

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0260
COMPANY NAME : PT RESOURCES HOLDINGS BERHAD (“the Company”)
FINANCIAL YEAR : April 30, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("the Board") is responsible for the overall performance and business affairs of the Company and its subsidiaries ("the Group"). The Board plays a crucial role in providing necessary leadership, guiding, and directing the Group towards the achievement of long-term corporate objectives and increasing shareholders' value.</p> <p>In discharging its fiduciary duties and responsibilities, the Board is guided by its Board Charter, outlining the roles and responsibilities and applicable limits, including those reserved for the Board's approval, and those which the Board may delegate to the Board Committees, the Managing Director ("MD") and the Management.</p> <p>The Board has delegated some responsibilities to the following Board Committees to assist in the execution of its responsibilities in accordance with its respective Terms of Reference ("TOR"):-</p> <p>(i) Audit and Risk Management Committee ("ARMC"); and (ii) Nomination and Remuneration Committee ("NRC").</p> <p>The Board Charter and TOR of the respective committees are available on the Company's website at www.ptresourcesgroup.com.my.</p> <p>The Group is led and managed by an effective and experienced Board comprising members with a wide range of experience and qualifications. The Board assumes, amongst others, the following responsibilities:</p> <ul style="list-style-type: none">• Overseeing and evaluating the conduct, governance and sustainability of the business of the Group.• Reviewing and adopting the overall strategic direction, business plans, and annual budgets of the Group, including major capital commitments.

	<ul style="list-style-type: none"> • Establishing key performance indicators and ensuring that Senior Management has the necessary skills and experience for the orderly succession of Board and Senior Management. • Reviewing and approving new ventures, major acquisitions and disposals of undertakings and properties. • Identifying principal risks and ensuring the implementation of appropriate systems to manage and monitor significant financial and non-financial risks. • Reviewing the adequacy and integrity of the Group’s internal control systems, risk management and management information systems. • Overseeing the development and implementation of the shareholder communications policy for the Company. <p>In order to inculcate good values and ethical standards, the Board has also established a Code of Ethics and Conduct which serves as an internal frame of reference for the Directors and employees of the Group in the conduct of their daily activities. The Code of Ethics and Conduct is incorporated in the Board Charter of the Company.</p> <p>The Board acknowledges the importance of the following:-</p> <ul style="list-style-type: none"> • Maintaining a sound system of internal control and a robust risk management practice for good corporate governance with the objective of safeguarding the shareholder’s investment and the Group’s assets. • Formation of a healthy corporate governance culture that hinges on the sound management of economic, environmental, social risks and opportunities.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Board, Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim, holds an Independent Non-Executive Chairman position and is primarily responsible for the leadership, effectiveness, conduct and governance of the Board. The roles and responsibilities of the Chairman of the Board have been clearly specified in Paragraph 2.3 of the Board Charter, which is available on the Company's website at www.ptresourcesgroup.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	:		

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 positions of the Chairman and MD have always been held by different individuals. There is a clear division of responsibility between the two roles to ensure that there is a balance of power and authority to promote accountability so that no one individual has unfettered decision making powers.</p> <p>Currently, Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim is our Independent Non-Executive Chairman who ensures the integrity and effectiveness of the governance process of the Board while the position of MD is held by Mr. Heng Chang Hooi who focuses on the business, organisational effectiveness and day-to-day management of the Group and actively reports, clarifies and communicates matters to the Board.</p> <p>The distinct and separate roles and responsibilities of the Chairman and MD are as set out in Paragraph 2.3 of the Board Charter, which is available on the Company's website at www.ptresourcesgroup.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, Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim is not a member of the Board Committees. He attended the Board Committees' meetings as an invitee.
	Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim was invited to the Board Committees' meetings to provide inputs for the matters discussed during the meetings. However, he did not participate in the decision making of the resolutions, proposals and matters tabled for approval during the meetings.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	: Choose an item.

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group is currently outsourcing the corporate secretarial function to Cospec Management Services Sdn. Bhd.</p> <p>The Board is supported by two (2) experienced and qualified Company Secretaries under Section 235(2) of the Companies Act 2016 ("CA 2016") and are also registered holders of the Practising Certificate issued by the Companies Commission of Malaysia. The new joint Secretary was appointed on 19 May 2023 for better management of the Company's secretarial and administrative duties.</p> <p>The Board acknowledges that the Company Secretaries play an important role and will ensure that the Company Secretaries fulfil the functions for which they have been appointed.</p> <p>The Company Secretaries play an important role in facilitating the overall compliance with the CA 2016, ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), Malaysian Code on Corporate Governance ("MCCG") and other relevant laws and regulations. The Company Secretaries also assist the Board and Board committees to function effectively and in accordance with their TOR and best practices and ensure adherence to the existing Board policies and procedures. To discharge the roles effectively, the Company Secretaries have been continuously attending the necessary training programmes, conferences or seminars organised by relevant authorities and/or professional bodies to keep themselves abreast with the latest developments in the corporate governance realm and changes in regulatory requirements that are relevant to their profession and enable them to provide the necessary advisory role to the Board.</p> <p>The Board has direct access to the professional advice and services of the Company Secretaries and their team when performing their duties and discharging their responsibilities.</p> <p>The Company Secretaries had on 25 August 2023 briefed the Board on the Key amendments to the Listing Requirements of Bursa Securities relating to the Sustainability Training for Directors, Conflict of Interest and other amendments to keep the Board abreast of the latest</p>

	<p>developments on the governance matters and provisions under the Listing Requirements of Bursa Securities.</p> <p>During the financial year under review, all Board and Board committees' meetings were properly convened and accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company.</p>	
<p>Explanation for departure</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>Measure</p>	<p>:</p>	
<p>Timeframe</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.

Application	:	Applied
Explanation on application of the practice	:	<p>To facilitate the Directors' time planning, the annual meeting calendar was prepared and circulated in advance prior to the new calendar year by the Company Secretaries. The calendar provides the Directors with scheduled dates for meetings of the Board and Board Committees as well as the Annual General Meeting ("AGM"). The closed periods for dealings in securities by Directors and Principal Officers based on the scheduled dates of meetings for making announcements of the Group's quarterly results were also provided therein.</p> <p>Except in the case of an emergency, the notices of meetings and meeting papers are generally circulated to the Board members at least five (5) working days prior to the dates of meetings. This is to accord sufficient time for the Directors to peruse the Board papers and to seek any clarification or further details that they may need from the Management or to consult independent advisers (if necessary) and to make an informed decision at each Board meeting.</p> <p>The Company Secretaries will follow up on the open item with reference to the previous minutes of meetings to be included in the agenda for the subsequent meeting. Action items would stay as matters arising in the minutes of meetings until they are resolved.</p> <p>The deliberations and conclusions of matters discussed in the Board or Board Committees meetings are duly recorded in the minutes of meetings. The draft minutes are circulated for the Board and Committee members' review within a reasonable timeframe after the meeting. The minutes of the meeting accurately captured the deliberations and decisions of the Board and/or the Board Committees, including whether any Director abstains from voting or deliberating on a particular matter.</p> <p>All the records of proceedings and resolutions passed are kept at the registered office of the Company.</p> <p>For matters which require the Board's decision on an urgent basis outside of Board meetings, relevant supporting documents along with the Directors' Written Resolution will be circulated for the Board's consideration. All written resolutions approved by the Board will be tabled for notation at the next 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>The Board Charter is intended to identify the role, structure and processes related to key governance activities of the Board. It also serves as a reference point for Board activities. It is designed to provide guidance and clarity for Directors and Management with regard to the roles of the Board and its Committees, the role of the Chairman and MD/Executive Director, the requirements of Directors in carrying out their roles and in discharging their duties towards the Company as well as the Board's operating practices.</p> <p>The Board Charter is available on the Company's website at www.ptresourcesgroup.com.my.</p> <p>The Board Charter would be reviewed as and when necessary to ensure it remains consistent with the Board's objectives and responsibilities and reflects the latest compliance requirements as a result of changes in the regulatory framework.</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 has in place a Code of Ethics and Conduct which summarises what the Company must endeavour to do proactively in order to maintain an ethical corporate culture and to enhance the standard of corporate governance and corporate behaviour across the Group. The summary of the same has also been incorporated in the Board Charter of the Company.</p> <p>The Code of Ethics and Conduct provides guidance for Directors and every employee of the Group regarding ethical and behavioural considerations and/or actions as they address their duties and obligations during the appointment.</p> <p>The Board acknowledges that working with a strong sense of integrity is essential to achieve the Group's business goal in an open, honest, ethical and principled manner. All Directors and employees of the Group are to adhere to the Code of Ethics and Conduct to uphold the principles of honesty and integrity as well as to ensure a high standard of ethical and professional conduct is upheld in the performance of their duties and responsibilities.</p> <p>A copy of the Code of Ethics and Conduct is available on the Company's website at www.ptresourcesgroup.com.my.</p> <p>The Board will review the Code of Ethics and Conduct from time to time to ensure that it continues to remain relevant and appropriate with the prescribed requirements and best corporate governance practices.</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 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 Board recognises the whistleblowing as an important mechanism in the prevention and detection of improper conduct, harassment, or corruption in the conduct of the Group's businesses and operations. Hence, the Board is committed to promote good business conduct and maintain business integrity.</p> <p>In recognising the abovementioned values, the Group has adopted a Whistleblowing Policy that fosters an environment in which integrity and ethical behaviour are maintained through protocols which allow for the exposure of any violations or improper conduct or wrongdoing within the Group.</p> <p>The reporting of unlawful or unethical behaviour is encouraged for all the employees of the Group, particularly through the Whistleblowing Policy. The Whistleblowing Policy provides an avenue for employees to report any misconduct, breach or suspected breach of any law or regulation, including business principles and the Group's policies and guidelines, in a safe and confidential manner. An employee who makes a report of improper conduct in good faith shall not be subject to unfair dismissal, victimisation, demotion, suspension, intimidation or harassment, discrimination, any action causing injury, loss or damage or any other retaliatory actions by the Group.</p> <p>The Whistleblowing Policy is available on the Company's website at www.ptresourcesgroup.com.my.</p> <p>The Board will review and update the Whistleblowing Policy as and when necessary to ensure that it remains relevant to the Group's changing business circumstances and/or comply with the applicable laws and regulations.</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	:	<p>The Board acknowledged the importance of incorporating sustainability considerations into the Company's business and corporate activities, and how sustainability is essential to successful business strategies that could deliver sustainable value to all stakeholders and ultimately boost the business performance of the Company.</p> <p>The Board together with the Management takes responsibility for the governance of sustainability in the Company, including setting the Company's sustainability strategies, priorities and targets.</p> <p>As part of its efforts to promote and build sustainability momentum within the Group, the Group has undertaken the following measures:</p> <ul style="list-style-type: none">(a) Environment – focuses on maximising the use of its resources to create an impact on climate change, environmental sustainability and the reduction of waste generated from business operations.(b) Economic – considers economic performance crucial for achieving sustainable growth. With strong shareholders' backing, the sustainable management of assets and capital is vital to ensure the long-term development of the businesses.(c) Social – aims to be a responsible corporate citizen by constantly re-assessing the Group's activities and business model to ensure a positive impact in the workplace and in the community.(d) Governance – commits to the highest standards in business ethics, principles and codes of conduct as part of its sustainability agenda, recognising the importance of good corporate governance in executing business strategies and generating lasting shareholder value.

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

Intended Outcome

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

Practice 4.2

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 Board is cognisant of the fact that the Company’s internal and external stakeholders should receive an unfiltered and complete view of the Company’s sustainability strategies, priorities, targets and overall performance. This information should be comprehensive and include information on which stakeholders would be able to assess the Company’s sustainability risks and opportunities.</p> <p>The Company has engaged with stakeholders in a variety of ways which had been done at both the business units and Group levels through formal and informal activities. The collective opinions and insights from the stakeholders help the Board make an informed decision while aligning the stakeholders’ expectations with the Company’s sustainability priorities and business approach.</p> <p>Details pertaining to the stakeholders’ engagement are available in the Sustainability Statement in the Annual Report 2024 for the financial year ended 30 April 2024 (“FYE 2024”).</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 4.3

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, through the NRC, assesses the training programmes attended by each of the Directors during the financial year to ensure that they keep abreast with the latest developments in the industry as well as the sustainability issues relevant to the Group, including factors that are driving climate change, sustainable finance and achieving a sustainable business model.</p> <p>The key training programmes attended by each Director in the FYE 2024 are set out in the Corporate Governance Overview Statement of Annual Report 2024.</p> <p>Regular discussion of the Group's specific trends, changes in the business environment and claim processes enable the Group to adapt to the market effectively and manage the Group insurance risks, including exposure to natural disasters.</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 Board and the Senior Management have performed their respective roles in addressing material sustainability risks and opportunities.</p> <p>The performance evaluation of the Board in addressing the Group’s strategic and business plans which promote sustainability materials matters was evaluated through the annual Board’s effectiveness evaluation for the FYE 2024.</p> <p>Whereas for the Senior Management team, it is part of their key performance indicators which are reviewed annually.</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 4.5- Step Up

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

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
Application	: Not Adopted
Explanation on adoption of the practice	:

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledged the importance of reviewing its composition periodically to ensure that the Board comprises the right talent in terms of skills and experience to effectively discharge the Board's roles and responsibilities.</p> <p>The NRC oversees the overall composition of the Board in terms of size, mix of skills, experience and core competencies, as well as the balance between Executive Directors and Independent Non-Executive Directors.</p> <p>The effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board and the contribution of the Board's various committees will be assessed on an annual basis.</p> <p>The Board is fully aware that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years as recommended by the MCCG. However, if the Board intends to retain a Director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting.</p> <p>During the FYE 2024, none of our Directors has served the Board as an Independent Director of the Company for a cumulative term of more than nine (9) years.</p> <p>The annual re-election of retiring Directors has been contingent on a satisfactory evaluation of the retiring Directors' performance and contribution to the Board.</p> <p>In addition, the Directors' Fit and Proper Policy serves as a guide to NC and the Board for the appointment and re-election of Directors. The Directors' Fit and Proper Policy is published on the Company's website at www.ptresourcesgroup.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 5.2

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>The Board currently comprises six (6) members i.e., one (1) Independent Non-Executive Chairman, three (3) Independent Non-Executive Directors, one (1) Executive Director and one (1) MD. Hence, the Board complies with Rule 15.02 of the Listing Requirements of Bursa Securities which requires at least two (2) Directors or one-third (1/3) of the Board members, whichever is higher, be Independent Directors.</p> <p>The Board composition is also in line with Practice 5.2 of the MCGG of having at least half of the Board comprising Independent Non-Executive Directors.</p> <p>All four (4) Independent Non-Executive Directors of the Company satisfy the independence test under the Listing Requirements of Bursa Securities.</p> <p>Such composition can provide independent and objective judgement as well as provide an effective check and balance to safeguard the interest of the minority shareholders and other stakeholders, and ensure high standards of conduct and integrity are maintained.</p> <p>The assessment of the independence of Independent Non-Executive Directors was conducted annually via the Annual Evaluation of Independence of Directors to ensure that they were independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.</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

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	:	The Board, through the NRC, assesses the independence of the Independent Directors and monitors their tenure annually. Currently, none of the existing Independent Directors of the Company has exceeded the tenure of a cumulative term of nine (9) years in 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 Board acknowledges the importance of diversity in terms of skills, experience, age, gender, cultural background and ethnicity and recognises the benefits of diversity at the leadership and employee levels. Having a range of diversity dimensions brings different perspectives to the boardroom and Senior Management within the Group.</p> <p>The Board appoints its members through a formal and transparent selection process. The new candidates will be considered and evaluated by the NRC, the NRC will then recommend the candidates to be approved and appointed by the Board. In making a recommendation to the Board on the candidates for directorship, the NRC will consider and nominate the candidates based on the objective criteria, including:-</p> <ul style="list-style-type: none">(a) skills, knowledge, expertise and experience;(b) professionalism;(c) integrity;(d) time commitment to the Company based on the number of directorships held; and(e) in the case of candidates for the position of Independent Non-Executive Directors, the NRC will also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors. <p>In this respect, the role of the NRC is detailed in its TOR, which is accessible on the Company's website at www.ptresourcesgroup.com.my.</p> <p>Currently, the Board consists of one (1) female Director out of six (6) Directors, all the Directors are varied from different backgrounds and experiences.</p> <p>The new appointment of Senior Management would be reviewed by the NRC based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.</p>

	More women representation on the Board and Senior Management will be taken into consideration if vacancies arise and when suitable candidates are identified.	
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 primary responsibility of screening, evaluating and nominating new Board member(s) for an appointment is delegated to the NRC.</p> <p>The members of the Board are to be appointed in a formal and transparent practice as endorsed by the MCCG. The NRC will scrutinise the candidates and recommend the same for the Board's approval. The NRC uses a variety of sources for the identification of suitable candidates.</p> <p>The NRC is open to referrals from external sources available, such as industry acquaintances, contacts in related industries, consultants, etc to gain access to a wide pool of potential candidates besides tapping on the recommendations from existing Board members, Management or major shareholders. Shortlisted candidates would be required to furnish their curriculum vitae containing information on their academic/professional qualification, work experience, employment history and experience (if any) as directors of listed companies.</p> <p>The NRC will perform an annual review of the required mix of skills and experience and other qualities including core competencies that Directors should bring to the Board and assess the effectiveness of the Board as a whole, as well as, look into succession planning, boardroom and gender diversity to ensure the effectiveness of the Board.</p> <p>The policies and procedures for recruitment and appointment of Directors are guided by the TOR of the NRC.</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

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>The performance of retiring Directors recommended for re-election at the fourth AGM (“4th AGM”) have been assessed through the NRC annual evaluation (including the independence of Independent Non-Executive Directors) and recommended to the Board for approval.</p> <p>The profiles of the Directors who were due for retirement and offered themselves for re-election, which included the nature of interest with the Company, whichever applicable, were set out in the Annual Report 2024 of the Company.</p> <p>Whilst for the retiring Directors for the forthcoming Fifth AGM (“5th AGM”), a statement by the Board and NRC being satisfied with the performance and effectiveness of the retiring Directors who offered themselves for re-election at the forthcoming 5th AGM was stated in the notes accompanying the Notice of 5th AGM.</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 NRC is chaired by Dato' Asmuni Bin Sudin, who is an Independent Non-Executive Director of the Company. The profile of the NRC Chairman is disclosed in the Annual Report 2024.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	<p>The Board comprises six (6) Directors, out of whom one (1) is a woman, which constitutes 16.7% female representation at the Board level.</p> <p>The Board recognises that this diversity acts as a source for fresh perspectives which ultimately benefits the overall deliberations taking place in the boardroom. Although the Company has not reached the 30% women representation target at the Board level, the Board decisions are made objectively in the best interests of the Group taking into account diverse perspectives and insights.</p> <p>The Board is of the view that it is important to recruit and retain the best available talent regardless of gender, ethnicity and age to maximise the effectiveness of the Board.</p> <p>Women's representation on the Board and in Senior Management will be taken into consideration when vacancies arise and suitable candidates are identified, underpinned by the overriding primary aim of selecting the best candidate to support the achievement of the Company's strategic objectives.</p> <p>The Board will take into consideration more female Directors within the Board as a long-term goal to which incremental steps shall be taken to ensure it is adopted within the reasonable timeframe stipulated.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises the value of developing and increasing the number of women on the Board and Senior Management roles within the Company. Therefore, the Board has adopted a Gender Diversity Policy which provides a framework for the Company to improve its gender diversity at Board and Senior Management levels. The Gender Diversity Policy is available on the Company's website at www.ptresourcesgroup.com.my.</p> <p>The Company will continue to promote diversity in its widest possible sense and the Board and NRC remain committed to ensure that the Company's policies and practices support this approach with a view to harnessing the potential of its workforce and driving the success of the business.</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 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.

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.

Application	:	Applied				
Explanation on application of the practice	:	<p>The Board, through the NRC, undertakes a formal and objective annual evaluation to assess the effectiveness of the Board and the Board Committees as a whole and the contribution of each Director, including the independence of the Independent Non-Executive Director, making reference to the guides available and the good corporate governance compliance.</p> <p>The assessment of the Board and Board Committees are performed on a Board review whilst the assessment of the individual Directors is performed on a peer-review basis. Each Director is provided with the assessment forms for their completion prior to the meeting. The results of all assessments and comments by the Directors are summarised and deliberated at the NRC meeting and thereafter the NRC’s Chairman will report the results and deliberation to the Board.</p> <p>The areas covered in the aforesaid annual assessment criteria are as follows:-</p> <table border="1" data-bbox="586 1430 1373 1900"> <thead> <tr> <th data-bbox="586 1430 841 1465">Evaluation</th> <th data-bbox="841 1430 1373 1465">Assessment Criteria</th> </tr> </thead> <tbody> <tr> <td data-bbox="586 1465 841 1900">Board and Board Committees as a whole</td> <td data-bbox="841 1465 1373 1900"> <ul style="list-style-type: none"> • Role of the Chairman and MD • Board balance, size and composition • Board structure and procedures • Relationship of the Board to Management • Quality and supply of information to the Board/Board’s Committees • Access to information and advice • Accountability for financial reporting, internal control and sustainability risk and opportunities • Relationship with Auditors/ Shareholders/ Investors • Use of Board Committees </td> </tr> </tbody> </table>	Evaluation	Assessment Criteria	Board and Board Committees as a whole	<ul style="list-style-type: none"> • Role of the Chairman and MD • Board balance, size and composition • Board structure and procedures • Relationship of the Board to Management • Quality and supply of information to the Board/Board’s Committees • Access to information and advice • Accountability for financial reporting, internal control and sustainability risk and opportunities • Relationship with Auditors/ Shareholders/ Investors • Use of Board Committees
Evaluation	Assessment Criteria					
Board and Board Committees as a whole	<ul style="list-style-type: none"> • Role of the Chairman and MD • Board balance, size and composition • Board structure and procedures • Relationship of the Board to Management • Quality and supply of information to the Board/Board’s Committees • Access to information and advice • Accountability for financial reporting, internal control and sustainability risk and opportunities • Relationship with Auditors/ Shareholders/ Investors • Use of Board Committees 					

		<ul style="list-style-type: none"> • Directors' training
	ARMC	<ul style="list-style-type: none"> • Composition and quality • Oversight of the financial reporting process, including internal controls • Understanding the business, including risk and control environment • Access to information and advice • Oversight of audit functions • Compliance with corporate governance • External Auditors' engagement • Staying abreast on issues • Report and recommendations
	MD / Executive Director	<ul style="list-style-type: none"> • Financial • Strategic and sustainability • Conformance & compliance • Business acumen/increasing shareholders' wealth • Succession planning • Personal input to the role
	Non-Executive Director	<ul style="list-style-type: none"> • Attendance at Board and Board Committees' meetings • Adequate preparation for Board and/or Board Committees' meeting • Regular contribution to Board/Board Committee meetings • Personal input to the role
	<p>In respect of the annual performance evaluation for the FYE 2024, the NRC and the Board were satisfied with the performance of the individual Directors, Board as a whole, Board Committees as well as the independence and objective judgements that the Independent Directors have brought to the Board.</p> <p>The Board will consider engaging a professional and independent party to lend greater objectivity to the assessments as and when required.</p> <p>The Board will continue to review the Board's evaluation process as and when necessary to ensure they remain relevant in line with the CA 2016, MCCG and Listing Requirements.</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 Board had through the NRC, established a formal and transparent Remuneration Policy as a guide for the Board and the NRC to determine the remuneration of Directors and/or Senior Management of the Company, which takes into account the demands, complexities and performance of the Company as well as skills and experience required. The Remuneration Policy is available on the Company's website at www.ptresourcesgroup.com.my.</p> <p>The NRC is responsible to ensure that the remuneration packages are benchmarked with industry standards in light of the Group's performance in the industry as well as commensurate with the expected responsibility and contribution by the Directors and linked to the strategic objectives of the Group.</p> <p>Independent Non-Executive Directors of the Company will be paid a basic fee as ordinary remuneration based on their responsibilities in Committees and the Board, their attendance and/or special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by a commission on or percentage of profits or turnover. Apart from Directors' fees, all Independent Non-Executive Directors are entitled to meeting allowances for attending Board and Board Committee meetings.</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 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 through NRC assisted the Board in implementing its policies and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company. The NRC is principally responsible for the development and review of the remuneration policy and packages of Directors, where necessary, and subsequently tables their recommendations to the Board on specific adjustments in remuneration (including fees and benefits) to commensurate the contributions of the Directors.</p> <p>The NRC consists wholly of Independent Non-Executive Directors and is governed by its TOR. The TOR of the NRC which details the roles and responsibilities in relation to the nomination and remuneration matters, is available on the Company's website at www.ptresourcesgroup.com.my.</p> <p>During the FYE 2024, the NRC has undertaken the following activities based on its TOR:-</p> <ul style="list-style-type: none">(i) Deliberated on the remuneration package of the MD and Executive Directors for the FYE 2024 and recommended the same to the Board for approval;(ii) Reviewed the Directors' fees and recommended the same to the Board to recommend to the shareholders for approval; and(iii) Reviewed the benefits payable to the Directors of the Company and recommended the same to the Board to recommend to the shareholders for approval. <p>All Directors had abstained from deliberations and voting in respect of their respective remuneration.</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 details of the Directors' remuneration for the FYE 2024 for each individual Director with a breakdown into fees, salaries and bonuses, allowance and other emoluments are 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	Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim	Independent Director	60	3	-	-	-	-	63	60	3	-	-	-	-	63
2	Dato' Asmuni Bin Sudin	Independent Director	36	3	-	-	-	-	39	36	3	-	-	-	-	39
3	Chan Foong Ping	Independent Director	36	3	-	-	-	-	39	36	3	-	-	-	-	39
4	Steven Wong Chin Fung	Independent Director	36	1.5	-	-	-	-	37.5	36	1.5	-	-	-	-	37.5
5	Heng Chang Hooi	Executive Director	-	30	468	-	-	57.3	555.3	-	30	468	-	-	57.3	555.3
6	Mohd Rofzan Bin Mohd Latiff	Executive Director	-	-	60	-	-	8.9	68.9	-	-	60	-	-	8.9	68.9
7	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
8	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
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Departure										
Explanation on application of the practice	:											
Explanation for departure	:	<p>Due to the confidentiality and sensitivity of the remuneration package of Senior Management as well as security concerns, the Board opts not to disclose the Senior Management’s remuneration components on a named basis in the bands of RM50,000.</p> <p>The Board is of the view that the disclosure of the Senior Management’s remuneration components would not be in the best interest of the Company given the competitive human resources environment as such disclosure may give rise to recruitment and talent retention issues.</p> <p>As an alternative, the Board is of the view that the disclosure of Senior Management’s aggregated remuneration on an unnamed basis in the bands of RM50,000 is adequate, as follows:-</p> <table border="1" data-bbox="587 1283 1278 1493"> <thead> <tr> <th rowspan="2">Range of Remuneration</th> <th>Group</th> </tr> <tr> <th>Number of Senior Management</th> </tr> </thead> <tbody> <tr> <td>RM50,001 to RM100,000</td> <td>1</td> </tr> <tr> <td>RM100,001 to RM150,000</td> <td>-</td> </tr> <tr> <td>RM150,001 to RM200,000</td> <td>1</td> </tr> </tbody> </table>		Range of Remuneration	Group	Number of Senior Management	RM50,001 to RM100,000	1	RM100,001 to RM150,000	-	RM150,001 to RM200,000	1
Range of Remuneration	Group											
	Number of Senior Management											
RM50,001 to RM100,000	1											
RM100,001 to RM150,000	-											
RM150,001 to RM200,000	1											
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>												
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.										
Timeframe	:	Choose an item.										

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The positions of Chairman of the Board and Chairperson of ARMC are assumed by two different persons. The Chairman of the Board is Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim, while the Chairperson of the ARMC is Ms. Chan Foong Ping, both are Independent Non-Executive Directors of the Company. This ensured that the objectivity of the Board's review of the ARMC's findings and recommendations was not impaired.</p> <p>The separation had been set out clearly in the TOR of the ARMC which is accessible on the Company's website at www.ptresourcesgroup.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 9.2

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>The Company recognised the need to uphold the independence of its External Auditors and that no possible conflict of interest whatsoever should arise.</p> <p>The requirement for a former key audit partner of the external audit firm to observe a cooling off period of at least three (3) years before being appointed as a member of the ARMC is incorporated in the TOR of the ARMC.</p> <p>The TOR of the ARMC is available on the Company's website at www.ptresourcesgroup.com.my.</p> <p>Currently, none of the ARMC members were former audit partners of the Company. Should there be any former audit partner identified by the Board, the person will be required to observe a cooling-off period of at least three (3) years before being appointed a member 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

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>The Board had established an External Auditors Assessment Policy ("the Policy") together with an annual performance evaluation form. The Policy is to outline the guidelines and procedures for the ARMC to review, assess and monitor the performance, suitability and independence of the External Auditors.</p> <p>The ARMC had carried out an annual performance assessment of the External Auditors and requested the MD, Executive Director, Group Financial Controller and Management to join the assessment.</p> <p>The annual evaluation form provides a checklist for the ARMC to carry out a formal review of the independence, effectiveness and efficiency of the External Auditors of the Company that consider, among others, the following criteria:-</p> <ul style="list-style-type: none">• Adequacy of resources and experience of the audit firm;• Quality processes of the audit firm;• Competency of audit engagement team;• Audit governance and independence;• Audit fee, scope and planning; and• Audit communications. <p>The ARMC reviewed the nature and extent of non-audit services rendered by the External Auditors during the financial year and concluded that the provision of these services did not compromise their independence and objectivity. In addition, the ARMC had received assurance from the External Auditors confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>The External Auditors are precluded from providing any services that may impair their independence or conflict with their role as External Auditors.</p>

	The Board, upon the recommendation of the ARMC, was satisfied with the suitability and independence of the External Auditors and had recommended their re-appointment to the shareholders for approval at the forthcoming AGM.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>All the members of the ARMC are Independent Non-Executive Directors and as such, there is a strong and independent element to provide effective oversight for it to function effectively and exercise objective judgement independently.</p> <p>The composition of the ARMC is as follows:</p> <ul style="list-style-type: none">(a) Ms. Chan Foong Ping;(b) Dato' Asmuni Bin Sudin; and(c) Mr. Steven Wong Chin Fung.

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 possess the necessary skills and knowledge to discharge their duties in accordance with the TOR of the ARMC. The Chairperson and members of the ARMC are financially literate and they are able to understand matters under the purview of the ARMC including the financial reporting process. With the necessary skills and knowledge, they are able to detect any financial anomalies or irregularities in the financial statements as well as challenge Management's assertions on the Group's financials.</p> <p>The NRC would review the terms of office and performance of the ARMC members every year to determine whether they have carried out their duties in accordance with their TOR.</p> <p>The ARMC members are expected to devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes, so as to enable them to sustain their active participation during deliberations.</p> <p>All ARMC members have undertaken ongoing training and development to keep abreast of the latest developments and changes to the regulatory environment and ensure that they are equipped with the relevant knowledge and skills in discharging their duties effectively.</p> <p>In addition, during the ARMC meetings, the members have also been briefed by the External Auditors on the development or changes in the applicable Malaysian Financial Reporting Standards and the relevant accounting requirements under the CA 2016.</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>The Board acknowledges its responsibility for maintaining a sound system of risk management and internal controls in the Group. The Board is supported by the ARMC to identify, assess and monitor the key business risks of the Group in order to safeguard shareholders' investment and the Group's assets.</p> <p>The Group has in place a structured risk management and internal control framework to manage the business risks faced by the Group on an on-going basis. It provides reasonable and not absolute assurance against fraud, material misstatement or loss, and this is achieved through a combination of preventive, detective and corrective measures.</p> <p>The risk management and internal control framework are embedded into the culture, processes and structures of the Group. The Board and the ARMC are committed to ensure that the framework is responsive to changes in the business environment and clearly communicated to all key management personnel.</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 10.2

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	:	<p>The Board, via the ARMC, oversees the Group risk management framework and policies, ensures that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interest and the Group's assets and determines the nature and extent of significant risks which it is willing to take in achieving its strategic objectives.</p> <p>The Group performed risk identification and evaluation process via a series of interviews and discussions with the key personnel and management of the Group with the consideration of both internal and external environmental factors. Subsequently, the risks identified are evaluated by examining the potential impact on the Group as well as the likelihood of occurrence.</p> <p>The Independent Internal Auditors were also engaged to conduct an independent assessment of the adequacy, efficiency and effectiveness of the Company's internal control system. The Internal Auditors report directly to the ARMC and internal audit plans are tabled to the ARMC for review and approval by the Board to ensure adequate coverage.</p> <p>Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control of the Annual Report 2024.</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	:		
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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 adoption of the practice	:	The ARMC comprises all Independent Non-Executive Directors and its scope and function are set out in the TOR which is available on the Company's website at www.ptresourcesgroup.com.my .

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's internal audit function has been outsourced to an independent professional firm, namely Resolve IR Sdn. Bhd. ("Resolve IR" or "Internal Auditors") to assist the ARMC in discharging its duties and responsibilities in respect of reviewing and assessing the adequacy and effectiveness of the Group's risk management and internal control systems. The Internal Auditors report directly to the ARMC, which in turn reports to the Board.</p> <p>To ensure that the responsibilities of Internal Auditors are fully discharged and they are precluded from providing any services that may impair their independence or conflict with their role as Internal Auditors, the ARMC carried out an annual performance assessment of the Internal Auditors and requested the MD, Executive Director, the Group Financial Controller and the Management to join the assessment.</p> <p>The annual evaluation form provides a checklist for the ARMC to carry out a formal review of the independence, effectiveness and efficiency of the Internal Auditors of the Company, among others, the following were some of the criteria reviewed by the ARMC:-</p> <ul style="list-style-type: none">• Adequacy of resources and experience of the internal audit firm;• Quality processes of the internal audit firm;• Competency of the engagement team;• Governance and independence;• Internal audit fee, scope and planning; and• Internal audit reports and communications. <p>In performing its duties, the Internal Auditors have free and unfettered access to information and to meet with any of the department heads or persons in charge.</p> <p>The Internal Auditors carried out the internal audit function based on the internal audit plan approved by the ARMC. The audit findings together with Management's response and proposed action plans have been reviewed by ARMC at its scheduled meetings. In addition, follow up reviews were also conducted to ensure that the recommendations for improvement have been implemented by Management on a timely basis.</p>

	The internal audit function of the Group is effective and remains independent all the time. The internal audit function and activities are set out in the ARMC Report in the Annual Report 2024.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies 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 Internal Audit function is outsourced to Resolve IR which is independent of the operations and activities of the Group. The engagement team from Resolve IR is free from any relationship or conflict of interest, which could impair their objectivity and independence.</p> <p>Resolve IR is a corporate member of the Institute of Internal Auditors Malaysia (“IIAM”) and its personnel are individual members of IIAM or the Malaysian Institute of Accountants or both.</p> <p>The number of audit staff deployed by Resolve IR for each internal audit review ranges from three (3) to four (4) Internal Auditors per visit, led by Mr. Choo Seng Choon. He is a Certified Internal Audit and also a Chartered Member of the Institute of Internal Auditors Malaysia and has more than 25 years of professional experience. He is also a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom and a Chartered Accountant of the Malaysian Institute of Accountants.</p> <p>The internal audit function is carried out as guided by the International Professional Practices Framework on Internal Auditing that is promulgated by the Institute of Internal Auditors.</p> <p>The ARMC was satisfied with the competency, experience and resources of the internal audit function for discharging their roles and responsibilities.</p> <p>Further details of the internal audit activities are disclosed in the ARMC Report of the Annual Report 2024.</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 values the importance of providing effective communication platforms to provide accurate, timely, transparent and valuable insights on the Company's performance and position to its stakeholders. As such, the Board consistently ensures prompt and timely dissemination of information to its shareholders and the investors, for them to make informed investment decisions.</p> <p>The Company has adopted a Corporate Disclosure Policy, which is applicable to the Board and all employees of the Group, in handling and disclosing material information to the shareholders and the investing public.</p> <p>The quarterly results, announcements, annual reports and circulars serve as primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and development.</p> <p>The Company's corporate website at www.ptresourcesgroup.com.my serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, news and events relating to the Group.</p> <p>The Company's AGM remains a principal forum used by the Group for communication with its shareholders. At the AGM, shareholders will be accorded time and opportunity to raise questions on the proposed resolutions and also matters relating to the performance, developments within and the future direction of the Group. The Board will also ensure that each item of special business that is included in the notice of meeting is accompanied by a full written explanation of that resolution and its effects to facilitate its understanding and evaluation.</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

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

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

Practice 12.2

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

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:	The Company is not a Large Company as defined under the MCCG and hence, has not adopted integrated reporting based on a globally recognised framework.	
		The Board is of the view that the Company’s Annual Report is comprehensive enough for stakeholders to make informed decisions. The current Annual Report provides stakeholders with a fairly comprehensive overview of the Company’s financial and non-financial information including future prospects. Components such as the Management and Discussion Analysis, Corporate Governance Overview Statement, Statement on Risk Management and Internal Control, as well as Sustainability Statement, form an integral part of the non-financial information. Once the level of maturity of non-financial reporting practices is adequate and able to comply with globally recognised integrated reporting standards, the Company will implement this as soon as it is practicable.	
<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 the 4th AGM of the Company held on 26 October 2023 was sent to the shareholders on 30 August 2023, which is more than twenty-eight (28) days prior to the date of the 4th AGM. This has given sufficient time to shareholders to review the Annual Report and consider the resolutions for any questions they might wish to raise at the AGM.</p> <p>The notice for convening the forthcoming 5th AGM of the Company will be sent to the shareholders at least twenty-eight (28) days before the date of the 5th AGM as well.</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 of the Company including the Chairman of the respective Board committees had attended the 4th AGM held on 26 October 2023. The Senior Management and External Auditors also attended the 4th AGM.</p> <p>During the proceedings of the 4th AGM, the Chairman invited shareholders to raise questions pertaining to the Company's audited financial statements and the other agenda items tabled for approval at the meetings. All questions raised by the shareholders were answered and addressed accordingly.</p> <p>All the Directors of the Company will always endeavour to attend all general meetings and the Chairman of the Board Committees will provide a meaningful response to questions addressed to them.</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 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The 4 th AGM was held physically at Concorde Hotel Kuala Lumpur, Concorde Ballroom, Lobby, 2 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia. Where possible, the Company will make an effort to conduct its general meetings at a venue that is easily accessible for the convenience of the shareholders.	
		Alternatively, the shareholders who are not able to attend the physical general meetings, are encouraged to appoint the Chairman or any person(s), as their proxy(ies) to attend, participate, speak and vote at the meetings on their behalf.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	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 13.4

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	: The Chairman ensures that the general meetings cater an important opportunity for effective communication with and constructive feedback from the shareholders. The Company facilitates and encourages shareholder participation at its 4 th AGM. The meeting will provide an update for shareholders on its performance and offer an opportunity for shareholders to ask questions and vote. The Senior Management read out and answered the relevant questions received. All the Directors, Senior Management and External Auditors also attended the 4 th AGM to respond to questions raised by shareholders.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

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

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

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: The minutes of the 4 th AGM were not circulated to the shareholders, however, the summary of Key Matters Discussed at the 4 th AGM is made available to the shareholders on the Company's website at www.ptresourcesgroup.com.my .
	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>	
Measure	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	: Choose an item.

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

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

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