

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7198
COMPANY NAME : DPS RESOURCES BERHAD
FINANCIAL YEAR : March 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>The Board's role is to conduct the Group in the best interests of the shareholders. In this regard, the Board is collectively responsible for setting the strategic direction and ethical standards within the Group, and ensuring that management complies with the Board's directions. To discharge its duties to shareholders and other stakeholders, the Board assumes, among others, the following responsibilities:</p> <ul style="list-style-type: none">(i) Review and monitor the implementation of the strategic business plans by the management;(ii) Align and approve the corporate objectives and policies of the Group;(iii) Appoint and approve the terms of reference of the Audit Committee, Remuneration Committee and Nomination Committee;(iv) Decide on the acceptable level of risk exposure for the Group;(v) Review the Group's system of internal controls which include the establishment of an appropriate control environment framework for identifying, evaluating and managing significant risks faced by the Group;(vi) Review and assess the Group's financial and operational performances of all operating units and subsidiaries through periodic feedback and reports from the Audit Committee and the management team;(vii) Review and approve the announcement of quarterly and annual financial statements to ensure that the financial statements are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view;

	<ul style="list-style-type: none"> (viii) Approve annual operating budget, major capital expenditures, material purchase and disposal of assets; (ix) Appoint external auditors as well as determine audit fees, taking into consideration advice from the Audit Committee; (x) Ensure succession planning is in place as part of business continuity and take cognisance that there should be a process of developing suitable programmes in place to ensure that operations at all levels are running smoothly; (xi) Ensure the availability of communication channels for effective feedback and dialogue with stakeholders of the Group; and (xii) Any other duties as may be appropriate.
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 led by YBhg. Tan Sri (Dr) Sow Chin Chuan, PSM, the Executive Chairman who is capable to lead the Board based on his entrepreneurial leadership and at the same time guided by the independent advice and views from the Independent Directors, who offer the necessary checks and balances in the decision making process of the Board.</p> <p>The Chairman plays an instrumental role in providing leadership to the Board for all aspects of the Board's roles and responsibilities, ensuring that operations conform to the Board's strategic directions, Company's vision and corporate policies, as well as facilitating the communication and understanding between the Management and the Board.</p> <p>The Chairman presides over board meetings and ensures that all directors' views are heard, ensures sufficient time for discussion of each agenda, and provides fair opportunity to all directors to participate actively and constructively during the meetings and discussions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	The roles of Chairman and Managing Director are exercised by different individuals. A clear segregation of their responsibilities and powers is stated and defined in the Company's Board Charter. Besides ensuring an appropriate balance of power and authority, the segregation of roles facilitates an open exchange of views and opinions between the Board and the Management in their deliberation of the business, strategies and key operations of the Group.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	The Chairman of the board is not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by a qualified and competent Company Secretary who advises the Board on its roles and responsibilities; facilitating the orientation of new Directors and Board communications; assisting in Directors' training and development; monitoring corporate governance developments and assisting the Board in applying governance practices to meet the Board's needs and stakeholders' expectations as well as serving as a focal point for stakeholders' communication and engagement on corporate governance issues.</p> <p>Matters pertaining to statutory and regulatory compliance that affect the Group such as advising the Board on corporate disclosures and compliance with Company and securities regulations and Main Market Listing Requirements will be advised by Company Secretary. The Board Members have unlimited access to the professional advice and services of the Company Secretary.</p> <p>The Company Secretary also manages and attends all Board and Board Committee meetings, as well as annual general meetings ("AGM"), and ensures that meetings are convened according to necessary procedures, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained accordingly.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	The Chairman recognises the importance of a board discussions and together with Company Secretary ensure that all directors are provided with sufficient information and time to prepare for board meetings. The meeting materials are circulated five (5) business days in advance of the board meeting. All board members are responsible to ensure the minutes of meetings accurately reflects the deliberations and decision of the board. Upon conclusion of the meeting, the minutes are circulated in a timely manner for review.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is 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 developed and adopted a formal Board Charter to provide clear guidance on the roles, responsibilities, processes and operations of the Board. The document is provided as compulsory reading material for the induction of new Board members and senior management. The Board Charter is further supplemented by Terms of Reference (“TOR”) of the Audit Committee, Nomination Committee and Remuneration Committee which specify the composition, rights, key functions, roles and responsibilities of respective committees.</p> <p>The Board Charter and the Terms of Reference of its committees are reviewed regularly to ensure they remain consistent with the Board's objectives, current law and best practices. During the year, no revision was made to the Board Charter.</p> <p>The Board Charter was formalised by the Board. It defines the composition of the Board, the responsibilities of the Chairman and Managing Director, the rights of the Board to establish committees to assist in carrying out its duties and responsibilities, the procedure for convening Board meetings, investor relations and shareholders communication, access to information and independent advice and ensures that the Code is observed by all Directors and employees of the Group. The Board Charter is available for reference in the www.dpsland.com.</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 Group has established a Code of Conduct and Ethics ("Internal Code") that is applicable to all its Directors and employees. The Internal Code outlines core areas of concern and states the behavioural expectations to which Directors and Employees are to adhere, in order to ensure that a high standard of ethical and professional conduct is upheld at all times in the performance of their duties and responsibilities.</p> <p>Violation of the Internal Code can result in disciplinary action, which may include termination of employment. As part of its enforcement, any Director or employee who knows of, or suspects, a violation of the Internal Code is encouraged to report such concerns to the Audit Committee or management. The Internal Code is available for reference in the www.dpsland.com.</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	:	In line with the Company's commitment to nurturing and maintaining a culture of openness, integrity and accountability, the Company has established a Whistleblowing Policy. The Whistleblowing Policy provides an avenue for individuals, whether a Company employee or otherwise, to escalate concerns about unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements to the appropriate parties, without fear of reprisal. The Internal Code and the Whistleblowing Policy are available for reference in the www.dpsland.com .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company published in annual reports its sustainability statement.</p> <p>The Company:</p> <ul style="list-style-type: none"> • Set the scope of its sustainability management; • Established sustainability framework that requires involvement from both the Board and the Management of the Group; • Defined material sustainability matters relevant to the Group and its stakeholders; • Determined sustainability focus and considerations; • Set measurable sustainable targets; and • Reported major sustainability activities taken place during the financial year. <p>The Board will be able to monitor Management’s effectiveness in integrating sustainability considerations in the day-to-day operations of the Group by setting the Company’s sustainability strategies, priorities and targets.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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 publishes its sustainability statement in annual report. The statement highlights the Company’s focus and framework in driving and managing sustainability. Key sustainability efforts during the financial years, including KPIs performance, are also reported in the Annual Report. The Company has also made available all of its annual reports at Company’s website: www.dpsland.com where shareholders and public can download and read the reports. During the financial year, the Company held 1 virtual General Meeting where shareholders were given opportunity to raise sustainability issues and concerns, if any. Apart from annual report, the Company also communicates frequently with its various stakeholders to identify, prioritize and address material sustainability matters.	
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	:	Since publishing sustainability management of the Group in annual report in 2016, the Company has ensured that related sustainability trainings had been arranged for key employees. Training requests were approved at the Board as well as Management level. During the financial year under review, the Company had begun its assessment of green technology application such as solar power in its manufacturing plants. The Company will continue its efforts in educating all levels of employees in the Group in sustainability matters, applying and adopting technologies and systems beneficial to sustainability in the Group and continue its journey in becoming a truly sustainable organisation.	
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	:	The Board addresses all the material sustainability risks of the Company, however, Company does not set the Key Performance Indicators (“KPIs”) to measure the above.	
<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 4.5- 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	:	Applied
Explanation on adoption of the practice	:	The Board has appointed Managing Director for the planning and implementation of all sustainability related issues.

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 Nomination Committee operates under its Terms of Reference, which is available on the Company's website. Its primary responsibility is to ensure that the overall composition of the Board is sufficient for the Board to carry out its functions, which included:</p> <ul style="list-style-type: none"> (i) Identifying and recommending to the Board suitable candidates for appointment based on considerations of the candidates' skills mix, experience, expertise, character, integrity, gender and ethnicity (where appropriate); (ii) Evaluating and recommending training programmes for Directors; (iii) Assessing Directors' individual performances and independence during the year for recommendations of re-nomination; and (iv) Reviewing and recommending succession plans for Directors and senior management. (v) Review of the Proposed Directors Fit and Proper Policy for adoption by the Board.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The Board presently consists of 8 members; comprising an Executive Chairman, 4 Executive Directors and 3 Independent Non-Executive Directors. Collectively the Board has a mix of industry-specific knowledge and technical skills which are necessary for the leadership and management of the Group. The composition of the Board is such that it provides an effective check and balance in the functioning of the Board and is reviewed from time to time to ensure its appropriateness. There is balance in the Board represented by the presence of 3 independent non-executive directors who will review and discuss the strategies proposed by the management to ensure that the long-term interests of minority shareholders are taken into consideration.</p> <p>The management is still sourcing for a suitable candidate to be appointed as the independent directors, and the Board shall endeavour to adhere to the practice of having at least half the board comprising of independent directors in the near future.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	<p>The Board undertakes an annual assessment of the independence of its independent directors based on the criteria developed by the Nomination Committee.</p> <p>The tenure of an independent director is capped at a cumulative term of 9 years. An independent director who has served the Group for 9 years may, in the interest of the Group, continue to serve the Group but in the capacity of a non-independent director. The Board must justify and seek shareholders' approval in the event it retains as an independent director, a person who has served in that capacity for more than 9 years.</p> <p>In the event that the Board deems it beneficial to the Group to retain an independent director beyond 9 year tenure, it will need to justify the recommendation to shareholders and seek shareholders' approval at a general meeting. Such shareholder approval must be given via a two-tier voting process, which entails separate and congruent approvals from Large Shareholder(s) and shareholders other than the Large Shareholder(s).</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 5.4 - 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>	
Application	: Applied
Explanation on adoption of the practice	: The Board has adopted the policy of 9-years tenure for independent directors in its board charter whereby independent directors who served more than 9 years will retire accordingly and replaced by new qualified independent directors.

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination Committee is responsible for assessing and making recommendations to the Board on the candidature of directors based on recruitment criteria established by the Board. The Committee has the responsibility to ensure that the Board comprises suitably qualified members that demonstrate appropriate qualities and experience that contribute to the effective oversight and stewardship.</p> <p>The Chairman and the Managing Director are responsible for the identification and development of the key Senior Management, as well as to review the succession planning for key management team from time to time. The Chairman and Managing Director shall search for suitable candidates through established channels such as public advertisement or direct approaches being made to individuals who may be suitable or through organisations that may be able to assist in the recruitment process. In selecting the appropriate candidates, the Chairman and Managing Director take into account the candidate's qualification, experience, competence and character.</p> <p>The Board notes the importance of diversity in the composition of the Board and management. In seeking to fill its vacancies priority is placed on the knowledge, skills and expertise of potential candidates to yield the optimal synergy with existing members of the Board and Staff.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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 deliberation and approval from the entire Board, with input from the Nomination Committee. The process of Board nomination and election is as set out below:-</p> <ul style="list-style-type: none">(i) The Nomination Committee determines qualities required of the candidate, which typically include a specific area of expertise, knowledge, experience, character, independence, gender and ethnicity. At this stage, emphasis is placed on the mix of skill and personal that would best complement the existing Board for optimal effectiveness;(ii) The Nomination Committee identifies potential candidates by seeking applications from suitably qualified individuals;(iii) The Nomination Committee interviews selected candidates, setting up a two-way communication so that incoming candidates are clearly informed about the time commitments and other requirements of the role, to manage expectations from both sides; and(iv) The Nomination Committee evaluates candidates based on the required skill set and persona, subsequently recommends shortlisted candidates to the Board for discussion and approval.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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 details of the Directors, including interest, position, qualification, membership, experience and others are set out in the Directors' profile in the Annual Report. The performance of the retiring directors is assessed by the Nomination Committee and Board before recommendation is made to the shareholders for consideration. For independent directors, the Nomination Committee also assess their relationship with the executives that might influence, or reasonably be perceived to influence their capacity to bring an independent judgement and to act in the best interests of the listed company as a whole.
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	:	The Nomination Committee comprises exclusively of Independent Non-Executive Directors and is chaired by an Independent Non-Executive Chairman.		
		<u>Name of Director</u>	<u>Designation</u>	<u>No. of Meetings Attended</u>
		Mea Fatt Leong	Chairman	1/1
		YBhg. Prof Datuk Dr Raduan Che Rose	Member	1/1
		YBhg. Dato Dr Jalaluddin Bin Harun	Member	1/1
Explanation for departure	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
Measure	:			
Timeframe	:			

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The Board recognises that diversity in Board composition is beneficial for effective discussion and weighing of management issues. The Board and Nomination Committee strives, in the appointment and re-appointment of Board members, to maintain an optimal balance in terms of members’ background, knowledge and expertise, as well as in terms of demographic indicators such as age, gender and ethnicity. Currently, there are two (2) female members sitting on the Board, standing at 25% of overall Board composition.</p> <p>The Board notes the importance of diversity in the composition of the Board as well as management, however in seeking to fill its vacancies, priority is placed on the knowledge, skills and expertise of potential candidates to yield the optimal synergy with existing members of the Board and staff. Where suitable candidates are found in future, the Board may seek to increase representation from female members.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises that diversity in Board composition is beneficial for effective discussion and weighing of management issues. The Board and Nomination Committee strives, in the appointment and re-appointment of Board members, to maintain an optimal balance in terms of members' background, knowledge and expertise, as well as in terms of demographic indicators such as age, gender and ethnicity. Currently, there is two (2) female members sitting on the Board, standing at 25% of overall Board composition. One (2) out of Eight (8) of the Board Members are Malay, representing 25% of Board composition.</p> <p>The Board notes the importance of diversity in the composition of the Board as well as management; however in seeking to fill its vacancies, priority is placed on the knowledge, skills and expertise of potential candidates to yield the optimal synergy with existing members of the Board and staff. Where suitable candidates are found in future, the Board may seek to increase representation from female members and members of different races.</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 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	: The Nomination Committee has in place a formal evaluation process to assess the effectiveness of the Board as a whole, the Board Committees and the performance of each Director on an annual basis. The criteria used for the annual assessment of the Board and Board Committees includes composition and structure, principal responsibilities, processes, adequacy of information, succession planning and governance. For individual Directors, criteria include an assessment of their roles and duties, contributions to interaction, knowledge, integrity and independence. The evaluation involves individual Directors completing questionnaires regarding the processes of the Board and its Committees, their effectiveness and where improvements can be considered. They also undertook a self-review and peer review in which they assessed fellow Directors' performance. The results were compiled and analysed by the Company Secretary and presented at board meeting. There was no engagement of independent third party in carry out board evaluation. With regards to the assessment for FYE 2024, the Board was satisfied upon completing its assessments that the Board had discharged its duties and responsibilities effectively. The Board also concluded that the Board composition in terms of size, mix of skills and balance between Executive, Non-Executive and Independent Directors were satisfactory.
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 7.1

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 Group's remuneration policy strives to maintain a strong linkage between performance and reward, at the same time to offer remuneration packages attractive enough to recruit and retain talent. The Remuneration Committee operates based on its Terms of Reference, which is available on the www.dpsland.com.</p> <p>The Remuneration Committee is tasked to review annually the performance of the Directors and submit recommendations to the Board on specific adjustments in remuneration and/or reward payments that reflect individual Directors' respective contributions for the year, and which depend on the performance of the Group, achievement of the goals and/or quantified organisational targets as well as strategic initiatives set at the beginning of each year. The Remuneration Committee, whilst establishing the appropriate levels of the Directors' remuneration package for the financial year 2024, has considered the information in the salary survey of comparator listed companies provided from external sources and information from sources within the Company, taking into account external market data, conditions within the business and performance of the Group.</p> <p>Board remuneration is decided by the Board collectively. Individual Directors are to abstain from deliberation and decision-making on their own remuneration package.</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 of Directors falls under the responsibility of the Remuneration Committee. Members of the Remuneration Committee currently include:</p> <ol style="list-style-type: none"> 1) Mea Fatt Leong <i>Independent Non-Executive Director (Chairman)</i> 2) YBhg. Prof Datuk Dr Raduan Che Rose <i>Independent Non-Executive Director</i> 3) YBhg. Dato Dr Jalaluddin Bin Harun <i>Independent Non-Executive Director</i> <p>The Remuneration Committee operates based on its Terms of Reference, which is available on the Company's website at www.dpsland.com.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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 – the company discloses the remuneration of members senior management who are not members of the board																																																																																														
Explanation on application of the practice	:	<p>The Company discloses aggregate remuneration packages paid or payable to Directors; segregated into Executive Directors and Non-Executive Directors.</p> <p>Group level:</p> <table border="1"> <thead> <tr> <th></th> <th>Fees (RM'000)</th> <th>Emoluments (RM'000)</th> <th>Defined Contribution Plan (RM'000)</th> <th>Total (RM'000)</th> </tr> </thead> <tbody> <tr> <td colspan="5">Executive Directors</td> </tr> <tr> <td>Tan Sri (Dr) Sow Chin Chuan</td> <td>-</td> <td>1,801</td> <td>342</td> <td>2,143</td> </tr> <tr> <td>Edward Sow Yuen Seng</td> <td>-</td> <td>238</td> <td>27</td> <td>265</td> </tr> <tr> <td>Eugene Sow Chuan Sheng</td> <td>-</td> <td>68</td> <td>9</td> <td>77</td> </tr> <tr> <td>Puan Sri Chu Kim Guek</td> <td>-</td> <td>102</td> <td>19</td> <td>121</td> </tr> <tr> <td>Emily Sow Mei Chet</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Eric Sow Yong Shing</td> <td>-</td> <td>160</td> <td>19</td> <td>179</td> </tr> <tr> <td>Edmund Sow Yong Ming</td> <td>-</td> <td>69</td> <td>8</td> <td>77</td> </tr> <tr> <td>Tay Wee Kee</td> <td>-</td> <td>74</td> <td>9</td> <td>83</td> </tr> <tr> <td colspan="5">Non-Executive Directors</td> </tr> <tr> <td>Mea Fatt Leong</td> <td>14</td> <td>-</td> <td>-</td> <td>14</td> </tr> <tr> <td>YBhg. Prof Datuk Dr Raduan Che Rose</td> <td>24</td> <td>-</td> <td>-</td> <td>24</td> </tr> <tr> <td>YBhg. Dato Dr Jalaluddin Bin Harun</td> <td>14</td> <td>-</td> <td>-</td> <td>14</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Range of Remuneration</th> <th>Executive</th> <th>Non-Executive</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>50,000 and below</td> <td>1</td> <td>3</td> <td>4</td> </tr> <tr> <td>50,001 to 100,000</td> <td>3</td> <td>-</td> <td>3</td> </tr> <tr> <td>100,001 to 150,000</td> <td>1</td> <td>-</td> <td>1</td> </tr> <tr> <td>150,001 to 200,000</td> <td>1</td> <td>-</td> <td>1</td> </tr> <tr> <td>200,001 and above</td> <td>2</td> <td>-</td> <td>2</td> </tr> </tbody> </table>		Fees (RM'000)	Emoluments (RM'000)	Defined Contribution Plan (RM'000)	Total (RM'000)	Executive Directors					Tan Sri (Dr) Sow Chin Chuan	-	1,801	342	2,143	Edward Sow Yuen Seng	-	238	27	265	Eugene Sow Chuan Sheng	-	68	9	77	Puan Sri Chu Kim Guek	-	102	19	121	Emily Sow Mei Chet	-	-	-	-	Eric Sow Yong Shing	-	160	19	179	Edmund Sow Yong Ming	-	69	8	77	Tay Wee Kee	-	74	9	83	Non-Executive Directors					Mea Fatt Leong	14	-	-	14	YBhg. Prof Datuk Dr Raduan Che Rose	24	-	-	24	YBhg. Dato Dr Jalaluddin Bin Harun	14	-	-	14	Range of Remuneration	Executive	Non-Executive	Total	50,000 and below	1	3	4	50,001 to 100,000	3	-	3	100,001 to 150,000	1	-	1	150,001 to 200,000	1	-	1	200,001 and above	2	-	2
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	Company level:				
			Defined Contribution Plan	Total	
	Fees (RM'000)	Emoluments (RM'000)	(RM'000)	(RM'000)	
	Executive Directors				
	Tan Sri (Dr) Sow Chin Chuan	-	1,201	228	1,429
	Edward Sow Yuen Seng	-	238	27	265
	Eugene Sow Chuan Sheng	-	45	6	51
	Puan Sri Chu Kim Guek	-	102	19	121
	Emily Sow Mei Chet	-	-	-	-
	Non-Executive Directors				
	Mea Fatt Leong	14	-	-	14
	YBhg. Prof Datuk Dr Raduan Che Rose	24	-	-	24
	YBhg. Dato Dr Jalaluddin Bin Harun	14	-	-	14
	Range of Remuneration	Executive	Non-Executive	Total	
	50,000 and below	1	3	4	
	50,001 to 100,000	1	-	1	
	100,001 to 150,000	1	-	1	
	150,001 to 200,000	-	-	-	
	200,001 and above	2	-	2	
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 8.2

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	:	While the Code's Principles A III has prescribed for individual disclosure of top five senior management's remuneration packages, the Board has considered and is of the view that the transparency and accountability aspects of corporate governance applicable for top five senior management's remuneration are adequately served by the disclosure as total of RM 462,200 with contribution plan at RM 63,910.	
<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	Applied	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	:	For security reasons, details of individual senior management remuneration are not shown. The Board will consider disclosing the remuneration of individual senior management as and when it is deemed appropriate

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Audit Committee Mr Mea Fatt Leong is not the Chairman of the Board. Chairman of the Board is YBhg. Tan Sri (Dr) Sow Chin Chuan, PSM	
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	:	The Group has always recognised the need to uphold independence. None of the members of the Board were former key audit partners within the cooling-off period of three (3) years. Hence, there is no such person being appointed as a member of the Audit Committee.
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 Company maintains a proper and transparent relationship with its external auditors through its Audit Committee. The effectiveness, performance and independence of the external auditor is reviewed annually by the Audit Committee. The lead audit partner is required to rotate after a maximum of five years. If it becomes necessary to replace the external auditor for performance or independence reasons, the responsibility for the selection, appointment and removal of the external auditor has been delegated to the Audit Committee.</p> <p>During the year, the Audit Committee has reviewed and verified the suitability and independence of the external auditors, and as such has on 29 August 2023 recommended the re-appointment of the current external auditors for the financial year ended 31 March 2024.</p> <p>The Audit Committee has considered the provision of non-audit services by UHY during the financial year under review and concluded that the provision of these services did not compromise their independence and objectivity as the amount of the fees paid for these services were not significant when compared to the total fees paid to the external auditors of RM94,600. The non-audit fees incurred for services rendered to the Group by the external auditors and its affiliates for the financial year ended 31 March 2024 amounted to RM5,000.</p> <p>The written assurance from the external auditors with regards to their independence is set out in the Audit Committee's Report of the Annual Report. Other features of the relationship between the Audit Committee and the external auditors, including suitability and independence assessment procedures and tools, are disclosed in the Audit Committee Report.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

Measure :		
Timeframe :		

Intended Outcome

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	:	Applied
Explanation on adoption of the practice	:	The Audit Committee comprises exclusively of 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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee consists of three (3) members, all of whom are independent non-executive directors. One of the Audit Committee Member is a Chartered Accountant and has relevant financial experience and expertise to effectively fulfil the role of Audit Committee Chairman.</p> <p>During the financial year, the Nomination Committee had reviewed and evaluated the effectiveness of Audit Committee and each of its members. The Audit Committee was assessed based on quality and composition, skills and competencies, as well as meeting administration and conduct. Based on the results of the assessment, the Nomination Committee was satisfied that the Audit Committee and its members had discharged their functions effectively and had carried out their duties in accordance with its Terms of Reference.</p> <p>During the financial year, the Directors had participated in various training programs. The particulars of the seminars and courses attended by the Directors are disclosed in the Corporate Governance Overview Statement of the 2024 Annual Report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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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>One of the Board's responsibility, aside from providing strategic leadership, is also to ensure that appropriate risk management measures and internal controls are implemented throughout the Group to safeguard assets and protect shareholders' interests.</p> <p>The risk management framework of the Group is overseen by the Audit Committee, which ensures that an annual risk management process is carried out to identify, evaluate and manage significant risks of the business. Findings from the process is compiled and tabled to the Board for review and evaluation. Items highlighted to the Board are disclosed in terms of severity, probability of risk occurring, effect of the risk should it occur, and actions currently being taken to mitigate or minimise the risk to acceptable level.</p> <p>The internal audit function of the Group is outsourced to Indah Corporate Governance Sdn Bhd, which submits periodic reports directly to the Audit Committee covering its assessments of the financial, operational and compliance controls in place in the Group.</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 risk management framework of the Group is overseen by the Audit Committee, which ensures that an annual risk management process is carried out to identify, evaluate and manage significant risks of the business. Findings from the process is compiled and tabled to the Board for review and evaluation. Items highlighted to the Board are disclosed in terms of severity, probability of risk occurring, effect of the risk should it occur, and actions currently being taken to mitigate or minimise the risk to acceptable level.	
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	:	Applied
Explanation on adoption of the practice	:	The Audit Committee assumes the role in overseeing and reviewing the effectiveness of the Group's risk management function together with the Management.

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 internal audit function of the Group is outsourced to Indah Corporate Governance Sdn Bhd., which submits periodic report directly to the Audit Committee covering its assessments of the financial, operational and compliance controls in place in the Group.</p> <p>The internal auditors report directly to the Audit Committee and are responsible to undertake independent regular and systematic reviews of the financial and operational controls implemented within the Group, so as to provide reasonable assurance that such controls continue to operate satisfactorily and effectively.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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>The director in charge of the internal audit of the Company for the current financial year is Tay Lee Hoon, who has more than 15 years' working experience in corporate consultancy, business process improvement, internal auditing and other assurance services. Together with Su Mei Yen, who has no less than 10 years' experience, she has obtained professional qualification and became a member of MIA, ACCA and IIA.</p> <p>The Audit Committee is responsible to ensure that the internal audit function is effective and able to function independently. The appointed internal audit firm and personnel are free from any relationships or conflicts of interest that could impair their objectivity and independence. The appointment and removal, role of internal auditor, scope of the internal audit function, performance evaluation and budget of internal audit are decided by Audit Committee and is set out in Audit Committee Report 2024.</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 Board is cognisant that effective and timely communication is essential in maintaining good relationship with stakeholder and cultivate trust and understanding between the Group and stakeholders. Other than investor relations function, engagement forums and briefings, the Group leverage on information technology to create ease of access and convenience in all communications for stakeholder.</p> <p>Announcements and other corporate disclosures issued by the Group can be accessed via the Bursa website (www.bursamalaysia.com). Annual reports of the Group are distributed to shareholders within 4 months from the close of the financial year, to give shareholders the most updated view of the Group's financial performance. Where corporate exercises are proposed for shareholders' approval, key documents including the Company's constitution, recent audited financial statements, adviser reports, material contracts and cause papers in respect of material litigation are made available for shareholder perusal.</p> <p>The Board also duly notes the importance of maintaining a current library of updated corporate information available for public access. Further information regarding the updated website will be provided in due course as and when information becomes available.</p> <p>In addition, the address and phone number of the Group is clearly disclosed in the annual report, so that concerned shareholders may easily contact the Group.</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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company would consider adopting integrated reporting based on globally recognised framework in the future. As for now, it is a challenge as the Company needs to structure to achieve integrated report that would add value to its stakeholders while balancing such reports' costs against its benefits. Nevertheless, the Company shall continue engaging its stakeholders in the future to seek their input on the information matrix required; and shall embark so as and when the Company is ready or is categorised as Large company, whichever comes first.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Notice of Annual General Meeting for year 2024 ("AGM") to be held on 29 August 2024 was served on 31 July 2024 which is more than 28 days prior to the date of the AGM.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	All the directors presented themselves at the previous AGMs. The Audit Committee Chairman, the Nomination Committee Chairman and the Remuneration Committee Chairman were informed that questions relating to the Committee under their purview will be addressed by them accordingly.	
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	:	<p>On 29 August 2023, the Company conducted its virtual Annual General Meeting. The Company has appointed Synergy Professionals Group Sdn Bhd ("Synergy") as Poll Administrator to conduct the poll by way of online. The Remote Participation and Voting ("RPV") facility was also provided during the said AGM to allow online attendance and voting by shareholders.</p> <p>The voting at the 20th AGM held on 29 August 2023 was conducted on a poll in accordance with Paragraph 8.29A of the Main Market Listing Requirement of Bursa Securities.</p> <p>(a) Remote shareholders' participation at the 20th AGM</p> <p>Shareholders were invited to exercise their right to attend, speak, participate, and vote at the meeting remotely by using the Webinar. The Detailed procedures were provided to shareholders in the Administrative Guide.</p> <p>(b) After verification that one was a shareholder based on the General Meeting Record of Depositors ("ROD") as at 22 August 2023, the relevant shareholder was notified via e-mail that his/her registration for the remote participation at the 20th AGM had been approved. An e-mail notification on AGM link was then sent by Synergy after its verification based on the General Meeting ROD as at 22 August 2023 and upon the cut-off date and time for proxy form submission.</p> <p>(c) Voting in absentia</p> <p>Shareholders logged on the Webinar via the meeting link sent by Synergy and participated remotely via live streaming at the 20th AGM. The Company Secretary was invited to brief the shareholders on the housekeeping procedures to be adhered to pertaining to the fully virtual AGM, in tabling and approving the resolutions via the online polling platform at the AGM.</p>

	The Scrutineers, USearch Management Services verified the poll results for each resolution, which included votes in favour and against, upon which the Chairman of the 20th AGM declared that all the resolutions were carried.	
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 13.4

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	: All the shareholders could raise questions including but not limited to the Company’s financial and non-financial performance and long-term strategies. With respect to the 20th Annual General Meeting, shareholders submitted their questions prior to the conduct of the meeting via the Remote Participation and Voting Facilities (“RPV”). Besides, shareholders were also allowed to submit their questions via the RPV during the meeting. Questions received are then compiled, with repetitive questions grouped together. They are then read out and answered by Directors and / or senior management during the meeting.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: Synergy Professionals Group Sdn Bhd (“Synergy”) was engaged to provide the audio and visual support services to broadcast the proceedings of the 20th AGM virtually. The Shareholders also encouraged to participate at the Meeting by submitting typed questions in real time. To submit a question, the Shareholders have to type their texts within the chat box at the bottom of the messaging screen. Questions can be submitted at any time until the announcement of the closure of Q&A session. The Executive Chairman, who has a good understanding of the Company’s business, managed the Q&A session smoothly and efficiently. All questions were answered, and each question had been displayed on the screen in an orderly manner, to ensure the questions posed by the Shareholders made visible to all meeting participants during the AGM.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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	: During the FY 2023, the Company had held its 20th AGM on 29 August 2023. The Minutes of the Meetings, issues or concerns raised by shareholders and responses by the Company were uploaded on the Company website for shareholder's perusal within 30 business days after the completion of the 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 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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