

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 7231  
**COMPANY NAME** : Wellcall Holdings Berhad  
**FINANCIAL YEAR** : September 30, 2022

### **OUTLINE:**

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

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

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

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

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

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board collectively has set clear functions to be responsible by the Board and Management in the Charter for Board of Directors ("Board Charter"). This will ensure completeness in the coverage of the required roles and duties of the Board and the Management in achieving Wellcall Group's aims. Wellcall Group's Vision Statement, Corporate Mission Statement, Corporate Values as well as Quality Policy are published in the website <a href="http://wellcallholdings.com">http://wellcallholdings.com</a>.</p> <p>To ensure the effective discharge of the Board functions and responsibilities, the Board delegates some of its authorities to the Group Managing Director, Executive Directors and General Manager, representing the Management as well as the Board Committees, which are entrusted with specific responsibilities to oversee the Wellcall Group's affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference. The delegation and reporting functions also enhance a two-way communication between the Board and the Management keeping the Board abreast with the progress of the Wellcall Group in meeting its objectives.</p> <p>The Board has in place a strategy planning process, whereby it will be presented for discussion on quarterly basis during Board meetings whereby the Group Managing Director, Executive Directors and General Manager report on the results and challenges met. The Board objectively reviews and monitors the implementation of those plans by Management and provides input and feedback to the Management.</p> <p>The Board oversees the performance of the Management by reviewing the actual performance on both financial and non-financial results, and provides direction to the Management on measures to be undertaken to improve business performance and minimise risk areas.</p>

To enable the Board to discharge its responsibilities in meeting the goals and objectives of Wellcall Group, together with the Management, the Board has taken the followings measures: -

- (a) Directors have been attended relevant training periodically to keep abreast of their responsibilities, knowledge and functions;
- (b) The Group practices Economic, Environmental and Social (EES) risk and opportunities policy other than the financial aspects of business. The board has established a Sustainability Committee to undertake the implementation of the Sustainability framework and Sustainability policy;
- (c) Major business proposals for the Group will be tabled and seek for the Board approval during board meeting;
- (d) Financial performance of the Group is closely reviewed by the Board in order to ensure the goals set are met. Financial projections are tabled for the Board approval during board meetings;
- (e) Engaging an independent external party carrying out the functions of internal auditors, including review on internal controls and reporting directly to the Audit Committee (“AC”) on quarterly basis. Internal Audit Reports with Management responses are presented to the AC for review. Any significant internal audit findings and recommendations have been brought to the attention of the Board;
- (f) An Enterprise Risk Management (“ERM”) Committee and ERM Policy with its framework have been established to ensure risks identified are managed appropriately. Meetings and interviews are carried out with the respective process owner to update risks identified. Summary of the risk profiles and updates thereon are reported to the AC twice a year during the AC meetings. The Board has empowered the AC to review the group’s key risk existing and potential risks and their respective mitigation strategies and ensure the risk management effective. The AC and the Board would ensure that the existing risk management structure and framework remain function effectively. The existing risk management governance structure is to support risk-based decision making and oversight across all operations of Wellcall Group;
- (g) The Board is responsible to formulate an appropriate succession planning and has entrusted the Nomination Committee with the duty of reviewing the appointment, training and determination of compensation for senior management of the Group, a well as assessing the performance of Directors and the Board Committee members and, where appropriate, the appointment of new member of the Board and Executive Directors.
- (h) The Board is responsible to ensure to apply the best practices of corporate governance within the Group pursuant

	<p>to Malaysian Code on Corporate Governance (“MCCG”). The Group had established the Anti-Bribery and Corruption Policy and Fraud Policy which are formulated to enhance corporate governance and the standards of professional and ethical practices of Directors and employees of the Group. Further, the Group had formulated the Whistleblowing Policy to provide an avenue for any Director, officer, employee and members of the public to report instances of unethical, unlawful or undesirable conduct on a confidential basis without fear of intimidation or reprisal.</p> <p>(i) Ensuring continuous effective communication with stakeholders through the establishment of Corporate Disclosure Committee and the Corporate Disclosure Policy as well as the appointment of investors’ relation representative. Contact details are published in the website <a href="http://wellcallholdings.com">http://wellcallholdings.com</a> for respective areas such as :-</p> <ul style="list-style-type: none"> <li>i. General inquiry : e-mail @ <a href="mailto:wellcall@wellcall.com.my">wellcall@wellcall.com.my</a> (Samantha)</li> <li>ii. Business inquiry : e-mail @ <a href="mailto:marketing@wellcall.com.my">marketing@wellcall.com.my</a> (Wendy)</li> <li>iii. Investors’ relation inquiry : e-mail @ <a href="mailto:gary.yu@wellcall.com.my">gary.yu@wellcall.com.my</a> (Gary Yu).</li> </ul> <p>In addition, the periodic press releases are also the Company’s plan to keep the Company’s stakeholders updating the development of the Company.</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

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 Group Independent Non-Executive Chairman ("Chairman"), Datuk Ng Peng Hong @ Ng Peng Hay has been redesignated as a Non-Independent Non-Executive Chairman with effect from 3 October 2022. He leads the Board and is primarily responsible for matters pertaining to the Board and the overall conduct of Wellcall Group, which includes enhancing good practice of corporate governance.</p> <p>The Company has adopted a Board Charter, which describes the role of the Chairman are as follows:-</p> <ul style="list-style-type: none"><li>(a) Providing leadership for the Board so that the Board can perform its responsibilities effectively through chairing the Board meetings and adopting matters deliberated by the Board Committees;</li><li>(b) Setting the Board agenda and ensuring that the Board members receive complete and accurate information in a timely manner such as sending out meeting agendas and minutes of meetings prior to meetings via Company Secretary;</li><li>(c) Leading Board meetings and discussions, which further deliberation on significant or material events;</li><li>(d) Ensure proper flow of information to the Board, reviewing adequacy and timing of documentary materials in support of management's proposal and review of performance of the Group;</li><li>(e) Ensuring adequate lead time for effective study and discussion of business under consideration;</li><li>(f) Acting as liaison between the Board and management. The Chairman should act as the main informal link between the Board and management and particularly between the Board and the Managing Board;</li><li>(g) Chairing shareholders meeting and ensuring appropriate steps are taken to provide effective communication with stakeholders and their views are communicated to the Board as a whole; and</li></ul>

	<p>(h) Leading the Board in establishing and monitoring good corporate governance practices for Wellcall Group.</p> <p>During Board meetings, the Chairman plays an active role in ensuring that all Directors are given an opportunity and sufficient time to contribute to discussions, encourage active participation and that all matters on the agenda are addressed.</p> <p>The Board Charter is available on the Company's website at <a href="http://wellcallholdings.com">http://wellcallholdings.com</a>.</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 1.3

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 roles and responsibilities of the Chairman, Datuk Ng Peng Hong @ Ng Peng Hay and the Group Managing Director, Mr. Huang Sha are separated to promote accountability and to ensure a balance of power and authority, such that no one individual has unfettered decision-making.</p> <p>The roles of the Chairman of the Board are primarily responsible for instilling good corporate governance practices, leadership and effectiveness of the Board as a whole and conduct of the Board's function and meetings, and committing the time necessary to discharge effectively his role as Chairman.</p> <p>The Group Managing Director is accountable to the Board for the overall organisation, the business, the management and allocation of the resources of Wellcall Group and for its procedures in financial as well as operational matters, including conduct and discipline.</p> <p>The separation of role and responsibilities between the Chairman and the Group Managing Director are set out in the Board Charter which can be viewed at the Company's website at <a href="http://wellcallholdings.com">http://wellcallholdings.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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Departure
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	<p>Datuk Ng Peng Hong @ Ng Peng Hay, the board Chairman is not a member of the Audit Committee, Nominating Committee and Remuneration Committee (collectively referred to as "the Committees").</p> <p>However, with the consent and invitation from the Committees, he has attended all the Committees' Meetings during the financial year end.</p> <p>His attendance in the said Committee Meetings were solely to provide recommendations or inputs on the issues discussed, taking into consideration of his experience acting as Chairman. He did not participate in the decision-making of resolutions, proposal and matters tabled for approval during the Committees meetings, hence, his attendance did not impair the objectivity of the Committees.</p> <p>Nevertheless, the Committees of the Company will apply the best practice under the Malaysian Code on Corporate Governance ("MCCG") and to consider to update and seek input from the Chairman of the Board during the Board Meeting instead of inviting the Chairman to join the Committees meetings, moving forward in order to promote a higher level of integrity, objectivity and independency of discussions during the respective meeting</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

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 Secretaries of Wellcall Group, namely Ms. Teo Soon Mei (MAICSA 7018590), Ms. Lim Jia Huey (MAICSA 7073258), and Ms. Tee Wan Ting (MAICSA 7077906) have the required qualifications to act as Company Secretary under Sections 235 and 241 of the Companies Act, 2016.</p> <p>The Company Secretaries play an active role in assisting Management with the preparation of all required documentation, minutes and updates for Board and Board Committee meetings and also an important advisory role to the Board in relation to the Company's Constitution and Board policies. They are primarily responsible to ensure that Wellcall group adheres the standard legal and financial practices and in charge of overseeing the corporate governance standard. They are a source of information and advice to the Board and its Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Wellcall Group. The Company has adopted a Board Charter which sets out the role of the Company Secretary are as follows:-</p> <ol style="list-style-type: none"><li>1) support the Board in managing the Group's corporate governance developments and provide their advice to the Board from time to time in applying governance practices to meet the board's needs and stakeholders' expectations.</li><li>2) ensure that the Board papers for each of the Board meetings to be circulated at least seven days prior to every Board meeting to ensure that the directors are fully apprised on matters or key issues affecting the Group as well as to enable Directors to make well-informed decisions on matters arising at the Board meeting.</li><li>3) record all the deliberations, including pertinent issues, substance of inquiries and responses, Board members' suggestions and the decision made in the minutes of meetings.</li><li>4) ensure the minutes of the Board meeting are also circulated to the Directors for their perusal prior to confirmation of the same at the following Board meeting.</li><li>5) remind the Board members prior to the Board meeting the close period for dealing.</li><li>6) prepare, attend and draft the minutes of the general meetings of the Company.</li></ol>

	<p>7) play a role as a communication channel between the shareholders and the Board of Directors of the Company.</p> <p>8) facilitate the orientation for new directors and assist in director training and development.</p> <p>The Board is regularly updated and apprised by the Company Secretaries on new regulations issued by the regulatory authorities. The Company Secretaries attend and ensure that all Board Meetings are properly convened and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory register of Wellcall Group. The Company Secretaries also work closely with Management to ensure that there are timely and appropriate information flows within and to the Board and the Board Committees.</p> <p>The Board is of the view that the Company Secretaries are competent and have kept themselves abreast with the evolving regulatory changes and developments through continuous education programmes and attendance of relevant conferences, seminars and training programmes. The Company Secretaries constantly undertakes continuous professional development to keep abreast of relevant statutory and regulatory requirements.</p> <p>During the financial year under review, the Company Secretaries and the representative of the Company Secretaries attended all Board and Board Committee meetings.</p> <p>The Board is satisfied with the services, performance and support rendered by the Company Secretaries to the Board.</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

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>Notice of each meeting confirming the venue, time, date and agenda of the meeting together with relevant Board papers shall be forwarded to each director not later than seven (7) days before the date of the meeting. This is to ensure that Board papers comprising of due notice of issues to be discussed and supporting information and documentations are provided to the Board sufficiently in advance. Furthermore, Directors are given sufficient time to read the Board papers and to seek clarification or further explanation from the management and the Company Secretary.</p> <p>All proceedings of the Board and the Board Committees are recorded by the Company Secretary and signed by the Chairman of meetings in accordance with the provisions of the Companies Act, 2016 and the Constitution of the Company. The Minutes of Board/Board Committee meetings are circulated to the respective Chairman of the meetings in a timely manner for review before they are confirmed and adopted by members of the Board/Board Committee at their respective meetings. Key decisions are made in the Board meetings with Directors' Circular resolution, where applicable, confined to formalizing matters that have been discussed at the Board meetings.</p> <p>Senior Management, auditors and advisers are invited to attend Board meetings, where necessary, to provide additional information and insights on the relevant agenda items tabled at Board meetings.</p> <p>The annual assessment on the effectiveness of the Board also revealed that the timeliness of the delivery of meeting materials is meeting the set requirement.</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 Company has adopted a Board Charter that has included a formal schedule of matters reserved for the Board, which is periodically reviewed. The Board Charter outlines the Board's strategic intent and the Board's roles and responsibilities. The Board Charter serves as a source reference and a primary induction literature provided insights to prospective board members and senior management and to assist the Board in establishing operating procedures for the Board. It is also a policy document that the Board has decided upon to meet its statutory and other responsibilities and serves as a reminder for the Board of the statutory framework within which it operates. The said schedule details the responsibilities of the Board and Board-Management relationship, including management limitations. With this, the respective functions, roles and responsibilities of the Directors and Management are clearly set out in the Board Charter as guidance and clarity to enable them to effectively discharge their duties. The Board Charter also includes an outline on what is expected of Directors in terms of their commitment, roles and responsibilities as Board Members. The Board Charter is published and available on the Company's website at <a href="https://www.wellcallholdings.com">https://www.wellcallholdings.com</a>.</p> <p>The Board established a number of Board Committees whose compositions and terms of reference are consistent with the MCCG. The following Board Committees were established to assist the Board in discharging its duties:-</p> <ol style="list-style-type: none"><li>a) The Audit Committee</li><li>b) The Nomination Committee</li><li>c) The Remuneration Committee</li><li>d) The Risk Management Committee</li></ol> <p>The terms of reference of the abovementioned Board Committees are uploaded on the Company's website at <a href="http://wellcallholdings.com">http://wellcallholdings.com</a>. The composition and summary activities of the Board Committees are set out separately in the Audit Committee Report and the Corporate Governance Overview</p>

	<p>Statement in the Annual Report of the Company for the financial year ended 30th September 2022.</p> <p>The Board is reviewing and updating the Board Charter to comply with the Malaysian Code on Corporate Governance. The Board Charter is to be updated in accordance with the needs of Wellcall Group and any new regulations that may have an impact on the discharge of the Board's responsibilities to ensure its effectiveness. The Board Charter last review was conducted on 22 August, 2022.</p> <p>The Board has also established the following Board Committees to assist them in the discharge of their duties and responsibilities:-</p> <p>a) The Corporate Disclosure Committee This Committee is assisting the Directors, the Group Managing Director and the Executive Directors (collectively, the "Officers") fulfilling Wellcall Group and their responsibilities regarding: -</p> <ul style="list-style-type: none"> <li>i) to consider and make recommendations to the Board concerning the appropriate function and needs of the Board;</li> <li>ii) to develop and recommend to the Board corporate governance principles; and iii) to oversee and review compliance with the disclosure and reporting standards of the Company that require full, fair, accurate, timely, and understandable disclosure of material information regarding the Wellcall group.</li> </ul> <p>b) The Sustainability Committee This Committee is assisting the Board of Directors of the Company to implement the Sustainability framework and Sustainability policy. The Committee is integrating both business and sustainability priorities so the Company is able to thrive.</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

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 formalised a Directors' Code of Conduct and Ethics ("DCCE"), which sets out the standard of conduct expected of Directors, with the aim to cultivate good ethical conduct that permeates throughout Wellcall Group through transparency, integrity, responsibility and corporate social responsibility.</p> <p>The Board has also formalised a Code of Conduct and Ethics for Employees of the Group ("CCEE") to enhance the standard of corporate governance and corporate behavior with the intention of achieving the following aims:</p> <ul style="list-style-type: none"><li>(i) To establish a standard of ethical behavior for employees based on trustworthiness and values that can be accepted, are held or upheld by any one person;</li><li>(ii) To uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administrating a company; and</li><li>(iii) To improve self-discipline, skills, work quality and productivity in performing his/her duties</li></ul> <p>The Code of Conduct and Ethics for Directors describes the standards of business conduct and ethical behaviour for the Board in the performance of their duties as the Board of Wellcall Group or when representing Wellcall Group.</p> <p>The Board observed and implemented ethical work values stated in the Code, Ethics and Conducts. This Code shall be reviewed by the Board when necessary, by the Board.</p> <p>The Board has revised the Code to incorporate the corporate liability.</p> <p>In compliance with the Malaysian Anti-Corruption Commission Act, the Company has also established and implemented an Anti-Bribery and Corruption Policy ("<b>ABC Policy</b>") which governs the prevention of corruption and unethical practices within the Company. The said DCCE, CCEE, the Board Charter and ABC</p>

	Policy are available on the Company's website at <a href="http://wellcallholdings.com">http://wellcallholdings.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

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 Board has issued both Corporate Fraud Policy and the Whistle Blowing Policy and they reviewed both policies periodically. The Whistle Blowing Policy (“WB Policy”) of the Company had been revised in November 2020 to incorporate the corporate liability due to the Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. A grievance procedure is also clearly outlined in the policy. This revised policy is available at the Wellcall Group’s corporate website at <a href="http://wellcallholdings.com">http://wellcallholdings.com</a>.</p> <p>The WB Policy provides avenues for employees to raise concerns, report any breach of the Code and define a way to handle these concerns and breaches. It also enables the Management to be informed at an early stage about acts of misconduct. More importantly, it reassures employees that they will be protected for disclosing concerns or breaches in good faith in accordance with this procedure. It promotes a culture of openness, accountability and integrity. Only genuine concerns should be reported under the whistleblowing procedures. The report should be made in good faith with a reasonable belief that the information and any allegations made are substantially true and the report is not made for personal gain. Malicious and false allegations will be viewed seriously and treated as a gross misconduct and may lead to dismissal if proven. The Board shall be apprised of any report which are serious in nature or of grave repercussions.</p> <p>In addition, the Fraud Policy to facilitate the development of control which will aid in detection and prevention of fraud against the Group and to promote consistent organisational behaviour by providing guidelines and assigning responsibilities for the development of controls and conduct of investigations.</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 is ultimately accountable for ensuring that sustainability is integrated into the strategic direction of the Group and its operation. The Company Secretaries presented to the Board at its meeting held on 27 August 2021 and 22 August 2022 respectively, a gap analysis study of the internal practices in the Group against the best practices in the revised Malaysian Code on Corporate Governance ("<b>Gap Analysis</b>"). The GMD together with the Executive Directors are entrusted by the Board to assist the Board to overseeing the formulation, implementation and effective management of the Group's sustainability strategies. The GMD leads the management of the Company to review the business operation of the Group to further strengthen the sustainability framework within the organisation. The management will present an action plan to the Board to ensure the strategic plan for the Group supports long terms value creation and sustainability goals.</p> <p>The Group had formed a RMC that comprises of the management and different levels of positions across the subsidiary. The RMC is chaired by the General Manager, also one of the key senior management and a Director of the subsidiary. The Group would include the members of INED as part of the RMC in the coming financial year.</p> <p>The RMC reports to the Board on all residual risk profiles identified by departmental at least twice a year. Some of these risks identified are similar to the material matters assessment for the sustainability framework. These risks are tabled for the Board to review at least twice a year.</p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<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 has reviewed the Gap Analysis and noted that the Board needs to develop a sustainability roadmap. The GMD leads the management of the Company to review the business operation of the Group to further strengthen the sustainability framework within the organisation. The approach duly adopted by the Company to sustainability are establishment the sustainability governance, define the material matters, stakeholders engagement; and establishment of policies, practices and performance.</p> <p>The Group is preparing the framework towards sustainability reporting to identify the material matters that are important to both the organisation and their stakeholders. covering three (3) main material matters category, namely Governance, Environment and Social. The Company views stakeholders' engagement as an integral aspect in our sustainability commitments. Successful stakeholder management is crucial in terms of building relationships and trust to implement corporate sustainability strategies and program. Leveraging expertise from all levels within and outside of the organisation can ensure that the Group understand the perspective views of all stakeholders. Stakeholders' feedback is valuable for our continuous improvement on sustainability measuring and reporting standard. The Group is encouraging all stakeholders to provide their feedback and comment to the group.</p> <p>The Group through internal training and exercise guided by an external trainer to assist in preparing the sustainability framework in identifying and implementing the material matters assessment framework.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
------------------	---	--	--

### Intended Outcome

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

### Practice 4.3

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>	In order to ensure the Board is kept abreast on sustainability issues which are relevant to the Group's business and operations, the Management had organised internally for the Board and the Management to attend a training programme of Sustainability Reporting (including TCFD and GHG) on 29 September 2022. In addition, the Directors and the Management had attended several training programs to gather more insights. The relevant trainings and programs as shown in the following:	
	<b>Date Attended</b>	<b>Seminars/Courses/Training Programs</b>
	2 March 2022	TCFD Climate Disclosure Training Programme (TCFD101)
	9 March 2022	TCFD Climate Disclosure Training Programme (TCFD102)
	19 May 2022	Climate Change 2022: Risks, Adaption and Mitigation Implications and Way Forward
	29 September 2022	Sustainability Reporting (including TCFD and GHG)
	The Company Secretaries presented to the Board a Gap Analysis. The Board together with the NC will from time to time identify more program and provide update to the Board and the Management regarding the various international standards and best practices to address sustainability risks and opportunities.	
	Meanwhile, RMC is also entrusted to assist the Board in assessing and identifying any emerging sustainability risks that are relevant to the Group	
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

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

### Practice 4.4

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Company Secretaries presented to the Board at its meeting held on 22 August 2022, a Gap Analysis study of the internal practices in the Group against the best practices recommended in the revised MCCG (“ <b>Gap Analysis</b> ”). The Board together with the NC had reviewed the Gap Analysis. Both acknowledged that the performance of the Board and senior management in addressing the Company's material sustainability risks and opportunities. The Board has conducted a review on the current evaluation system for the Directors and the Management and the evaluation system has been revised to include their experience in sustainability. Nevertheless, the Directors' observations and the senior management's feedback had been consistent on the need for more focus and attention in Sustainability. The Sustainability Statement in the Company's Annual Report 2022 which demonstrates the strategic approach adopted by the Management in addressing risks and opportunities within Governance, Environment and Social contexts with the objective to achieve business sustainability so as to create long-term value to our shareholders and stakeholders
<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 4.5- Step Up**

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

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

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

## Intended Outcome

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

### Practice 5.1

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 Charter sets out that the Nomination Committee ("NC") of the Company is responsible to assist the Board in the development and implementation of the policies on the nomination and appointment of Directors to achieve long-term sustainability of the Group in accordance with the Terms of reference of the NC.</p> <p>During the financial year ended 30 September 2022, the Board has appointed a new Independent Non-Executive Director pursuant to the Company's commitment to maintain a majority of Independent Director in its Board. The NC also undertakes to review the tenure of each director.</p> <p>All Directors appointed to the Board have attended the Mandatory Accreditation Program prescribed by Bursa Securities. The Directors are encouraged to attend continuous education programs/ seminars/ conferences and shall as such receive further training from time to time to keep abreast with the latest developments in statutory requirement and regulatory guidelines, where appropriate, in line with the changing business environment and enhance their business acumen and professionalism in discharging their duties to the Group.</p> <p>In order for the Group to remain competitive, the Board ensures that the Directors continuously enhance their skills and expand their knowledge to meet the challenges of the Board.</p> <p>Upon assessing the training needs of the Directors, the Board recognised that continuing education would be the way forward in ensuring its members are continually equipped with the necessary skills and knowledge to meet the challenges ahead. During the FYE 2022, the Directors have attended at least one (1) training program.</p> <p>The Board has through NC to establish an annual performance evaluation process to assess the performance of each director. Each Director conducts a peer assessment of the other Directors. Taking into consideration the Directors' Self and Peer Assessment results which were satisfactory, the Board of Directors concurred with the view of the NC that the following directors are fit and proper and their performance had been satisfactory in view of their</p>

	<p>efforts and contributions towards to the Group. Thus, upon recommendation by the NC, the Board resolved that they approved and supported the re-election and re-appointment of the following Directors and submitted its recommendation to the shareholders for approval at the 17<sup>th</sup> AGM:-</p> <ul style="list-style-type: none"> <li>(a) Mr. Tan Kang Seng pursuant to Clause 89 of the Constitution of the Company;</li> <li>(b) Mr. Goh Hoon Leum pursuant to Clause 89 of the Constitution of the Company;</li> <li>(c) Puan Azian Binti Mohd Yusof pursuant to Clause 96 of the Constitution of the Company; and</li> <li>(d) Mr. Chin Yoke Wah pursuant to Clause 96 of the Constitution of the Company</li> </ul>	
<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

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

### Practice 5.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board composition has been revised as follows:-</p> <ul style="list-style-type: none"><li>(a) Appointment of two (2) new INEDs, namely Puan Azian Binti Mohd Yusof and Mr. Chin Yoke Wah with effect from 22 August 2022 respectively;</li><li>(b) The resignations of Mr. Yang Chong Yaw, Alan and Dato' Haji Mohtar Bin Noor as INEDs with effect from 22 August 2022;</li><li>(c) The resignation of Mr. Leong Hon Chong as Executive Director with effect from 3 October 2022;</li><li>(d) Mr. Huang Kai Lin has ceased to be Alternate Director to Leong Hon Chong and appointed as the Alternate Director to Huang Sha with effect from 3 October 2022; and</li><li>(e) The resignation of Mr. Tan Kang Foon as NINED and appointed as Alternate Director to Tan Kang Seng with effect from 3 October 2022. Mr. Tan Kang Foon was demised on 19 December 2022.</li></ul> <p>(Hereinafter collectively, referred to as the "<b>Revision of the Board Composition</b>")</p> <p>After the Revision of the Board Composition, the Board size has been reduced from 10 to 8 members which half of the Board to comprise INEDs. The current Board composition is in line with the MCCG's recommendation to have at least half of the Board to comprise INEDs. The INEDs and the Non-Independent Non-Executive Chairman who form a majority of the Board size, make a positive contribution and development of the Company's strategy and policies through their independent, constructive and informed judgement.</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 5.3

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>	:	Please provide an explanation on how the practice is being applied.
<b>Explanation for departure</b>	:	<p>The following are the tenure of the Independent Non-Executive Directors ("INED") of the Company:-</p> <ul style="list-style-type: none"><li>(a) Mr. Yang Chong Yaw, Alan was first appointed to the Board on 17 April 2006 and he had served the Board as INED for more than 12 years before he resigned as the Director of the Company on 22 August 2022.</li><li>(b) Dato' Haji Mohtar Bin Nong was first appointed to the Board on 17 April 2006 and he had served the Board as INED for more than 12 years before he resigned as the Director of the Company on 22 August 2022.</li><li>(c) Datuk Ng Peng Hong @ Ng Peng Hay was first appointed to the Board on 17 April 2006 and he had served the Board for more than 12 years before he re-designated from Group Independent Non-Executive Chairman to Group Non-Independent Non-Executive Chairman on 3 October 2022.</li><li>(d) Mr. Goh Hoon Leum was first appointed to the Board on 8 December 2010 and he had served the Board as INED for more than 12 years.</li><li>(e) Datuk Yong Peng Tak was first appointed to the Board on 1 April 2015 and he had served the Board as INED for not more than 12 years.</li><li>(f) Both Puan Azian Binti Mohd Yusof and Mr. Chin Yoke Wah were appointed as the new INEDs on 22 August 2022 respectively, which their tenures in the Board are less than 1 year.</li></ul> <p>At the Company's 16<sup>th</sup> Annual General Meeting of the Company, the Company had obtained shareholders' approval for the retention of Mr. Yang Chong Yaw, Alan, Mr. Goh Hoon Leum, Datuk Ng Peng Hong @ Ng Peng Hay and Dato' Haji Mohtar Bin Nong as INEDs of the Company. During the year, the NC has conducted an annual</p>

	<p>assessment of the independence status of the Independent Directors, inter-alia their skills, experience and contributions, and whether the Independent Directors were able to discharge their duties with fair judgment. The NC and Board also review the tenure of the Directors and the Board composition to ensure the Board has an appropriate mix of skills and experience for the requirements of the business. The retiring Directors who are INEDs have provided their confirmation that they fulfilled the independence criteria prescribed by Main Market Listing Requirements of Burs Malaysia Securities Berhad (“MMLR”). They have confirmed that they do not have any existing or potential conflict of interest, business or family that could affect the execution of their role as Directors. Mr. Goh Hoon Leum, the INED who has served on the Board for more than 12 years after 8 December 2022. The Board upon the recommendation from the NC of the Company, therefore, considers him to be independent until 31 May 2023. After taking into the consideration the provision of the MMLR and based on the justifications in the Statement Accompanying the notice of the 17<sup>th</sup> Annual General Meeting (“17<sup>th</sup> AGM”) of the Company, the Board recommended him to continue act as INED of the Company subject to the approval from the Shareholders of the Company through a two-tier voting process pursuant to Practice No. 5.3 of the MCCG.</p> <p>Both Mr. Yang Chong Yaw, Alan and Dato’ Haji Mohtar Bin Nong had stood down as INEDs of the Company and in place by Puan Azian Binti Mohd Yusof and Mr. Chin Yoke Wah as the new INEDs of the Company. The Board has approved the re-designation of Datuk Ng Peng Hong @ Ng Peng Hay from Group Independent Non-Executive Chairman to Group Non-Independent Non-Executive Chairman with effect from 3 October 2022 and his re-designation has in compliance with the provision of the MMLR.</p>
	<p>Below is the Justification for the Board to recommend to re-elect Mr. Goh Hoon Leum as the Independent Non-Executive Director until 31 May 2023 through two-tier voting process at the 17<sup>th</sup> AGM:-</p> <ul style="list-style-type: none"> <li>(a) He fulfils the independence criteria prescribed by the MMLR;</li> <li>(b) He has ensured that he always maintains his independent status;</li> <li>(c) He did not involve to any matter that would give rise to the conflict of interest;</li> <li>(d) He has been acting in good faith and in the best interests of the Company as an Independent Non-Executive Director, exercising his independent judgement during deliberations and decision-making during the Company’s meetings</li> </ul>

	<p>because he is familiar with the Company's business operations;</p> <p>(e) He has proven to be a reliable Independent Director with his professional aptitude and outlook of business perspective, devoted sufficient time and attention to his professional obligations for informed and balance decision-making and had also exercised due care during his tenure in the best interests of the Company and the shareholders.</p> <p>(f) the Company has adopted the best practices duly advocated under the <b>MCCG</b> to establish various policies and procedures to manage and monitor the Company's business operation and affairs. Certain governance factors are effective in mitigating the impact of long tenured independent directors, specifically, for the Group that adopt internal audit function, risk management enterprise and other policies. The effect of potentially erode the board's objectivity due to the long independent directors' tenure is significantly weaker.</p> <p>(g) The Board has on 22 August 2022 appointed two (2) new Independent Directors in place of the two (2) long serving Independent Directors to mitigate the potential negative impact that directors' long tenure may have on their independence. Three (3) out of four (4) Independent Directors are new members of our Board, brought in to revitalize or stimulate its performance by bringing with them new ideas or energy. Also, consistent with the best practice advocated under the MCCG being an effective monitor and mechanism in countering the weakened monitoring by compromised independent directors, if any.</p> <p>The following are explanatory why there is no other candidate apart from Mr. Goh Hoon Leum, the long serving Independent Director who can be appointed as the independent director:</p> <p>(a) The twelve (12) years tenure was due on 8 December 2022 and subject to passing the Ordinary Resolution 8 to be passed by the shareholders of the Company at the 17<sup>th</sup> AGM, he will continue to serve the Board as the Independent Non-Executive Director until 31 May 2023. The Board has recently revised the Board composition to reduce the total number of the directors of the Company and in compliance with the best practice advocated under MCCG. The Board does not have an intention to increase the board size and to seek a candidate. The Board of the view that the revised board size is optimal and able to cope the current size of the operation. At this juncture, the Board does not want to increase the total number of Directors after taking</p>
--	--



	<p>into accounts cost considerations, the effectiveness and the operational requirement of the Group.</p> <p>(b) Pursuant to MMLR, his tenure of independent director shall be end by 1 June 2023. The Nomination Committee and the Board will observe the Group’s selection and appointment procedures and carefully consider with to identify a suitable individual with diverse backgrounds who is equipped with sufficient professional and technical knowledge, to effectively represent the interests of shareholders in setting the Company’s strategy and ensuring its implementation to fill in any vacancy.</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 5.4 - Step Up**

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

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

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

## Intended Outcome

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

## Practice 5.5

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

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

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Company practices a formal and transparent procedure for the appointment and re-election of directors and the Board diversity. The Board is supportive of diversity on the Board and Senior Management team. The appointment and re-election of directors and senior management and the Board diversity is done in accordance with the Board Charter and also the TOR of the NC of the Company governing the Board of Directors, both of which are available on the Company's website. The Board has on 22 August 2022 appointed Puan Azian Binti Mohd Yusof as the additional woman director on Board.</p> <p>The details of diversity in the age, gender, race/ethnicity and nationality of the existing Board and Key Senior Management as at 30 September 2022 are set out in the CG Overview Statement of the Company.</p> <p><b><u>Board Diversity 2022</u></b> During the year, the Board reviewed on the Gap Analysis, particularly on the size and composition, to determine if the Board has the sufficient diversity with independence element and fit the Company's objectives and strategic goals. The Board has on 22 August 2022 appointed Puan Azian Binti Mohd Yusof as the additional woman director on Board. Number of Directors</p> <p>During the year, the Board has worked towards the representation of approximately 25% women directors in the Board composition having combination of skills, experience and strength in qualities which are relevant to the Company.</p> <p>The Board has conducted the annual review of its size and composition in conjunction with the performance evaluation for the individual directors. In lights of the latest amendment to the MMLR in relation to the establishment the Directors' Fit and Proper Policy, the Board has revised its Board Charter to update such amendments and further resolved that the Company has established the Directors' Fit and Proper policy and uploaded on the Company's website.</p>

	<p>The appointment of Directors and Senior Management staff are based on fit and proper criteria which are in accordance with selection criteria set by the NC. The NC is responsible to lead the process for the nomination of new candidates for appointment and making the necessary recommendations to the Board for approval. In this respect, the role of the NC is detailed in its Terms of Reference, which is accessible on the Company's website.</p> <p>The Board, through the NC will consider all nominations to the Board, taking into consideration the mix of skills, competencies, experience, integrity, personal attributes and time commitment required to effectively fulfil his/ her role as a director. Diversity in terms of age, gender and cultural background is also considered during the selection process. The composition of the Board is well balanced to address any business challenges and to drive the business of the Group to greater heights.</p> <p>The Key Senior Management of the Group comprises employees with qualifications, skills and experience necessary to achieve the goals and objectives of the Group. All Key Senior Management are assessed on a yearly basis.</p> <p>Below are the diversity in terms of age, gender, race/ethnicity and nationality of the existing Key Senior Management as at 30 September 2022:</p> <table border="1" data-bbox="520 1066 1370 1238"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">Age Group</th> <th colspan="2">Gender</th> </tr> <tr> <th>31 - 45</th> <th>46-60</th> <th>61 &amp; above</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Number of KSM</td> <td>2</td> <td>0</td> <td>2</td> <td>3</td> <td>1</td> </tr> </tbody> </table> <table border="1" data-bbox="520 1272 1407 1444"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">Race/Ethnicity</th> <th colspan="2">Nationality</th> </tr> <tr> <th>Malay/ Bumiputera</th> <th>Chinese</th> <th>Others</th> <th>Malaysian</th> <th>Foreigner</th> </tr> </thead> <tbody> <tr> <td>Number of KSM</td> <td>-</td> <td>4</td> <td>-</td> <td>1</td> <td>3</td> </tr> </tbody> </table>		Age Group			Gender		31 - 45	46-60	61 & above	Male	Female	Number of KSM	2	0	2	3	1		Race/Ethnicity			Nationality		Malay/ Bumiputera	Chinese	Others	Malaysian	Foreigner	Number of KSM	-	4	-	1	3
	Age Group			Gender																															
	31 - 45	46-60	61 & above	Male	Female																														
Number of KSM	2	0	2	3	1																														
	Race/Ethnicity			Nationality																															
	Malay/ Bumiputera	Chinese	Others	Malaysian	Foreigner																														
Number of KSM	-	4	-	1	3																														
<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>	:	Please provide an explanation on how the practice is being applied.
<b>Explanation for departure</b>	:	<p>During FYE 2022, the Board and NC has mainly relied on the recommendation from the Management for the appointment of Puan Azian Binti Mohd Yusof and Mr. Chin Yoke Wah as the Independent Non-Executive Directors on 22 August 2022. The Board was of the opinion that this may speed up the appointment process.</p> <p>Despite relying on recommendation from the Management for the identification of potential candidates, NC has considered and carried out the following measures to ensure an objective and independent review for the appointment of director:-</p> <ul style="list-style-type: none"><li>(i) NC has conducted the selection and evaluation procedures in accordance to the prescribed criteria irrespective the candidate was recommended by the Management;</li><li>(ii) The Board had only proceeded to consider and discuss the appointment of Puan Azian Binti Mohd Yusof and Mr. Chin Yoke Wah upon receiving the recommendation from the NC; and</li><li>(iii) The Management who has recommended Puan Azian Binti Mohd Yusof and Mr. Chin Yoke Wah as the candidates, was not participated in the selection and evaluation process.</li></ul> <p>Nevertheless, as guided by the TOR, NC would not hesitate to utilise independent sources to identify suitably qualified candidates for Board appointment moving forward. The TOR of the NC provides that the Board does not solely rely on recommendations from the existing Board members, management or shareholders of the Company in identifying candidates for appointment of Directors. The Board shall endeavour to utilise independent sources or any other sources to</p>

	identify suitably qualified candidate to fulfil Board positions. The NC would assess their suitability based on the relevant criteria and skills matrix as may be set by the NC from time to time.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Pursuant to the provisions of the Constitution of the Company, the following Directors who are due for retirement and being eligible, have offered themselves for re-election in accordance with the Company's Constitution at the Seventeenth Annual General Meeting ("17<sup>th</sup> AGM") of the Company:</p> <ul style="list-style-type: none"><li>(e) Mr. Tan Kang Seng pursuant to Clause 89 of the Constitution of the Company;</li><li>(f) Mr. Goh Hoon Leum pursuant to Clause 89 of the Constitution of the Company;</li><li>(g) Puan Azian Binti Mohd Yusof pursuant to Clause 96 of the Constitution of the Company; and</li><li>(h) Mr. Chin Yoke Wah pursuant to Clause 96 of the Constitution of the Company.</li></ul> <p>The Board has established an annual performance evaluation process to assess the performance of each director. Each Director conducts a peer assessment of the other Directors. The NC has empowered by the Board to conduct the annual performance evaluation of the individual director and the Board as a whole. The NC has considered the performance and contribution of the abovesaid Retiring Directors from the Board Effectiveness Evaluation conducted following factors were taken into consideration:-</p> <ul style="list-style-type: none"><li>(a) Fit and proper assessment</li><li>(b) Contribution to interaction</li><li>(c) Knowledge and caliber</li><li>(d) Provision of quality of input to the Board</li><li>(e) Understanding of role</li></ul> <p>The NC and Board also review the tenure of the Directors and the Board composition to ensure the Board has an appropriate mix of skills and experience for the requirements of the business.</p>



	<p>Retiring Directors who are Independent Non-Executive Directors have provided their confirmation that they fulfilled the independence criteria prescribed by the MMLR. They have confirmed that they do not have any existing or potential conflict of interest, business or family that could affect the execution of their role as Directors.</p> <p>Taking into consideration the Directors' Self and Peer Assessment results which were satisfactory, the Board of Directors upon recommended by the NC resolved to approve and support the re-election and re-appointment of the aforesaid Directors and submitted its recommendation to the shareholders for approval at the 17<sup>th</sup> AGM.</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

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 NC was chaired by Datuk Yong Peng Tak, the Senior Independent Non-Executive Director.</p> <p>In Wellcall, NC is solely made up by all Independent Non-Executive Directors, set out as follows: -</p> <table border="1"><thead><tr><th>Designation</th><th>Director</th><th>Directorship</th></tr></thead><tbody><tr><td>Chairperson</td><td><i>Datuk Yong Peng Tak</i></td><td>Senior Independent Non-Executive Director</td></tr><tr><td>Member</td><td>Yang Chong Yaw, Alan <i>(Ceased on 22/8/2022)</i></td><td>Independent Non-Executive Director</td></tr><tr><td>Member</td><td>Goh Hoon Leum</td><td>Independent Non-Executive Director</td></tr><tr><td>Member</td><td>Puan Azian Binti Mohd Yusof <i>(Appointed on 22/8/2022)</i></td><td>Independent Non-Executive Director</td></tr></tbody></table>	Designation	Director	Directorship	Chairperson	<i>Datuk Yong Peng Tak</i>	Senior Independent Non-Executive Director	Member	Yang Chong Yaw, Alan <i>(Ceased on 22/8/2022)</i>	Independent Non-Executive Director	Member	Goh Hoon Leum	Independent Non-Executive Director	Member	Puan Azian Binti Mohd Yusof <i>(Appointed on 22/8/2022)</i>	Independent Non-Executive Director
Designation	Director	Directorship															
Chairperson	<i>Datuk Yong Peng Tak</i>	Senior Independent Non-Executive Director															
Member	Yang Chong Yaw, Alan <i>(Ceased on 22/8/2022)</i>	Independent Non-Executive Director															
Member	Goh Hoon Leum	Independent Non-Executive Director															
Member	Puan Azian Binti Mohd Yusof <i>(Appointed on 22/8/2022)</i>	Independent Non-Executive Director															
<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>On 22 August 2022, an additional woman Director, namely Puan Azian Binti Mohd Yusof was appointed to the Board. Accordingly, the percentage of women Directors increased to approximately 25% of the total Board. This has enriched the Board with greater diversity of perspectives by having an increased present of female Board representation from 10% to 25%.</p> <p>The Board recognises that board diversity is an essential element contributing to the sustainable development of the Group and it does not discriminate based on ethnicity, age, gender, nationality, political affiliation, religious affiliation, marital status, education background or physical ability. The Board Charter does not set a policy at least 30% women directors in the Board composition. Women's participation in decision-making positions should not be focused on board positions alone but also be broadened to include women in Senior Management, as the same benefits apply. Diversity, when extended to Senior Management, will also serve as a talent pipeline for board candidacy.</p> <p>The NC is responsible for reviewing and assessing the composition and performance of the Board, as well identifying appropriately qualified persons to occupy Board positions. The Board through the NC will discuss annually on all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption.</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>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

**Intended Outcome**

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

**Practice 5.10**

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

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	.
<b>Explanation for departure</b>	:	<p>The Board has established its Diversity Policy in the TOR of the NC. The TOR of NC is made available at the Company's website. However, the Board does not set a minimum percentage on the women representation in its gender diversity policy for the Board and Senior Management. The Board is of the view that gender shall not be a pre-requisite to the directorship of the Company, instead, the appointment of director shall be based on objective merited considerations, such as qualifications, competency, integrity, character, time commitment and relevant experience of the potential candidates.</p> <p>Nevertheless, the Board is supportive of gender diversity by having two (2) female Directors in the present Board. The Board's current female representation has increased to 25%.</p> <p>To prevent any ineffective appointment of director, the Board does not set any specific target on gender. However, the Board promotes gender diversity across the Group.</p> <p>For future vacancy, a suitably qualified woman candidate who can bring value, skills and expertise shall be given equal considerations as compared to man candidate</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

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

## Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Board through NC had on 22 August 2022 conducted the following annual assessments and evaluation of the performance to determine the effectiveness of the Board and Board Committees as well as each individual Directors for the FYE 2022. The process was carried out via digital assessment forms sent to Directors pertaining to the following evaluation:  (a) <u>Performance Evaluation for the Board and Board Committees</u>  All Directors had participated the assessment on the performance of the Board and Board Committees of the Company for the FYE 2022 comprising the following areas:  (i) Size and composition the Board; (ii) Qualification of Directors and other key officers; (iii) Size of Non-Executive participation and the Board Balance; (iv) Board Committees and its composition; (v) Gender and workforce diversity measurement (vi) Evaluation the training needs for directors; and (vii) Evaluation the succession planning of the Group.  (b) <u>Performance Evaluation for Individual Director</u>  Each Director of the Company, and the scope of assessment comprising the Directors' contribution to interaction, knowledge, quality of input, their understanding of role and Sustainability Governance. In addition, the performance of the Board Chairman and the GMD were also assessed by all Directors in terms of their roles and responsibilities;

	<ul style="list-style-type: none"> <li>(c) reviewed the size and composition of the Board and made recommendation to the Board as regards any changes that may, in their view, be beneficial to the Company and Group;</li> <li>(d) reviewed the effectiveness of the Board as a whole, Board Committees and the contribution of individual Directors;</li> <li>(e) reviewed the terms of office and effectiveness of the AC as a whole and the performance of individual AC Members;</li> <li>(f) reviewed and assessed the independence of INED;</li> <li>(g) reviewed and recommended the re-election of retiring Directors at the forthcoming Annual General Meeting; and</li> <li>(h) reviewed the TOR of the NC.</li> </ul> <p><b><u>Assessment of the Effectiveness of the AC as a Whole</u></b></p> <p>The NC has also reviewed the terms of office and effectiveness of the AC as whole and the performance of individual AC members. Based on the evaluation conducted for the FYE 2022, the NC was satisfied with the performance of the Board as a whole and its committees, individual Board member and AC. All the Directors and Board Committees provided anonymous feedback on their peers' performance and individual performance contribution to the Board and respective Committees.</p> <p>Based on the performance evaluation for FYE 2022, the overall performance of the Board, Board Committees and individual directors are satisfactory. It was concluded that the Board, Board Committees and all Directors have adequately and sufficiently discharged their duties and responsibilities by bringing their knowledge and experience to the Company.</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>	

<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 in place a remuneration policy for directors and key management personnel. The Remuneration Committee has been entrusted by the Board with specific terms of reference to review and recommend to the Board an appropriate remuneration framework for Executive Directors, including recommendations to the Board on all elements of remuneration, terms of employment, reward structures and fringe benefits for Executive Directors, sufficient enough to attract and retain Directors of quality required to manage the business of the Group. The remuneration package of Senior Management is also assessed by the Remuneration Committee and recommended to the Board thereafter.</p> <p><b><u>Directors</u></b></p> <p>In the case of Executive Directors, the components of the remuneration package are linked to corporate and individual performance. The executive remuneration should be set at a competitive level for similar roles within comparable markets to recruit and retain high quality senior executives. Individual pay levels should reflect the performance of the director, skills and experience as well as responsibility undertaken. The Remuneration Committee has examined the financial performance of the Company for the financial year ended 30 September 2022 to adjust the remuneration packages of the Executive Directors of the Company for the financial year ended 30 September, 2022 to ensure that the remuneration packages for executive directors should involve a balance between fixed and performance-linked (variable) elements.</p> <p>For Non-Executive Directors, the level of remuneration is reflective of their experience and level of responsibilities. A review of the fees for non-executive directors should take into account fee levels and trends for similar positions in the market, time</p>



	<p>commitment required from the director (estimated number of days per year). Such review should take into consideration any additional responsibilities undertaken such as a director acting as chairman of a board committee or as the senior independent non-executive director. A basic fee should be paid to non-executive directors and an additional fee should be established for lead role positions such as board chairman, board committee chairman or senior independent non-executive director. However, non-executive directors should not receive bonus payments, participate in schemes designed for the remuneration of executives or be provided with retirement benefits since this could lead to a situation of impaired independence.</p> <p>The determination of each Director's remuneration is a matter for the Board, as a whole. Non-executive directors are normally remunerated by way of fees (in the form of cash) that are approved by shareholders on an annual basis. Directors do not participate in decision regarding their own remuneration package.</p> <p><b><u>Senior management</u></b></p> <p>Apart from recommending the remuneration package of executive directors to the board, the remuneration of the senior management (where they are not a director of the company) should also be recommended by the Remuneration Committee.</p> <p>In determining the remuneration for the senior management, the Committee should ensure that the rewards are in line with the following key objectives :-</p> <ul style="list-style-type: none"> <li>• The offer is sufficient to attract and retain the best candidate in the short term;</li> <li>• The incentives offered are appropriate to motivate the senior management to perform at their maximum on a continuous basis; and</li> <li>• The senior management's remuneration are aligned with shareholder value whilst creating an effective "golden handcuff" in the long term.</li> </ul> <p>The Remuneration policy is subject to annual review to ensure it remains applicable and in compliance with relevant corporate governance provisions.</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>	

<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>Remuneration Committee ("RC"), as delegated by the Board, is tasked to review and recommend appropriate remuneration packages for Directors and Senior Management in line with the Company's Remuneration Framework as well as the Group's business strategies and long-term objectives.</p> <p>RC, comprising a majority of Independent Non-Executive Directors, is governed by its Terms of Reference, which is published on the Company's website at <a href="http://wellcallholdings.com">http://wellcallholdings.com</a></p> <p>Amongst others, RC is authorised to perform the following: -</p> <ul style="list-style-type: none"><li>(i) Implement policies and procedures on remuneration including reviewing and recommending matters in relation to the remuneration, fee and other benefits of the Board and Senior Management;</li><li>(ii) Ensure that all Directors and Senior Management are fairly rewarded for their individual contribution to the Company's overall performance and that the remuneration commensurate with the level of executive responsibility and is appropriate in light of the Group's performance; and</li><li>(iii) Ensure that the level and composition of remuneration of Directors and Senior Management can retain the right talent in the Board and Senior Management to drive the Group's long-term objective.</li></ul> <p>RC shall meet at least once a year to deliberate on the remuneration affairs of all Directors and Senior Management. All</p>

	Directors had abstained themselves from the deliberations and voting in respect of their respective remuneration.	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

**Intended Outcome**

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

**Practice 8.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The remuneration breakdown of individual Directors which includes fee, allowance, salary, bonus, benefits-in-kind and other emoluments for the financial year 2022 is set out in the table below

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Datuk Ng Peng Hong @ Ng Peng Hay	Non-Executive Non-Independent Director	120	3.5	Input info here	Input info here	Input info here	23	146.5	350	3.5	Input info here	Input info here	Input info here	23	376.5
2	Huang Sha	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	3.5	1380	2476	52	24	3935
3	Leong Hon Chong (Resigned on 3/10/2022)	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	3.5	504	126	34.5	0.6	669
4	Huang Yu Fen	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	6.5	240	60	1	37	345
5	Tan Kang Seng	Non-Executive Non-Independent Director	82	3.5	Input info here	Input info here	Input info here	12	97.5	222	3.5	Input info here	Input info here	Input info here	12	237.5
6	Tan Kang Foon	Non-Executive Non-	82	3.5	Input info here	Input info here	Input info here	6	91.5	82	3.5	Input info here	Input info here	Input info here	6	91.5

	(Resigned on 3/10/2022 and Demised on 19/12/2022)	Independent Director														
7	Goh Hoon Leum	Independent Director	112	3.5	Input info here	Input info here	Input info here	6	121.5	112	3.5	Input info here	Input info here	Input info here	6	121.5
8	Datuk Yong Peng Tak	Independent Director	112	3.5	Input info here	Input info here	Input info here	6	121.5	112	3.5	Input info here	Input info here	Input info here	6	121.5
9	Yang Chong Yaw, Alan (Resigned on 22/8/2022)	Independent Director	96	3.5	Input info here	Input info here	Input info here	Input info here	99.5	96	3.5	Input info here	Input info here	Input info here	Input info here	99.5
10	Dato' Haji Mohtar Bin Nong (Resigned on 22/8/2022)	Independent Director	66	3.5	Input info here	Input info here	Input info here	Input info here	69.5	66	3.5	Input info here	Input info here	Input info here	Input info here	69.5
11	Chin Yoke Wah (Appointed on 22/8/2022)	Independent Director	6	Input info here	Input info here	Input info here	Input info here	0.5	6.5	6	Input info here	Input info here	Input info here	Input info here	0.5	6.5
12	Puan Azian Binti Mohd Yusof (Appointed on 22/8/2022)	Independent Director	6	Input info here	Input info here	Input info here	Input info here	0.5	6.5	6	Input info here	Input info here	Input info here	Input info here	0.5	6.5

13	Huang Kai Lin (Ceased on 3/10/2022)	Alternate Director to Leong Hon Chong	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	63.5	660	284	73	148	1228
14			Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here



### Intended Outcome

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

### Practice 8.2

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

<b>Application</b>	:	Departure										
<b>Explanation on application of the practice</b>	:											
<b>Explanation for departure</b>	:	<p>The industrial rubber hose industry in global market as well as in Malaysia is highly competitive. The competitiveness level has increased further in recent years with the slowing down of, coupled with the uncertainty in the overall global market sentiment, which has resulted in the supply chain capacity exceeds the market demand. Hence, it has reinforced the attractiveness of market talent pool in other industries.</p> <p>In view of the sensitivity for talent search in the competitive market and to the best interest of Wellcall Group, the Board opt not to disclose on named basis, the remuneration of top five (5) senior management. It is also due to confidentiality and concerns over poaching by competitors and head hunters; and in line for Wellcall Group to support in retaining talent pool of human capital for Wellcall Group. The Company has disclosed the senior management's remuneration component in bands in the following table:-</p> <p>In 2022, the Company has 4 key senior management and their total remuneration including salary, bonus, benefits-in-kind and other emoluments in the following bands is as below:-</p> <table border="1"><thead><tr><th>Remuneration Bands (RM)</th><th>No. of Senior Management</th></tr></thead><tbody><tr><td>300,001 to 350,000</td><td>1</td></tr><tr><td>650,001 to 700,000</td><td>1</td></tr><tr><td>1,200,001 to 1,250,000</td><td>1</td></tr><tr><td>3,900,001 to 3,950,000</td><td>1</td></tr></tbody></table>	Remuneration Bands (RM)	No. of Senior Management	300,001 to 350,000	1	650,001 to 700,000	1	1,200,001 to 1,250,000	1	3,900,001 to 3,950,000	1
Remuneration Bands (RM)	No. of Senior Management											
300,001 to 350,000	1											
650,001 to 700,000	1											
1,200,001 to 1,250,000	1											
3,900,001 to 3,950,000	1											
<p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</p>												
<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>	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	: Choose an item.

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

**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

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

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

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman of the AC, Goh Hoon Leum, is not the Chairman of the Board, while the Chairman of the Board is Datuk Ng Peng Hong @ Ng Peng Hay. The Chairman of the AC is not the Chairman of the Board to ensure overall effectiveness and independence of the AC.	
<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>None of the members of the Audit Committee are former audit partners of current external auditor of the Group.</p> <p>The Terms of Reference of Audit Committee has set a policy where a former key audit partner shall observe a cooling-off period of at least 3 years before being appointed as a member of the Audit Committee.</p> <p>The terms of reference of Audit Committee are available on our Company's website at <a href="http://www.wellcallholdings.com">www.wellcallholdings.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

There is an effective and independent Audit Committee.

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

### Practice 9.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The AC has in place procedures to continuously monitor and undertake an annual assessment of the suitability, objectivity and independence of the external auditors as well as to make subsequent recommendations to the Board on the appointment, re-appointment or termination of the external auditors in compliance with its TORs. During the FYE 2022, the Company has received a notice in writing ("<b>Notice</b>") on 12 September 2022 from Messrs. Ong &amp; Wong, Chartered Accountant (AF0241), the external auditors of the Company ("<b>Auditors</b>") on their resignation as the external auditors of the Company. The Auditors were re-appointed as the Auditors of the Company at the last Annual General Meeting ("<b>AGM</b>") of the Company held on 21 February 2022 to hold office until the conclusion of the next Annual General Meeting of the Company. The Auditors have tendered their resignation due to the Audit Oversight Board has notified the Auditors that they are prohibited from auditing financial statements of Public Interest Entities for twelve (12) months commencing from 7 September 2022.</p> <p>The Company has identified Messrs. Ecovis Malaysia PLT ("<b>Ecovis</b>") as the replacement Auditors during the FYE 2022. The AC has conducted an assessment on the suitability, objectivity and independence of the external auditors, Ecovis and Ecovis has given their consent to act as auditors of the Company pursuant to Section 264(5) of the Companies Act 2016 via their letter dated 29 September 2022. Hence, Ecovis has been appointed as the Auditors of the Company for the financial year ended 30 September 2022 and to hold office until the conclusion of the next Annual General Meeting of the Company. Ecovis has indicated their willingness for seeking for re-appointment at the forthcoming 17<sup>th</sup> AGM of the Company. The resolution for re-appointment of Ecovis's appointment as the external auditors of the Company will be tabled for approval by the shareholders at forthcoming 17<sup>th</sup> AGM of the Company.</p>
<b>Explanation for departure</b>	:	



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

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b> :	Not Adopted
<b>Explanation on adoption 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 Audit Committee is established by the Board and comprises four (4) members, all of whom are Non-Executive Directors :-</p> <ul style="list-style-type: none"><li>i) Datuk Yong Peng Tak is a member of Fellow Chartered Accountant Institute of Singapore Chartered Accountant;</li><li>ii) Mr. Yang Chong Yaw, Alan, the former AC member is a member of CPA Australia;</li><li>iii) Mr Chin Yoke Wah hold the Masters in MSc Accounting and Finance, and</li><li>iv) The other two members of the Audit Committee, Mr. Goh Hoon Leum and Mr. Tan Kang Seng are not members of any professional accounting bodies.</li></ul> <p>All four Audit Committee keep abreast of developments in accounting and auditing standards, practices and rules through updates from our External Auditors who keep the Audit Committee members and other members of the Board updated with changes in accounting and auditing standards.</p> <p>Collectively, the Audit Committee possess a wide range of different skills to discharge their duties. The members of the Audit Committee have a mix of commercial, asset fund management, financial skills and accounting experience. In order to strengthen the present financial literacy of each member and the ability to understand matters under the purview of the Audit Committee including the financial reporting process, all members of the Audit Committee balance their participation in continuous professional development programmes on accounting and auditing standards, practices and rules by participating in trainings on the relevant matters.</p>

	<p>For details of trainings attended by the AC members, please refer to the Corporate Governance Overview Statement in the Company's Annual Report 2022.</p> <p>The Board, through the NC, had conducted the following reviews on the AC for FYE 2022:-</p> <p>(a) its composition in accordance with MMLR;  (b) the terms of office of the AC; and  (c) the performance of the AC and its members.</p> <p>Based on the outcome of the annual assessment, the Board is satisfied that the Chairman and members of the AC possess the relevant skills, competencies and also able to comprehend and effectively perform the assigned responsibilities and duties, they have also carried out their roles and responsibilities as stipulated in the terms of reference of the AC</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

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 has established a Risk Management Committee. The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Group's risk management and internal control system, identifying principal risks and establishing an appropriate control environment and framework to review its adequacy and effectiveness to safeguard shareholders' interests and the Group's assets.</p> <p>In view of the inherent limitations in any system of internal controls, such a system is designed to manage rather than eliminate the risk of failure to achieve business and corporate objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss. The system of internal controls covers, inter alia, risk management and financial, organisational, operational and compliance controls.</p> <p>The Board determined the Group's level of risk tolerance and actively identify, assess and monitor key business risks to safeguard shareholders' investments and the Company's assets. The Board is also committed to articulating, implementing and reviewing the Company's internal control framework.</p> <p>Due to the setting up of an effective risk management and internal control framework, the Company has procedures to identify risks and minimises its impact. The Board has established an ongoing process for identifying, evaluating and managing the relevant and material risks encountered by the Group, risk management and control responsibilities of the parties involved. The Board is assisted by the Management who is overall responsible for ensuring that the day-to-day management of the Group's activities is consistent with the risk strategy.</p> <p>The Board is assisted by the Risk Management Committee and the Audit Committee in its regular review of the process for assessing the adequacy and effectiveness of the risk management and internal control system.</p> <p>Further details of the key elements of the Group's risk management and internal control system may be found in the</p>

	Statement on Risk Management and Internal Control in the Company's Annual Report 2022.	
<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 key features of the Group's risk management and internal control framework are as follows :-</p> <p>a) The establishment of the risk management and internal control system is driven by the Company's Risk Management Framework as follows :-</p> <p>i) Risk Governance</p> <p>The Group's Risk Governance sets out the roles and duties of the Board, the Risk Management Committee and the three lines of guard in overseeing risks involving individual heads of department/divisions (for example risk owners) who are answerable for dealing with the risks under their obligations as the principal line of guard, compliance and risk management units as the second line of protection and the internal audit, the third line of barrier.</p> <p>ii) Risk Appetite</p> <p>The Group's risk appetite characterizes the sorts and measure of risks that the Group is capable and ready to acknowledge in quest for its business goals. It likewise mirrors the degree of hazard resilience and points of confinement to administer, oversee and control the Group's risk taking exercises.</p> <p>iii) Risk Management Process</p> <p>The Group's risk management procedure contains the accompanying :-</p> <ol style="list-style-type: none"><li>1) Risk Identification – Identify, comprehend and break down risk</li><li>2) Risk Assessment and Measurement – Quantify and assess risk impact</li><li>3) Risk Response and Treatment – Determine action to be taken to enhance opportunity and reduce threat</li></ol>

4) Risk Monitoring and Reporting – Monitor and report on progress and consistence

iv) Risk Culture

The inculcation of risk awareness is key in overseeing risks. The key elements of the Group's hazard culture are as per the following :-

- 1) Strong corporate governance
- 2) Organisational structure with plainly characterized roles and responsibilities
- 3) Commitment to compliance with laws, regulations and internal controls
- 4) Integrity in fiduciary responsibilities
- 5) Clear policies, procedures and guidelines
- 6) Effective communication
- 7) Continuous training

b) The Board is assisted by the Risk Management Committee (“RMC”) to oversee the management of all identified risks including ensuring the risk infrastructures, processes and controls are able to manage the risk activities within the risk appetite.

c) The Executive Directors have been entrusted by the Board to oversee the implementation and monitoring of the Board’s decisions and to provide strategic guidance to the Management in response to the changes to the business environment or regulatory requirements. In addition, to discharge its stewardship and fiduciary obligations more effectively, the Board has delegated authority to various Board committees such as Nomination Committee, Remuneration Committee, Audit Committee, Risk Management Committee, Corporate Disclosure Committee and sustainability Committee.

d) Any business plans and budgets of the Group, which are developed in line with the Group’s strategies and risk appetite, are reviewed and approved by the Board. Performance achievements are assessed against the approved budgets and actions are taken to address variances identified and escalated to the Board periodically.

For further details on risk management and internal control framework, please refer to the Statement on Risk Management and Internal Control in the Company’s Annual Report 2022.

Taking into consideration the assurance from the management and input from the relevant assurance providers, the Board is of the view that the Group’s risk management and internal control system in place for the financial year under review is adequate and effective to safeguard the interests of shareholders, customers, employees and the Group’s assets.



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

**Intended Outcome**

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

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

**Practice 10.3 - Step Up**

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

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

## Intended Outcome

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

### Practice 11.1

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 Board has delegated the responsibility to review the adequacy and integrity of the Group's system of internal control and risk management to the AC and the Risk Management Committee ("RMC")</p> <p>The internal audit function of the Company is outsourced to an independent professional firm, NeedsBridge Advisory Sdn Bhd ("<b>NeedsBridge</b>") who reports directly to the Audit Committee with unrestricted access to the Group's employees and documents in the performance of their engagement. The audit engagement of the outsourced internal audit function is governed by the engagement letter and Internal Audit Charter which are reviewed by the Audit Committee and its recommendation to the Board of Director for approval.</p> <p>The internal audit function is independent and the internal audit assignments are performed with impartiality, proficiency and due professional care. The internal audit review of the Group's operations encompasses independent assessment of the adequacy of the internal control system and the auditee company's compliance with its internal control system and recommendations are made for further improvement.</p> <p>The activities undertaken by NeedsBridge during the financial year under review comprise the following: -</p> <ul style="list-style-type: none"><li>• Conducted three (3) cycles of internal audit on treasury management, inventory and goods delivery management and production management;</li><li>• Conducted one (1) cycle of review of recurrent related party transactions;</li><li>• Conducted follow-up review on issues raised in preceding cycles of internal audit to assess the implementation status of Management's action plans;</li><li>• Engaged with Executive Directors and Management on the outcome of the internal audit/review and follow-up;</li><li>• Reported to the Audit Committee, highlighting the results of internal audit/review conducted during the financial year and status of Management's action plans in addressing issues highlighted in preceding cycles of internal audit; and</li><li>• Reported to the Audit Committee its staff strength, qualification and experience as well as continuous professional education for the Audit Committee to review.</li></ul>

	<p>The AC has reviewed and assessed the adequacy of the scope, functions, competency and resources of the outsourced Internal Auditors and that they have the necessary authority to carry out their work.</p> <p>During the financial year under review, the Audit Committee had met privately with the internal audit function once without the presence of the Executive Directors and Management to encourage two-way communication of the information and views and for the internal audit function to freely express their opinion without undue pressure.</p> <p>The oversight role of the Audit Committee and the activities performed by the Audit Committee on the internal audit function during the financial year are disclosed in the Audit Committee Report and Statement on Risk Management and Internal Control in the Annual Report and the duties of the Audit Committee are set out in the Terms of Reference of Audit Committee which is available for download from our corporate website at <a href="https://www.wellcallholdings.com/">https://www.wellcallholdings.com/</a>.</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

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 Group has outsourced the internal audit function to Needsbridge, a professional firm. The outsourced internal audit function is led by the engagement director, Mr. Pang Nam Ming is a who is a Certified Internal Auditor and Certification in Risk Management Assurance accredited by the Institute of Internal Auditors Global and a professional member of the Institute of Internal Auditors Malaysia. He has a vast experience and exposure in auditing as well as corporate governance to act as an independent internal auditor.</p> <p>An evaluation on the competency and interviews have been carried out prior to the engagement of the internal auditors. The internal audit was led by a qualified partner and managers as well as experience personnel to carry out the internal audit review in FYE 2022. All the internal audit personnel involved are free from any relationships or conflicts of interest, which could impair their objectivity and independence. The internal audits are carried out, in material aspects, in accordance with the International Professional Practices Framework (“IPPF”) and the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors Global.</p> <p>During the financial year under review, the resources allocated to the fieldworks of the internal audit by the outsourced internal audit function were one (1) senior manager, assisted by at least one (1) senior consultant and one (1) consultant per one (1) engagement with oversight performed by the engagement director.</p> <p>The details of the internal audit function and oversight role of the Audit Committee on the function are disclosed in the Audit Committee Report and Statement on Risk Management and Internal Control in the Annual Report.</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 recognises the importance of maintaining active communication with its shareholders and other stakeholders, and timely dissemination of information concerning the Group's business performance. The Board adheres to the disclosure principles to provide investors and the public with information with element of transparency, timely, fairness, continuity and high-quality disclosure of material information to the public, except where commercial confidentiality dictates otherwise. The Board ensures that confidential information is handled properly by authorised personnel to avoid leakage and improper use of such information. The Board is also mindful that information which is expected to be material must be announced immediately.</p> <p>The Company has adopted a Corporate Disclosure Policy which sets out the standard operating procedures and guidelines for the Board and Management to follow in relation to dissemination of information to shareholders. The Corporate Disclosure Policy is made available at the Company's website at <a href="http://www.wellcallholdings.com">www.wellcallholdings.com</a></p> <p>Several communication channels are used to promote effective communication between the Group and its stakeholders :-</p> <p>(a) <u>The Company's corporate website</u></p> <p>The Company's corporate website <a href="https://www.wellcallholdings.com">https://www.wellcallholdings.com</a> is a platform to provide convenient access to the latest as well as historical information about the Company and the Group. Once relevant information is disclosed to the public and available to investors, it is also published on the corporate website.</p> <p>The corporate website will dedicate Investor Relations section and Corporate Governance section that provide relevant investor-related information. The information available on the corporate website includes corporate and financial information, annual</p>

reports, press releases and regulatory announcements made to Bursa Securities.

(b) Email and face-to-face communications

Email and face-to-face communications are the main communication channel in our day-to-day operations with various customers and suppliers.

The Company will provide an email address which all shareholders can send their queries to and make any inquiry.

(c) Annual General Meeting (“AGM”)

The AGM is used as the main forum of dialogue for shareholders to make known their views and raise any matters of concern pertaining to the Group. The shareholders will be given the opportunity to speak and seek clarifications during the AGM for effective and transparent communications. The Management shall ensure all information disclosed remains succinct, current, relevant and accurate.

(d) Press release

The Company also issues press releases periodically to communicate with its stakeholders on the corporate and business developments of the Group. The Company disseminates its press releases through financial press, printed and electronic media for wider publicity and media coverage to keep the stakeholders informed of the progress and development of the Wellcall group’s businesses

(e) Periodic and Continuous Disclosures

Shareholders and investors can obtain our Group’s latest announcements such as material information, updates and periodic financial reports in the dedicated website of the Company. The Company’s key channel of shareholder communication includes the Company’s annual report, corporate governance report and quarterly group financial results. The Company’s annual report and corporate governance report provide comprehensive and up-to-date information about our Group. The scope and extent of the information disclosed in the annual report and corporate governance report are in compliance with the MMLR.

(f) Investors’ Relation

Shareholders may contact the Financial Controller for investors’ updates via periodic dialogues and presentation slides. Contact details for investors’ relation are published in the Company’s website.



	<p>(g) <u>Minutes of the General Meeting</u></p> <p>Minutes of the general meeting including issues/concerns raised and responses by the Company (<i>summary of the key matters discussed at the AGM</i>) should be circulated to shareholders or make available at the Company's website no later than 30 business days after the general meeting.</p> <p>The abovesaid communication channels make available by the Company to enhance understanding and appreciation of the overall affairs of the Wellcall group, this strengthens stakeholders' confidence in making informed decision for them to exercise their rights as shareholders</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**

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 applicable as Wellcall is not one of the large companies as defined in the Malaysian Code on Corporate Governance.  Please provide an alternative practice and explain how the alternative practice meets the intended outcome.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

**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>	:	The AGM 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. Both individuals and institutional shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions. The Annual Report, which contains the Notice of 16 <sup>th</sup> AGM, was provided to shareholders at least twenty-eight (28) days prior to the date of the meeting to give sufficient time to shareholders to consider the resolutions that will be discussed and decided at the AGM. The Notice of AGM, which sets out the businesses to be transacted at the AGM, was also published in a major local newspaper. The notes to the Notice of AGM also provide the necessary explanation for each resolution proposed to enable shareholders to make informed decisions in exercising their voting rights.	
<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>In the past, all the Directors of the Company have attended the Annual General Meetings (“AGM”) of the Company. At the last AGM of Wellcall which were held as a fully virtual meeting through live streaming and online remote voting on 21 February 2022. Amongst the Directors, the Chairman of the Audit Committee, Nomination Committee, Remuneration Committee, Corporate Disclosure Committee, Sustainability Committee and Risk Management Committee respectively as well as the Senior Independent Non-Executive Director are ready on stage to provide response to questions addressed to them.</p> <p>The proceedings of the AGM included addressing all issues raised by the shareholders in relation to the operational and financial performance of Wellcall Group and further clarifications of the proposed resolutions, before putting to vote.</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 16th AGM of the Company was held on 21 February 2022 as fully virtual meeting through live streaming and online remote voting from the broadcast venue. The Company leverages technology and adopts electronic voting to facilitate live streaming and online remote participation and voting by the shareholders. The Company leverages technology and adopts electronic voting to facilitate live streaming and online remote participation and voting by the shareholders. This allows shareholders to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely via the Remote Participation and Voting facilities.</p> <p>The Company would continue leverages the advance of the technology to hold the 17th AGM of the Company fully virtual and entirely via remote participation and voting to ensure safe distancing requirement is observed. Detailed procedures for the registration and participation at the 17th AGM of the Company are set out in the “Administrative Guide for the 17th AGM” provided to the shareholders.</p> <p>In terms of ensuring good cyber hygiene, the Poll Administrator is responsible to maintain the security and protection of meeting attendants' data by providing a compliant and consistent approach for data protection at the virtual AGM. They have also conducted stress test and penetration testing on its meeting platform in May 2020 to test its resiliency.</p> <p>The shareholders will be briefed on the e-polling voting procedures by the appointed Poll Administrator to conduct the polling process and an independent scrutineer will be appointed to verify the poll results at the 17<sup>th</sup> AGM. The poll results of the AGM with details on the number of votes cast for and against for each resolution and the respective percentage will be announced on the same day to Bursa Malaysia Securities Berhad. The minutes of the 17<sup>th</sup> AGM will also be made available on the</p>

	Company's website after it has been confirmed and signed by the Chairman of the 17 <sup>th</sup> AGM.	
<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.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The Chairman of the Board, all the Directors and Chairperson of the Board Committees have attended at the 16<sup>th</sup> AGM of the Company, which was held as fully virtual meeting through live streaming and online remote participation and voting facilities from the broadcast venue on 21 February 2022 to engage with the shareholders virtually and proactively. The Administrative Guides for the 16<sup>th</sup> AGM has been circulated to all shareholders of the Company and made available at the Company's website for the procedures to register, participate and vote remotely at the 16<sup>th</sup> AGM through the remote participating and voting facilities. Shareholders can raise their questions or issues or seek explanation from the Board or the Management at the 16<sup>th</sup> AGM.</p> <p>At the 16<sup>th</sup> AGM, the shareholders were given sufficient opportunity to pose their questions via the RPV Facilities. The Chairman and Directors have addressed the questions raised accordingly. If the Board and the Management identified particularly lengthy questions or duplicate questions, those questions would be summarised for reasons of brevity</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 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b>	: Departure
<b>Explanation on application of the practice</b>	: Please provide an explanation on how the practice is being applied.
<b>Explanation for departure</b>	: The 16 <sup>th</sup> AGM of the Company was held on 21 February 2022 as fully virtual meeting through live streaming and online remote voting from the broadcast venue to ensure safe distancing requirement is observed. The Board has appointed a Poll Administrator to verify the eligibility of shareholders/corporate representatives/proxies to attend the 16 <sup>th</sup> AGM based on the Annual General Meeting's Record of Depositors and upon the cut-off date and time for proxy form submission. The Poll Administrator has in place a meeting platform which is accessible from desktops, laptops, tablets and mobile devices. Shareholders may use any of these methods participate the meeting, ask questions and cast votes in real-time poll during the meeting. However, all questions raised by shareholders were only visible to the Board members who attended physically at the meeting venue. The shareholders who are not able to attend the 16 <sup>th</sup> AGM can appoint their proxy or appoint the Chairman as their proxy to attend and vote on his/her behalf provided that the relevant proxy form is lodged at the Company's Share Registrar's office at least forty-eight (48) hours before the 16 <sup>th</sup> AGM.  Nonetheless, the General Manager and the Financial Controller of the Company read the questions for all shareholders' notation during the 16 <sup>th</sup> AGM. In addition, in order to uphold integrity of voting process, the voting result was verified by Needsbridge, the independent scrutineer appointed by the Company.  In addition, the questions raised and responded by the Board and/or management and a copy of the summary of poll voting



	<p>result were made available to all shareholders at the Company's website.</p> <p>Moving forward, the minutes of the 17<sup>th</sup> AGM will be made available to all shareholders at the Company's website.</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**

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

**Practice 13.6**

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: Upon the conclusion of 16 <sup>th</sup> AGM, the Company has uploaded the list of questions posed by shareholders via the RPV facilities together with the answers responded by the Board and Management on the Company's website within thirty (30) business days. To uphold the best practice as per MCCG, in the coming 17 <sup>th</sup> AGM to be held on 24 February 2023, the Company will publish the 17 <sup>th</sup> AGM minutes no later than 30 business days after the 17 <sup>th</sup> AGM on the Company's website for shareholders' reference.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

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

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

Click or tap here to enter text.

