15 May 2025, which is more than 28 days’ advance notice.</p> <p>The Notice of Annual General Meeting provides detailed explanation for resolutions proposed to facilitate full understanding and evaluation of the issues to be tabled at the Annual General Meeting, to enable shareholders to make informed decisions when exercising their voting rights at the Annual General 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

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	:	Applied	
Explanation on application of the practice	:	<p>At the beginning of each calendar year, the Board is informed of the scheduled meetings to ensure full attendance, enabling all Directors to provide meaningful and informed responses to any questions directed at them.</p> <p>During these meetings, the Board of Directors, including the Chairman of the Audit, Nominating, and Remuneration Committees, will be present to address any matters raised and to engage in discussions with 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

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	:	Applied	
Explanation on application of the practice	:	The Annual General Meeting will be held in Ipoh, Perak rather than in a remote location.	
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 13.4

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	:	A dedicated question-and-answer session is scheduled after the presentation of each resolution. The Chairman, the Company Secretary, will oversee the session, encouraging shareholders to ask questions and ensuring that each query is addressed by the appropriate authority.
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.

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.

also provide brief reasons on the choice of the meeting platform.		
Application	:	Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice	:	
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 13.6

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 meeting is posted on the company website no later than 30 business days after the General Meetings.
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 PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

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

Click or tap here to enter text.

