

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7253
COMPANY NAME : Handal Energy Berhad
FINANCIAL YEAR : June 30, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board's strategic leadership role, governance arrangements, and effectiveness are set out in the Board Charter. The Company's Board Charter can be found at the Company's website at www.handal-energy.com . Further details are discussed in the Corporate Governance Overview Statement ("CG Overview Statement")
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	:	The Board is led by YB Muhamad Arafat Bin Varisai Mahamad, the Independent Non-Executive Chairman whose role and responsibilities are as stated in the Board Charter. 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. 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.
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 position of Independent Non-Executive Chairman is held by YB Muhamad Arafat Bin Varisai Mahamad while the business operations of the Group is led by the Chief Executive Director, Mr. William H Van Vliet III. Their roles are separate and there is a clear division of responsibilities to distinguish between the provision of leadership to the Board and the executive responsibility for running Handal Group's business.
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, YB Muhamad Arafat Bin Varisai Mahamad is not a member of the Audit and Risk Management 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	:	The Board and Board Committees are assisted by a qualified and competent Company Secretary who is a member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). The Company Secretary 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. 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. 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.
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 Board is supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports or upon specific requests. The Board and Board Committee papers are circulated in advance prior to the meetings to allow the Board members adequate time for making informed decisions and effective discharge of Board's responsibilities. Minutes of Board and Board Committee's meeting 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	:	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 and Risk Management Committee, Nomination Committee and Remuneration Committee which specify the composition, rights, key functions, roles and responsibilities of respective committees. 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. The Board Charter was formalised by the Board. It defines the composition of the Board, the responsibilities of the Chairman, and Chief Executive Officer, 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.handal-energy.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 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	:	The Board has formalised ethical standard in its Code of Ethics and Conduct. The Code of Ethics and Conduct is published on the Company’s corporate website at www.handal-energy.com and has clearly stated the values and principles, which are of fundamental importance for its businesses. The Code of Ethics and Conduct are regularly reviewed by the Board as and when required to ensure that it remains relevant and appropriate.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	The Company has developed a Whistleblowing Policy to maintain and achieve a high standard of corporate governance, business integrity and its code of conduct. The objectives of the policy are as follows: - - Establishes the rules, procedures and avenue for employees and stakeholders to report/raise/whistleblowing a genuine concern or allegation through the appropriate channel upon discovery of possible misconduct, and - Provides protection to an individual who has raised or reported to concern or allegation. The Whistleblowing Policy is regularly reviewed by the Board to ensure that it remains relevance and effectiveness in keeping with the changes in legislation and the Group's administrative and operational needs. The details of Whistleblowing Policy is made available on the Company's corporate website at www.handal-energy.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	:	The Board is responsible to oversee 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. Sustainability related activities undertaken and targets set out by the Company has been disclosed in the Sustainability Statement of the Company’s Annual Report for the financial year 2024.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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 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. The Company engages its stakeholders through various means of communication to enable them to understand better the Group's business operation and seek their feedback and inputs on several matters relevant to them. The Group identified them through issues which are material based on their impact to the Group's operation and the number of stakeholders affected. The Company strives to maintain an open two-way communication with its employees to discuss, among others, the Company's performance and growth strategies.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	The Board has committed to stay abreast with the latest development in the sustainability issues relevant to the Group. The Board gains access to the sustainability issues updates via news, publications from relevant agencies to achieve sustainable long-term value.	
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	:	Applied	
Explanation on application of the practice	:	The Board has formal assessment processes covering Board Assessment, Board Skills Matrix, Individual Directors Assessment, Board Committee Self and Peer Assessment, and Assessment of Independence of Independent Directors. These performance assessments are overseen by the Nomination Committee and in line with the Fit and Proper Policy. For the financial year under review, the Board is satisfied with the performance assessment result and fit and proper criteria for the individual Director, Board and Board Committees. The NC used the results of the evaluations to recommend the Directors standing for re-election to the Board for shareholders' approval in the AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors consists of seven (7) members comprising an Independent Non-Executive Chairman, one (1) Executive Director, and Six (6) Independent Non-Executive Directors as at the date of this Annual Report. The Board has complied with Paragraph 15.02 of the MMLR of Bursa Securities that at least two or one-third of the Board, whichever is the higher are independent directors. Board Committees are established to assist the Board in discharging its duties and responsibilities. The Board delegates specific responsibilities to three (3) committees, namely the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee. Each Committee operates within its respective written terms of references governing the discharge of their responsibilities and the Board receives reports on their activities, proceedings, and deliberations periodically from the Chairman of the respective Committees, which are minuted and recorded accordingly. The Nomination Committee ("NC") had performed Board assessment on annual basis to ensure that the right group of people with appropriate mix of skill was appointed The Board has adopted a Fit and Proper Policy to serve as a guide for NC and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking re-election. The current Board consists of Directors from diverse backgrounds and specialisations with a wide range of experience and expertise in accounting and finance, business management and development, public service and legal. The NRC also conducted an assessment of Directors who are seeking for re-election at the forthcoming 15th Annual General Meeting ("AGM") and concluded that Encik Mior Mokhtar Bin Mior Abu Bakar is eligible for re-election pursuant to Clause 115(1) of the Company's Constitution.

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

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Board consists of one (1) Executive Director and seven (7) Independent Non-Executive Directors (“INEDs”). The INEDs make up majority of the Board. This provides effective check and balance in the functioning of the Board to safeguard the interests of all shareholders and stakeholders.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	No independent director of the Company has exceeded a cumulative term limit of nine years.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	Appointments of directors and senior management are scrutinised by the Nomination Committee, and ultimately the board. The board takes cognisance of the required skills and experience in the appointment of directors and senior management. Diversity in skills, age and cultural background are well reflected in the current board and management team. The board has not restricted any board members to hold board positions in other companies, but impresses upon full disclosure any positions where potential conflicts may arise.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.6

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	:	The Group practices formal procedures on sourcing and appointment of new directors, either via nominations or independent sources. In searching for suitable candidates, the NC may receive suggestions from existing Board members, Management and major shareholders. The committee is also open to referrals from external sources available, such as industry and professional associations, as well as independent search firms. All appointments of new directors are subject to screening and appropriate recommendation of the NC prior to consideration and approval of the Board. In evaluating potential candidates, the NC will assess directorship suitability based on objective criteria, including:- - Probity, personal integrity and reputation; - Competence and capability; - Financial integrity; - Professional background; and - Directorships in public listed companies
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	The details of the Director seeking re-election at the 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 2024. 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 June 2024 are also disclosed in the Annual Report 2024. Based on the NC assessment, the NC had recommended that Encik Mior Mokhtar Bin Mior Abu Bakar is eligible for re-appointment in accordance with Clause 115(1) of the Company's Constitution and Ms. Xu TianTian, Mr. Yen Soon Jin, YB Muhamad Arafat Bin Varisai Mahamad, Mr. Cheah Ben Lee, Madam Susan Wong Yun Tsu and Ms. Ooi Siu Heok are eligible for re-appointment in accordance with Clause 125 of the Company's Constitution, the Board had subsequently resolved to recommend the re-appointment of Ms. Xu TianTian, Mr. Yen Soon Jin, YB Muhamad Arafat Bin Varisai Mahamad, Mr. Cheah Ben Lee, Madam Susan Wong Yun Tsu and Ms. Ooi Siu Heok as Directors at the forthcoming AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	All members of the NC are Independent Non-Executive Directors and chaired by Dato' Mohammad Medan Abdullah.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	The Board comprises eight (8) Directors, out of whom three (3) are female Directors, representing 37.5% of the Board composition, with the objective of bringing diversity to the Board's deliberation and decision-making process, and to encourage women participation on the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	The Board does not have a specific policy for setting targets for gender or age composition on the Board as the Board believes in fair and equal participation for all individuals of right calibre irrespective of race, age or gender. However, the Company has adopted a Board Diversity Policy serves as a guide in ensuring the diversity including the gender of the Board which enhances the effective contribution of all Directors. The Board is of the view that the interests of the Company and the Group are better served if the selection of suitable candidates is made based on the competency, skills and experience to facilitate board diversity.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to 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 NC reviews annually the required mix of skills and experience for Directors and assesses annually the contributions of each individual Director and the effectiveness of the Board Committees and the Board as a whole. Furthermore, the NC reviews the size and composition of the Board with particular consideration on the impact on the effective functioning of the Board. The assessment criteria used in the assessment of Board, Board Committees and individual Director include mix of skills and experience and size of the Board, quality of inputs, understanding of their roles, duties and responsibilities and etc. The assessment of the Board is carried out on a self-assessment basis and the outcome has been deliberated by the NC.
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	The Remuneration Committee ("RC") is authorised by the Board to establish a formal and transparent policies and procedures to determine the remuneration of Director and senior management. The remuneration for Executive Directors and key senior management is determined based on the industry outlook, the Company's financial performance, operation effectiveness, practices in the market, comparison with organisations of similar size with the Group, and the Company's performance in managing significant sustainability risks and opportunities. The remunerations of Non-Executive Directors, which are in the form of director fees and allowance, are determined based on their responsibilities, experience, seniority, and involvement in the number of Board Committees. The fee payable shall be comparable with the industry but not conflict with their objectivity and independent judgment and be subject to shareholders' approval. The Board Remuneration Policy is available on the Company's website at www.handal-energy.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 level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

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

Practice 7.2

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

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

Application	:	Applied	
Explanation on application of the practice	:	The RC is primarily responsible for reviewing and recommending the remuneration for the board members. All directors' remunerations are determined by the Board as a whole. The RC discharged its responsibilities by carrying out its duties as set out in Terms of Reference, which is available on the Company's website at www.handal-energy.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The remuneration of Directors is determined at levels which enable the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively. The determination of the remuneration for the Non-Executive Directors is a matter to be decided by the Board as a whole with the Director concerned abstaining from deliberations and voting on decision in respect of his individual remuneration package. The Board recommends the Directors' Fees payable to Non-Executive Directors on a yearly basis to the shareholders for approval at the AGM. The details for the remuneration of Directors for the financial year ended 30 June 2024 are disclosed in the Annual Report 2024.

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	Muhamad Arafat Bin Varisai Mahamad	Independent Director	200	6.5	Input info here	Input info here	Input info here	Input info here	206.5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Mior Mokhtar Bin Mior Abu Bakar	Independent Director	30	12	Input info here	Input info here	Input info here	Input info here	42	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Dato' Mohammad Medan Abdullah	Independent Director	30	9	Input info here	Input info here	Input info here	Input info here	39	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Xu TianTian	Executive Director	220	3	Input info here	Input info here	Input info here	Input info here	223	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Yen Soon Jin	Independent Director	30	3	Input info here	Input info here	Input info here	Input info here	33	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
6	Cheah Ben Lee	Independent Director	21	5	Input info here	Input info here	Input info here	Input info here	26	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	Susan Wong Yun Tsu	Independent Director	1.5	-	Input info here	Input info here	Input info here	Input info here	1.5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Ooi Siu Heok	Independent Director	1.5	-	Input info here	Input info here	Input info here	Input info here	1.5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	For confidentiality and security reasons, the Board is of the view that it is not in the best interest of the Group to disclose details of the top five senior management's remuneration. The total remuneration paid to each senior management reflects the time and effort devoted to fulfil his or her responsibilities on the Company and linked to the Group's performance.
	:	The Board is of the view that the transparency and accountability aspects of corporate governance as applicable to senior management's remuneration are made on aggregate basis in the audited financial statement for the financial year under review.
<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	:	

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 Audit and Risk Management Committee (“ARMC”) is chaired by an Independent Non-Executive Director, Mior Mokhtar Bin Mior Abu Bakar, who is not the Chairman of the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is 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 ARMC adopts the best practice of requiring a cooling-off period of at least three (3) years before appointing a former key audit partner as a member of the ARMC. Nevertheless, this instance has not arisen to date. The said practice is set out in the Terms of Reference of the ARMC.	
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	:	The ARMC reviews the independence, performance and remuneration of the External Auditors on annual basis. The ARMC was satisfied with the performance and independence of the external auditors as well as the quality of audit review procedures and adequacy of the firm’s expertise and its resources to carry out the audit work.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The ARMC 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	:	All members of the ARMC are financially literate and are able to understand matters under the preview of the ARMC including the financial reporting process. The qualification and experience of the ARMC members are disclosed in the Profile of Directors in the Annual Report 2024. All members of ARMC undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules during the financial year ended 30 June 2024. In addition to the above, members of the ARMC would be updated on recent developments in the areas of statutory and regulatory requirements by the External Auditors, Internal Auditors and Company Secretaries during the Committee 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	:	

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	:	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. The risk management framework of the Group is overseen by the ARMC, 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. The internal audit function of the Group is outsourced to IBDC (Malaysia) Sdn. Bhd., which submits periodic reports directly to the ARMC covering its assessments of the financial, operational and compliance controls in place in 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

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	The key features of the Company's risk management and internal control framework, which covers their adequacy and effectiveness are disclosed under the Statement on Risk Management and Internal Control in the Annual Report 2024.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - 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 and Risk Management Committee is entirely comprised of Independent Non-Executive Directors. The Board is of the opinion that the current composition is sufficient and adequate for the Audit and Risk Management Committee to carry out its functions in assisting the Board.

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	:	The internal audit function of the Group is outsourced to IBDC (Malaysia) Sdn. Bhd., which submits periodic reports directly to the ARMC covering its assessments of the financial, operational and compliance controls in place in the Group. The internal auditors report directory to the ARMC 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.	
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	:	In line with the MCCG and the Main Market Listing Requirements of Bursa Malaysia, the Board has an independent Internal Audit function which is led by Mr. Yuji Wong Een Joon (“Mr. Yuji Wong”), the Managing Director of IBDC (Malaysia) Sdn. Bhd. who reports directly to the Audit and Risk Management Committee. Mr. Yuji Wong is a fellow member of the Association of Chartered Certified Accountants (“ACCA”), the Malaysian Institute of Accountants (CA(M)), and the Institute of Internal Auditors in Malaysia (CMIIA). Besides, he is also an associate member of the Association of Certified Fraud Examiners (ACFE) and a Chartered Financial Analyst (CFA) candidate. The Internal Auditors have performed its work with reference to the principles of the International Professional Practice Framework of Institute of Internal Auditors covering the conduct of the audit planning, execution, documentations, communication of findings and consultation with key stakeholders. The information on internal audit functions are disclosed in the Annual Report 2024.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	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. The Group leverage on information technology to create ease of access and convenience in all communications for stakeholder. Announcements and other corporate disclosures issued by the Group can be accessed via the Bursa website. 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. 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. 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.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:	The Company is not considered a Large Company as its market capitalisation is less than RM2 billion at the present moment.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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 annual report, which contains the Notice of Annual General Meeting, was sent to the shareholders at least 28 days prior to the date of the meeting to give sufficient time to shareholders to consider the resolutions that will be discussed and decided at the AGM.	
		The Notice of AGM, which sets out the businesses to be transacted at the AGM, was also published in local newspaper.	
		The note to the Notice of AGM also provide detailed explanation for certain resolutions proposed to enable shareholders to make informed decisions in exercising their voting rights.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	At the Fourteenth Annual General Meeting (“14th AGM”) held on 26 May 2023, all the Directors, members of the senior Management and external auditors of the Company were present in the 14th AGM. Shareholders’ questions were answered and responded to.	
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The 14th AGM was held in Kota Kinabalu, Sabah, which is also the principal place of business for the Company. In view of the number of shareholders and the size of the Company, the participation of shareholders of the Company at the general meeting is currently by way of attending in person or by proxy.	
	:	The shareholders are allowed to appoint any person(s) as their proxies to attend, participate, speak and vote in his stead at a general meeting. If necessary, the Group would embark on electronic voting and remote shareholder participation, if our shareholders requested for such services.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	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, 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.
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice	:		
Explanation for departure	:	The 14th AGM was held in Kota Kinabalu, Sabah	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The minutes of the 14th Annual General Meeting was uploaded on the Company's website no later than 30 business days after the AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

No.
