

CORPORATE GOVERNANCE REPORT

STOCK CODE : 1368
COMPANY NAME : UEM Edgenta Berhad
FINANCIAL YEAR : December 31, 2023

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 of UEM Edgenta Berhad ("Board") is responsible for the corporate governance, strategic direction, financial and organisational matters of the Group.</p> <p>To ensure clear and effective governance in discharging its responsibilities, a Governance Structure has been established to ensure clear roles and responsibilities.</p> <p>In discharging its roles and responsibilities, the Board is guided by the Board Charter and the Discretionary Authority Limits ("DAL"), which outlines the duties and responsibilities of the Board, as well as matters that the Board may delegate to the Board Committees, the Managing Director/Chief Executive Officer and Management.</p> <p>The DAL is regularly reviewed to ensure effective governance and control, while still allowing for flexibility in pursuing new business opportunities. These reviews also ensure that the DAL remains relevant and adaptable to the rapid innovation and growth of the Company's business and the ever changing/evolving environment.</p> <p>In the financial year 2023, the Board had met regularly to perform its principal responsibilities, which are amongst others, as follows:-</p> <ol style="list-style-type: none">1) Establishing, reviewing and adopting the strategic plans and direction for the Group.2) Overseeing the conduct of the Group's business to evaluate whether the business is being properly managed.3) Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks.4) Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management.

	<p>5) Reviewing the adequacy and the integrity of the Group’s internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines.</p> <p>From 21 to 23 October 2023, the Board met with the Management for a Board Strategy Meeting. The theme for the 2023 Strategy Meeting was “Delivery and Execution Anchored on Quality”.</p> <p>During this meeting, the Board deliberated on the progress and year to date performance of the Group compared to the performance target set earlier in the year. The Board of Directors also directly engaged with the Head of Business/Divisions to understand their key operational challenges and gaps, align expectations, deliberate on the next steps to be taken by each business unit, and sets the Group’s strategic focus, plan and budget for 2024 and beyond.</p> <p>Following the Board Strategy Meeting, the Management presented the Annual Operating Plan 2024 at the Board Meeting held on 28 November 2023. The presented Annual Operating Plan 2024 contained the strategies and business plans decided upon at the Board Strategy Meeting in October 2023.</p> <p><u>Core Values</u></p> <p>The following core values of the Group i.e. FIRST has been endorsed by the Board which serves as a guide for all employees in their actions and conduct to meet the objectives and goals as a Company or as individuals.</p> <ul style="list-style-type: none"> • Future Focused • Imagine New Ways • Respect for All • Solutioning Mindset • True to Our Word <p>By embodying these values, employees will uphold the Group’s Mission and Vision and contribute to its ongoing success.</p>
<p>Explanation for departure :</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>	

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Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The duties and responsibilities of the Chairman are clearly outlined in the item 2.0 in Appendix 1 of the Board Charter, which is available at https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>Tan Sri Dr. Azmil Khalid, the Chairman of the Board, who is an Independent Non-Executive Director, together with the other Board Members, are responsible for setting the policy framework within which the Management is to work.</p> <p>His main responsibility is to lead and manage the work of the Board to ensure it operates effectively and fully discharges its legal and regulatory responsibilities. This includes leading the Board in establishing and monitoring good governance practices in the Company.</p> <p>He serves as the main liaison between the Board and the Management, leading discussion on strategies and policies recommended by the Management. He chairs the meetings of the Board and the shareholders and acts as the Company's ambassador, both domestically and internationally.</p> <p>Based on the Board Effectiveness Assessment 2023 conducted, all other Board Members agreed that the Chairman has demonstrated effective and excellent leadership.</p>
Explanation for departure	:	
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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 Chairman of the Board and Managing Director/Chief Executive Office ("MD/CEO") of the Company are held by different individuals who are unrelated to each other.</p> <table border="1"><tr><td>Chairman of the Board</td><td>Tan Sri Dr. Azmil Khalid</td></tr><tr><td>MD/CEO</td><td>En. Syahrnzam Samsudin</td></tr></table> <p>The separation of roles is to ensure a balance of power and authority between the Chairman and the MD/CEO. Their distinct and separate roles and responsibilities are clearly defined under items 2.0 and 3.0 respectively in Appendix 1 of the Board Charter, which is available on the Company's website at https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>The Chairman leads the Board to ensure the Board effectively discharges its leadership, control roles and assists the Board in fulfilling the goals it sets by assigning specific tasks to members of the Board.</p> <p>He also acts as liaison between the Board and Management, carrying out other duties as requested by the Board as a whole, depending on need and circumstances.</p> <p>The MD/CEO is primarily responsible for overseeing the day-to-day management of the business with power, discretions, and delegations authorised in the Discretionary Authority Limits and implementing the policies and strategies adopted by the Board. He is accountable for leading the Management team, implementing the policies/decisions approved by the Board, building a dynamic corporate culture with the requisite skills and competency and acting as the Group's chief spokesperson. He is also responsible for developing and recommending to the Board annual operating plans and budgets that support the Group's long-term vision and strategy, formulating and monitoring the implementation of major corporate policies.</p>	Chairman of the Board	Tan Sri Dr. Azmil Khalid	MD/CEO	En. Syahrnzam Samsudin
Chairman of the Board	Tan Sri Dr. Azmil Khalid					
MD/CEO	En. Syahrnzam Samsudin					
Explanation for departure	:					

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Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Applied
Explanation on application of the practice	: Tan Sri Dr. Azmil Khalid, the Chairman of the Board, is not a member of the Audit Committee ("AC") or the Nomination and Remuneration Committee ("NRC"). The Chairman of the Board does not participate in these specified committees' meetings by way of invitation nor has he ever been invited to attend the meetings of AC and NRC.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.5

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

Application	: Applied
Explanation on application of the practice	<p>The Board is supported by a Company Secretary, Ms. Chiew Siew Yuen who is accountable to the Board through the Chairman of the Board and Committees on all governance matters.</p> <p>Ms. Chiew Siew Yuen was appointed as the Company Secretary of UEM Edgenta Berhad on 23 July 2014, has over eighteen (18) years of experience in corporate secretarial practice and is qualified to act under Section 235(2) of the Companies Act ("CA") 2016. She is also registered with the Companies Commission of Malaysia ("CCM") under Section 241 of the CA 2016 and is issued with a practising certificate by the Registrar of Companies.</p> <p>She is an Associate member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and a Chartered Secretary and Chartered Governance Professional under the Chartered Governance Institute.</p> <p>The Company Secretary is a central source of information and advises the Board and its Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company. Board members have unlimited access to the professional advice and services of the Company Secretary.</p> <p><u>Roles of the Company Secretary</u></p> <ol style="list-style-type: none">1) Provides advisory with regard to the Company's Constitution, Board policies and procedures, corporate governance best practices, and ensure compliance with regulatory requirements, listing rules, codes and legislations.2) Attends and ensures that all Board and Board Committees decisions are well recorded in the minutes and that action items are promptly communicated to the Management for implementation.3) Assist in reviewing the Board Meeting agendas and Board Meeting papers, where applicable, prior to circulation to the Board Members.4) Coordinate and ensure the timely completion and circulation of Board and Committee papers.5) Facilitates induction programmes for new directors and assists with professional development of Directors.

	<p>6) Ensure processes and proceedings of general meetings are in place and properly managed.</p> <p>7) Facilitates the Board in conducting the annual Board Effectiveness Assessment.</p> <p>The Company Secretary maintains up-to-date knowledge of the regulatory requirements by regularly attending relevant continuous professional development programmes as required. She is in a position to advise the Board and its Committees on compliance matters as appropriate.</p> <p>Based on the Board Effectiveness Assessment 2023, all Board Members agreed that:-</p> <ol style="list-style-type: none"> 1) The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging its function. 2) The minutes were properly recorded the discussion and resolutions of meetings; and 3) The Board is provided with adequate secretarial support.
<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><u>Meeting calendar</u> The planning for meeting calendar begins before the start of every financial year, as early as 3rd quarter. Meetings for the financial year 2023 were pre-planned in advanced in year 2022 and calendars were issued to block the Directors' time. Special meetings would be called as and when required.</p> <p>In the 4th quarter of 2022, a summary of tentative agenda items for each scheduled Board and Board committee meetings for 2023 were presented at the respective meeting. This presentation aimed to allocate time effectively and allow Management to plan ahead for the preparation of meeting papers.</p> <p><u>Meeting Notice</u> Directors received the Notice of Board/Board committees meeting via email at least 14 calendar days before the meeting.</p> <p><u>Meeting agendas</u> The proposed meeting agendas would be cleared by the Chairman via a pre-board meeting with the MD/CEO, Chief Financial Officer, Chief Strategy Officer and Company Secretary. He would also ensure that the allocated time for each agenda is sufficient for a holistic deliberation by allocating longer time for the discussion of approval and strategy papers.</p> <p><u>Meeting papers</u> As guided by the Company's Board Charter, the meeting materials are to be furnished to the Directors at least 5 business days in advance of each meeting. This is to ensure Directors have sufficient time to read and evaluate the matters to be discussed, to allow a meaningful deliberation at the meeting.</p> <p>The Board papers contain both quantitative and qualitative information and are presented in a manner which is concise and include comprehensive management reports, minutes of meetings, proposal papers and supporting documents. This will enable Directors to review, consider, and if necessary, obtain further information or research on the matters to be deliberated in order to be properly prepared at the meetings, thereby enabling informed decisions to be made.</p>

	<p>To ensure this is achieved, the Company Secretary has shared a template with guiding principles, which is available in the Company’s Brand Toolbox for reference. All proposals for tabling must be approved for submission by the MD/CEO.</p> <p><u>Circulation timeline of meeting papers</u> To ensure that the meeting materials are provided to Directors within the stipulated time, the Company Secretary sends out an email to Management notifying the meeting dates and the submission deadlines of the meeting materials ahead of scheduled meetings. The meeting dates are also available for the information of all Senior Management on the shared calendar.</p> <p>Upon receipt of the meeting materials, the papers would be disseminated to all Directors in a paperless manner via an iPad-based solution which stores meeting documents digitally in a secured manner. An email would be sent to Directors notifying that the papers are available for access on their iPads.</p> <p>The Company’s Discretionary Authority Limits, Board Charter, Terms of Reference of Board Committees and relevant policies are also available in the iPad-based solution for the ease of Directors’ references.</p> <p><u>Meeting day</u> Board Committee meetings are never combined with the main Board meetings in a single sitting.</p> <p><u>Minutes</u> All deliberations and outcomes are documented in the minutes, which were circulated to the Board for perusal together with the meeting materials for the next meeting.</p> <p>The Company Secretary also follow-up on the status of the actions to be taken by the Management for reporting to the Board.</p>	
Explanation for departure :		
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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>Pursuant to item 15.0 of the Board Charter, the Board shall periodically review the Board Charter to ensure its relevance and consistency with the Company's objectives, latest practices and laws.</p> <p>The Board Charter is in line and relevant with the Companies Act 2016, Malaysian Code of Corporate Governance ("MCCG") and Main Market Listing Requirements. It is also included with the additional duties and responsibilities of the Board arising from the establishment of Integrity and Compliance Function (equivalent of the "Integrity and Governance Unit" as per the Guideline for the Management of Integrity & Governance Unit issued by Malaysian Anti-Corruption Commission).</p> <p>The Board Charter sets out the following for guidance:-</p> <ol style="list-style-type: none">1) Duties and Responsibilities of the Board, which addressed the issues and decisions reserved for the Board.2) Principal responsibilities of the Board Committees.3) Duties and Responsibilities of the Chairman, MD/CEO and Non-Executive Director/Independent Director. <p>The current Board Charter was last reviewed and revised on 30 May 2023, as the Board agreed to adopt the Step Up Practice 5.4 of the MCCG, which limits the tenure of Independent Directors to nine (9) years without further extension.</p> <p>In addition to the Board Charter, each Board Committees has its own Terms of Reference which defines their roles and responsibilities.</p> <p>The Board Charter is available for access at https://www.uemedgenta.com/about-us/corporate-governance.</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 Company's Code of Conduct, which incorporates a Code of Ethics, mandates that all officers and employees to observe high standards of business and personal ethics, integrity and accountability in carrying out their duties. As representatives of UEM Edgenta Berhad, or any of its subsidiaries, they are required to practice honesty and integrity in fulfilling their duties and comply with all applicable laws and regulations. Therefore, it is the responsibility of all officers and employees to comply with the Code of Conduct and to report any violations or suspected violations thereof.</p> <p>The Company's Code of Conduct for employees is available at:- https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>The Company also has a separate Code of Ethics for Directors, which is included in the Board Charter under item 13.0 and is available at:- https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>In 2023, the Code of Conduct was revised to align with the adoption of the Political Involvement Policy. According to this policy, employees who wish to hold positions in political parties, except as ordinary members, must resign from the Company.</p> <p>UEM Edgenta Berhad is committed to promote and support a working environment which reflects the Company's commitment to maintain highest level of integrity and ethical standards through the conduct of our operations.</p> <p>In 2023, the Company continued educating and creating awareness on Anti-Bribery and Anti-Corruption via periodic email communications. Engagement sessions were also held with business teams and vendors to emphasize the importance of Integrity & Compliance.</p>

UEM Edgenta Berhad continues to be committed in promoting values of integrity and good governance as well as the intolerance on the abuse of power and corrupt practices in any form throughout the organisation.

Among the Anti-Bribery Anti-Corruption (“ABAC”) initiatives implemented across the Company include the ABAC Policy Statement, ABAC Guide, Code of Conduct, Corruption Risk Assessment, Conflict of Interest, Whistleblowing Policy & Reporting Channel, as well as periodic communications such as online learning on Risk, Integrity and Compliance.

On 10 May 2023, the Company has successfully obtained **ISO 37001:2016 Anti-Bribery Management System (ABMS) Certification**. This certification is an integral part of our governance and internal control system, designed to effectively manage, handle, enforce, evaluate, and improve our anti-corruption measures. It plays a crucial role in mitigating corruption risks within our organisation.

This certification serves as a testament to our commitment to combat corruption and bribery. It assures our stakeholders that UEM Edgenta has adequately implemented anti-corruption initiatives to measure and control corruption and bribery in our business dealings with the hope of positioning the Company’s position as a preferred business partner for existing and potential clients who value ISO 37001:2016 ABMS certification.

All Board Members and employees are required to complete an Annual Mandatory Conflict of Interest Declaration. The Conflict of Interest e-Declaration Portal has also been enhanced to include the Corruption Free Pledge and Political Involvement declarations which are crucial to ensure culture of transparency and accountability.

The Company also adopts a “No Festive Gift Policy” whereby all personnel of the Company are prohibited from accepting gifts or gratuities from external parties. All gift delivered would be returned. Signage of “No Festive Gift Policy” and “Code of Ethics” are also placed at the reception at the Lobby for the information of all visitors.

In addition to that, the Company also adopts a Whistleblowing Policy where it encourages the reporting of wrongdoing in good faith, with the assurance that personnel or any parties making such reports shall be treated fairly, their identity remains confidential and are protected from retaliation.

Besides the Code of Conduct for Employees and Directors, the Company also has a Code of Conduct for Business Partners, Anti-Bribery and Anti-Corruption Policy Statement and Whistleblowing Policy Statement.

	<p>The Board has also established a Fit and Proper Policy, to ensure formal, rigorous and transparent process for the appointment and re-election of directors and/or senior management of the Company and its subsidiaries as the appointment of the right person with the right skills, experience and credibility to the leadership team is clearly imperative on the integrity and governance of the Company.</p> <p>All the abovementioned policies are available https://www.uemedgenta.com/about-us/corporate-governance.</p>	
<p>Explanation for departure</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>Timeframe</p>		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company is committed to adhering to the highest standards of ethical behaviour in terms of governance, integrity, accountability and transparency in the conduct of its business and operations. With this commitment, the Whistleblowing Policy has been formulated to encourage employees of UEM Edgenta Berhad and members of the public to report instances of unethical behaviours, improper conduct, actual or suspected fraud and/or abuse with the Company.</p> <p>In year 2023, the Whistleblowing channel was enhanced with the addition of a phone-based channel. All staff were made aware of the available channels for whistleblowing via email broadcast.</p> <p>In the same year, the whistleblowing process was rebranded by adopting the term “SpeakUp” to encourage employees to report concerns without fear of retaliation.</p> <p>All Company stakeholders including directors, officers, and employees of UEM Edgenta Berhad as well as members of the public are eligible to make Protected Disclosures under the Policy. No unfair treatment will be meted out against a Whistleblower by virtue of him/her having submitted a Protected Disclosure under this policy.</p> <p>A Whistleblowing Committee consist of the following members is also set up to assist in investigation purposes:-</p> <ol style="list-style-type: none">1) Chairman of Board Governance and Risk Committee (“BGRC”)2) Head of Risk, Integrity & Compliance3) Head of Internal Audit4) Company Secretary5) Head of Legal <p>All communications made in good faith that discloses or demonstrates information that may evidence malpractice or unethical activity will be addressed to the Chairman of the Board of Directors or the Chairman of BGRC.</p>

	The Whistleblowing Policy Statement is available at https://www.uemedgenta.com/about-us/corporate-governance .	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group recognises that good corporate governance is essential in supporting our businesses in executing its strategies and in generating long-term shareholder value. Hence, we uphold the highest principles of transparency and accountability and align our corporate governance practices to the relevant regulatory frameworks.</p> <p>On governance of sustainability matters, the Board's role on sustainability is reinforced in the Board Charter and the Terms of Reference of the Board Governance and Risk Committee ("BGRC"). This includes clarifying ultimate responsibility on integration of sustainability into the business and delegating sustainability oversight to the BGRC. Management will be responsible for implementing sustainability initiatives, but the Board retains overall responsibility for the sustainability directions of the Company.</p> <p>UEM Edgenta has since embarked on its Environmental, Social and Governance ("ESG") journey since 2021 with the forming of ESG Steering Committee. The Company has since implemented the ESG Governance Framework, ESG/Sustainability Roadmap, performed materiality assessment and decided its material matters, undertaken engagement processes with external stakeholders for feedbacks to refresh its materiality matrix and continuously create awareness on sustainability culture in the organisation.</p> <p>Key initiatives for Year 2023 were as follows:-</p> <ol style="list-style-type: none">1) Sustainability Policy was enhanced.2) Annual review of Materiality Matrix.3) Sustainability Statement was developed and published.4) Net Zero Targets were announced.5) Sustainability data and reporting processes were digitised.6) Greenhouse gases ("GHG") Emission inventory for Scope 3 was established.

	<p>7) Human Rights Impact Assessment. 8) Continuous development of sustainability culture. 9) Preparation of Internal Assurance of Sustainability Reporting. 10) Preparation for Task Force on Climate-Related Disclosure (TCFD) disclosures.</p> <p>In conjunction with announcing September as the Company’s ESG Awareness Month, UEM Edgenta launched its Net Zero Targets on 12 September 2023, setting forth its goal to reduce operational GHG emissions by 26% in the medium term by year 2030.</p> <p>In the long term, UEM Edgenta aims to achieve net-zero emissions by 2050. These commitments align with the International Energy Agency’s Net Zero Emissions by 2050 Global Pathway.</p> <p>On a quarterly basis, Management continues to provide updates on its ESG journey to the BGRC and the Board.</p>
Explanation for departure :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 4.2

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 Sustainability Statement FY2023 of the Company was disclosed in the Annual Report 2023 where regular and active communication/engagement with internal and external stakeholders on commitments undertaken can be found.</p> <p>Continuing the Company's goal to create widespread awareness on ESG matters, September 2023 was selected as the Company's ESG Awareness Month where the Net Zero Targets were launched.</p> <p>Some of the internal staff training/awareness session held for FY2023 were as follows:-</p> <ol style="list-style-type: none">1) Gap Analysis for Sustainability Statement Reporting Workshop2) Enhanced Materiality Matrix and Stakeholder Engagement Findings and FTSE4Good Gaps3) Internal Assurance Training4) TCFD Training5) CEO Action Network Webinar: ESG Risk Framework6) Net Zero Workshop <p>The Company further communicates its sustainability policies and practices to internal and external stakeholders through disclosures made on its corporate website, internal communication channels, targeted press releases and announcements.</p> <p>Additionally, communications are also made through sustainability related capacity building events such as webinars and online strategy discussions, such as the Annual Management Dialogue and Net Zero Townhall.</p> <p>The Company's Sustainability Policy is available at https://www.uemedgenta.com/about-us/corporate-governance.</p>
Explanation for departure	:	

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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 acknowledges its crucial role in reviewing and approving strategic initiatives to ensure they support the long-term value creation of UEM Edgenta. In this regard, the Board considers economic, environmental, social and governance aspects that will underpin its intended sustainability strategy. To this end, Board members have been taking active steps to enhance their ESG knowledge by attending ESG-related courses to stay abreast with the business and understand the relevant sustainability issue.</p> <p>Throughout the year under review, the Directors collectively attended the following relevant ESG topic seminars/talks:-</p> <p><u>In-House Directors' Trainings</u></p> <ul style="list-style-type: none">• Net Zero Target Briefing• ESG Training <p><u>External Trainings/Others</u></p> <ul style="list-style-type: none">• CEO Action Network (CAN) Nature Retreat 2023: Combatting Lost of Nature and the Climate Crisis• Sarawak Energy: Sustainability & Renewable Energy Forum (SAREF 3.0)• Mobilising Clean Energy Investments in Malaysia• The Energy Transition Conference 2023• Islamic Finance for Board of Directors Training Programme: Sustainability Agenda• ICDM: Bursa Malaysia's Enhanced Sustainability Reporting Framework• ICDM: Mandatory Accreditation Programme Part II: Leading for Impact• The Prince of Wales's Business & Sustainability Programme Asia• Competent Boards: ESG Designation Program• The Cooler Earth Sustainability Summit• Sustainability in the Digital Age• Board Oversight of Climate Risks and Opportunities• Social Sustainability Towards a Just Transition• DEI Conversation by 30% Club on Embrace Equity• Navigating ESG Data into Decisions

	<ul style="list-style-type: none"> • ASEAN Taskforce on Nature-related Financial Disclosures Consultation Workshop • Insights from COP27 & COP15 and its implications for the Board • A dialogue with Bursa Malaysia on FTSE4GOOD ESG Rating for all PLCs • ESG and Climate Governance International Conference • Climate Reporting & Disclosure: How Boards Can Prepare for Success • Bridging the Gap: Metaverse, Board of Directors, Net Zero & NFT • Chairperson Masterclass: The Concept of Double Materiality • National Climate Governance Summit • The Board & Talent, Culture and Sustainability <p>Meanwhile, the Company Secretary and Edgenta Academy also takes efforts in continuously identifying suitable training, talks and programme relating to ESG from different organisers for recommendation to the Board.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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>: <u>Board</u></p> <p>The Board Effectiveness Assessment for year 2023 included criteria related to ESG. Performance evaluation for the board members included assessing the board members ability to articulate and exercise robust deliberation on the Company's material ESG matters, monitor sustainability Key Performance Indicators and having sufficient insight for forming opinions and making decision on ESG matters.</p> <p><u>Management</u></p> <p>The Board at its meeting held in January 2023 approved the adoption of a new Corporate Scorecard Framework 2023 and MD/CEO Scorecard 2023 which had included specific ESG's Key Performance Indicators (KPI) as part of the performance evaluation on the Company and Senior Management pertaining to the Company's material sustainability risk and opportunities.</p> <p>In FY2023, Management focused on translating ESG fundamentals into measurable actions, with more than 90% of its milestones set being achieved.</p> <p>FY2023 ESG's focus areas were as follows:-</p> <ol style="list-style-type: none"> 1) Annual Review of Materiality Matrix 2) Reporting & Communication 3) Sustainability Policy and Strategy 4) Performance and Target Measurement 5) Initiatives and Actions Plan 6) Governance and Culture
Explanation for departure	:
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- 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	: Adopted
Explanation on adoption of the practice	: The MD/CEO is the designated person to provide dedicated focus to manage sustainability strategically in the operations of the Company. He leads the ESG Steering Committee which comprised of the following members:- <ol style="list-style-type: none">1) Chief Strategy Officer2) Chief Financial Officer3) Chief People Officer4) Chief Digital Officer5) Head of Legal6) Company Secretary The ESG Steering Committee is responsible for the following:- <ul style="list-style-type: none">• Oversees development of sustainability strategy and frameworks and recommend revisions.• Monitor the implementation of sustainability strategy and initiatives.• Deliberates and reviews annual sustainability matters and risks, Key Performance Indicators and performance for Board's considerations.• Oversees and considers input from ESG Working Team to ensure robustness of sustainability management system. Four ESG steering committee meetings were held during the year 2023. Meanwhile, the ESG Team led by the Chief Strategy Officer was established to drive execution within the UEM Edgenta Group.

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>Pursuant to item 8.15 of the Board Charter, the Nomination and Remuneration Committee ("NRC") reviews the Board's Composition annually.</p> <p>Through the annual Board Effectiveness Assessment ("BEA"), the performance of the Board as a whole and the individual performance of the Directors are evaluated. Via the results of the BEA 2023, the NRC conducted an evaluation on the directors who are eligible for re-election and if deem fit, recommends for their re-appointment at the Annual General Meeting ("AGM"). The tenure of each director was also considered as part of the evaluation process.</p> <p>For the upcoming re-appointment at the AGM, the tenure of each Director has also been reviewed on 14 March 2024. Meanwhile, the results of the BEA 2023 were tabled to the NRC and Board on 14 March 2024 and 26 March 2024 respectively.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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

Application	:	Applied																						
Explanation on application of the practice	:	<p>As at 31 December 2023, the Board had ten (10) members, comprising an Independent Non-Executive Chairman, one (1) Executive Director, three (3) Non-Independent Non-Executive Directors and five (5) Independent Non-Executive Directors as follows:-</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Tan Sri Dr. Azmil Khalid</td> <td>Independent Non-Executive Chairman</td> </tr> <tr> <td>En. Syahrizam Samsudin</td> <td>MD/CEO</td> </tr> <tr> <td>Dato' Mohd Izani Ghani</td> <td>Non-Independent Non-Executive Director</td> </tr> <tr> <td>Dato' George Stewart LaBrooy</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>Pn. Rowina Ghazali Seth</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>En. Mohd Asrul Ab Rahim</td> <td>Non-Independent Non-Executive Director</td> </tr> <tr> <td>Ms. Jenifer Thien Bit Leong</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>Pn. Nurul Iman Mohd Zaman</td> <td>Non-Independent Non-Executive Director</td> </tr> <tr> <td>Dato' Dr. Omar Abd Hamid</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>Mr. Simon Kua Choo Kai</td> <td>Independent Non-Executive Director</td> </tr> </tbody> </table> <p>The Company complied with Paragraph 15.02(1) of the Main Market Listing Requirements. All 6 Independent Non-Executive Directors, which constitutes 60% of the Board, satisfied the independence test of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p>	Name	Designation	Tan Sri Dr. Azmil Khalid	Independent Non-Executive Chairman	En. Syahrizam Samsudin	MD/CEO	Dato' Mohd Izani Ghani	Non-Independent Non-Executive Director	Dato' George Stewart LaBrooy	Independent Non-Executive Director	Pn. Rowina Ghazali Seth	Independent Non-Executive Director	En. Mohd Asrul Ab Rahim	Non-Independent Non-Executive Director	Ms. Jenifer Thien Bit Leong	Independent Non-Executive Director	Pn. Nurul Iman Mohd Zaman	Non-Independent Non-Executive Director	Dato' Dr. Omar Abd Hamid	Independent Non-Executive Director	Mr. Simon Kua Choo Kai	Independent Non-Executive Director
Name	Designation																							
Tan Sri Dr. Azmil Khalid	Independent Non-Executive Chairman																							
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Dato' Dr. Omar Abd Hamid	Independent Non-Executive Director																							
Mr. Simon Kua Choo Kai	Independent Non-Executive Director																							
Explanation for departure	:																							
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																								
Measure	:																							
Timeframe	:																							

Intended Outcome

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

Practice 5.3

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

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

Application	:	Not applicable - Step Up 5.4 adopted	
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

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.

<i>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.</i>											
Application	:	Adopted									
Explanation on adoption of the practice	:	On 30 May 2023, the Board Charter and the Terms of Reference of the Nomination and Remuneration Committee was amended to limit the tenure of the Company's independent directors to nine years without further extension. Upon reaching nine years, the independent director will be re-designated as non-independent director. None of the Independent Directors of the Company exceeds a term limit of nine years as at 31 December 2023, summarised as follows:-									
		<table border="1"><thead><tr><th>Years of Service (#)</th><th>0 < # ≤ 1</th><th>1 < # ≤ 3</th><th>3 < # ≤ 6</th></tr></thead><tbody><tr><td>Number of Directors</td><td>2</td><td>1</td><td>3</td></tr></tbody></table>	Years of Service (#)	0 < # ≤ 1	1 < # ≤ 3	3 < # ≤ 6	Number of Directors	2	1	3	
Years of Service (#)	0 < # ≤ 1	1 < # ≤ 3	3 < # ≤ 6								
Number of Directors	2	1	3								


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.

<p>Application</p>	<p>: Applied</p>
<p>Explanation on application of the practice</p>	<p><u>Appointment of Board Members</u></p> <p>The Board has implemented a rigorous selection process and procedures for the recruitment or appointment of new Directors and members of the Board Committees. To ensure independence, objectivity and avoid potential conflicts of interest, no active politicians are considered. On 28 August 2023, the Board approved a Restriction of Political Involvement Policy. Under this policy, employees who wish to hold position in political parties, other than as an ordinary member, must resign from the Company. This policy also applies to directors.</p> <p>In assessing and making recommendations to the Board on the candidacy of Directors or appointment of Directors to Board committees, the Nomination and Remuneration Committee (“NRC”) considers the candidates’ competencies, time commitment, contribution and performance, skills, knowledge, expertise and experience, professionalism, background, character and integrity, leadership qualities, boardroom diversity including gender diversity. In the case of candidates for the position of Independent Non-Executive Directors, the NRC also evaluates the candidates’ ability to discharge such responsibilities/functions as expected from an Independent Non-Executive Director.</p> <p>For the appointment of new Directors, the Company adopts the nomination process which involves identification of candidates, assessment of candidates based on the criteria, covering both qualification and experience set by the Board, meeting with the candidates, and deliberation and recommendation of suitable candidates by the NRC to the Board for approval.</p> <p>The process of appointment of new Directors are as follows:-</p>  <pre> graph LR A[Identification of Competencies/Skills] --> B[Selection of Candidates] B --> C[Interaction Session with Candidates] C --> D[NRC's assessment and deliberation] D --> E[Recommendation for Board's Approval] </pre>

In 2023, the NRC reviewed and recommended to the Board, the Board Succession Plan for proposed new directors. The plan includes the selection criteria, mode of search/nomination, search timeline/process and the optimum board size. The NRC also considers the challenges and opportunities of the UEM Edgenta Group, as well as future skills and expertise needed to enable the Group to compete effectively in its market.

All new board members would undergo a Board Induction Programme where they would be briefed in detail on the following:-

- Governance Structure and Governance of the Company
- Group Strategy
- Businesses of the Group
- Internal Audit Function
- Operational Excellence & HSSE
- Financial highlights of the Company
- Human Resources matters of the Group
- Environmental, Social & Governance
- Risk, Integrity & Compliance
- Legal updates of the Company

Additionally, the NRC has also recommended for all directors of the Company to attend at least one external briefing on Section 17A, MACC Act as part of Directors' training and development.

Pn. Nurul Iman Mohd Zaman, Dato' Dr. Omar Abd Hamid and Mr. Simon Kua Choo Kai who were appointed on 1 July 2023, 1 August 2023 and 8 November 2023 respectively have attended the Board Induction Programme, which was spread out over 2 days on 17 & 18 January 2024.

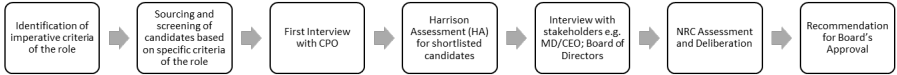
The appointment of board members and senior management are guided by the items 2.2.1 and 2.2.15 respectively in the Terms of Reference of NRC.

The Terms of Reference of NRC are available at <https://www.uemedgenta.com/about-us/corporate-governance>.

Appointment of Senior Management

For the appointment of new senior management, the Company adopts a comprehensive selection process which involves (1) sourcing and screening of candidates based on specific criteria of the role covering both qualification and experience required for the role; (2) interview and assessment by the hiring manager and other relevant stakeholders; (3) online assessment on job fit and personality traits that would support / hinder the incumbent in the job; and (4) deliberation and recommendation of suitable candidates to the NRC for endorsement to the Board for approval.

NRC assesses and recommends to the Board the candidacy of Senior Management of Grade UT2 and other senior critical roles whose

	<p>appointment are based on objective criteria, merit with due regards for diversity in skills, experience, age and cultural value fit.</p> <p>The process flow for appointment of new senior management is summarised as follows: -</p>  <pre> graph LR A[Identification of imperative criteria of the role] --> B[Sourcing and screening of candidates based on specific criteria of the role] B --> C[First Interview with CPO] C --> D[Harrison Assessment (HA) for shortlisted candidates] D --> E[Interview with stakeholders e.g. MD/CEO, Board of Directors] E --> F[NRC Assessment and Deliberation] F --> G[Recommendation for Board's Approval] </pre> <p>The shortlisted candidates for interview by relevant stakeholders including (but not limited to) MD/CEO and Members of the Board of Directors will undergo online assessment based on required competencies for the role. The tool will help to determine essential high-performance traits and those that will accelerate, or hinder performance related to specific positions. The assessment uses predictive analytics to pre-screens applicants for cognitive ability and job specific behaviour providing actionable data for effective decisions. The assessment results will be considered together with findings from the interview sessions in selection of suitable candidates for recommendation by NRC and for approval by the Board.</p>
<p>Explanation for departure :</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>Timeframe :</p>	

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	:	During the year under review, the appointments by the Board, through the Nomination and Remuneration Committee, involved reviewing profiles of candidates recommended by existing board members, major shareholder, and searches through independent sources such as Institute of Corporate Directors Malaysia. In addition, the Board also conducts desktop searches to identify suitable candidates. The appointment of Pn. Nurul Iman Mohd Zaman was nominated by the Company's major shareholder, Dato' Dr. Omar Abd Hamid profile was obtained through external search by an independent source i.e. Institute of Corporate Directors Malaysia and Mr. Simon Kua Choo Kai was through a recommendation from an existing Board member.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The profiles of all the Directors, including those seeking re-election, are published in the Annual Report and on UEM Edgenta's website. The following information is provided:-</p> <ul style="list-style-type: none"> • Name, age, gender, nationality, qualification • Working experience and occupation • Any other directorships in public companies and listed issuer and other positions held • Family relationships with any director and/or major shareholder of UEM Edgenta • Any conflict of interests they have with UEM Edgenta; and • Other than traffic offences, the list of convictions of offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any. <p>The details of individuals who are standing for re-election as directors are included in the Statement Accompanying the Notice of the Annual General Meeting ("AGM") to enable shareholders to make an informed decision.</p> <p>The Notice of the 61st AGM is available on the Company's website.</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

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	:	<p>The Chairman of the Nomination and Remuneration Committee (“NRC”) is Pn. Rowina Ghazali Seth, an Independent Non-Executive Director of the Company.</p> <p>The duties and responsibilities of the Chairman of NRC are as set out in the Terms of Reference of NRC.</p> <p>The Terms of Reference of NRC are available at https://www.uemedgenta.com/about-us/corporate-governance.</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 5.9

The board comprises at least 30% women directors.

Application	:	Applied
Explanation on application of the practice	:	As at 31 December 2023, three (3) out of ten (10) directors are women, representing 30% of the board composition:- 1) Pn. Rowina Ghazali Seth 2) Ms. Jenifer Thien Bit Leong 3) Pn. Nurul Iman Mohd Zaman
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 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>Whilst the Board of Directors and Company do not have a formal gender diversity policy, the Group is nonetheless an equal opportunity employer with data that supports this commitment:</p> <ul style="list-style-type: none"> a) The Group has implemented sufficient best practices to ensure requirements such as 30% women directors on board to enable balanced gender and skill diversity. b) As of 31 December 2023, out of the ten (10) board members, three (3) are females. This translates to 30% women directors on the board. c) Additionally, within the Company's Executive Leadership team, six (6) out of seventeen (17) members are females. This translates to 35% women on the Executive Leadership team of the Company. d) Moreover, UEM Edgenta Group practices a very balanced diversity stance, with 55% of the permanent staff workforce being women. <p>All the above appointments and employments are based strictly on merits and are not influenced and restricted by any form of racial or gender bias.</p> <p>As part of its commitment towards Diversity, Equity & Inclusion ("DEI"), the Company published its DEI statement on 12 September 2023.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: The Board conducts annual evaluation of its activities and performance. As UEM Edgenta Berhad is not a Large Company by the definition stipulated in the MCCG 2021, the Board evaluation was facilitated by the Company Secretary via the online portal for the year under review. Through its Board Effectiveness Assessment (“BEA”) which is designed to identify the strengths and weaknesses of the Board operations and established a common understanding of the Board’s roles and responsibilities with a view to maximising Board performance, the Board via NRC evaluates the overall Board’s performance against criteria that the Board determines are important to its success. Self and peer evaluation questionnaire are sent to the Directors via online portal for their completion and at the same time to obtain their feedback, views and suggestions to improve the performance of the Board and its Board Committees. The evaluation criteria includes the Board’s structure, operations and interaction and roles and responsibilities of the Board and its committees. In addition, the BEA also includes the evaluation on the Board’s composition in regards to the mix of skills, character, experience, integrity, competence and time commitment. The outcome of the BEA 2023 are as follows:- 1) The Directors had contributed positively to the Board as a whole by providing quality input and adding value to Board meetings. Members of the Board demonstrated strong commitment and pride in discharging their duties and responsibilities.

	<p>2) The Directors and Chief Financial Officer has the character, experience, integrity, competence and time to effectively discharge their roles.</p> <p>3) All members of the Board agreed that the Chairman of the Board demonstrates effective and excellent leadership.</p> <p>4) The Board has the relevant mix of skills and experience to function effectively.</p> <p>5) The Board Committees carried out duties in accordance with their terms of references.</p> <p>The Independent Directors are independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement and objective or the ability to act in the best interests of the Company.</p> <p>Based on the ratings of the assessments, the following key strengths were noted:-</p> <ol style="list-style-type: none"> 1) The Board is adequately represented and balanced. 2) There is open and constructive communication. 3) The Members of the Board have sufficient access to the Chairman and Management. 4) Adequate secretarial support is provided. 5) Minutes properly recorded the decisions and resolutions of meeting. 6) The right matters are reserved for Board's deliberation and decision, with the right allocation of time and right frequency. 7) Board Papers are well structure and well synthesised with critical analysis. 8) The Board is provided with sufficient information on Group's risk profile and risk management procedures. <p>Arising from the Board's feedback through the BEA 2023, the following are identified for focus of actions:-</p> <ol style="list-style-type: none"> 1) Consider complementary approaches for Board Strategy events to increase the effectiveness of discussions and drive strategic direction. 2) Areas requiring ongoing attention for continuous improvement in relation to Board roles are strategy planning, performance management, human capital management including succession management, and monitoring sustainability KPIs and targets in environmental, social and governance practices.
<p>Explanation for departure</p>	<p>:</p>

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

Intended Outcome

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p><u>Board of Directors</u></p> <p>The Directors' remuneration is periodically reviewed to ensure it is set at levels that enable the Group to attract and retain Directors with the relevant experience and expertise needed to manage the Group effectively.</p> <p>Non-Executive Directors are paid a fixed base fee on a quarterly basis. With the recommendation from the Nomination and Remuneration Committee ("NRC"), the Board as a whole determines the remuneration for Non-Executive Director, with concerned directors abstaining from deliberation or voting on decision in respect of their remuneration. The aggregate amount of Directors' fee to be paid to Non-Executive Directors is subject to the approval of the shareholders at general meeting.</p> <p><u>Senior Management</u></p> <p>The Management is currently working on enhancing the current Senior Management Remuneration Framework. However, the revision is a work in progress due to the deferment of a Long Term Incentive Plan. The existing reward approach considers the demands and complexities of the role, the required competencies, Company performance, and individual employee performance.</p> <p>The MD/CEO is subject to a 3-year service contract with the Company. He is not paid an attendance allowance nor Directors' fees. His remuneration is structured to link rewards to corporate and</p>

	<p>individual performance. Performance is measured against specified targets in the Group’s Annual Business Plan. The reward process also considers relevant market comparisons and competitive pressures in the industry. The deliberation on his performance is conducted without the presence of any executives.</p> <p><u>Remuneration Policy</u></p> <p>The Remuneration Policy for Non-Executive Directors is available on the Corporate Website. Meanwhile, the Management will determine the appropriateness of the publication of Senior Management Framework on Company’s website upon its finalisation.</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>Timeframe :</p>		

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>At the end of the financial year, the Nomination and Remuneration Committee ("NRC") comprises three (3) Non-Executive Directors, out of which two (2) are Independent Directors. The NRC consist of the following members:-</p> <table border="1"><thead><tr><th>Name of members</th><th>Designation</th></tr></thead><tbody><tr><td>Rowina Ghazali Seth</td><td>Independent Non-Executive Director (Chairperson)</td></tr><tr><td>Dato' Mohd Izani Ghani</td><td>Non-Independent Non-Executive Director</td></tr><tr><td>Dato' George Stewart LaBrooy</td><td>Independent Non-Executive Director</td></tr></tbody></table> <p>The duties and responsibilities of the NRC are as set out in the Terms of Reference of the NRC, which is available for access at https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>The Company has a Board Remuneration Framework and a Remuneration Policy for Non-Executive Directors.</p> <p>In ensuring the directors were remunerated fairly, regular benchmarking exercise were conducted internally.</p> <p>For the year 2023, a benchmarking exercise was conducted in March 2023. The benchmarking of UEM Edgenta's Directors' fees was conducted against Bursa Securities' survey on Remuneration Practices in Malaysia issued on 6 December 2022 whereby it was found that the current fees were slightly above median range. Therefore, the NRC was</p>	Name of members	Designation	Rowina Ghazali Seth	Independent Non-Executive Director (Chairperson)	Dato' Mohd Izani Ghani	Non-Independent Non-Executive Director	Dato' George Stewart LaBrooy	Independent Non-Executive Director
Name of members	Designation									
Rowina Ghazali Seth	Independent Non-Executive Director (Chairperson)									
Dato' Mohd Izani Ghani	Non-Independent Non-Executive Director									
Dato' George Stewart LaBrooy	Independent Non-Executive Director									

	of the opinion that the remuneration framework remains competitive and thus recommended that it would be appropriate for the Board's Remuneration to remain unchanged. The Board concurred with NRC's recommendation.	
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	:	<p>The Directors' remuneration breakdown of individual directors which includes fees, salary, bonus, benefit in-kind and other emoluments for Financial Year 2023 is set out in the table below.</p> <p><u>Note to the table:-</u> ^ Remuneration waived by Khazanah Nasional Berhad effective from 1 January 2022.</p> <p>Other emoluments include contributions to defined contribution plans.</p>

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 Dr. Azmil Khalid	Independent Director	210.0	0	0	0	40.8	0	250.8	210.0	3.0	0	0	40.8	0	250.8
2	Syahrulizam Samsudin (MD/CEO)	Executive Director	0	0	0	0	0	0	0	0	50	1,122	680	26	265	2,143.0
3	Dato' Mohd Izani Ghani (Remuneration paid to UEM Group Berhad)	Non-Executive Non-Independent Director	123.0	4	0	0	0	0	127.0	123.0	4	0	0	0	0	127.0
4	Dato' George Stewart LaBrooy	Independent Director	156.8	0	0	0	0	0	156.8	156.8	0	0	0	0	0	156.8
5	Rowina Ghazali Seth	Independent Director	148.0	0	0	0	0	0	148.0	148.0	0	0	0	0	0	148.0
6	Jenifer Thien Bit Leong	Independent Director	165.6	0	0	0	0	0	165.6	165.6	0	0	0	0	0	165.6
7	Mohd Asrul Ab Rahim^	Non-Executive Non-Independent Director	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Pn. Nurul Iman Mohd Zaman^ (Appointed on 1 July 2023)	Non-Executive Non-Independent Director	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Dato' Dr. Omar Abd Hamid (Appointed on 1 August 2023)	Independent Director	63.6	0	0	0	0	0	63.6	63.6	0	0	0	0	0	63.6
10	Simon Kua Choo Kai (Appointed on 8 November 2023)	Independent Director	23.1	1	0	0	0	0	24.1	23.1	1	0	0	0	0	24.1

11	Dato' Noorazman Abd Aziz (Retired on 15 June 2023)	Non-Executive Non-Independent Director	56.4	2	0	0	0	0	58.4	56.4	2	0	0	0	0	58.4
12	Shirley Goh (Resigned on 31 August 2023)	Independent Director	105.6	2	0	0	0	0	107.6	105.6	2	0	0	0	0	107.6
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	:	The Board is of the opinion that the disclosure of the Senior Management's individual remuneration components would not be in the best interest of the Group due to confidentiality and talent retention purposes.					
		As an alternative to the recommended practices, the Board agreed on the disclosure of remuneration paid to top 5 Senior Management of the Group as follows:					
		<table border="1"> <thead> <tr> <th>Top Five Senior Management (not including MD/CEO)</th> <th>Number of Senior Management</th> </tr> </thead> <tbody> <tr> <td>From RM750,000 - RM1,000,000</td> <td>2</td> </tr> <tr> <td>From RM1,000,001 - RM1,250,000</td> <td>3</td> </tr> </tbody> </table>	Top Five Senior Management (not including MD/CEO)	Number of Senior Management	From RM750,000 - RM1,000,000	2	From RM1,000,001 - RM1,250,000
Top Five Senior Management (not including MD/CEO)	Number of Senior Management						
From RM750,000 - RM1,000,000	2						
From RM1,000,001 - RM1,250,000	3						
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>							
Measure	:						
Timeframe	:						

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	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 Audit Committee ("AC") comprises three (3) members whom are all Non-Executive Directors with majority Independent.</p> <p>Ms. Shirley Goh, an Independent Non-Executive Director was the Chairperson of the AC since 1 August 2022 until her resignation on 31 August 2023. She is a member of Malaysian Institute of Accountants (MIA).</p> <p>The current AC Chairman Mr. Simon Kua Choo Kai, an Independent Non-Executive Director, was appointed on 8 November 2023. He is a member of the Malaysian Institute of Accountants (MIA), member of the Malaysian Institute of Certified Public Accountants (MICPA) and a Fellow of Certified Practising Accountant, Australia.</p> <p>Both Ms. Shirley Goh and Mr. Simon Kua Choo Kai were not Chairman of the Board.</p> <p>The Chairman of the Board is Tan Sri Dr. Azmil Khalid, is not a member of AC, consistent with Practice 1.4 of the MCCG.</p> <p>For further reference of the roles and responsibilities of the AC Chairman, the Terms of Reference of AC are available at https://www.uemedgenta.com/about-us/corporate-governance.</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>For the financial year under review, none of the Audit Committee ("AC") members were former key audit partners within the cooling-off period of 3 years.</p> <p>The Company's Terms of Reference of the AC stipulated that former partners of the external audit firm of the Company must observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.</p> <p>Mr. Simon Kua Choo Kai, the Chairman of AC, appointed on 8 November 2023, was the Engagement Partner for UEM Edgenta Berhad's Audited Financial Statements for the Financial Year Ended 31 December 2014.</p> <p>In light of this, the Company is in accordance with its TOR of AC.</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, through the Audit Committee ("AC") maintains a transparent and professional relationship with the Internal and External Auditors. The AC has been explicitly accorded the authority to communicate directly with both the Internal and External Auditors. Currently, Messrs Ernst & Young PLT provides independent and professional external auditing services to the Group.</p> <p>The Annual Transparency Report was tabled to AC on 20 February 2023 and Board on 28 February 2023.</p> <p>The AC conducted the yearly assessment on the suitability and independence of the External Auditors.</p> <p>The External Auditors are evaluated and considered on the following:</p> <ul style="list-style-type: none">• the competency, reputation and performance;• the timeliness and quality of their communications with the AC and the Company;• the quality of services and sufficiency of resources provided by the engagement team during the audit and throughout the financial year; and• their independence, objectivity and professional scepticism. <p>In the year 2023, the AC met up with the External Auditors twice in the absence of the MD/CEO and Management.</p> <p>The Company has established policies via the Terms of Reference ("TOR") of the AC on governing the provision of non-audit services that can be provided by the External Auditors. The TOR was last reviewed on 25 November 2021.</p> <p>The External Auditors had confirmed to the Board their independence in providing their services for the year under review.</p> <p>The Board was satisfied with the outcome of the assessment of the External Auditors on their suitability and independence, and will be</p>

	recommending for their re-appointment at the forthcoming annual general meeting, subject to the approval of the 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

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 :	Not Adopted
Explanation on adoption of the practice :	

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>As at 31 December 2023, the Audit Committee ("AC") consists of three (3) members, all of whom are Non-Executive Directors, with a majority of them being Independent Directors. This complies with Paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>The AC Chairman, Mr. Simon Kua Choo Kai is a member of the Malaysian Institute of Certified Public Accountants (MICPA), Malaysian Institute of Accountants (MIA) and a Fellow of Certified Practising Accountant in Australia. Meanwhile, En. Mohd Asrul Ab Rahim is a member of MIA and a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW).</p> <p>As at 31 December 2023, all AC members had attended courses related to development in accounting and auditing standards, practices and rules.</p> <p>The following are the related courses attended by AC members:-</p> <p><u>Mr. Simon Kua Choo Kai</u></p> <ol style="list-style-type: none">1) 2023 Budget Webinar2) EY ASEAN Tax Forum - How tax accounting team should prepare for BEPS changes and global tax transformation.3) MIA International Accountants Conference - Future Fit Profession: Charting a better tomorrow4) Audit Committee Conference 2023: Catalyst of Change <p><u>En. Mohd Asrul Ab Rahim</u></p> <ol style="list-style-type: none">1) Audit Committee Series: Compliance with Listing Requirements – Reporting of Financial Statements

	<p>Dato' Dr. Omar Abd Hamid</p> <p>1) Audit Committee Series: Compliance with Listing Requirements – Reporting of Financial Statements</p> <p>In ensuring that the Board undertakes continuous professional development, the Management would continue to recommend training or courses related to developments in accounting and auditing standards, practices and rules to AC members.</p>	
<p>Explanation for departure</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>Timeframe</p>		

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 has overall responsibility for the system of Risk Management and Internal Control which includes financial controls, operational and compliance controls to ensure that shareholders' investments, customers' interests and the Company's assets are safeguarded.</p> <p>The Statement on Risk Management and Internal Control as set out in the Annual Report 2023 provides an overview of the state of internal controls within the Group.</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, through the Board Governance and Risk Committee (“BGRC”), oversees the Company’s risk management framework and policies.</p> <p>At every quarterly meetings, the BGRC reviewed the Risk Management Status Report, Business Continuity Management & Insurance Progress Updates and Integrity & Compliance Progress Report of the Company.</p> <p>In addition, the BGRC note the Integrity & Compliance Report to MACC bi-annually.</p> <p>For the financial year 2023, the BGRC had also reviewed the following:-</p> <ul style="list-style-type: none"> • Proposed Strategic Roadmap for Risk, Integrity & Compliance Department • Statement on Risk Management and Internal Control; • Corporate Governance Overview Statement and Corporate Governance Report; • Sustainability Statement; • Environmental, Social and Governance updates; • Whistleblowing cases; • Conflict of Interest Policy; and • MCCG Gap Analysis and Action Plan. <p>Kindly refer to the Statement on Risk Management and Internal Control in the Annual Report 2023 for the Risk Management Framework and Policies and Procedures 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

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	:	<p>The Board Governance and Risk Committee ("BGRC") operates within its terms of reference, mainly to undertake governance and compliance duties and responsibilities in addition to the oversight of risk management matters.</p> <p>At the end of the financial year, the BGRC comprises four (4) Non-Executive Directors, out of which three (3) are Independent. As at 31 December 2023, the BGRC consist of the following members:-</p> <table border="1"><thead><tr><th>Name of members</th><th>Designation</th></tr></thead><tbody><tr><td>Dato' George Stewart LaBrooy (Chairman)</td><td>Independent Non-Executive Director</td></tr><tr><td>Pn. Rowina Ghazali Seth</td><td>Independent Non-Executive Director</td></tr><tr><td>Ms. Jenifer Thien Bit Leong</td><td>Independent Non-Executive Director</td></tr><tr><td>Pn. Nurul Iman Mohd Zaman</td><td>Non-Independent Non-Executive Director</td></tr></tbody></table> <p>The Terms of Reference of BGRC are available at https://www.uemedgenta.com/about-us/corporate-governance.</p>	Name of members	Designation	Dato' George Stewart LaBrooy (Chairman)	Independent Non-Executive Director	Pn. Rowina Ghazali Seth	Independent Non-Executive Director	Ms. Jenifer Thien Bit Leong	Independent Non-Executive Director	Pn. Nurul Iman Mohd Zaman	Non-Independent Non-Executive Director
Name of members	Designation											
Dato' George Stewart LaBrooy (Chairman)	Independent Non-Executive Director											
Pn. Rowina Ghazali Seth	Independent Non-Executive Director											
Ms. Jenifer Thien Bit Leong	Independent Non-Executive Director											
Pn. Nurul Iman Mohd Zaman	Non-Independent Non-Executive Director											

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Internal Audit Department (“IAD”) is established as an independent appraisal function to assist both the Audit Committee (“AC”) and the Board of Directors in discharging their duties and to provide assurance to the Management and the Board of Directors that all aspects of the operations of the Company are functioning within the acceptable limits and expectations. The IAD carries out the internal audit function of the Group.</p> <p>The IAD reports functionally to AC and administratively to the MD/CEO of the Company. Internal Audit reports were issued to the Management including the audit observations, issues, management response as well as corrective actions. The Major observations were table to Audit Committee for deliberations. The AC assessed the overall performance of internal audit function and approved the IAD’s performance scorecard.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Internal Audit function of the Company is performed by in-house Internal Audit Department (“IAD”) which provides the Audit Committee independent assessment and assurance on the adequacy and effectiveness of the UEM Edgenta Group’s system of internal controls.</p> <p>For the purpose of preserving its independence, the IAD reports functionally to the Audit Committee and administratively to the Managing Director/Chief Executive Officer. To ensure objectivity, all IAD personnel have no direct responsibilities or authority over any of the activities it reviews.</p> <p>All IAD personnel are required to perform an annual declaration that they are free from any relationship or conflict of interest, which could impair their objectivity and independence. Any conflict of interest will be reported to the Head of Internal Audit or to the Audit Committee.</p> <p>As at 31 December 2023, IAD had a total of 9 personnel. Besides relevant work experiences gained from internal and/or external auditing, all IAD personnel have a minimum of tertiary education from various fields, including accounting, finance, business & management and corporate administration.</p> <p>The IAD activities and processes are closely guided by the International Professional Practice Framework (IPPF) on Internal Auditing issued by the Institute of Internal Auditors and the five elements of the Committee of Sponsoring Organisations of the Treadway Commission (COSO), as well as UEM Edgenta’s Code of Ethics.</p> <p>In the absence of a Head of Internal Audit, the Head of Risk, Integrity and Compliance Department, Puan Faizatul Farhah Ghazali acted as the Head of Internal Audit Department until the new appointment was made.</p> <p>En. Mustakim Ilman Mustafa came on board as the Head of Internal Audit on 18 September 2023 with a wealth of experience in the field of</p>

	Internal Audit, covering diverse sectors such as Oil & Gas, Utilities, and Highway Infrastructure. He holds a Bachelor of Accounting (Hons) and an associate member of The Institute of Internal Auditors Malaysia. He was also appointed as the Industry Advisory Panel for Universiti Tenaga Nasional (UNITEN) since 2020.	
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>UEM Edgenta Berhad ensures that communication with shareholders and various stakeholders are transparent, timely and complete.</p> <p>Besides announcements released by the Company through BursaLINK, which are also available on the Company's website, the public may access for more information about the Company at www.uemedgenta.com.</p> <p>In addition, the Company also held analyst briefings and issued press releases to disseminate information to the public at large. All presentation materials were uploaded on UEM Edgenta's website as well.</p> <p>Shareholders may forward any concern/queries to Investor Relations at ir@edgenta.com and all relevant and appropriate issues raised will be addressed accordingly.</p> <p>The details of the Stakeholder Engagement within the Group are as set out in the Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>In continuing its effort to produce a quality report which promotes greater transparency and accountability, the Integrated Annual Report 2023 issued will be the seventh (7th) Integrated Annual Report.</p> <p>The Company has fully adopted the integrated reporting based on the International Integrated Reporting 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

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>In 2023, the Notice of Annual General Meeting (“AGM”) was given to shareholders more than 28 days prior to the AGM.</p> <p>The notice was issued on 28 April 2023 by way of notification letter and/or e-mail to all shareholders. The Notice of AGM, Proxy Form and Administrative notes for the AGM scheduled to be held on 15 June 2023 were published on UEM Edgenta’s website at https://www.uemedgenta.com/investor-relations/reports-publications.</p> <p>With this, shareholders were provided with sufficient notice and time to consider the resolutions that would be tabled at the AGM, enabling them to make informed decisions when exercising their voting rights.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>All Directors attended the 60th Annual General Meeting (“AGM”) held on 15 June 2023.</p> <p>The AGM serves as the principal forum for dialogue with shareholders, providing them with an opportunity to participate in the question and answer session, during which they may raise questions pertaining to the business activities of the Company. To encourage participation of shareholders at general meetings, the Chairman invites questions from shareholders for every agenda item of the meeting.</p> <p>In addition to the Directors, the Senior Management and External Auditors were also in attendance to respond to shareholders’ enquiries.</p> <p>Responses to questions submitted in advance of the AGM by the Minority Shareholders Watch Group and several retail shareholders were also shared with the shareholders during the meeting and published on the Company’s website.</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	:	Applied	
Explanation on application of the practice	:	<p>The 60th Annual General Meeting (“AGM”) held on 15 June 2023 was conducted in its entirety via live streaming and online remote voting at the Broadcast venue at Menara UEM.</p> <p>The remote participation and electronic voting for the AGM was facilitated by Boardroom Share Registrars Sdn. Bhd. via Lumi AGM meeting platform.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>Prior to the Annual General Meeting (“AGM”), Shareholders may submit questions electronically via email to ir@edgenta.com or Boardroom Smart Investor Portal.</p> <p>During the AGM, Shareholders were provided with sufficient opportunity to pose questions via real time submission at the Lumi AGM platform. All questions received were responded either at the meeting or via email personally to shareholders post-AGM.</p> <p>The questions received prior to the AGM were published on the company website at https://www.uemedgenta.com/investor-relations/reports-publications.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The 60th Annual General Meeting (“AGM”) was conducted fully virtual via Remote Participation and Electronic Voting facilities through the Lumi AGM meeting platform.</p> <p>This online portal allows shareholders to participate in meetings:-</p> <ul style="list-style-type: none"> • Watching the live streaming of the meeting proceedings • Pose questions, seek clarification and raising concerns via the chatbox • Vote online remotely on resolutions tabled at meetings <p>The Management carried out dry run prior to the 60th AGM to ensure a smooth AGM broadcast. Persons involved were each assigned with tasks to carry out on the day of the broadcast.</p> <p>For transparency purpose, questions submitted prior to the AGM and real time submission during the AGM via Lumi AGM meeting platform were projected during the live streaming for the benefit of the attendees.</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	:		
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Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The Minutes of the 60 th AGM held on 15 June 2023 was published on the Company's website at https://edgenta.irplc.com/investor-relations/New/pdf/2022/summary-of-60th-AGM-minutes.pdf which was within 30 business days on 27 July 2023. All questions posted by Shareholders via Lumi AGM meeting platform were responded to during the meeting or via e-mail after the meeting.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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

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