

## CORPORATE GOVERNANCE REPORT

<b>STOCK CODE</b>	<b>0080</b>
<b>COMPANY NAME</b>	<b>STRAITS ENERGY RESOURCES BERHAD</b>
<b>FINANCIAL YEAR</b>	<b>December 31, 2023</b>

### OUTLINE:

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

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

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

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

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

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Straits Energy Resources Berhad ("<b>Straits</b>" or "<b>the Company</b>") recognises the key role it plays in charting the strategic direction and management of the Company and its subsidiaries ("<b>the Group</b>").</p> <p>The Board has delegated certain duties and responsibilities to three (3) Board Committees with clearly defined terms of reference ("<b>TOR</b>") to assist the Board in discharging its responsibilities: -</p> <ol style="list-style-type: none"><li>1) Audit Committee ("<b>AC</b>")</li><li>2) Nomination &amp; Remuneration Committee ("<b>NRC</b>")</li><li>3) Board Risk &amp; Compliance Committee ("<b>BRCC</b>")</li></ol> <p>While the Board Committees have their own functions and delegated roles, duties and responsibilities, the respective Board Committee Chairman will report to the Board on the outcome of the Board Committee meetings and resolutions, which would also include the key issues deliberated at the Board Committee meetings.</p> <p>The Board Charter assists the Board in the discharge of its fiduciary and leadership responsibilities in the pursuit of the best interest of the Group.</p>

The roles and responsibilities of the Board, are clearly set out in the Board Charter, of which have been carried out by the Board during the financial year amongst others are as follows:

- 1) The Board is assisted by the AC in ensuring the Group's financial reporting processes are effective and the quality of the financial reporting is of high standard. The AC reviewed the quarterly financial reports prior to its recommendation to the Board for approval and announcements to Bursa Malaysia Securities Berhad ("**Bursa Securities**").
- 2) Approved the investment and corporate exercises in consultation with corporate advisors and senior management to ensure that these potential investments and corporate exercises add value to the Group.
- 3) Annual business plans have been prepared for the Group and its respective Business Units and the Board is responsible for the oversight and monitoring for the achievement of the Business Plan. The Business Plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability.
- 4) Reviewed related party transactions, if any, to ensure compliance with ACE Market Listing Requirements ("**ACE LR**") of Bursa Securities and the interest of minority shareholders are protected.
- 5) Reviewed Board Committees reports and approved the recommendations proposed by the Board Committees.
- 6) Consulted with the Company Secretary, External Auditors, Internal Auditors and/or advisors before making and disclosing information and announcements about the Group and the Company.
- 7) Reviews the adequacy and integrity of the Group's Internal control and risk management systems, management information and internal control system of the Group including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

	The Company's Board Charter defines the specific duties and responsibilities of the Board which can be found on the Company's website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</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

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 roles and responsibilities of the Chairman of the Board have been clearly specified in Clause 11 of the Board Charter, which is available on the Company's website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</a>.</p> <p>Y.A.M. Dato' Seri Tengku Baharuddin Ibni Al-Marhum Sultan Mahmud Al-Muktafi Billah Shah ("<b>Y.A.M. Dato' Seri Tengku Baharuddin</b>") is the Chairman of the Board and primarily responsible for the leadership and management of the Board, ensuring the Board and Board Committees carry out their responsibilities in the best interest of the Company.</p> <p>The Chairman is primarily responsible for the orderly conduct and workings of the Board. Board and shareholders' meetings are chaired by our Chairman.</p> <p>The Chairman ensures that a regular dialogue with his fellow Board members relating to all strategic and operational matters is maintained and will consult with the fellow Board members promptly over any matter that gives him cause for major concern.</p> <p>He is a respected professional and maintains a balanced position in leading and moderating discussions during the Board meetings with Management.</p> <p>During the Board meetings, our Chairman ensures that all Directors are given an equal opportunity to raise important matters and voice their views on proposals submitted.</p> <p>With his knowledge, business network and experience, he provides invaluable counsel and leadership to our Board, and together with all our Directors, instils a high standard of corporate governance practices.</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 1.3

The positions of Chairman and CEO are held by different individuals

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The positions of the Chairman and Group Managing Director (“<b>Group MD</b>”) have always been held by different individuals. There is a clear division of responsibilities between the two roles, which is clearly defined in the Board Charter, to ensure that there is an appropriate balance of power and authority.</p> <p>Currently, Y.A.M. Dato’ Seri Tengku Baharuddin is the Non-Independent Non-Executive Chairman of the Company while the position of the Group MD is held by Dato’ Sri Ho Kam Choy.</p> <p>Our Board Chairman is primarily responsible for ensuring our Board’s effectiveness on strategy, governance and compliance whilst our Group MD has the overall responsibility over the business units and day-to-day management of our Group.</p> <p>Our Group MD ensures the organisational effectiveness and implementation of Board policies, strategies and decisions, and is responsible for providing leadership to Management and is accountable to the Board and reports to the Board at every Board meeting and on all material issues, as and when required.</p> <p>The roles and responsibilities of the Chairman and Group MD are formally documented in the Board Charter, which is published on the Company’s website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 1.4**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Chairman of the Board, Y.A.M. Dato' Seri Tengku Baharuddin, is not a member of the Board Committees nor participates in any or all these Board Committees' meetings by invitation.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

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

### Practice 1.5

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company is supported by two (2) suitably qualified and competent Company Secretaries.</p> <p>Both Company Secretaries are qualified Company Secretaries under Section 235(2)(a) of the Companies Act 2016 registered with the Companies Commission of Malaysia ("<b>CCM</b>") and are Fellow members of the Malaysian Institute of Chartered Secretaries and Administrators ("<b>MAICSA</b>") and Associate member of the Malaysia Association of Company Secretaries ("<b>MACS</b>").</p> <p>The Company Secretaries are external company secretaries from MegaWan Corporate Sdn. Bhd. with vast knowledge and experience from being in public practice and is supported by a dedicated team of company secretarial personnel.</p> <p>The Company Secretaries are also responsible to advise the Directors on their fiduciary and statutory duties, as well as corporate disclosures and compliances with the Companies Act 2016, the Company's Constitution, ACE LR of Bursa Securities, Malaysian Code on Corporate Governance ("<b>MCCG</b>"), adopted policies, and other pertinent regulations governing the Company, including guiding the Board towards the necessary compliances.</p> <p>The Company Secretaries also update the Board on changes in the regulatory requirements to ensure correct procedures are followed and the Company remains compliant with the relevant rules and regulatory requirements.</p>



The Company Secretaries are also acting as the official liaison party for the Company to prepare, and submit statutory documents to the CCM. They will ensure that any change in the Company's statutory information will be notified to the CCM in the relevant prescribed forms in a timely manner.

The Company Secretaries are responsible in arranging meetings of Directors and shareholders. This involves the preparation of agenda, issuance of proper notices of meetings, and taking and producing minutes to record the business transacted at the meetings and the decisions taken in a timely manner.

The Company Secretaries attended the Twenty-Sixth ("26<sup>th</sup>") Annual General Meeting ("AGM") held on 15 June 2023, Extraordinary General Meeting ("EGM") held on 27 March 2023 and all Board and Board Committee meetings during the financial year ended 31 December 2023 ("FY2023"). The Company Secretaries ensured that all deliberations at the AGM, EGM and all Board and Board Committee meetings are well minuted for the Board's reference and for action plans to be communicated to the Management to work on and to report back to the Board.

During the 26<sup>th</sup> AGM and EGM, the Company Secretaries coordinated with the Share Registrar and Poll Administrator to manage the processes of the meeting and ensured orderly proceedings at the live streaming, including the conduct of the poll taken on all resolutions tabled at the 26<sup>th</sup> AGM and EGM.

The Company Secretaries also update the Board on the Directors' Resolutions in Writing passed, Directors' dealings pursuant to Chapter 14 of the ACE LR of Bursa Securities, announcements made to Bursa Securities and circulars or correspondences from Bursa Malaysia Berhad, at every scheduled Board meeting during the year, as well as the changes in the regulatory requirements.

Furthermore, the Company Secretaries send a memo to the Board and affected persons on closed period dealing and process and procedure to aid them in complying with the ACE LR of Bursa Securities.

	<p>The Company Secretaries have and will continue to constantly keep themselves abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters, and with changes in the regulatory environment, through continuous training and industry updates.</p> <p>They have also attended many relevant continuous professional development programmes as required by MAICSA and MACS for practicing Chartered Secretaries.</p> <p>The Board is satisfied with the performance and support rendered by the Company Secretaries who play a vital role to the Board in discharging its function and duties.</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

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>	:	<p>To facilitate the Board's time planning, the annual meeting calendar is prepared and circulated in advance of each new year.</p> <p>The calendar provides the Board with scheduled dates for meetings of the Board and Board Committees and the AGM.</p> <p>In facilitating Board and Board Committees meetings, notices of meetings together with the agenda, minutes of previous meetings, and other relevant supporting papers are provided and circulated to the Board and Board Committees in a timely manner.</p> <p>All Directors are able to review the information provided, to make enquiries and to obtain further information and clarification, if necessary. The Management and professional advisers are invited to attend meetings to provide additional insights and professional views, advice and explanation on specific items on the meeting agenda, where necessary.</p> <p>Minutes of meetings are circulated to the Board and Board Committees on timely basis and signed by the respective Chairmen as a correct record of the proceedings of the meetings based on confirmation from the Board and Board Committees.</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 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>	:	<p>The Board Charter sets out the manner in which our Board's powers and responsibilities are exercised and discharged, using as a reference, Company's Constitution, the Companies Act 2016, the ACE LR of Bursa Securities and other applicable laws and corporate governance best practices.</p> <p>The Board has delegated specific powers to the AC, NRC and BRCC in accordance with the respective Board Committees' TOR. The Board Charter and Board Committees' TORs are periodically reviewed and have been published on the Company's website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</a>.</p> <p>Powers for the day-to-day management of the Group have been delegated to the Group MD within the approved set of Delegated Authority Limit ("DAL").</p> <p>The DAL outlines the decision-making authority of the Group MD and the delegation of authority by the Group MD to our Key Management Team and Heads of Department up to a certain monetary threshold. Any commitments exceeding the DAL requires Board's prior approval.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 3.1**

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

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

<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The Board has put in place Code of Ethics for Director and Group’s Code of Conduct and Ethics for employees which subject the Directors, Management and employees to a set of values, and standards of conduct that are expected of them.</p> <p>A Code of Ethics for Director that sets out the ethical expectations of the Board has been adopted by the Board.</p> <p>All Directors of the Group endeavour to observe the Code of Ethics of Director which provides guidance as to the ethical conduct to be complied, to uphold the principles of honesty and integrity and to ensure a high standard of ethical and professional conduct is upheld in discharging their duties and responsibilities.</p> <p>The Employees Code of Conduct and Ethics of the Group is comprehensively listed in the Group’s Employee Handbook and it provides the ethical framework to guide actions and behaviors of all its employees when carrying out their duties. All employees are expected to act with highest standards of personal and professional integrity in all aspects and to comply with applicable law, regulations and policies.</p> <p>The Board recognises the importance of adhering to the Code and has taken measures to ensure its compliance which include the managing of the following areas:</p>

	<ul style="list-style-type: none"> <li>i) Anti-bribery and anti-corruption;</li> <li>ii) Anti-money laundering;</li> <li>iii) Conflict of interests;</li> <li>iv) Insider trading; and</li> <li>v) Abuse of power.</li> </ul> <p>The Code of Ethics for Director is available on the Company's website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</a>.</p>
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

### Intended Outcome

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

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

### Practice 3.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has adopted and implemented a Whistleblowing Policy which is committed in promoting and maintaining high standards of transparency, accountability and ethics in the workplace, in line with good corporate governance and prevailing legislation.</p> <p>Pursuant to this Whistleblowing Policy, employees of the Group are encouraged to report or disclose alleged, suspected and/or known improper conduct in the workplace without fear of retribution or detrimental action.</p> <p>During the financial year , the Board did not receive any complaints of violation from these whistleblowing reporting channels.</p> <p>The Whistleblowing Policy is available on the Company's website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</a>.</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 4.1

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 recognises the importance of creating long term value for our stakeholders by conducting our business operations that also considers the environmental and social impact.</p> <p>The Board is responsible for the oversight and setting the tone and direction of all sustainability matters of the Group. The Board is supported by the Sustainability Management Committee which comprises the key management personnel with direct reporting to Group MD to implement and monitor the Group's economic, environmental and social matters.</p> <p>The current key sustainability considerations of the Group are the employees' wellbeing, health and safety, employment practices, diversity, compliance, governance and community.</p> <p>Further details of the sustainability practices are disclosed in the Sustainability Statement of 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 Board acknowledges the significance of having regular engagement with both internal and external stakeholders who have influence or are influenced by the Group's operations.</p> <p>Through stakeholders' engagement, the Board is able to gain a better understanding of the needs and expectations of various stakeholders to strategise sustainability targets and priorities.</p> <p>More details of the Company's sustainability performance and engagement with stakeholders are disclosed in the Sustainability Statement of 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 4.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>With the ever-growing emphasis on sustainability as well as the increased expectations for the Company to act in a responsible manner, the Board will continue to engage with subject matter experts, both internally and externally to ensure that the Board have sufficient knowledge in supporting the Company to enhance our sustainability strategic focus and make informed decisions on key sustainability focus areas.</p> <p>All the Directors will be attending the Mandatory Accreditation Programme II (“<b>MAP II</b>”) in May 2024, ahead of 1 August 2025, being the last date to complete the MAP II.</p> <p>Going forward, the Company plans to address material sustainability matters which are relevant to the Group’s operation and business. The Company will continue its efforts in educating all levels of employees in the Group in sustainability matters, applying and adopting technologies and systems beneficial to sustainability in the Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.4**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>			
<b>Explanation for departure</b>	:	<p>There were no performance evaluations of the board and senior management in addressing the company's material sustainability risks and opportunities.</p> <p>The Company will look into a detailed study for developing the criteria for the performance evaluations of the Board and the Management to address the material sustainability risks and opportunities.</p> <p>The Board will consider including the review of the performance in terms of sustainability risks and opportunities in future performance evaluations.</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>	:		

**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>	Not Adopted
<b>Explanation on application 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 5.1

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 Board believes an appropriate balance and mix of skills, knowledge, experiences, backgrounds and gender contributes to the effectiveness of the Board. The NRC evaluates the effectiveness and performance of the Board, Individual Directors and Board Committees via Board Evaluation Exercise annually.</p> <p>The NRC assessed the Board's performance including performance evaluation of the Directors standing for re-election at the Company's 26<sup>th</sup> AGM via the Board Effectiveness Evaluation 2022.</p> <p>Amongst other, the NRC assessed the Directors' competencies, commitment, contribution, performance, independence and their ability to act in the best interest of the Company as a whole.</p> <p>The proposals for the re-election of Directors, who were subject to retirement in accordance with Clauses 21.6 and 21.10 of the Constitution of the Company, were tabled in NRC and Board meetings for consideration and recommendation to the shareholders for approval at the 26<sup>th</sup> AGM on 15 June 2023.</p> <p>For the financial year under review, the Board is satisfied with the present number and composition of its members and is of the view that the Board has discharged its duties and responsibilities effectively with the current mix of skills, knowledge, experience and strengths.</p> <p>Further to the annual assessment, NRC is of the opinion that all the Directors have been effective in their discharge of functions, roles and duties and have also met the performance criteria in the relevant areas of assessments.</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 director

<b>Application</b> :	Departure
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	<p>The Board comprises ten (10) members i.e. one (1) Non-Independent Non-Executive Chairman, one (1) Group Managing Director, two (2) Executive Directors, two (2) Non-Independent Non-Executive Directors, three (3) Independent Non-Executive Directors and one (1) Alternate Director.</p> <p>The Board has the right size, with the right balance of Executive and Non-Executive Directors and is in compliance with Rule 15.02(1) of the ACE LR of Bursa Securities which requires at least two (2) Directors or one-third (1/3) of the Board of Directors are Independent Non-Executive Directors and one director is women.</p> <p>Although less than half of the Board comprises Independent Directors, there are six (6) Non-Executive Directors who are not involved in the day-to-day management of the Company. The Board is of the view that the presence of the three (3) Independent Non-Executive Directors is sufficient to provide the necessary checks and balances in the decision-making process of the Board.</p> <p>Although increasing number in the Independent Non-Executive Directors may provide more fresh ideas and viewpoints to the Board, the Board is of the view that there is balance of power and authority exists within its current structure to sufficiently enable it to discharge its duties objectively as the Independent Non-Executive Directors of the Company have strong personalities with high levels of integrity and play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience toward the formulation of policies and in the decision making process.</p>

	<p>Further, all the Independent Non-Executive Directors are free from any business or other relationship with the Group that could materially interfere with the exercise of their independent judgement. This offers a strong check and balance on the Board’s deliberations.</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>



### 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> :	Departure
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	<p>The Board has on 22 April 2024 amended its Board Charter to amend the tenure of an Independent Director from nine (9) years to a cumulative term of twelve (12) years.</p> <p>Upon completion of twelve (12) years, an Independent Director may continue to serve on the Board subject to the Directors' re-designation as a Non-Independent Director.</p> <p>Independent Director upon serving for cumulative nine (9) years, only if he or she is subject to retirement by rotation in any of the subsequent three (3) years, shareholders' approval must be obtained through a two-tier voting process to retain him or her as an Independent Director for the remaining year(s) so long as it does not exceed cumulative twelve (12) years.</p> <p>Upon completion of the twelve (12) years, an Independent Director may continue to serve on the Board as a Non-Independent Director or resign as Director.</p> <p>This is to ensure fairness to an Independent Director who is not due for retirement by rotation to be subjected to a two-tier voting following his or her 9<sup>th</sup> cumulative year of serving instead of completing the eligibility tenure of cumulative 12<sup>th</sup> years as permitted by the ACE LR of Bursa Securities.</p>

	<p>The said amendments are to streamline the provision of the Board Charter with ACE LR of Bursa Securities and at the same time provide an alternative practice to the recommended Practice 5.3 of the MCCG.</p> <p>For clarity, no Independent Director has served the Company for a period that exceeds nine (9) years.</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

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

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

### Intended Outcome

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

### Practice 5.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In evaluating the suitability and appointment of Board members and Senior Management team, a number of aspects, including but not limited to gender, age, ethnicity, professional experience, skills and knowledge have been considered to maintain a diversified Board and Senior Management team, which will help to grow and contribute to better governance within the Group.</p> <p>The Board is well represented by individuals with diverse professional backgrounds and experiences in the areas of general management, finance, banking, corporate affairs, marine and logistics and technical areas of the industry in which the Group operates.</p> <p>The NRC in making a recommendation to the Board on the recruitment of new Board member, shall have regard to the candidate's skill, knowledge, expertise and experience, age, gender, professionalism and integrity.</p> <p>In the case of candidates for the position of Independent Non-Executive Directors, the NRC will also evaluate the independence criteria as set out in Rule 1.01 of the ACE LR of Bursa Securities as well as the necessary skill and experience to bring an independent and objective judgment as expected from an Independent Non-Executive Director.</p>

	<p>The Board has adopted Directors' Fit and Proper Policy to ensure a transparent and rigorous process for the appointment and re-election of Directors of the Group. This Policy is accessible on the Company's website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</a>.</p> <p>The Directors' Fit and Proper Policy helps to promote greater transparency on the criteria for board appointments and ensure each of the Directors has the necessary fit and proper criteria to effectively discharge his/her role as a Director 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> :		

**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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>When identifying suitably qualified candidates for appointment of Directors, the NRC will consider recommendations from existing Board members, Management, major shareholders and candidates from third-party sources before recommending to the Board for further deliberation.</p> <p>During the FY2023, Leong Kok Chaw was appointed as Independent Non-Executive Director of the Company via the recommendation of the existing Board members.</p> <p>Before recommending his appointment to the Board, the NRC reviewed his resume or profile containing information such as background, qualifications, working experiences, education and received the Fit and Proper Declaration executed by him confirming that he satisfied the requisite criteria for the appointment.</p> <p>Although the Board did not utilise independent sources to identify the new Board member, the Board’s decision on the proposed appointment was made objectively in the best interests of the Company after considering the suitability of Leong Kok Chaw based on the Company’s Fit and Proper Policy.</p>

	<p>The Board is of the view that this process has been working well towards enhancing the effectiveness of the Board.</p> <p>Moreover, through the recommendation of familiar parties, the Board is to a certain extent assured of the integrity of the candidates for Directorship. Going forward, the Board will, nonetheless, consider sourcing candidates from external sources as promulgated by MCCG when the need to appoint Director arises.</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

## 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>Through the Board Annual Assessment, the NRC has assessed the Directors' eligibility for re-election by considering their competencies, commitment, contribution, performance, independence and their ability to act in the best interest of the Company as a whole.</p> <p>The profiles of retiring Directors which include their age, gender, nationality, date of appointment and last re-election, length of services, directorships in other public/listed corporations, working experience and any conflict of interest are set out in the Annual Report.</p> <p>The re-election of each retiring Director was put for voting under separate resolutions during the 26<sup>th</sup> AGM of the Company held on 15 June 2023 and was approved by the shareholders. The following retiring Directors have been re-elected as Directors pursuant to Constitution of the Company at the 26<sup>th</sup> AGM:</p> <ol style="list-style-type: none"><li>1) Y.A.M. Dato' Seri Tengku Baharuddin</li><li>2) Dato' Sri Ho Kam Choy</li><li>3) Leong Fook Heng</li><li>4) Dato' Yoong Leong Yan</li><li>5) Datin Ng Fong Shiang</li><li>6) Leong Kok Chaw</li></ol> <p>On 22 April 2024, the Board approved the NRC's recommendation to seek for shareholders' approval at the forthcoming 27<sup>th</sup> AGM for the re-election of the following retiring Directors:-</p>



	<p>1) The re-election of Tan Sri Mohd Bakri Bin Mohd Zinin who is due to retire but shall be eligible for re-election pursuant to Clause 21.6 of the Constitution of the Company.</p> <p>2) The re-election of Captain Tony Tan Han (Chen Han) who is due to retire but shall be eligible for re-election pursuant to Clause 21.6 of the Constitution of the Company.</p> <p>3) The re-election of Harison Binti Yusoff who is due to retire but shall be eligible for re-election pursuant to Clause 21.6 of the Constitution of the Company.</p> <p>The profiles of retiring Directors for 27<sup>th</sup> AGM are published in the Board of Directors' Profile of 2023 Annual Report.</p> <p>The Board also provided the Board's statement relating to the reasons to support the NRC's recommendation for the re-election of Directors to enable the shareholders making an informed decision.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

**Intended Outcome**

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

**Practice 5.8**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NRC is chaired by an Independent Non-Executive Director, Datin Ng Fong Shiang.</p> <p>The NRC currently comprise three (3) Non-Executive Directors, of which majority are independent. The Terms of Reference of the NRC is available on the Company's website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>Currently, the Board comprises of two (2) female Directors and seven (7) male Directors (excluding Alternate Director). The Board acknowledges the best practice in the MCCG for board to comprise at least 30% women directors.</p> <p>In heeding this, the Company saw positive development in making greater strides towards notable gender diversity on the Board with the appointment of Datin Ng Fong Shiang on 17 August 2022.</p> <p>The Board is mindful that any gender representation should be in the best interest of the Company, taking into account diverse perspectives and insights.</p> <p>The Board is of the view that it is important to recruit and retain the best available talent regardless of gender, ethnicity or age to maximise the effectiveness of the Board.</p> <p>For the selection of Board members, the Group practices non-discrimination in any form, whether based on age, gender, ethnicity or religion, throughout the organisation.</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>	:	

### 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> :	<p>The Board acknowledges the recommendation of the MCCG on the establishment of boardroom gender diversity policy.</p> <p>The Company currently does not have a formal policy on gender diversity. However, The Company not only recognises the importance of women's involvement in the Board and Senior Management but also acknowledges the significance of diversity and inclusion in achieving strategic objectives, fostering sustainable growth and development, and enhancing corporate governance within the Group.</p> <p>The Company places its trust in identifying and retaining high-performing, talented, and dedicated employees who possess the necessary qualifications, knowledge, experience, expertise, competencies, professionalism, integrity and ability to fulfill their responsibilities and contribute to the organisation.</p> <p>In the selection of candidates for Board appointments, the Board believes in and provides equal opportunity to candidates who have the required skills, experience, core competencies and other qualities regardless of gender, ethnicity and age.</p> <p>Employee and Senior Management selection and appointments will prioritise merit, skills, knowledge, expertise, experience, professionalism, and integrity, regardless of gender, ethnicity, or age, with the goal of optimising organisational performance, efficiency, and effectiveness.</p>

	<p>The Board will review the participation of women in the Board and Senior Management to ensure there is a healthy talent pipeline.</p> <p>The Company currently has two (2) female members on the Board, representing 22% of the Board and more than 50% of the Company's Senior Management are females.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b> :</p>		
<p><b>Timeframe</b> :</p>		

## 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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board undertakes a formal and objective evaluation to determine the effectiveness of the Board as a whole, Board Committees and individual Directors on an annual basis. The evaluation includes an assessment of the independence of our Independent Non-Executive Directors. The evaluation is facilitated by our NRC with the assistance of the Company Secretaries, and carried out through questionnaires with self and peer assessment. For clarity, Straits is not a Large Company and hence no independent expert is engaged for this purpose.</p> <p>Our Board as a whole was assessed on the aspects of Board mix and composition, quality of information and decision-making, review of overall Board meeting process (including meeting agenda and materials), effectiveness in discharging key responsibilities and the role of the Chairman of the Board.</p> <p>Individual Directors undertook a self and peer assessment in respect of their contributions and performance, calibre and personality. In the case of Independent Non-Executive Directors, they were assessed to ascertain their independence based on the independence criteria as set out in Rule 1.01 of the ACE LR of Bursa Securities.</p> <p>The annual assessment provides useful insights on the strengths and weaknesses of the Board, the Board Committees and individual Directors, which facilitates improvement of its members to raise the bar on performance for a more progressive Board.</p>

	The overall performance of our Board, Board Committees and individual Directors were found to be very good.	
<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 Board has implemented the Remuneration Policy to ensure that the Directors and Senior Management are fairly remunerated based on the performance, the nature and size of the Group's operations, the scope of duties and accountability, functions, workload and responsibilities involved and benchmarking against fees paid to directors and senior management of other companies operating in the same industry which are comparable in size and other key performance/operational metrics.</p> <p>Our philosophy is that the remuneration for Directors and Senior Management should be able to attract and retain Directors and Senior Management and motivate individuals of the necessary calibre, expertise and experience to join the Company.</p> <p>The Remuneration Policy is set out in the Board Charter and is periodically reviewed and made available on the Company's website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</a>.</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>	:	<p>The Board has established an NRC comprising three (3) Non-Executive Directors and a majority of them are Independent Non-Executive Directors, with dual roles to increase the effectiveness and efficiency of the committee in discussing and reviewing both nomination and remuneration functions from an overall perspective.</p> <p>The NRC is responsible for assessing and reviewing the remuneration packages of the Board and Managing Director/Chief Executive Officer and subsequently furnishes their recommendations to the Board for approval.</p> <p>The NRC discharges its responsibilities in accordance with Terms of Reference of NRC and Remuneration Policy. The Directors' fee and the meeting allowance payable to the Directors are endorsed by the Board for approval by the shareholders of the Company at the AGM. Directors do not participate in deliberation regarding their own remuneration packages.</p> <p>The Terms of Reference of the NRC is made available in the Company's website at <a href="https://www.straits-energyresources.com">https://www.straits-energyresources.com</a>.</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

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>	:	Details of the remuneration paid/payable to individual Directors of the Company for the FY2023 are disclosed on named basis as stated below.

No	Name	Directorate	Company (RM '000)							Group (RM '000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Y.A.M. Dato' Seri Tengku Baharuddin	Non-Executive Non-Independent Director	54.0	8.8	-	-	-	-	62.8	294.0	8.8	-	-	11.0	-	313.8
2	Dato' Sri Ho Kam Choy	Executive Director	-	-	-	-	-	-	-	36.0	-	870.0	72.5	-	119.3	1,097.8
3	Captain Tony Tan Han (Chen Han)	Executive Director	-	-	-	-	-	-	-	-	-	564.5	-	-	51.8	616.3
4	Dato' Yoong Leong Yan	Executive Director	-	-	-	-	-	-	-	-	-	300.0	25.0	-	15.7	340.7
5	Tan Sri Mohd Bakri Bin Mohd Zinin	Non-Executive Non-Independent Director	48.0	22.6	-	-	-	-	70.6	348.0	22.6	-	-	7.2	-	377.8
6	Harison Binti Yusoff	Non-Executive Non-Independent Director	48.0	8.0	-	-	-	-	56.0	48.0	8.0	-	-	-	-	56.0
7	Leong Fook Heng	Independent Director	48.0	22.6	-	-	-	-	70.6	48.0	22.6	-	-	-	-	70.6
8	Datin Ng Fong Shiang	Independent Director	48.0	22.0	-	-	-	-	70.0	48.0	22.0	-	-	-	-	70.0
9	Leong Kok Chaw (Appointed on 18/1/23)	Independent Director	48.0	8.0	-	-	-	-	56.0	48.0	8.0	-	-	-	-	56.0
10	Ho Hung Ming (Alternate Director to Tan Sri Mohd Bakri Bin Mohd Zinin)	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	252.0	21.0	-	36.4	309.4

## 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>	:	<p>The Board has opted not to disclose on a named basis of the top five (5) Key Senior Management's remuneration. The Board is of the view that the disclosure of the Key Senior Management's remuneration would be unfavourable to the Group as talent poaching is common in the industry and the Group would like to ensure employee retention efforts are safeguarded.</p> <p>As an alternative, the Board is of the view that the disclosure of the remuneration paid to the top five (5) Key Senior Management (Group Basis) for the FY2023 on unnamed basis in the bands of RM50,000.00 is adequate.</p> <table border="1" data-bbox="662 1255 1302 1711"> <thead> <tr> <th>Range of Remuneration Per Annum (RM)</th> <th>No. of Key Senior Management (Group Basis)</th> </tr> </thead> <tbody> <tr> <td>150,001 - 200,000</td> <td>1</td> </tr> <tr> <td>200,001 - 250,000</td> <td>1</td> </tr> <tr> <td>250,001 - 300,000</td> <td>-</td> </tr> <tr> <td>300,001 - 350,000</td> <td>-</td> </tr> <tr> <td>350,001 - 400,000</td> <td>-</td> </tr> <tr> <td>400,001 - 450,000</td> <td>-</td> </tr> <tr> <td>450,001 - 500,000</td> <td>-</td> </tr> <tr> <td>More than 500,000</td> <td>3</td> </tr> </tbody> </table>	Range of Remuneration Per Annum (RM)	No. of Key Senior Management (Group Basis)	150,001 - 200,000	1	200,001 - 250,000	1	250,001 - 300,000	-	300,001 - 350,000	-	350,001 - 400,000	-	400,001 - 450,000	-	450,001 - 500,000	-	More than 500,000	3
Range of Remuneration Per Annum (RM)	No. of Key Senior Management (Group Basis)																			
150,001 - 200,000	1																			
200,001 - 250,000	1																			
250,001 - 300,000	-																			
300,001 - 350,000	-																			
350,001 - 400,000	-																			
400,001 - 450,000	-																			
450,001 - 500,000	-																			
More than 500,000	3																			
<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>	:																			

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.

<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> :	Not Adopted
<b>Explanation on application 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 AC is not the Chairman of the Board. The Company has applied Practice 9.1 of MCCG which stipulates that the Chairman of the AC is not the Chairman of the Board.  The AC is chaired by an Independent Non-Executive Director, Leong Fook Heng who is not the Chairman 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

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>	:	<p>In line with the recommendation of the MCCG, the Terms of Reference of the AC sets out the requirement for a cooling-off period of at least three (3) years before a former audit partner of the External Auditors of the Company can be appointed as a member of the AC to safeguard the integrity of the audit of the Group and Company's financial statements.</p> <p>None of the AC members are former key audit partner of the Company's External Auditors.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is 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>Under the Terms of Reference of the AC, the AC is responsible to carry out an annual review of the performance of the External Auditors, including assessment of independence of the External Auditors in the performance of their obligations and to review the suitability of the External Auditors.</p> <p>The Board has in place an External Auditors Assessment Policy for the Company.</p> <p>The AC, in adhering to the policies and procedures adopted by the Company in assessing the suitability and independence of the External Auditors, performed an annual assessment of the quality of audit which encompasses the performance and quality of the External Auditors and their independence, objectivity and professionalism.</p> <p>The assessment process involved among others, the External Auditors' calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as provision of audit and non-audit services.</p> <p>In reviewing such services, the AC ensures that the independence and objectivity of the External Auditors are not compromised.</p>

	<p>The AC was satisfied with Messrs. Moore Stephens Associates PLT (“<b>Moore Stephens</b>”)’s technical competence and audit independence and recommended the re-appointment of Moore Stephens as the External Auditors for the Board’s consideration for recommendation to shareholders’ approval at the forthcoming 27<sup>th</sup> AGM on 25 June 2024.</p>	
<p><b>Explanation for departure</b> :</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b> :</p>		
<p><b>Timeframe</b> :</p>		

**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

<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> :	Not Adopted
<b>Explanation on application of the practice</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 9.5

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>The members of the AC possess a wide range of necessary skills to discharge their duties, and are financially literate and able to understand matters under the purview of the AC including the financial reporting process.</p> <p>Every quarter, AC meeting is conducted to review the integrity and reliability of the Group's unaudited quarterly financial statements and once a year to review the annual audited financial statements, Directors' report, and auditors' report prior to recommending the same to the Board for approval.</p> <p>The members of the AC continuously apply critical and probing view on the Company's financial reporting process, transactions and other financial information, and effectively challenge Management's assertions on the Company's financials during the AC meetings.</p> <p>The AC members are encouraged to undertake professional development by attending trainings, workshops, seminars or briefings in order to continue keep abreast of the latest development in accounting and auditing standards to enable them to sustain active participation in the functions of the AC.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 10.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges its overall responsibility of maintaining a sound system of risk management and internal control, and for reviewing its adequacy and effectiveness.</p> <p>The Board has adopted a Enterprise Risk Management Framework to provide a comprehensive approach to identify and manage risk which could be prevented, to effectively achieve its business goals and strategies.</p> <p>The Board has delegated the responsibility for reviewing the adequacy and effectiveness of the risk management and internal control systems to the BRCC and AC respectively.</p> <p>The activities of the outsourced Internal Auditors are reported to the AC which provides the Board with the required assurance in relation to the adequacy and integrity of the Group's system of internal controls.</p> <p>The details of the Group's risk management and internal control framework are set out in the Statement of Risk Management and Internal Control ("<b>SORMIC</b>") of 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

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>	:	<p>The details on the key features of the risk management and internal control system together with its adequacy and effectiveness are described in the Annual Report 2023 under SORMIC.</p> <p>As stated in the SORMIC, the Board was of the opinion that the system of risk management and internal control of the Group was satisfactory and has not resulted in any material loss, contingency or uncertainty and risks are reasonably managed within the context of the Group's business environment.</p> <p>The Board was not aware and has not been made aware of any material weaknesses or lapses in the internal control system of the Group occurring within the FY2023 and up to the date of SORMIC that would have material adverse effect on the results 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>	:	

### 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.

<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 application of the practice</b>	: The Board has established the BRCC to oversee the Company's risk management framework and policies.  The BRCC comprises three (3) members, all of whom are Non-Executive Directors with a majority of them being Independent Non-Executive Directors.  The BRCC composition are set out below:-  Chairman : Tan Sri Mohd Bakri Bin Mohd Zinin Non-Independent Non-Executive Director  Member : Datin Ng Fong Shiang Independent Non-Executive Director  Member : Leong Fook Heng Independent Non-Executive Director



### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The internal audit function of the Company is carried out by an outsourced independent audit professional firm, Resolve IR Sdn Bhd (“<b>Resolve</b>”), that assists the AC and the Board in managing risks by providing an independent assessment on the adequacy, efficiency and effectiveness of the Company’s risk management and internal control system and processes.</p> <p>The Internal Auditors reports directly to the AC. The AC has the following duties and responsibilities to ensure the internal audit function is effective and able to function independently:-</p> <ul style="list-style-type: none"><li>a) Review the annual audit plan proposed by the Internal Auditors to ensure the adequacy of the scope and coverage of work.</li><li>b) Review and adopt the risk-based internal audit plan to ensure sufficient scope and coverage of activities of the Company and Group.</li><li>c) Review the internal audit reports and consider the significant findings of internal audit in the Group’s operating subsidiaries through the review of internal audit reports tabled and management responses thereto and ensuring significant findings were adequately addressed by Management.</li><li>d) Monitor the implementation of audit recommendations arising from internal audit activities as well as the follow-up audits conducted by the Internal Auditors to ensure that all key risks and audit issues raised have been addressed and considered the timeliness of completion of the proposed actions and whether such actions effectively resolved the issues raised.</li></ul>

	<p>For more information about the internal audit function and the scope of works covered for the financial year under review, please refer to the AC Report and SORMIC included in the Annual Report 2023.</p>	
<p><b>Explanation for departure</b> :</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b> :</p>		
<p><b>Timeframe</b> :</p>		

### Intended Outcome

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

### Practice 11.2

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 internal audit reviews were carried out using a risk-based approach and were guided by the International Professional Practice Framework of the Institute of Internal Auditors by an outsourced independent internal audit professional firm, Resolve.</p> <p>The number of staff deployed for the internal audit reviews was six (6) staff (including the Engagement Director) to conduct internal audit for the Group for the FY2023. The staff involved in the internal audit reviews possesses professional qualifications and/or a university degree.</p> <p>Internal audit staff on the engagement team are free from any relationships or conflict of interest, which could impair their objectivity and independence</p> <p>The internal audit engagement is led by Choo Seng Choon (“<b>Mr. Choo</b>”) who has diverse professional experience in internal audit, risk management and corporate governance advisory.</p> <p>Mr. Choo is a Certified Internal Auditor and Chartered Member of the Institute of Internal Auditors with over 25 years of professional experience in multi discipline including internal audit, risk management, corporate governance, performance and business management, initial public offerings, taxation, due diligence and corporate finance. He is also a Fellow Chartered Certified Accountant, UK.</p>

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

### Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board values dialogue with its stakeholders and constantly strives to improve transparency by maintaining channels of communication that enable the Board to convey information about performance, corporate strategy and other matters affecting stakeholders' interests.</p> <p>The Board believes that a constructive and effective investor relationship is essential in enhancing stakeholders' value and recognises the importance of timely dissemination of information to stakeholders.</p> <p>To achieve this, the Company has established Corporate Disclosure Policy that serves as guiding principles to facilitate seamless and timely communication with our stakeholders.</p> <p>The AGM and Extraordinary General Meeting ("<b>EGM</b>") are the main forums of dialogue with shareholders as it provides an opportunity for the shareholders to seek and clarify any issues pertaining to the Group and to have a better understanding of the Group's activities and performance.</p> <p>It is also an avenue for the Chairman and Board members to respond to all queries and provide clarification on issues and concerns raised by the shareholders via meeting platform at TIIH Online provided by Tricor Investor &amp; Issuing House Services Sdn. Bhd. ("<b>Tricor</b>"). Both individuals and institutional shareholders are encouraged to communicate with the Board at the AGM and EGM and to vote on all resolutions set out in the notice.</p>

	<p>Other than the forum of the AGM, the Company communicates regularly with shareholders and investors through annual reports, quarterly financial reports and various announcements made via Bursa LINK as the Board acknowledges the importance of accurate and timely dissemination of information to its shareholders, potential investors and the public in general.</p> <p>Shareholders and investors can obtain the Company's latest announcements in the dedicated website of Bursa Securities at <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a> or via the Company's website at <a href="https://www.straits-energyresources.com">https:// www.straits-energyresources.com</a>.</p> <p>The Company's website provides all relevant information on the Company and is accessible by the public. It includes the announcements made by the Company, annual reports, financial report, latest press release, corporate information and etc.</p>
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

**Intended Outcome**

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

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

**Practice 12.2**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Not adopted as the Company is not a large company.	
<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 Notices of 26<sup>th</sup> AGM was circulated to shareholders together with the Annual Report at least twenty-eight (28) days prior to the date of the meeting to give sufficient time to shareholders to go through the Annual Report and make the necessary attendance and voting arrangement at the AGM.</p> <p>For its 26<sup>th</sup> AGM held on 15 June 2023, the Company issued the notice on 28 April 2023, which represents a notice period of more than 28 clear days.</p> <p>The notes to the Notice of 26<sup>th</sup> AGM also provide detailed explanation for the proposed resolutions to enable shareholders to make informed decisions in exercising their voting rights.</p> <p>The said Notice of 26<sup>th</sup> AGM was also published in a major local newspaper.</p> <p>The Company continuously applied this Practice. For its 27<sup>th</sup> AGM to be held on 25 June 2024, the Company issued the notice on 30 April 2024, which represents a notice period of more than 28 clear days.</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>	:	<p>The AGM and the EGM are the main forums by which the Company provides the opportunity for dialogue between Board members, External Auditors and the shareholders. Ample time is given for questions and answers session.</p> <p>All Board and Board Committees members attended the EGM and 26<sup>th</sup> AGM which were held virtually on 27 March 2023 and 15 June 2023 respectively through live streaming and online remote voting via Remote Participation &amp; Voting (“RPV”) facilities provided by Tricor’s TIIH Online website at <a href="https://tiih.online">https://tiih.online</a>. Their attendance is to provide meaningful response to questions posed by the shareholders or proxies via the RPV facilities.</p> <p>The Board welcomes questions from shareholders who wish to raise questions pertaining to the Company’s financial statements and other agenda items tabled at the meeting.</p> <p>The Chairman, at the commencement of EGM and AGM explained to shareholders their rights to be heard, to exercise their voting rights and to raise questions pertaining to the agenda items tabled at the meetings, should they need any clarification, before putting the relevant resolutions to vote by poll.</p> <p>The results of the votes were scrutinised by an independent scrutineer and declared by the Chairman of the 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

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

### Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company's EGM and 26<sup>th</sup> AGM were held on 27 March 2023 and 15 June 2023 respectively on a fully virtual meeting with RPV facilities provided by Tricor.</p> <p>The Company has leveraged on technology to facilitate greater shareholders' participation and enhance the proceedings of the AGM and EGM of the Company through remote participation via live streaming and online remote voting for the conduct of a poll on the resolutions tabled at the AGM and EGM of the Company.</p> <p>The AGM and EGM proceedings and poll voting were conducted entirely through the online meeting platform. The Administrative Guide to Shareholders with detailed registration and voting procedures was issued to assist the shareholders in participating using the online platform, and the same was also published on the Company's website to encourage shareholders' participation.</p> <p>Tricor, our share registrar, effectively served as the poll administrator, overseeing the electronic voting process and ensuring its accuracy. To maintain transparency and uphold the integrity of the voting results, Asia Securities Sdn Berhad was appointed as the independent scrutineer, responsible for independently verifying the poll results.</p> <p>TIH Online platform is hosted on a secure cloud platform with good cyber hygiene practices and security in place to prevent cyber threat.</p>

	<p>For the upcoming 27<sup>th</sup> AGM, we invite all our shareholders to actively participate in the meeting. Through transparent communication and inclusivity, we endeavour to build a stronger partnership with our shareholders, ensuring that their voices are heard and their perspectives play a role in shaping the Company's progress.</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 13.4

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.

*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.*

**Application** : Applied

**Explanation on application of the practice** : The digital meeting platform with the RPV facilities has enabled the shareholders and proxies to raise their questions via query box, prior to and during the EGM and 26<sup>th</sup> AGM held virtually on 27 March 2023 and 15 June 2023 respectively.

Shareholders and proxies were given sufficient time to send in their questions before the meetings i.e. from the date of notice of meeting up to 48 hours before the time appointed for the meeting, and also to pose their questions via query box (real time) prior to and during the EGM and 26<sup>th</sup> AGM.

The Board and Management attended to the questions raised on the Company's financial and non-financial performance and shared their responses with the shareholders and proxies at the EGM and 26<sup>th</sup> AGM. Such arrangement made by the Company has given the opportunity for the shareholders and proxies to have a real-time and two-way interaction with the Board and Management.

**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 13.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The details of the virtual EGM and AGM held in year 2023 and guidance notes on the conduct of EGM and AGM were stated explicitly in the Administrative Guide to Shareholders together with the Notices of EGM and AGM which were sent through email and/or by ordinary post and the same were also published in the Company's website.</p> <p>The shareholders were guided accordingly for their participation in the EGM and AGM. The proceedings of the EGM and AGM were live broadcasted, and the shareholders were able to join the live stream EGM and AGM via web portal or mobile application which was facilitated by Tricor, being the Share Registrar of the Company and the poll administrator for the EGM and AGM.</p> <p>The Chairman also encouraged shareholders to pose questions during the meeting by using query box provided in the livestreaming platform at the "Questions and Answers" session in the meeting. Shareholders have experienced real time interaction with the Board during the EGM and AGM. The questions and corresponding replies were read out by the Group Managing Director during the EGM and 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

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>	: Departure
<b>Explanation on application of the practice</b>	:
<b>Explanation for departure</b>	: The Board acknowledges the recommendation of MCCG to circulate the minutes of the general meeting to the shareholders no later than 30 business days after the general meeting and would consider taking necessary action to publish the minutes of meeting in a platform which accessible to the shareholders i.e. Company's website.  The General Meeting Minutes of the Company are available for shareholders inspection upon request.
<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 PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

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

N/A
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