

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5077
COMPANY NAME : MAYBULK BERHAD
FINANCIAL YEAR : December 31, 2024

OUTLINE:

SECTION A - DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A - DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

| | |
|---|---|
| Application | : Applied |
| Explanation on application of the practice | <p>The Board has the overall stewardship responsibilities of providing:</p> <ul style="list-style-type: none">• <u>Strategic leadership</u> The Board is responsible to lead and control the Group's strategic direction, objectives, and ensure that the necessary financial and human resources are in place for the company to meet its objectives.• <u>Overseeing the Business Conduct</u> A formal schedule of matters is reserved for the decision of the Board to ensure Group's direction and control are firmly in its hands. These matters include strategic issues and planning, significant assets acquisitions and disposals, capital expenditure, authority levels, treasury policies, risk management policies, conflict of interest situation, appointment of auditors, financial review statements, financing and borrowing activities, compliance with statutory regulations, and review of the adequacy and integrity of controls. <p>The Board is also assisted by two (2) Board committees in discharging its function namely, Audit & Risk Management Committee ("ARMC") and Nomination & Remuneration Committee ("NRC"). All the Board Committees discharge their duties and responsibilities within their terms of reference which is made available at the Company's website at www.maybulk.com.my.</p> <p>These Committees are formed in order to enhance business and operational efficiency. All decisions and deliberations at Board committee level are properly minuted. The Chairman of the Board committee reports to the Board the outcome and recommendation made during the Board committee meetings for the Board's considerations and approvals.</p> |

| | | |
|--|--|--|
| | <ul style="list-style-type: none"> • <u>Identification and Management of Principal Risks ensuring the adequacy and integrity of Internal Control Systems</u> The Board recognises the importance of sound internal controls and risk management practices as integral to good corporate governance. The Board affirms its overall responsibility for the Group's system of internal controls and risk management, and for reviewing the adequacy and effectiveness of the internal control and risk management systems to ensure that shareholders' investment and the Group's assets are safeguarded. • <u>Establishing a Succession Plan</u> The Board seeks to ensure that the members of Management team are qualified, professional and have competence to lead the operations of the Group. • <u>Developing and Implementing an Investor Relations Program</u> The Board is committed in providing effective and timely communication with its shareholders, investors and other stakeholders. The Group's financial results, announcements, annual report and circulars are the primary modes of disseminating information in relation to the Group's business activities and financial information and this can be accessed from the Company's website at www.maybulk.com.my or Bursa Malaysia Securities Berhad's website at www.bursamalaysia.com. | |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 1.2

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>Mr Yeoh Khoon Cheng, an Independent Non-Executive Director, was appointed as Chairman of the Board on 15 June 2023.</p> <p>As Chairman, he is responsible for instilling good corporate governance practice, leadership and effective performance of the Board. His profile is outlined in the Board of Directors' Profile of the Annual Report 2024.</p> <p>As outlined in the Board Charter, the responsibilities of the Chairman, amongst others, are as follows:</p> <ul style="list-style-type: none">• to lead the Board in establishing and monitoring good corporate governance practices in the Company;• to ensure the efficient organisation and conduct of the Board's function and meetings;• to facilitate the effective contribution of all Directors at Board meetings;• to encourage active participation and allowing dissenting views to be freely expressed; and• to ensure effective communication with shareholders and relevant stakeholders. <p>The 2024 Board Evaluation results demonstrated the Directors' trust in and belief that the Chairman has displayed good leadership and effective in establishing excellent board dynamics which contributed to the Board working well together as a team.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 1.3

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board is led by an Independent Non-Executive Chairman, Mr Yeoh Khoon Cheng. Meanwhile, the management team is led by the Group Managing Director ("GMD"), Dato' Goh Cheng Huat alongside two (2) Executive Directors.</p> <p>The position of Chairman and GMD are held by different individuals. There is a distinct division of roles and responsibilities of the Chairman and GMD to ensure balance of power and authority, such that no one individual has unfettered powers of decision making. The Chairman of the Board is primary responsible for leadership, oversee Board matters and ensure orderly conduct of the Board, whereas the GMD is responsible for the day-to-day of the Group's business, implementation of corporate strategies, and timely submission of operational performance reports to the Board.</p> <p>Their roles and responsibilities of the Chairman and GMD are defined in the Board charter, which is available on the Company's website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 1.4

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

| | | |
|--|---|--|
| <i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i> | | |
| Application | : | Departure |
| Explanation on application of the practice | : | |
| Explanation for departure | : | The Chairman of the Board, Mr. Yeoh Khooon Cheng is a member of the ARMC and the NRC. |
| | : | <p>The Chairman is conscious of his differing roles in the Board and in the ARMC as well as the NRC. All issues before recommending to the Board are thoroughly deliberated at the committee level which involved the participation of two (2) other Independent Non-Executive Directors. All recommendations by the Committees to the Board have been arrived at unanimously and this would have eliminated the risk of self-review.</p> <p>The Board is constantly on the lookout for suitable candidates for the position while understanding the Chairman of the Board should not be a member of the board committees.</p> |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 1.5

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

| | | |
|---|---|--|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board is supported by two (2) suitably qualified and competent Company Secretaries, namely Ms Tai Yit Chan and Ms Tan Ai Ning, both are the fellow members of the Malaysian Institute of Chartered Secretaries and Administrators. The Company Secretaries constantly keep themselves abreast with the regulatory changes and corporate governance development through attending the relevant conferences and training programmes.</p> <p>The Directors have ready and unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Board is regularly updated and advised by the Company Secretaries who are professionally qualified, experienced and knowledgeable on new or revised regulatory requirements as well as corporate governance best practice. In this respect, the Company Secretaries play an advisory role to the Board, particularly with regard to the Company's Constitution, Board policies and procedures, and its compliance with regulatory requirements and advocate adoption of corporate governance best practices.</p> <p>The Company Secretaries also keep the Directors and principal officers informed of the closed period for trading in the Company's shares, manage the Board and Board Committee meeting arrangements, attend the meetings and facilitates the Board and Board Committee communications.</p> <p>The Company Secretaries ensure all Board and Board Committees meetings are properly organised and convened in a timely manner. The Company Secretaries also ensure that records of meeting deliberations, proceedings and resolutions passed are recorded, properly maintained and secured.</p> <p>Further details on the role of the Company Secretaries are set out in the Company's Board Charter.</p> <p>The Company Secretaries constantly undertake continuous professional development to keep abreast of relevant corporate governance and regulatory requirement.</p> |

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

Intended Outcome

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

Practice 1.6

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board is supplied with information in a timely manner. The agenda and full set of board papers are distributed within a reasonable period or at least one (1) week prior to the meeting of the Board to ensure that sufficient time is given to the Directors to review the matters to be discussed. The board paper includes minutes of previous meeting and various reports such as market conditions, outlook, investment opportunities, budget, project papers, regulator updates and financial performance.</p> <p>All pertinent issues discussed at the Board and Board Committees meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries and representatives of Company Secretaries, including matters where Directors abstained from voting and deliberation. The minutes of meetings of Board and Board Committees are circulated to all Directors for perusal prior to confirmation at the next meetings. The minutes of meetings record the decisions, including key deliberations, rationale for each decision made and any concerns or dissenting issues.</p> <p>Key decisions are always made at Board meetings, with Directors' Circular Resolutions confined to formalising matters that have been discussed at Board meetings. Such Directors' Circular Resolutions are also accompanied by Board papers to keep the Directors informed of the matter concerned. All Directors' Circular Resolutions are then tabled for noting and confirmation at the subsequent Board meeting.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

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

Practice 2.1

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

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

| | | |
|--|---|--|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>There is a Board Charter in place which serves as a reference point for Board activities and promotes high standards of corporate governance.</p> <p>The Board Charter outlines the roles, duties, and responsibilities of the Chairman, GMD, ED, Board, and Board committees. The key matters reserved for the Board's deliberation and decision making are explicitly spelt out in the Board Charter.</p> <p>The Board periodically reviews its Board Charter to keep abreast with new changes in regulations and best practices. The Board Charter is updated in accordance with the requirements of the Group and any new regulations that may have an impact on the discharge of the Board's responsibilities.</p> <p>The Board Charter is available on the Company's website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |
| | | |

Intended Outcome

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

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

Practice 3.1

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

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board is committed to maintain a corporate culture with good ethical conduct. This is formalised through the Company's Code of Ethics and Code of Conduct which are set out in the Company's Employment Handbook. The handbook covers matters in relation to conflict of interest, entertainment and gifts, misuse of position, insider trading and misconduct. The directors and employees of the Group are expected to adhere to the standard of ethics and conduct set out in the handbook.</p> <p>The Board has also adopted Directors' Fit and Proper Policy and Anti-Bribery and Corruption Policy which are available at the Company's website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |
| | | |

Intended Outcome

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

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

Practice 3.2

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

| | | |
|---|---|--|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Whistleblowing Policy was last updated in August 2023. The policy outlines the mechanism for the Group's employees, external parties or member of the public to report or disclose any improper conduct, wrongdoings or malpractices without fear of reprisal, and to have such concerns investigated independently.</p> <p>All the malpractices or wrongdoing reported by the whistleblower will be handled in strict confidence and can be delivered:</p> <p>(i) By way of email to whistleblow@maybulk.com.my</p> <p>(ii) By way of writing and addressed to the: The Chairman of Audit & Risk Management Committee Unit 17.01, Block A, Menara PJ, Level 17, Persiaran Barat, Seksyen 52 Petaling Jaya, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia</p> <p>The Group views seriously any wrongdoing on the part of any of its stakeholders. Stakeholders include employees, suppliers, vendors, contractors, and members of the public, where relevant. Hence, whistleblowing is viewed positively by the Group as a means to ensure that the standards by which the Group subscribes to are upheld and maintained at a high standard.</p> <p>The Board is committed to preserve its culture of openness, accountability and integrity when dealing with suspected fraud, corruption, dishonest practices or violation of laws and regulations.</p> <p>The Whistleblowing Policy is available on the Company's website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | | |

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

| | | |
|--------------------|--|--|
| Measure : | | |
| Timeframe : | | |

Intended Outcome

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

Practice 4.1

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

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

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

| | | | |
|--|---|--|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | The Board has the oversight role and Management has responsibility for implementing and managing sustainability strategies, plans and procedures targets. The Board is assisted by the ARMC, assisting the Board in fulfilling the Board's responsibilities with respect to its oversight responsibilities on the Group's financial reporting, audit processes as well as formulating sustainability strategies, implementation of procedures and practices, deliberate sustainability issues and evaluates overall sustainability risks and opportunities. They are supported by various heads across the business units/departments which played a significant role in aligning the sustainability strategies and procedures with day-to-day business practices. It coordinates the efforts within its scope to implement the action plans and report performance on key sustainability indicators. | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 4.2

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

| | | | |
|---|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Group's annual sustainability targets and performance are presented and approved by the Board before disclosure in the Sustainability Report which is included in the Group's Annual Report.</p> <p>The Sustainability Statement comprises the Group's sustainability strategies, priorities and targets, and performance are communicated to the internal and external stakeholders.</p> <p>Please refer to the Sustainability Statement in the Company's Annual Report 2024 for further information.</p> | |
| Explanation for departure | : | | |
| <p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p> | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 4.3

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

| | | | |
|--|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Board keeps itself abreast of sustainability issues relevant to the Group and its business during deliberations and consideration during Board discussion, in particular, during review of the Board's sustainability statement.</p> <p>During the Board meetings, the Directors are informed of the Group's sustainability issues and offered the opportunity to express their views and opinions on these matters. This approach ensures that the Board is fully apprised and engaged in the Group's sustainability initiatives, and provides a platform for the Directors to contribute their insights and recommendations towards sustainable development.</p> <p>The details to the material sustainability issues identified and addressed are disclosed in the Sustainability Statement which is included in the Company's Annual Report.</p> | |
| Explanation for departure | : | | |
| | | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 4.4

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The NRC undertook an evaluation of the performance of the Board and senior management in addressing the company's material sustainability risks and opportunities.</p> <p>Key criteria used in the assessment of individual Directors during the year were:</p> <ul style="list-style-type: none">• Presence of a business strategy underpinned by ESG;• Robustness of ESG agendas, deliberations and discussions;• Board skills matrix on ESG competency;• Frequency of discussions on ESG risks and opportunities; and• Monitoring sustainability targets and goals. |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 4.5- Step Up

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

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

| | | |
|--|---|---|
| Application | : | Adopted |
| Explanation on adoption of the practice | : | The Sustainability Working Group is led by the Group CFO as the person responsible for managing sustainability strategically and ensuring adherence to the sustainability framework within the Group and supported by various function heads. |

Intended Outcome

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

Practice 5.1

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Terms of Reference ("TOR") of NRC stipulates the NRC's responsibility to assist the Board in proposing new nominees to the Board, assessing directors on an on-going basis and reviewing composition and continuous education programme of the Board.</p> <p>In accordance with the Company's Constitution, one-third of the Directors or if their number is not three (3) or a multiple of three (3), then the number nearest one-third shall retire from office at every AGM and be eligible for re-election. The following directors are due to retire at the forthcoming AGM and eligible for re-election:</p> <ul style="list-style-type: none">• Mr Ooi Teik Huat• Mr Lin JunLiang, Troy <p>NRC considered the character, experience, integrity, competence, contribution and performance of the Directors who are due to retire at the forthcoming AGM, and recommended to the Board that their re-election be tabled for shareholders' approval at the forthcoming AGM.</p> <p>Based on the fit and proper assessment, pursuant to the Directors' Fit and Proper policy, Annual Board Evaluation, the Directors' commitments and contributions to the Company which are also evident in their level of attendance and participation at Board and Committee meetings, the NRC is satisfied that all Directors are able to carry out and have been adequately carrying out their duties as a Director of the Company.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 5.2

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

| | | | |
|---|---|--|--|
| Application | : | : Applied | |
| Explanation on application of the practice | : | <p>As at 31 December 2024, the Board comprises of six (6) Board members, including three (3) Independent Non-Executive Directors and three (3) Executive Directors.</p> <p>The presence of Independent Directors brings the element of detached impartiality to the oversight function of the Board. Their presence provides checks and balances on the Board as they are able to provide unbiased and independent views in Board deliberations and decision making, taking into account the interests of the Group and minority shareholders.</p> <p>All Independent Directors meet the criteria for independence as prescribed under the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).</p> <p>No politician is appointed on the Board of the Company as at the date of this report.</p> <p>The NRC and the Board have upon their assessment for the financial year under review concluded that the Independent Directors were independent in their judgment and decisions.</p> | |
| Explanation for Departure | : | | |
| | | | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 5.3

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

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

| | | |
|--|---|--|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>There are three (3) Independent Non-Executive Directors on Board. None of the Independent Director exceeded a cumulative term limit of nine (9) years.</p> <p>The Board recognises the importance of independence and objectivity in the decision-making process and will continue to assess and evaluate the Independent Non-Executive Directors to ensure that they:-</p> <ul style="list-style-type: none">• are independent of the Company's management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company;• have no family relationship with Directors or major shareholders of the Company;• have no conflict of interest with the Company; and• can exercise care in performing their duties, and provide unbiased, independent and objective views and judgement during board meetings and act in the best interest of the Company. |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 5.4 - Step Up

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

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

| | | |
|--|---|-------------|
| Application | : | Not Adopted |
| Explanation on adoption of the practice | : | |

Intended Outcome

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

Practice 5.5

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

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The NRC oversees the selection and assessment of Directors to ensure the Board's composition remains relevant and optimal. Each year, the NRC reviews the composition and size of the Board and each Board Committee and the skills and core competencies of its members to ensure an appropriate balance and diversity of skills and experience. The NRC also takes into account gender diversity in relation to the composition of the Board. Apart from reviewing the size, composition and diversity of the Board annually, the NRC also assesses the suitability of identified candidates for membership of the Board and its Committees based on the Directors' Fit and Proper Policy adopted by the Board.</p> <p>The Directors' Fit and Proper policy is available at the Company's website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 5.6

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

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

| | | |
|--|---|--|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The NRC is responsible for recommending suitable candidates for new appointment to the Board. In evaluating potential candidates, the NRC consider candidates' skills, knowledge, expertise, experience, professionalism and integrity. In the case for position of Independent Non-Executive Director, the NRC considers candidates from independent sources and evaluates the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Director.</p> <p>The nomination process involves the following 5 stages:</p> <ul style="list-style-type: none">(i) Identification of candidates;(ii) Evaluation of suitability of candidates;(iii) Get to know candidates via interviews;(iv) Final deliberation by NRC; and(v) Recommendation to Board. <p>For appointment of Executive Directors and Non-Independent Non-Executive Directors, the NRC considered candidates recommended by major shareholders/ directors.</p> <p>During the year, there was no new appointment of Director.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |

| | | | |
|------------------|---|--|--|
| Timeframe | : | | |
|------------------|---|--|--|

Intended Outcome

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

Practice 5.7

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>Shareholders are kept informed on the Board's decision in respect of appointment of director via announcements to Bursa Malaysia Securities Berhad and updating of Company website.</p> <p>The details of directors who are standing for re-election are reflected in the profiles of Directors of the Company's Annual Report. These include their age, gender, appointment date, directorship in other companies, working experience and any conflict of interest as well as their shareholdings in the Company, if any.</p> <p>The performance of each Director subject for re-election had been assessed through the annual Board Evaluation. The areas of assessment of such Directors include their personal/professional profile, attendance record, training activities, character and attitude, governance and independence. The Board had endorsed the NRC's assessment that it is satisfied with the performance and effectiveness of those Directors who are to be standing for re-election. The information for the Directors standing for re-election is disclosed in the Explanatory Notes to the Notice of the Annual General Meeting.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 5.8

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

| | | | |
|---|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | The Chairperson of the NRC is Madam Elsie Kok Yin Mei, an Independent Non-Executive Director. | |
| Explanation for departure | : | | |
| | | | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

| | | | |
|---|---|--|--|
| Application | : | Departure | |
| Explanation on application of the practice | : | | |
| Explanation for departure | : | There is presently one (1) female director namely Madam Elsie Kok Yin Mei on the board, representing 16.7% of the board composition. | |
| | | Going forward, the Board will endeavour to increase board gender diversity, and it will be one of the factors to be considered in evaluating prospective candidates when a board vacancy arises. | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 5.10

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

| | | | |
|---|---|---|--|
| Application | : | Departure | |
| Explanation on application of the practice | : | | |
| Explanation for departure | : | The Board does not have policies on gender diversity and targets in place. | |
| | | The Board believes that appointment of board members, regardless of gender, should be based on skills, experience, character, integrity and competence. In 2024, there is one (1) female director namely Madam Elsie Kok Yin Mei on the board, representing 16.7% of the board composition. | |
| | | Nevertheless, the Board understand the importance of having a diverse Board and is supportive of diversity in all aspects while at the same time seeking Board members of the highest calibre, and with the necessary strength, experience and skills to meet the needs of the Group. | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 6.1

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

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

| | |
|--|---|
| <i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i> | |
| Application | : Applied |
| Explanation on application of the practice | <p>The NRC is responsible to assess the effectiveness of the Board and Board Committees and the contribution of each individual director and Board Committee member on annual basis.</p> <p>For the financial year 2024, the assessment was conducted internally using a self and peer rating model. The assessment consists of detailed questionnaires covering the areas of board size and composition, mix of skills, experience, and core competencies of Directors, governance and integrity, effectiveness of board committees, participation and contribution at meetings and directors' training.</p> <p>Every Director and Board Committee member completes the questionnaires and submits it to the Company Secretary which then collates the results and table the same to NRC. The NRC after reviewing the results, submits its findings to the Board for assessment of the performance and effectiveness of the Board and Board Committees.</p> <p>The Board upon its annual assessment carried out for financial year 2024, concurred with the NRC that the composition of the Board is well balanced with the required mix of skills, experience, knowledge and competencies, required for an effective Board and that the Committees have carried out their duties in accordance with their terms of reference.</p> |
| Explanation for departure | : |
| | |

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

| | | |
|--------------------|--|--|
| Measure : | | |
| Timeframe : | | |

Intended Outcome

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

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

Practice 7.1

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

| | | |
|---|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The NRC reviews and evaluates the remuneration policy for Directors and senior management to ensure that it is in line with market norms and industry practice. The level of remuneration of the Directors and senior management is commensurate with the level of experience and responsibilities undertaken by them. The level of Directors' fees is benchmarked against the shipping related companies and mid cap companies listed on Bursa Malaysia Securities Berhad.</p> <p>The remuneration package of senior management is linked to the Company and individual performance.</p> <p>The Board adopted a Remuneration Policy for Directors and Senior Management. The policy is to establish a framework for remuneration that is designed to:</p> <ul style="list-style-type: none">(a) determine the level of remuneration packages of the Directors and Senior Management;(b) reward Directors and Senior Management commensurate with the contribution, experiences and level of responsibilities undertaken by them; and(c) attract and retain the right talent in the Board and Senior Management in order to drive the Company's long-term objectives. <p>The policy is available on the Company's website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | | |

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

| | | | |
|------------------|---|--|--|
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

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

Practice 7.2

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

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

| | | |
|--|---|--|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board has in place a NRC which comprises of Independent Non-Executive Directors.</p> <p>The NRC is responsible to review the level of remuneration of the members of the Board and Board Committees and ensure that they reflect the experience and level of responsibilities undertaken by them and in line with market practice. Subsequent to the review, the NRC will make recommendation to the Board. The remuneration is deliberated on and decided by the Board before being tabled for shareholders' approval at the Annual General Meeting. The respective Director shall abstain from the deliberation and voting of his/her own remuneration.</p> <p>The Terms of Reference of NRC is available on the Company's website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 8.1

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

| | | |
|---|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | The detailed disclosure on named basis of the remuneration of individual directors are set out in the table below and on page 58 of the Company's 2024 Annual Report. |

| No | Name | Directorate | Company ('000) | | | | | | | Group ('000) | | | | | | |
|----|---------------------------|----------------------|----------------|-----------|--------|-------|------------------|------------------|-------|--------------|-----------|--------|-------|------------------|------------------|---------|
| | | | Fee | Allowance | Salary | Bonus | Benefits-in-kind | Other emoluments | Total | Fee | Allowance | Salary | Bonus | Benefits-in-kind | Other emoluments | Total |
| 1 | Mr Yeoh Khoon Cheng | Independent Director | 100.0 | 23.0 | - | - | - | - | 123.0 | 100.0 | 23.0 | - | - | - | - | 123.0 |
| 2 | Dato' Goh Cheng Huat | Executive Director | - | - | 630.0 | 100.0 | - | 30.0 | 760.0 | - | - | 630.0 | 100.0 | - | 30.0 | 760.0 |
| 3 | Mr Ooi Teik Huat | Executive Director | - | - | 441.0 | 105.0 | - | 66.7 | 612.7 | - | - | 441.0 | 105.0 | - | 66.7 | 612.7 |
| 4 | Mr Lin JunLiang, Troy | Executive Director | - | - | - | - | - | - | - | - | - | 916.3 | 232.1 | - | 87.6 | 1,236.0 |
| 5 | Madam Elsie Kok Yin Mei | Independent Director | 85.0 | 23.0 | - | - | - | - | 108.0 | 85.0 | 23.0 | - | - | - | - | 108.0 |
| 6 | En. Mohd. Arif Bin Mastol | Independent Director | 85.0 | 23.0 | - | - | - | - | 108.0 | 85.0 | 23.0 | - | - | - | - | 108.0 |

Intended Outcome

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

Practice 8.2

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

| | | | |
|---|---|---|--|
| Application | : | Departure | |
| Explanation on application of the practice | : | | |
| Explanation for departure | : | Due to the lean management structure of the Group’s organisation, we only disclose, on a broad bands basis, remuneration of 3 key senior management staff, instead of on a named basis, as set out on page 59 of the Company’s 2024 Annual Report. | |
| | | The Board takes the view that there is no necessity for the Group to disclose the detailed remuneration package of senior management on a named basis, given the competitive human resource environment, as such disclosure may give risk to talent retention issues. | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

| No | Name | Position | Company | | | | | |
|----|------|----------|---------|-----------|-------|----------|------------------|-------|
| | | | Salary | Allowance | Bonus | Benefits | Other emoluments | Total |
| 1 | | | | | | | | |
| 2 | | | | | | | | |
| 3 | | | | | | | | |
| 4 | | | | | | | | |
| 5 | | | | | | | | |

Intended Outcome

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

Practice 8.3 - Step Up

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

| | | |
|---|---|-------------|
| Application | : | Not Adopted |
| Explanation on application of the practice | : | |

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

| | | | |
|--|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The positions of the Chairman of the Board and ARMC are held by different individual. En. Mohd. Arif Bin Mastol (Independent Non-Executive Director) is the Chairman of ARMC whilst the Chairman of the Board is held by Mr Yeoh Khoo Cheng.</p> <p>Having the positions of Board Chairman and Chairman of the ARMC assumed by different individuals allows the Board to objectively review the ARMC's findings and recommendations.</p> | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>None of the former key audit partner has been appointed as member of the ARMC.</p> <p>The Terms of Reference of the ARMC has outlined that former key audit partner to observe a cooling off period of at least three (3) years before being appointed as a member of the ARMC.</p> <p>The Terms of Reference of the ARMC is available on the Company's website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |
| | | |

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

| | | |
|--|---|--|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>Under the Terms of Reference, the ARMC is responsible for assessing the effectiveness and independence of the external auditor and to make subsequent recommendations to the Board on the appointment, re-appointment, resignation or dismissal of external auditors.</p> <p>The ARMC reviews the suitability, objectivity and independence of the external auditors of the Company on an annual basis. The review process covers the assessment of the independence of the external auditors, the evaluation of the external auditor's work scope and results of the audit undertaken in relation to the audited financial statements of the Group for financial year ended 31 December 2024.</p> <p>During the financial year, the ARMC met with the external auditors namely, Grant Thornton Malaysia PLT, in the absence of Management. The ARMC has reviewed the performance and independence of Grant Thornton Malaysia PLT and is satisfied that the external auditors have been independent throughout the conduct of the audit process and the audit services rendered have met the quality expected by the Committee. External auditors have also given declaration that they are and have been independent throughout the conduct of their audit engagement in accordance with the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

| | | |
|---|---|--|
| Application | : | Adopted |
| Explanation on application of the practice | : | <p>During the financial year under review, the ARMC comprises solely of Independent Directors.</p> <p>As independence is the cornerstone of a well-functioning ARMC, the Board is of the view that the existing composition of the ARMC allows its members to apply professional scepticism, vigilance and moral courage when undertaking their responsibilities on pertinent matters.</p> |

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The members of the ARMC continuously keep themselves abreast of relevant development in accounting and accounting standards, practices and rules as set out in the ARMC Meeting papers as well as training programmes attended by them respectively.</p> <p>In order to equip themselves and effectively discharge their duties as ARMC members, all of them have participated in relevant continuous professional development programmes as detailed in the Corporate Governance Overview Statement on page 51 of the Annual Report 2024.</p> <p>Based on the annual evaluation in regard to term of office and performance of the ARMC for the financial year ended 31 December 2024, the Board is satisfied that the ARMC had carried out its duties and responsibilities effectively as per its Charter and the ARMC as a whole and each member of the ARMC have added value and contributed to the overall effectiveness of the ARMC.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

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

Practice 10.1

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

| | | | |
|---|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | <p>Details of the Group’s Risk Management and Internal Control Framework are set out in its Statement on Risk Management and Internal Control, in the Company’s Annual Report 2024.</p> <p>The internal control mechanisms established by the Board are embedded within the organisation structure in all its processes. The internal control system is independently reviewed by the Internal Auditors to assess its adequacy and effectiveness.</p> | |
| Explanation for departure | : | | |
| | | | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

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

Practice 10.2

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

| | | | |
|---|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | The Board has disclosed the key features of its risk management and internal control framework as well as its adequacy and effectiveness in its Statement on Risk Management and Internal Control. The Statement on Risk Management and Internal Control is set out on pages 67 to 71 of the Company’s Annual Report 2024. | |
| Explanation for departure | : | | |
| | | | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

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

Practice 10.3 - Step Up

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

| | | |
|---|---|---------|
| Application | : | Adopted |
| Explanation on application of the practice | : | |

Intended Outcome

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

Practice 11.1

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

| | | | |
|--|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Company maintains an effective internal audit functions through an outsourced service provider.</p> <p>The internal auditors had undertaken independent and objective reviews on the adequacy and effectiveness of Group's risk management and internal control system.</p> <p>The internal auditors table their performance report to the ARMC to ensure that the internal audit works are on track and sufficient resources to carry out their work. The ARMC reviews the internal audit report, audit processes, results of the internal audit report, investigation undertaken and whether there is appropriate action taken up.</p> | |
| Explanation for departure | : | | |
| | | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 11.2

The board should disclose-

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The outsourced external party, Messrs Tan Yen Yeow & Company under the leadership of Mr Tan Yen Yeow, who is an approved company auditors and a Certified Internal Auditor ensure that the internal audit engagement is carried out effectively.</p> <p>The Internal Auditors report directly to the ARMC. This reporting relationship promotes independence and objectivity, which assures adequate consideration of audit recommendations and planned corrective actions and gives the Internal Audit staff the authority needed for full, free and unrestricted access to all operations, records, property and personnel within the Group. Private sessions with the internal auditors without the presence of the Management are also carried out to ensure that Internal Auditors can freely report any concern they have to the ARMC.</p> <p>The internal audit function is guided by internal audit standards and best practices based on the International Professional Practices Framework (IPPF), endorsed by the Institute of Internal Auditors Malaysia.</p> <p>The audit personnels are free from any relationships or conflicts of interest, which could impair the objectivity and independence of the audit review.</p> <p>Details of the audit personnel are set out in the ARMC Report.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |

| | | | |
|------------------|---|--|--|
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

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

Practice 12.1

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board recognises the importance of an effective communication channel and timely dissemination of accurate information pertaining to the Group's business activities and financial performance to its shareholders, investors and other stakeholders.</p> <p>The primary modes of disseminating the Group's business activities and financial performance are as follows:</p> <ul style="list-style-type: none"> • annual report of the Company; • quarterly financial results; • announcements made to Bursa Malaysia Securities Berhad; • company's website; and • annual general meeting <p>Any queries or concern about the Group's business and development can be conveyed through the Secretariat Department, which would then refer the matter to the attention of the Board.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |
| | | |

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

| | | | |
|--|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Notice of 35th Annual General Meeting (AGM) was despatched to shareholders at least 28 days prior to the AGM held on 26 June 2024.</p> <p>The Notice of AGM is available at the Company’s website at www.maybulk.com.my or Bursa Malaysia Securities Berhad’s website at www.bursamalaysia.com.</p> | |
| Explanation for departure | : | | |
| | | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 13.2

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

| | | | |
|---|---|--|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | <p>All Directors attended the Company's Annual General Meeting held in 2024. The Chairman of the Board encouraged shareholders to participate during the AGM and to seek clarification about the performance and operations of the Group. External auditors were also present at the AGM to address any queries raised by the shareholders at the meeting.</p> <p>The Chairman of respective Committees were present to address any questions that shareholders may have in relation to matters that fall under the purview of the Committees.</p> | |
| Explanation for departure | : | | |
| | | | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate-

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

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

| | | |
|--|---|--|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The 35th Annual General Meeting (AGM) of the Company was conducted on a virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting facilities via online meeting portal provided by Boardroom Share Registrars Sdn. Bhd. in Malaysia.</p> <p>The Administrative Guide with the detailed user guide on the registration and voting procedures were shared with the shareholders and the same were also published on the Company's website at www.maybulk.com.my.</p> <p>The virtual AGM has improved quality engagement with the shareholders by allowing them to attend, participate, speak (by posing questions to the Board via real time submission of typed texts) and vote remotely at the AGM.</p> <p>There was no data breach or cyber incidence reported for the 35th AGM. Proper measures have been taken to ensure adherence to this requirement.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 13.4

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

| | | |
|--|---|---|
| <i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i> | | |
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The 35th Annual General Meeting was conducted on a virtual basis. The Company had on 30 April 2024 issued the Annual Report 2023 for 35th AGM together with Administrative Guide which encompassed the guidance on the conduct of the virtual meeting.</p> <p>The shareholders were allowed to submit their questions electronically through the online platform provided by the Poll Administrator, Boardroom Share Registrars Sdn. Bhd. prior to the AGM, or used the query box via Remote Participation and Electronic Voting (RPEV) facilities to submit real-time questions to the Board during AGM.</p> <p>There was active participation by the shareholders with questions covering the Group's financial and non-financial performance being addressed before the commencement of remote voting. The Question-and-Answers were subsequently compiled and uploaded on the Company's website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 13.5

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

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

| | | |
|---|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The 35th virtual Annual General Meeting (“AGM”) was hosted at BO1-A-09-1, Menara 2, KL Eco City, 3 Jalan Bangsar 59200 Kuala Lumpur, Malaysia.</p> <p>The Remote Participation and Electronic Voting facilities provided by Boardroom allowed shareholders to pose questions to the Board and Chairman of the AGM via typed text in the query box. The shareholders submitted their questions at any time from the day of notice of AGM and up to the time when the meeting was in progress. Questions were read out by the Chairman and dealt with by himself, Executive Directors and Management at the AGM.</p> <p>Boardroom has provided adequate tools and infrastructure to the Company for a successful virtual AGM with active participation by the shareholders which is evidenced from the high number of questions answered during the meeting.</p> <p>For those shareholders who were not able to attend the 35th AGM, the minutes of the AGM, compilation of Questions-and-Answers and presentation materials were uploaded on the Company’s website at www.maybulk.com.my.</p> |
| Explanation for departure | : | |
| | | |

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

| | | |
|--------------------|--|--|
| Measure : | | |
| Timeframe : | | |

Intended Outcome

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

Practice 13.6

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

| | | |
|--|---|---|
| <i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i> | | |
| Application | : | Applied |
| Explanation on application of the practice | : | Minutes of 35th Annual General Meeting scheduled on 26 June 2024 was published on the Company's website at www.maybulk.com.my . |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

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

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