

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 0070  
**COMPANY NAME** : MQ TECHNOLOGY BERHAD  
**FINANCIAL YEAR** : September 30, 2023

## OUTLINE:

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

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

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

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

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

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible for the overall management of the Company. The Board delegates the day-to-day management to the Executive Directors ("ED"), save for the significant matters reserved for the Board's approval, such as financial results (quarterly or annually), declaration of dividends, review annual budget and business plan, issuance of new shares, expenditure above a certain limit, disposals or acquisition of significant fixed assets and etc.</p> <p>The Board has steered the Company in a business direction that promote sustainability in its business operation and corporate value. The Company has an ongoing product development process with the aim to continue improving the products' quality, in order to preserve the well-known quality of its products.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 1.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board is led by Dato' Nurulhidayah Binti Ahmad Zahid ("Dato' Nurulhidayah"), the Independent Non- Executive Chairman who is capable to lead the Board based on her experience 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>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:	Choose an item.	

**Intended Outcome**

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

**Practice 1.3**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The roles of Chairman and Executive Directors 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.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Departure
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	The Chairman of the Company, Dato' Nurulhidayah is not a member of the Board Committees. However, the Chairman was invited to participate in the Board Committees' meetings as the committee is of the view that the Chairman input and contribution to be value to the decision-making process.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	Choose an item.

### Intended Outcome

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

### Practice 1.5

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by three (3) qualified secretaries, one (1) is Fellow member and the other two (2) are Associate members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") whom are qualified to act as Company Secretary under the Companies Act, 2016. As practicing company secretaries, they have also attended continuous professional development programmes as required by MAICSA.</p> <p>The Company Secretaries support the Board in carrying out their fiduciary duties and stewardship role in shaping the standard of corporate governance of the Group. The Company Secretaries also served as an advisory role to the Board, particularly with regards to the Company's Constitution, Board's policies and procedures and various compliance with regulatory requirement, codes, guidelines, legislation and the principles of corporate governance practices.</p> <p>The Company Secretaries circulated the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and brief the Board quarterly on these updates, where applicable at Board meetings. Throughout their period in office, the Directors are continually updated on the Group's business and the regulatory requirements.</p> <p>All Directors have unrestricted access to the advice and services of the Company Secretaries for the purposes of the Board's affairs and the business of the Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

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

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

**Practice 1.6**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Reasonable notice of meetings and the agenda on the business to be conducted at the meetings were circulated to all Directors at least one (1) week before each meeting. The board papers that provided relevant information such as minutes of previous meetings, management reports and financial reports were furnished to the Directors at least five (5) working days prior to the Board meeting so that each Director had ample time to review the papers to enable informed decision making.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 2.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board has formally adopted a Board Charter which provides guidance to the Board in the fulfilment of its roles, duties and responsibilities. The Board Charter was drawn up in line with the Board's commitment to comply with relevant legislations, regulations and the principles of good corporate governance. The Board Charter outlines the composition and structure of the Board, the Board's powers, duties and responsibilities, and processes and procedures for Board meeting. The Board Charter will be reviewed periodically and updated from time to time to reflect changes to the Company's policies, procedures and processes as well as changes to legislations and regulations. The Board Charter is available on the Company's website at <a href="http://www.mqtech.com.my">www.mqtech.com.my</a> .
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 3.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board observes the Code of Conduct and Ethics for the company Directors established by the Companies Commission of Malaysia in discharging its role effectively. The Code of Conduct and Ethics requires all Directors to observe high ethical business standard and to apply these values to all aspects of the Group's business and professional practices and to act in good faith in the best interest of the Group and its shareholders.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 3.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board had adopted the Whistle-blowing Policy that provides a channel to enable employees and other stakeholders to report any suspected breaches of law, regulations or any illegal acts observed in the Group but not limited to financial malpractice or fraud, non-compliance, criminal activity and corruption. The Whistle-blowing Policy is reviewed annually and is available on the Company's website. There were no reported incidents pertaining to whistleblowing during the financial year ended 30 September 2023.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 4.1

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

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible to oversight the Group's sustainability agenda, practices, strategies and performance supported by the Management. The Management is tasked to integrate sustainability considerations in the day-to-day operations of the Group and ensuring the effective implementation of the Group's sustainability strategies and plans.</p> <p>The Board sets strategies that support long-term value creation and includes strategies on economic, environmental and social ("EES") considerations underpinning sustainability. The direction and strategies are communicated to the Senior Management team, which comprises key persons from various functions and led by the Managing Director. They are responsible for the implementation of the sustainability-related initiatives as well as advising and reporting to the Board on the materiality matters.</p> <p>Additionally, the Company's Sustainability Statement which provides an overview of the sustainability performance for the year 2023, is disclosed in the Annual Report 2023.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company believes in transparency and open lines of communication with all the stakeholders. Transparency and communication are fundamental components of good corporate governance and serve to build vital relationships of trust the Company maintained with its stakeholders.</p> <p>The Company engage its stakeholders through various means of communication to enable them to more understand the Group’s business operation and seek their feedbacks and input on several matters relevant to them.</p> <p>The Company strives to maintain an open and two-way communication with its employees to discuss, among others, the Company’s performance and growth strategies.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 4.3

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board took note the importance of the sustainable development. The Group conducts a materiality assessment annually as part of the regular sustainability practice to ensure that the material matters remained relevant to the stakeholders. The details of the materiality assessment 2023 are made available in the Sustainability Statement of the Annual Report 2023.	
<b>Explanation for departure</b>	:		
	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 4.4

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors and Board Committees' assessment and evaluation have been performed on yearly basis to assess the following areas: -</p> <ul style="list-style-type: none"> <li>• Board and Board Committee Evaluation;</li> <li>• Board Skills Matrix;</li> <li>• Directors' Evaluation; and</li> <li>• Independent Directors' Self-Assessment Checklist.</li> </ul> <p>Based on the assessment and evaluation performed by each individual Directors and Nomination Committee ("NC"), it was concluded that: -</p> <p>(a) NC was satisfied that the Directors had discharged their responsibilities in a commendable manner, acted competently, contributed effectively to the Board and demonstrated full commitment to their duties as Directors.</p> <p>(b) NC was satisfied with the current structure, size and composition of the Board which comprises people who possess different expertise and experience in various fields and specialisations enable the Board to lead and manage the Company effectively.</p> <p>(c) NC was satisfied with the performance and contribution of each individual Director and each Director is well qualified in his/her area of expertise and profession.</p> <p>(d) NC was satisfied with the level of independence demonstrated by the Independent Non-Executive Directors and their ability to act independently and objectively in the best interest of the Company.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

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

### Intended Outcome

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.

<i>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.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	: As a responsible business entity, the Group has committed to develop sustainable strategies across all levels of management. In the effort to embed and achieve sustainable management and growth into the daily operations, the Group has established a governing body to oversee and implement sustainable programs.  MQ Tech's sustainability programme is chaired by the Managing Director along with the support of other Senior Management. The Managing Director is responsible for the review and endorses of all policies and framework in the development of the Group's sustainability practices. While the Senior Management are responsible for monitors the implementation of sustainability initiatives in MQ Tech and recommending the approach to manage material matters to the Managing Director.  The Board of Directors sets strategies that support long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability.

## Intended Outcome

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

## Practice 5.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nominating Committee ("NC") had performed Board assessment on annual basis to ensure that the right group of people with appropriate mix of skill was appointed.</p> <p>The NC also conducted an assessment of Directors who are seeking for re-election at the forthcoming Twentieth Annual General Meeting ("20<sup>th</sup> AGM") and concluded that Mr. Terence Cheah Eu Lee and Dr. Koay Boon Hooi are eligible for re-election pursuant to Clause 97 of the Company's Constitution.</p> <p>The Board had approved and proposed the re-election of Mr. Terence Cheah Eu Lee and Dr. Koay Boon Hooi as Directors of the Company at the forthcoming 20<sup>th</sup> AGM.</p> <p>The Board had revised its Board Charter on retaining an Independent Director after a cumulative term of nine (9) years by seeking annual shareholders' approval through a two-tier voting process to be in line with the Malaysian Code on Corporate Governance 2023.</p> <p>As at the date of this Report, there is no director who has served the Board for more than nine (9) years.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The current Board comprises six (6) Directors, consisting of one (1) Senior Independent Non-Executive Vice Chairman, two (2) Executive Directors and three (3) Independent Non-Executive Directors, including one (1) Independent Non-Executive Chairman. The Independent Non-Executive Directors satisfy the independence test under the ACE Market Listing Requirement of Bursa Securities, constitute 67% of the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.3**

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

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

<b>Application</b>	:	Not applicable - Step Up 5.4 adopted	
<b>Explanation on application of the practice</b>	:	Please provide an explanation on how the practice is being applied.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

*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.*

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

### Intended Outcome

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

### Practice 5.5

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board delegates the screening and assessment process of candidates and re-election of Directors to the Nomination Committee.  The Board and the Nomination Committee take into account the current Board diversity in term of skills, experience, age, race/ethnicity (cultural background) and nationality in seeking potential candidate(s). 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.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.6

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Appointments of new Director is undertaken by the Board as a whole after considering the recommendations of the Nomination Committee. Potential candidates may be proposed by any current Board member, shareholder or senior management personnel or by utilising independent sources such as recruitment firms or through industry associations. In considering potential candidates for appointment, the Nomination Committee undertakes a thorough review of the candidate's criteria, amongst others, qualifications, skills, knowledge, expertise, experience, personal attributes and the capability to devote the necessary time and commitment to the role.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The details of the Directors seeking re-election at the Annual General Meeting ("AGM") including their qualification, working experience, directorship in other public listed company, relationship with any director or major shareholder and conflict of interests with the Company are set out in the Profile of Directors section as disclosed in the Annual Report.</p> <p>The details of the interest of the Directors in the securities of the Company and attendance at Board of Directors' Meetings held during the financial year ended 30 September 2023 are also disclosed in the Annual Report.</p> <p>Based on the assessment of the Nomination Committee, Mr. Terence Cheah Eu Lee and Dr. Koay Boon Hooi are eligible for re-election, the Board had approved and resolved the re-election of the mentioned Directors at coming AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.8

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

<b>Application</b>	:	Applied									
<b>Explanation on application of the practice</b>	:	As at the date of this Report, the Nomination Committee comprises exclusively of Independent Non-Executive Directors and is chaired by the Senior Independent Non- Executive Vice Chairman.									
		<table border="1"><thead><tr><th>Name of Directors</th><th>Designation</th></tr></thead><tbody><tr><td>Dato' Lim Char Boo (Senior Independent Non-Executive Vice Chairman)</td><td>Chairman</td></tr><tr><td>Dr. Koay Boon Hooi (Independent Non-Executive Director)</td><td>Member</td></tr><tr><td>Gerald Nicholas Tan Eng Hoe (Independent Non-Executive Director)</td><td>Member</td></tr></tbody></table>	Name of Directors	Designation	Dato' Lim Char Boo (Senior Independent Non-Executive Vice Chairman)	Chairman	Dr. Koay Boon Hooi (Independent Non-Executive Director)	Member	Gerald Nicholas Tan Eng Hoe (Independent Non-Executive Director)	Member	
		Name of Directors	Designation								
		Dato' Lim Char Boo (Senior Independent Non-Executive Vice Chairman)	Chairman								
Dr. Koay Boon Hooi (Independent Non-Executive Director)	Member										
Gerald Nicholas Tan Eng Hoe (Independent Non-Executive Director)	Member										
<b>Explanation for departure</b>	:										
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>											
<b>Measure</b>	:										
<b>Timeframe</b>	:										

### Intended Outcome

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

### Practice 5.9

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>As at the date of this Report, the Board comprised of six (6) Directors, of whom one (1) is female, providing a representation rate of 16.7% which complies with the new requirement of ACE Market Listing Requirements of Bursa Securities to have at least one (1) woman Director on the board.</p> <p>The Board is mindful that any gender representation should be in the best interest of the Company. Although the Company has not reached the 30% woman representation target at Board level as required, the Board is putting its effort in getting other suitable women who could meet the objective criteria, merit and with due regard for diversity in skills, experience, age to join the Board.</p> <p>The Board currently does not have a formal policy on its boardroom or gender diversity. The evaluation and selection criteria of a Director are very much dependent on the effective blend of knowledge, skills, competencies, experiences and time commitment of the new Board member. Nonetheless, the Board is supportive of gender diversity in the Boardroom composition as recommended by the Code and will endeavour to consider suitable and qualified female candidates for appointment to the Board.</p> <p>The Board will endeavour to achieve 30% women representation on the Board in the next few years.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	Choose an item.

**Intended Outcome**

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

**Practice 5.10**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board is of the view that diversity on the Board enhances the decision-making capability of the Company, and it improves the Board discussion process by allowing different perspective to be included in decision-making.	
		Currently, the Company does not have a formalised Board gender diversity policy alongside targets and measures. However, the issue of diversity is discussed and given prominence during deliberations by the Nomination Committee and the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:	Choose an item.	

## Intended Outcome

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

### Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Nomination Committee annually performs an assessment of the effectiveness and performance of the Board, Board Committees and individual Directors, in order to verify that the Board is functioning appropriately as a whole. Each Director completed a detailed questionnaire in the Directors' Performance Evaluation which covered matters relevant to the Board performance, among other things, contribution to interaction, quality of input, understanding of role and personal developments. An evaluation of each Board Committee was done by assessing the structure, roles and responsibilities, performance of the respective Chairman, as well as Committee's performance against its Terms of Reference. The assessment was internally facilitated, whereby results of the assessments had been compiled, documented and reported to the Board accordingly, as part of the Company's ongoing corporate governance practices.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### Intended Outcome

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

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

### Practice 7.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Remuneration Committee is responsible for recommending to the Board the framework for Directors' remuneration as well as the remuneration packages of Executive Directors and key Senior Management. Both the Executive Directors and key Senior Management were not participate directly in determining their own remuneration.</p> <p>The Board collectively decides the remuneration of Independent Non-Executive Directors where individual Directors abstain from discussion and decisions in respect of their remuneration. On an annual basis, the Board recommends the Directors' fees to Independent Non-Executive Directors for shareholders' approval at the Annual General Meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 7.2

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Remuneration Committee was established to assist the Board in developing remuneration policies and procedures that enable the Group to attract, motivate and retain qualified Directors and key Senior Management personnel. Full details of the functions and duties of the Remuneration Committee are stated in its Terms of Reference, which is available on the Company's website, <a href="http://www.mqtech.com.my">www.mqtech.com.my</a> .
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 8.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The detailed breakdown of individual Directors' remuneration are disclosed in the Corporate Governance Overview Statement of the 2023 Annual Report.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tong Sian Shyen	Executive Director	-	-	192.000	-	-	24.199	216.199	-	71.000	192.000	-	-	33.877	296.877
2	Terence Cheah Eu Lee	Executive Director	-	-	108.000	-	-	14.119	122.119	-	-	108.000	-	-	14.119	122.119
3	Dr. Koay Boon Hooi	Independent Director	36.500	-	-	-	-	-	36.500	36.500	-	-	-	-	-	36.500
4	Gerald Nicholas Tan Eng Hoe (Re-designated on 26 September 2023)	Independent Director	36.000	-	-	-	-	-	36.000	36.000	-	-	-	-	-	36.000
5	Dato' Lim Char Boo	Independent Director	60.000	-	-	-	-	-	60.000	60.000	-	-	-	-	-	60.000
6	Dato' Nurulhidayah Binti Ahmad Zahid	Independent Director	109.355	-	-	-	-	-	109.355	109.355	-	-	-	-	-	109.355

**Intended Outcome**

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

**Practice 8.2**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The details of senior management's remuneration are not shown, as the Board considers the information of the said remuneration to be sensitive and proprietary in view of the competitive nature and to support the Company's efforts in retaining executive talents. The Board is of the view that the transparency and accountability aspects of corporate governance as applicable to senior management's remuneration are appropriately served by the disclosures in the RM50,000 bands. The total remuneration paid to each senior management reflects the time and effort devoted to fulfil his or her responsibilities on the Board and linked to the Group's performance.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

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

**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

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

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

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman of the Audit Committee is Dr. Koay Boon Hooi. While the Chairman of the Board is Dato' Nurulhidayah Binti Ahmad Zahid.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	In line with the Practice 9.2 of the MCCG 2021, the Audit Committee had revised its Terms of Reference to include a clause on a minimum cooling-off period of three (3) years before a former partner can be appointed as a member of the Audit Committee.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.3**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The External Auditors of the Company fulfil an essential role in giving assurance to the Company's shareholders on the reliability of the Group's financial statements.</p> <p>The Audit Committee reviews the independence, performance and remuneration of the External Auditors before recommending them to the Board for re-appointment, thereafter for the shareholders' approval for re-appointment in the AGM on an annual basis. The External Auditors would provide written assurance to the Board in respect of its independence to act as the External Auditors of the Group. The Audit Committee would convene a private session with the External Auditors without the presence of the Executive Directors and Management.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	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.

<b>Application</b>	:	Applied								
<b>Explanation on application of the practice</b>	:	<p>As at the date of this Report, the Audit Committee consists of three (3) members, all of whom are Independent Non-Executive Directors. The Chairman of the Audit Committee 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 all the Directors are disclosed in the Corporate Governance Overview Statement of the 2023 Annual Report.</p> <table border="1"><thead><tr><th>Name of Directors</th><th>Designation</th></tr></thead><tbody><tr><td>Dr. Koay Boon Hooi (Independent Non-Executive Director)</td><td>Chairman</td></tr><tr><td>Dato' Lim Char Boo (Senior Independent Non-Executive Vice Chairman)</td><td>Member</td></tr><tr><td>Gerald Nicholas Tan Eng Hoe (Independent Non-Executive Director) (Appointed on 26 September 2023)</td><td>Member</td></tr></tbody></table>	Name of Directors	Designation	Dr. Koay Boon Hooi (Independent Non-Executive Director)	Chairman	Dato' Lim Char Boo (Senior Independent Non-Executive Vice Chairman)	Member	Gerald Nicholas Tan Eng Hoe (Independent Non-Executive Director) (Appointed on 26 September 2023)	Member
Name of Directors	Designation									
Dr. Koay Boon Hooi (Independent Non-Executive Director)	Chairman									
Dato' Lim Char Boo (Senior Independent Non-Executive Vice Chairman)	Member									
Gerald Nicholas Tan Eng Hoe (Independent Non-Executive Director) (Appointed on 26 September 2023)	Member									

<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 10.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board acknowledges that risk management and internal control system are an integral part of effective management practice. As risk is inherent in all business activities, hence it is not the Group’s objective to eliminate the risk totally. There is an on-going process in place to identify, evaluate, monitor and manage key risks faced by the Group and the Board reviews the key risks highlighted to ensure the relevant action is taken to mitigate the risk of the Group to safeguard shareholders’ investment and Group’s assets.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 10.2

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has established an Internal Audit function which is currently outsourced to a professional firm. Functionally, the Internal Auditors report to the Audit Committee directly and they are responsible for conducting periodic reviews and appraisals of the effectiveness of the governance, risk management and internal control processes within the Group.  Further details of the Group's state of risk management and internal control systems are reported in the Statement of Risk Management and Internal Control in the 2023 Annual Report.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 10.3 - Step Up

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

<b>Application</b>	:	Adopted								
<b>Explanation on adoption of the practice</b>	:	<p>The Board is assisted by the Risk Management Committee to ensure the risk and control framework is embedded into the culture, processes and structure of the Group.</p> <p>Currently, the Composition of the Risk Management Committee is as follows:</p> <table border="1"><thead><tr><th>Name of Directors</th><th>Designation</th></tr></thead><tbody><tr><td>Dr. Koay Boon Hooi (Independent Non-Executive Director)</td><td>Chairman</td></tr><tr><td>Dato' Lim Char Boo (Senior Independent Non-Executive Vice Chairman)</td><td>Member</td></tr><tr><td>Tong Sian Shyen (Managing Director)</td><td>Member</td></tr></tbody></table>	Name of Directors	Designation	Dr. Koay Boon Hooi (Independent Non-Executive Director)	Chairman	Dato' Lim Char Boo (Senior Independent Non-Executive Vice Chairman)	Member	Tong Sian Shyen (Managing Director)	Member
Name of Directors	Designation									
Dr. Koay Boon Hooi (Independent Non-Executive Director)	Chairman									
Dato' Lim Char Boo (Senior Independent Non-Executive Vice Chairman)	Member									
Tong Sian Shyen (Managing Director)	Member									

**Intended Outcome**

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

**Practice 11.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Group's internal audit function is carried out by an outsourced internal audit firm which is independent of the activities it audits. The Board, through the Audit Committee conducts annual review on the effectiveness of the internal audit function which includes the assessment on the quality of audit review to ensure that the Internal Auditors have sufficient knowledge and experience to perform their role effectively.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

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

### Practice 11.2

The board should disclose–

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has outsourced its internal audit function to an independent professional firm Qwest Corporate Consultants Sdn Bhd to carry out reviews and assess the adequacy and integrity of the system of internal control of the Group. The head of the Internal Auditors, Mr. Lee Cheng Wooi, is a member of the Malaysian Institute of Certified Public Accountants (“MICPA”). The Internal Auditors report directly to the Audit Committee, who receives reports of issues and recommendations arising from each review. The Internal Auditors have also carried out follow-up reviews to ensure that recommendations for improving the internal control systems were being implemented satisfactorily. The cost incurred for internal audit for the financial year 30 September 2023 was RM7,000.</p> <p>The Internal Auditors are free from any relationships or conflicts of interest, which could impair their objective and independence.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Annual General Meeting ("AGM") is the key element of the Company's dialogue with its shareholders. During the AGM, shareholders are encouraged to ask questions on the resolutions being proposed, the Company's operations in general or the annual reports of the Company and of the Group. All the Directors, Senior Management and External Auditors are available in the AGM to provide responses to questions from the shareholders.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 12.2**

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

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

**Intended Outcome**

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

**Practice 13.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Notice of Annual General Meeting (“AGM”) was sent to the shareholders at least 28 days prior to the date of the meeting.</p> <p>The additional time given to shareholders allows them to consider the resolutions that will be discussed and decided at the AGM and to make the necessary arrangements to attend and participate in person.</p> <p>The Notice of AGM which sets out the businesses to be transacted at the AGM, was also published in a major local newspaper.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	All Directors, Senior Management and External Auditors were present at the Company's Annual General Meeting. The Chairman of the Board Committees are present on stage to provide response if there are any questions addressed to them.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.3**

Listed companies should leverage technology to facilitate–

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

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Company’s Annual General Meeting (“AGM”) for the financial year ended 30 September 2022 has been held physically at a location in the city area and accessible via public transport.	
		Moving forward, the Company will consider leveraging on technology to facilitate grater shareholders’ participation in general meeting.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: Shareholders are encouraged to interact directly with the Board and gain insights on the Company's business and financial position. It serves as a platform for shareholders to have a full understanding of the Company and of the Group.  During the AGM and EGM, the Chairman ensures that shareholders are given the opportunity to comment or raise issues and questions whether pertaining to issues on the agenda, the annual report, Group's strategy or developments in the Group.  The Chairperson plays a vital role in fostering constructive dialogue between the Board and the shareholders. All the members of the Board and the respective Chairman of the Board Committees are present at the meetings to address queries raised by the shareholders which are relevant to their areas of responsibility. The Company's External Auditors also attend the AGM and are available to answer questions from the shareholders pertaining to the audit matters and the auditor's report.  The Directors and Management have answered all the questions submitted prior or during the meeting during the Q&A session.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:

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

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

### Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b> :	Not applicable – only physical general meetings were conducted in the financial year
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

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

**Practice 13.6**

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The minutes of general meetings were uploaded on the Company's website no later than 30 business days after the general meetings.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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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