CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	7245
COMPANY NAME	**:**	Citaglobal Berhad
FINANCIAL YEAR	**:**	December 31, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE
Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA
Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors ('**Board**') plays a crucial role in overseeing the Group's performance with a commitment to sustainability. This includes not only setting strategic goals, creating policies, and implementing key plans but also ensuring that these initiatives are aligned with sustainable practices. Regular reviews of business operations are conducted not just for effective control but also to evaluate and enhance the Group's sustainability efforts, fostering responsible and environmentally conscious decision-making. To fulfil its duties and provide leadership, the Board follows the guidelines outlined in the Board Charter. This document specifies the Board's responsibilities, decisions reserved for the Board, and tasks delegated to Board Committees and Management. A structured decision-making process is in place to ensure the Board maintains control and direction over the Group. It also sets the Group's strategic course, oversees Management, promotes ethical practices, and encourages good governance. Executive Directors are entrusted with the responsibility of not only implementing Board decisions and efficiently managing day-to-day operations but also ensuring that business strategies are seamlessly aligned with sustainability initiatives. The Board receives support from various Committees, such as (i) Audit and Risk Committee, (ii) Nomination and Remuneration Committee, (iii) Finance and Investment Committee, (iv) Long Term Incentive Plan Committee, (v) Shariah Advisory Committee, and (vi) Board Sustainability Committee, each operating within its defined Terms of Reference.
Explanation for departure	:	

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

Intended Outcome

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	:	YBhg. Tan Sri Dato' Sri (Dr.) Mohamad Norza Bin Zakaria serves as the Executive Chairman & President, a role he was re-designated to on 8 September 2021. As outlined in the Board Charter available on the Company's website (www.citaglobal.my), the Executive Chairman & President plays a pivotal role in providing leadership to the Board, ensuring its orderly and effective functioning, and upholding the integrity of governance processes. One of the primary responsibilities of the Executive Chairman & President is to consult promptly with the Board on matters pertinent to the Company's interests and concerns. This includes facilitating discussions during Board meetings to ensure that no single member, whether executive or non-executive, dominates the discourse. Furthermore, the Executive Chairman & President ensures that decisions are made on a well-informed basis, encompassing strategic and critical issues with the timely provision of relevant information to Directors. Beyond governance, the Executive Chairman & President actively contributes to the Company's strategic direction, overseeing potential merger and acquisition activities, bolstering the Group's market presence, and fostering new corporate relationships. Collaborating closely with Management, the Executive Chairman & President reviews plans, maintains accountability, and spearheads marketing initiatives to enhance the Company's positioning with investors, thereby facilitating growth. Additionally, the Executive Chairman & President plays a key role in nurturing relationships with shareholders and financial institutions, aligning efforts with Management to achieve organisational goals and enhance shareholder value.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

Intended Outcome

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Company acknowledges the importance of upholding good corporate governance practices, as outlined in Practice 1.3 of the Malaysian Code on Corporate Governance, which recommends that the roles of Chairman and Chief Executive Officer (CEO) be held by different individuals to promote a balance of power and authority. Currently, YBhg. Tan Sri Dato' Sri (Dr.) Mohamad Norza Bin Zakaria serves in the dual capacity of Executive Chairman and President. The Board recognises that while this arrangement provides continuity of leadership and strategic direction, it is committed to gradually aligning with the MCCG's best practices in the long term. As part of its succession planning and leadership development framework, the Company has commenced identifying and grooming internal talents, while also considering potential external candidates, with the aim of appointing a qualified and capable individual to assume the CEO role. Once a suitable candidate is appointed, the roles of Chairman and CEO will be formally separated, thereby strengthening the Company's governance structure and oversight functions. The Board will continue to review this matter as part of its strategic leadership planning and will provide timely updates on the progress of this initiative.
		The Board employs several measures to maintain a balanced distribution of power and authority, ensuring effective governance and decision-making processes: (a) The Board composition emphasises a majority of Independent Non-Executive Directors, collectively representing a significant voice in decision-making. This composition enables these directors to exercise their independent judgement, acting in the Group's best interests while safeguarding minority shareholders' rights. (b) Board decisions require the consensus of at least a majority of Directors present at meetings, ensuring that no single Director can unilaterally dominate decision-making. This approach fosters a

	collaborative environment where diverse perspectives contribute to well-rounded decisions. (c) To maintain a balance of power, the Board's decision-making process prioritises the collective agreement of Directors, rather than allowing any individual Director to override others. This ensures that decisions reflect a consensus-driven approach that considers various viewpoints and perspectives. (d) The Board's emphasis on a majority of Independent Non-Executive Directors underscores its commitment to balanced governance, where independent voices play a crucial role in decision-making. This structure promotes transparency, accountability, and fairness in Board decisions. (e) Board meetings facilitate open discussions and deliberations among Directors, ensuring that decisions are reached through a consensus-building process. This collaborative approach reinforces the Board's commitment to equitable decision-making and effective governance.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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

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'.			
Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	YBhg. Tan Sri Dato' Sri (Dr.) Mohamad Norza Bin Zakaria, the Executive Chairman & President of the Company, does not serve as a member of the Audit and Risk Committee or the Nomination and Remuneration Committee, in line with good governance practices that promote independent oversight. However, he is a member of the Finance and Investment Committee, where his strategic and operational insights contribute to the Committee's deliberations on financial and investment matters.	
		YBhg. Tan Sri Dato' Sri (Dr.) Mohamad Norza Bin Zakaria is cognisant of his distinct roles on the Board and within the Finance and Investment Committee. Matters brought to the Board are first subject to comprehensive deliberation at the Committees' level, with active participation from a majority of Independent Non-Executive Directors. All recommendations submitted to the Board by the respective Committees have been made unanimously, thereby mitigating any risk of self-review and ensuring sound, objective decision-making.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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	:	The Board benefits from the support of two (2) competent and qualified Company Secretaries, certified to act in accordance with Section 235(2) of the Companies Act 2016. These professionals play a vital role in advising Directors on matters of compliance and corporate governance, ensuring that the Board operates within legal and regulatory frameworks. In addition to providing ongoing advice, the Company Secretaries keep the Board informed about changes in statutory and regulatory requirements. This includes highlighting the implications of such changes on the Company and the Board's duties and responsibilities. Their expertise enables the Board to make informed decisions and fulfil its obligations effectively. The Company Secretaries participate in Board and Board Committees meetings, ensuring that these sessions are conducted in compliance with regulations and that discussions are accurately captured and minuted. This meticulous approach ensures that important deliberations and decisions are documented for reference and accountability. Furthermore, all Directors have access to the guidance and services of the Company Secretaries, enabling them to carry out their duties with clarity and confidence. Beyond advisory roles, the Company Secretaries undertake statutory duties as outlined in the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, reinforcing their integral role in supporting the Board's governance processes.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	

Timeframe :		

Intended Outcome

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	:	To ensure effective discharge of their duties, all Directors receive pertinent information about the Group and the Company. Notice of Board Meetings is served with a minimum of seven (7) days' advance notice, in adherence to Practice 1.6 of the Malaysian Code on Corporate Governance. Meeting papers are circulated to Directors at least five (5) days prior to each meeting, enabling them to review the information thoroughly and seek clarification, where required, to facilitate meaningful and informed deliberation. To support environmental sustainability and operational efficiency, all meeting materials are disseminated electronically via a system solution, allowing Directors to access them securely and at their convenience. All Directors are furnished in advance with a comprehensive agenda, draft minutes of previous meetings, and all relevant documentation. Directors have unrestricted access to Senior Management and the Company Secretaries for further clarification or additional information. Senior Management personnel are invited to attend Board and Board Committee meetings to brief the Directors and respond to any queries pertaining to their areas of responsibility. Where necessary, the Board may also obtain independent professional advice at the Company's expense to assist them in their decision-making process. The Board is committed to upholding high standards of governance, including full disclosure of conflicts of interest. Directors are required to declare any interest in transactions or matters being deliberated, and will abstain from participating in such discussions or voting on the matter. In instances where shareholder approval is sought for proposals involving interested Directors, the relevant Directors and persons connected to them will abstain from voting to ensure fairness and transparency. To ensure transparency and accountability, detailed minutes of each Board and Board Committee meeting are prepared and circulated to Directors for review prior to the next meeting. These minutes accurately reflect the substance of discussions, including any dissenting views or abstentions from voting, and serve as a reliable record of the Board's deliberations and decisions.

	Importantly, the Board upholds the principle that all Board Committee meetings, including those of the Audit and Risk Committee, are to be conducted separately and not concurrently with the main Board meetings. This separation safeguards the objectivity and independence of deliberations, particularly for the Audit and Risk Committee, which under Bursa Malaysia Listing Requirements must comprise a majority of independent directors and maintain independent quorum standards. This practice reinforces the integrity and effectiveness of the Board's oversight functions.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

There is 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	:	The Board Charter serves as a comprehensive framework that clearly defines the roles and responsibilities of the Board, its Committees, individual Directors, and Management. It also specifies matters that are exclusively reserved for the Board's decision. Acknowledging the evolving landscape of corporate governance, the Board conducts periodic reviews of the Board Charter to ensure its continued relevance and alignment with the Board's objectives, prevailing legal and regulatory requirements, and best governance practices, including those outlined in the Malaysian Code on Corporate Governance. Demonstrating its commitment to governance excellence, the Board undertook a formal review of the Board Charter on 13 April 2022. This exercise culminated in the adoption of a revised version of the Charter, which is publicly accessible on the Company's website at www.citaglobal.my. This initiative underscores the Board's dedication to transparency and the continuous enhancement of its governance framework.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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	:	The Group places significant emphasis on ethical behaviour and integrity, as evidenced by its robust Code of Ethics and Conduct applicable to both Directors and employees. This code establishes clear standards for good conduct and ethical practices, aiming to foster trust and confidence in the Group's business operations. It is imperative that all Directors and employees adhere to the Code of Ethics and Conduct, which serves as a guide for maintaining ethical standards, honesty, and integrity. This commitment ensures a consistent and high level of ethical and professional conduct in the performance of their respective duties and responsibilities. The Code of Ethics and Conduct is readily accessible on the Company's website at www.citaglobal.my, underlining the Group's transparency and commitment to ethical governance practices.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	The whistleblowing channel serves as a vital mechanism for employees and other stakeholders to seek advice and report concerns without fear of reprisal. It enables the reporting of improper activities, misconduct, potential non-compliance with the Code of Ethics and Conduct, corporate policies, as well as laws and regulations. Employees are encouraged to initially address compliance matters internally with their immediate superiors. If this step is deemed insufficient, they can make a disclosure through various channels, including in writing, orally, or via electronic mail to whistle@citaglobal.my. Alternatively, disclosures can be sent by mail in a sealed envelope marked "Strictly Confidential – To Be Opened by Addressee Only" to: The Chairman of the Audit and Risk Committee Citaglobal Berhad Level 9, Block 4, Menara TH Plaza Sentral, Jalan Stesen Sentral 5, KL Sentral, 50470 Kuala Lumpur, Wilayah Persekutuan. The Whistleblowing Policy and Procedures are accessible on the Company's website at www.citaglobal.my, ensuring transparency and accessibility. The Board commits to periodic reviews of the Whistleblowing Policy and Procedures to accommodate changes in the business landscape, administrative needs within the Group, and ensure ongoing compliance with relevant legislation.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

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

Practice 4.1
The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board and Management share collective responsibility for governing sustainability across the Group. This includes setting the Group's sustainability strategies, priorities, and targets, and ensuring that sustainability considerations are embedded in key decision-making processes and operational activities. In discharging its fiduciary duties, the Board actively integrates sustainability factors into the development and implementation of company strategies, business plans, major initiatives, and risk management processes. This reflects the Board's commitment to embedding sustainability at the heart of the Group's governance framework. Senior Management plays a pivotal role in the strategic management of material sustainability matters, driving the execution of sustainability initiatives across the organisation. This collaborative approach between the Board, Management, and Senior Leadership enables a comprehensive and cohesive sustainability governance structure that supports long-term value creation and business resilience.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 4.2
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	:	The Group places significant emphasis on sustainability, recognising its critical role in creating long-term value for the business and fulfilling its commitment as a responsible corporate citizen. To achieve this, the Group actively engages with both internal and external stakeholders through diverse channels to gain insights into their needs and expectations: <u>Internal Engagement:</u> • Utilisation of the Intranet portal as a platform for disseminating information and fostering dialogue among employees. • Regular communication via emails to keep employees informed about sustainability initiatives and encourage feedback. • Engaging employees through various initiatives such as employee engagement programs, town hall meetings, and dialogues to solicit their input and perspectives on sustainability matters. <u>External Engagement:</u> • Utilisation of the corporate website as a central hub for sharing information about the Group's sustainability efforts, goals, and achievements. • Include sustainability-related content in the annual report to provide stakeholders with comprehensive insights into the company's sustainability performance. • Distribute press releases to communicate sustainability milestones, initiatives, and partnerships with external stakeholders. • Leveraging social media platforms to engage with a wider audience and raise awareness about sustainability initiatives. • Participated in events and roadshows focused on sustainability to interact with stakeholders and showcase the Group's sustainability commitments. • Engagement with shareholders and stakeholders during general meetings, where sustainability-related topics are discussed and feedback is solicited. By engaging with stakeholders through these varied channels, the Group gains valuable insights, fosters transparency, builds trust, and

	demonstrates its dedication to responsible and sustainable business practices.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.3

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	:	The Board, facilitated by the Nomination and Remuneration Committee, conducts assessments of the training programs attended by each Director throughout the financial year. This proactive approach ensures that Directors remain well-informed about the latest industry developments and emerging sustainability issues pertinent to the Group. Board members maintain a continuous learning mindset by actively staying updated on sustainability agendas relevant to the Group and its businesses. They achieve this through periodic updates provided by regulatory bodies such as Bursa Securities and the Securities Commission Malaysia. Additionally, Directors enhance their understanding of sustainability matters through participation in specialised training programs tailored to their roles and responsibilities within the Group. This commitment to ongoing education and awareness empowers the Board to effectively navigate sustainability challenges, make informed decisions, and drive the Group's sustainability agenda forward.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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	:	The Board and Senior Management undergo comprehensive performance evaluations that encompass an assessment of their effectiveness in managing and addressing material sustainability risks and opportunities. This evaluation process evaluates their strategic leadership, decision-making, and actions taken to integrate sustainability into the Group's operations and decision-making processes. Key aspects considered in these performance evaluations include: • Identification and Assessment of Material Sustainability Risks: Evaluating the Board and Senior Management's ability to identify and assess material sustainability risks that have the potential to impact the Group's long-term viability and performance. • Strategic Response to Sustainability Opportunities: Assessing the effectiveness of the Board and Senior Management's strategies and initiatives in leveraging sustainability opportunities to drive innovation, growth, and value creation. • Integration of Sustainability into Governance and Operations: Reviewing the extent to which sustainability considerations are integrated into governance structures, policies, and operational practices across the organisation. • Communication and Transparency: Evaluating the Board and Senior Management's communication and transparency regarding sustainability performance, goals, and progress to internal and external stakeholders. By incorporating a review of sustainability performance into Board and Senior Management evaluations, the Group demonstrates its commitment to sustainable business practices, responsible leadership, and long-term value creation. This practice helps align organisational goals with sustainability objectives, driving positive outcomes for the Group, its stakeholders, and the broader community.

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

Intended Outcome

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

Practice 4.5- Step Up

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

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.		
Application	:	Adopted
Explanation on adoption of the practice	:	The Company had appointed a designated Sustainability Officer on 1 September 2024 with the following responsibilities:- i. Coordinates the Group efforts and performance, including undertaking the materiality assessment process and periodically reports the status of sustainability performance to the BSC and MSC; ii. Promotes a culture of sustainability in the workplace; iii. Collaborates to integrate sustainability practices into daily operations; iv. Facilitates sustainability strategies and initiatives; v. Ensures consistency of sustainability initiatives across divisions; and vi. Drafts the Sustainability Statement.

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	:	The Nomination and Remuneration Committee ("**NRC**") is entrusted with the responsibility of ensuring that the Board is composed of individuals with an appropriate mix of skills, knowledge, experience, independence, competencies, and diversity. In fulfilling its mandate, the NRC is responsible for the following: • Ensuring that the composition of the Board and its Committees complies with the Main Market Listing Requirements, the Malaysian Code on Corporate Governance, the Company's Constitution, and other relevant regulatory requirements; • Considering and recommending to the Board suitable candidates for appointment as Directors, based on the criteria outlined in the Company's Directors' Fit and Proper Policy; • Ensuring that each Director is subject to retirement at least once every three years, and evaluating the performance and contributions of the retiring Director prior to recommending their re-election to the Board for shareholders' approval; • Conducting an annual assessment of the independence of each Independent Director; and • Conducting an annual evaluation of the Board's structure, size, and composition, as well as the effectiveness of the Board as a whole and of each individual Director. In addition, the NRC oversees succession planning for the Board, a critical responsibility aimed at maintaining the effectiveness and continuity of Board leadership. Through proactive succession management, the NRC supports the Board in remaining agile and well-positioned to navigate future challenges, while continuing to deliver long-term value to the Group.
Explanation for departure	:	

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

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

Practice 5.2
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 :	For the financial year ended 31 December 2024, the Board comprised ten (10) Directors, with a balanced composition that included seven (7) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director, and two (2) Executive Directors. This structure ensured that more than half of the Board members were independent, enhancing the Board's ability to provide impartial and objective judgement. The presence of a significant number of independent directors on the Board plays a crucial role in maintaining balanced leadership within the Group. It also serves as an effective mechanism for checks and balances, safeguarding the interests of minority shareholders and other stakeholders. Furthermore, this composition contributes to upholding high standards of conduct and integrity across the organisation. The NRC conducts an annual review of the independence of Directors, adhering to the criteria outlined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and relevant Practice Notes. This rigorous assessment ensures that Directors continue to meet the required standards of independence. In addition to the NRC's annual review, each Independent Non-Executive Director submits an annual declaration confirming their independence. This dual process reinforces the Board's commitment to transparency, accountability, and good governance practices, enhancing stakeholders' confidence in the Group's leadership and decision-making processes.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

Practice 5.3
The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

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

Application	:	Applied
Explanation on application of the practice	:	As outlined in the Board Charter, Independent Non-Executive Directors ("**INEDs**") are limited to a cumulative term of nine (9) years. However, upon completing this term, an INED may continue serving on the Board, albeit as a Non-Independent Director. Should the Board wish to retain the Director as an INED beyond the nine-year tenure, a justification must be provided, following a recommendation from the NRC. Subsequently, relevant shareholders' approval is sought through a two-tier voting process as described in the Malaysian Code on Corporate Governance ("**MCCG**"). At the upcoming Annual General Meeting, the Company will seek shareholders' approval to retain three (3) Independent Non-Executive Directors, i.e., Datuk Idris Bin Haji Hashim J.P., Dato' Syed Kamarulzaman Bin Dato' Syed Zainol Khodki Shahabudin, and Encik Rosli Bin Shafiei, all of whom have served on the Board for more than nine (9) years. The Board, supported by the NRC, has conducted an annual assessment of the independence of these INEDs. They have confirmed that these Directors continue to meet the independence criteria, demonstrating the requisite skills, contributions, and independent judgement necessary for their roles. The Board acknowledges the importance of retaining these INEDs due to their deep knowledge of the Company and Group's activities, as well as their historical understanding of corporate matters. Their consistent professionalism, independence, and valuable contributions to the Board warrant their continued service in these critical roles.
Explanation for departure	:	

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

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

Practice 5.4 - Step Up
The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.		
Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Practice 5.5
Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

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

Application	:	Applied
Explanation on application of the practice	:	The NRC plays a pivotal role in recommending director appointments to the Board, ensuring that candidates possess the requisite skills, knowledge, expertise, and experience relevant to the Group's needs. When evaluating candidates, the NRC considers key attributes such as professionalism, integrity, competencies, commitment, contribution, and performance. Specifically, for candidates for the position of INED, the NRC assesses their ability to fulfil the responsibilities and functions expected from INEDs. Similarly, the appointment of Key Senior Management is guided by considerations of character, experience, integrity, competency, and their ability to fulfil their roles within the organisation. The Board places a strong emphasis on diversity, both at the Board level and within Key Senior Management. Recognising the value of diversity, the Board believes that a diverse Board offers greater depth and breadth of perspectives, leading to more robust decision-making processes. Similarly, diversity within Key Senior Management fosters innovation, creativity, and more effective execution of strategic initiatives. The Board's commitment to diversity underscores its dedication to ensuring that the Group benefits from a wide range of perspectives, experiences, and expertise at all levels of leadership. This approach not only enhances governance practices but also contributes to the Group's long-term success and sustainability.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

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

Practice 5.6
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	:	The Board employs a diverse range of sources to identify qualified candidates for director positions. These sources include recommendations from existing Board members, Management, major shareholders, and independent entities. The Board values input from various perspectives to ensure the selection of candidates who possess the necessary skills, experience, and attributes to contribute effectively to the Board's functions. The NRC plays a key role in this process by recommending suitable candidates to the Board for consideration. The NRC is open to receiving referrals from external sources such as industry and professional associations, as well as independent search firms. This approach allows the NRC to access a broader pool of potential candidates and ensure that the selection process remains transparent, objective, and aligned with the Group's strategic goals and governance principles.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 5.7
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	:	The profiles of all Directors, including their age, date of appointment, roles in Board Committees, directorships in other companies, any conflict of interest, professional experience, and meeting attendance for the financial year ended 31 December 2024, are disclosed in the Company's Annual Report 2024. The NRC conducts an annual review and assessment of each Director's tenure and eligibility for re-election. This assessment is guided by the criteria outlined in the Directors' Fit and Proper Policy, as well as an evaluation of the Director's performance and contributions to the Board. The outcomes of this review form the basis of the NRC's recommendations to the Board regarding the re-election of Directors at the Annual General Meeting ("**AGM**"). Relevant information, including the Board's statement in support of the proposed re-election of Directors, is provided in the explanatory notes accompanying the Notice of AGM to facilitate informed decision-making by shareholders.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination and Remuneration Committee is chaired by YBhg. Dato' Syed Kamarulzaman Bin Dato' Syed Zainol Khodki Shahabudin, who is an Independent Non-Executive Director of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	As at the date of this Report, the Board comprises ten (10) members, of whom eight (8) are male and two (2) are female Directors, representing 20% female representation on the Board. The Board acknowledges Practice 5.9 of the Malaysian Code on Corporate Governance ("MCCG"), which recommends that women should make up at least 30% of Board composition. While this recommendation has not yet been formally adopted, the Board remains mindful of its intent. The Board is of the view that appointments and reappointments should be based not solely on gender but also on merit, taking into consideration the candidate's experience, expertise, knowledge, skill set, time commitment, and past contributions. This merit-based approach is intended to ensure that the Board continues to function effectively and discharges its fiduciary duties and responsibilities in the best interest of the Company and its stakeholders.	
		Alternate Practice: In line with its commitment to good governance, the Board adopts an alternate approach by conducting periodic reviews of its composition and size. These reviews are intended to ensure fair representation of shareholders' interests while promoting diversity across multiple dimensions, including skills, experience, cultural background, gender, and age. Through this balanced and inclusive approach, the Board aims to reflect the Group's values of governance excellence and stakeholder inclusivity, while ensuring it remains equipped to meet evolving business challenges.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	The Board recognises that diversity encompasses a broad range of attributes, including expertise, experience, and skills, and should not be limited to gender alone. Nevertheless, the Board acknowledges the importance of fostering gender diversity as a key component of an effective and inclusive leadership structure. To this end, the Board has adopted a Diversity Policy that affirms its commitment to promoting the appointment of women to the Board, particularly when vacancies arise and suitable, qualified candidates are identified. This policy underscores the Board's intent to broaden the range of perspectives, insights, and capabilities within its composition. The Diversity Policy is available to stakeholders on the Company's website at www.citaglobal.my, reflecting the Board's commitment to transparency, inclusivity, and continuous advancement of its diversity agenda.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
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 and its outcome, actions taken and how it has or will influence board composition.

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

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.	
Application :	Applied
Explanation on application of the practice :	The Company is not classified as "Large Company". The Board, individual Directors and Board Committees are assessed by the Nomination and Remuneration Committee ("**NRC**") through the following annual assessments once every year:- (a) Effectiveness of the Board as a whole and the Committees of the Board; (b) Contribution and performance of each individual Director; (c) Contribution and performance of the Audit and Risk Committee and each individual Audit and Risk Committee member; and (d) Independence of Independent Non-Executive Directors. The Board conducts annual assessments to evaluate the effectiveness of both the Board as a whole and individual Directors. This process allows each Director to provide feedback on their performance and contribution, ensuring accountability and continuous improvement. Additionally, the NRC assesses the performance of Board Committees and Audit and Risk Committee members, with results collated and presented for deliberation. During the annual assessment, the NRC reviews the skills and experience of individual Directors to ensure the Board's composition aligns with the Group's needs, encompassing a diverse mix of skills and core competencies essential for fulfilling duties and meeting business objectives. Following the assessment, the Board expresses satisfaction with the results. It believes that the current Board size and composition strike an effective balance, catering adequately to the Group's operational scope. The Board acknowledges the presence of a diverse mix of knowledge, skills, attributes, and core competencies, contributing to

	stability, continuity, commitment, and effective discharge of responsibilities. Overall, the Board affirms its capacity to effectively fulfil its duties and responsibilities, reflecting its commitment to governance excellence and continuous enhancement.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board has established a formal and transparent Directors and Senior Management's Remuneration Policy to guide decisions regarding remuneration for Directors and Key Senior Management of the Group. This policy takes into consideration the Company's demands, complexities, performance, as well as the skills and experience required. The Directors and Senior Management's Remuneration Policy is accessible for reference on the Company's website at www.citaglobal.my, ensuring transparency and alignment with governance best practices. The NRC holds the responsibility to review, assess, and recommend remuneration packages for Executive Directors, ensuring that the levels of remuneration are competitive enough to retain the necessary talent for successful Group operations. The remuneration of Executive Directors is structured to link rewards with both Group and individual performance. Conversely, Non-Executive Directors' remuneration is determined based on their experience and the level of responsibilities they assume. To ensure market competitiveness and talent retention, the Board refers to the remuneration offered by other public listed companies. Importantly, Executive Directors are not involved in decisions regarding their own remuneration. Similarly, the remuneration of Independent Non-Executive Directors is decided by the entire Board, with individual Directors abstaining from discussions about their own remuneration. The NRC undertakes periodic reviews to assess the effectiveness and ongoing relevance of the Directors' and Senior Management's

	Remuneration Policy, ensuring alignment with evolving business needs and market expectations. This commitment to regular evaluation reflects the Board's dedication to governance excellence and fair compensation practices.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.2

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

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

Application :	Applied	
Explanation on application of the practice :	The Board has established NRC comprising solely Non-Executive Directors. This committee plays a crucial role in overseeing remuneration matters within the Company. The primary responsibilities of the NRC include establishing, reviewing, and recommending remuneration packages for individual Executive Directors and Key Senior Management. This ensures that their remuneration aligns with their responsibilities and level of commitment to the Group. The NRC's authority, duties, and responsibilities are clearly outlined in its Terms of Reference, which are publicly available on the Company's website at www.citaglobal.my. This transparency ensures that stakeholders have access to information regarding the NRC's role and functions related to remuneration matters.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The details of the remuneration of the Directors of the Company for the financial year ended 31 December 2024 are disclosed in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Dato' Sri (Dr.) Mohamad Norza Bin Zakaria	Executive Director	0	144.0	1,080.0	0.5	24.8	0	1,249.3	0	144.0	1,140.0	0.5	24.8	0	1,309.3
2	Ikhlas Bin Kamarudin	Non-Executive Non-Independent Director	84.0	11.5	0	0	0	0	95.5	84.0	11.5	0	0	0	0	95.5
3	Rosli Bin Shafiei	Independent Director	96.0	17.5	0	0	0	0	113.5	96.0	17.5	0	0	0	0	113.5
4	Datuk Idris Bin Haji Hashim J.P.	Independent Director	72.0	16.5	0	0	0	0	88.5	72.0	16.5	0	0	0	0	88.5
5	Dato' Syed Kamarulzaman Bin Dato' Syed Zainol Khodki Shahabudin	Independent Director	96.0	17.0	0	0	0	0	113.0	96.0	17.0	0	0	0	0	113.0
6	Dato' Sri Mohan A/L C Sinnathamby	Independent Director	80.5	9.5	0	0	0	0	90.0	200.5	9.5	0	0	7.2	0	217.20
7	Aimi Aizal Bin Nasharuddin	Executive Director	24.1	72.9	356.0	0	0	0	453.0	24.1	92.9	516.0	0	11.2	0	644.20
8	Datuk (Dr.) Yasmin Binti Mahmood	Independent Director	82.1	8.0	0	0	0	0	90.1	202.1	8.0	0	0	0	0	210.1
9	Raja Imran Jamalullail Bin Raja Mufik Affandi	Independent Director	20.4	4.0	0	0	0	0	24.4	20.4	4.0	0	0	0	0	24.4
10	Puan Sri Datuk Seri Rohani Parkash Binti Abdullah	Independent Director	9.2	1.0	0	0	0	0	10.2	9.2	1.0	0	0	0	0	10.2

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 has determined that disclosing the details of senior management's remuneration may not be in the best interest of the Company. This decision is based on considerations of confidentiality and the competitive nature of the industries in which the Group operates.	
		However, the Board assures stakeholders that the remuneration of Senior Management is fair and aligns with the expected or targeted performance of the Group. It takes into account the contributions made by Senior Management while also ensuring that remuneration is competitive enough to attract, retain, and motivate them to excel in their respective roles. This approach strikes a balance between transparency and confidentiality, safeguarding sensitive information while maintaining a competitive edge in talent retention and performance management.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total

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	:	The Chairman of the Audit and Risk Committee, Encik Rosli Bin Shafiei, is an Independent Non-Executive Director and is not the Chairman of the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is 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	:	None of the members of the Audit and Risk Committee has previously served as key audit partners. The Company has implemented a policy mandating a cooling-off period of at least three (3) years for former key audit partners before they can be appointed as members of the Audit and Risk Committee. This policy is explicitly outlined in the Terms of Reference of the Audit and Risk Committee. Stakeholders can access the detailed Terms of Reference of the Audit and Risk Committee on the Company's website at www.citaglobal.my. This transparency underscores the Company's commitment to governance best practices and ensures that stakeholders have visibility into the policies governing the Audit and Risk Committee's composition and operations.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is 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	:	The Board has adopted policies and procedures to assess the suitability, objectivity, and independence of external auditors. These policies and procedures are publicly available on the Company's website at www.citaglobal.my. The external audit function, overseen by the Audit and Risk Committee, plays a critical role in ensuring the reliability of the Group's financial statements for all shareholders. The Board maintains a formal and transparent professional relationship with the independent external auditors through the Audit and Risk Committee. The Audit and Risk Committee is responsible for conducting an annual assessment of the performance and quality of external auditors, focusing on their independence, objectivity, and professionalism. For the financial year ended 31 December 2024, the Audit and Risk Committee conducted a thorough assessment using a questionnaire-based internal review and input from officers in constant contact with the external auditors. The Group has established a policy on the Provision of Non-Audit Services by External Auditors, ensuring that non-audit services are appropriately selected based on the External Auditors' skills and experience, and that fee levels for these services are considered relative to the audit fees to maintain independence. Additionally, the Audit and Risk Committee reviewed the level of non-audit services provided by the external auditors to ensure their independence. Based on the evaluation results, the Audit and Risk Committee is satisfied with the external auditors' performance, experience, resources, and the professional staff assigned to the audit of the Group. Consequently, the Board has accepted the Audit and Risk Committee's recommendation to re-appoint Baker Tilly Monteiro Heng PLT as the external auditors for the Company in the upcoming Annual General Meeting. This decision reflects the Board's confidence in the external

	auditors' capabilities and their ability to fulfil their responsibilities effectively.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up
The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The Audit and Risk Committee comprises solely the Independent Non-Executive Directors and as such, there is a strong and independent element to provide effective oversight for it to function effectively and exercise objective judgements independently.

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	:	The members of the Audit and Risk Committee, comprising of Independent Non-Executive Directors, collectively possess the requisite skills in finance, audit, commercial expertise, and accountancy necessary to fulfil their responsibilities effectively and provide a robust level of challenge to management. The qualifications and experience of individual Audit and Risk Committee members are disclosed in the Directors' Profiles section of the Annual Report, ensuring transparency regarding their expertise. The Audit and Risk Committee members are financially literate, enabling them to understand and assess matters within the Committee's purview, including the financial reporting process. They actively participate in training sessions and discussions to stay updated on developments in financial standards, enhancing their ability to discharge their duties effectively. Furthermore, the Audit and Risk Committee receives updates on developments in accounting, governance, auditing and risk management standards directly from the external auditors as well as the in-house Internal Auditors during Committee meetings. This ensures that Committee members remain informed about industry best practices and can apply this knowledge in their oversight role.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

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

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

Practice 10.1
The board should establish an effective risk management and internal control framework.

Application	:	Applied
Explanation on application of the practice	:	The Board acknowledges its responsibilities in maintaining a robust system of internal controls within the Group, encompassing financial controls, operational controls, compliance controls, and risk management. This ongoing process includes regular risk assessments, reviews of internal controls, and internal audit checks across all companies within the Group. It's important to note that while the system of internal controls provides reasonable assurance, it does not guarantee absolute protection against material errors, misstatements, fraud, or losses. The Audit and Risk Committee is entrusted with evaluating the Group's internal control environment to assess the adequacy and effectiveness of Management's implemented system. This review specifically addresses financial controls, operational controls, and compliance controls, ensuring a comprehensive oversight. Detailed information regarding risk management and internal control practices is outlined in the Statement on Risk Management and Internal Control, which can be found in the Annual Report 2024. This statement provides stakeholders with a clear understanding of the Group's approach to managing risks and maintaining internal controls across its operations.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

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

Practice 10.2
The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied
Explanation on application of the practice	:	The Board recognises the paramount importance of effective risk management and a robust system of internal controls in good business management practices. It acknowledges that every facet of the Group's activities carries inherent risks and is committed to ensuring the Group maintains an efficient risk management framework. This framework enables the Group to identify, evaluate, manage, and monitor risks within defined parameters that impact the achievement of the Group's business objectives. To bolster its oversight of risk management, the Board is supported by the Audit and Risk Committee, Internal Auditors, and Management. These entities collaborate in identifying, approving, and implementing policies and procedures related to risk management and internal controls. The Audit and Risk Committee, in particular, assumes the responsibility of overseeing risk management matters, ensuring alignment with Board-approved policies. The Management takes the lead in identifying and evaluating risks, designing and implementing an appropriate internal control system, and monitoring its effectiveness. The Group's internal control system is designed to provide reasonable, albeit not absolute, assurance against material errors, misstatements, fraud, or losses. Additionally, the Group has established an in-house internal audit function to independently review existing systems, controls, and procedures. The internalised internal audit team had been strengthened with sufficient resources to enable the team to function effectively in providing an independent assurance on the adequacy and effectiveness of systems of risk management and internal controls based on the intricacies of the culture and working environment of the Group. The Internal Auditors furnish the Audit and Risk Committee with impartial and objective reports on the state of internal control across various operating units within the Group and their compliance with established policies and procedures, as well as regulatory requirements.

	The key aspects of the Group's risk management framework and internal control system are detailed in the Statement on Risk Management and Internal Control included in the Annual Report for the financial year ended 31 December 2024. This disclosure provides stakeholders with a comprehensive understanding of the Group's approach to managing risks and maintaining internal controls.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Practice 10.3 - Step Up
The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	In fulfilling their responsibilities, the Audit and Risk Committee and the Board are supported by the in-house Internal Audit Department (IAD) headed by Puan Zunaina Zaini. The internal audit function reports directly to the Audit and Risk Committee, with unrestricted access across the Group. The Audit and Risk Committee reviews and approves the annual audit plan, assesses resource adequacy and competency, and ensures alignment with key objectives and risks. To reinforce independence, the Audit and Risk Committee conducted private sessions with internal auditors without presence of the Management. These sessions allowed open discussion and strengthened the objectivity of the internal audit process. The Audit and Risk Committee also reviewed audit findings and monitored Management's follow-up actions. An annual assessment confirmed that the internal audit function remains effective, professional, and free from undue influence. More detailed information about the internal audit function, including its work summary, is disclosed in the Audit and Risk Committee Report in the Company's Annual Report for the financial year ended 31 December 2024. This transparent disclosure ensures stakeholders are informed about the internal audit activities and their impact on the Group's operations.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	

Timeframe :		

Intended Outcome

Companies 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	:	The in-house internal audit department is staffed with four (4) approved positions, comprising of qualified and experienced internal audit professionals, including the Head of Internal Audit. The department is led by the Senior Manager, Pn. Zunaina Binti Zaini, who has more than 17 years of internal audit experience. She was an Accounting and Finance graduate and an associate member of the Institute of Internal Auditors (IIA) Malaysia. The Audit and Risk Committee (ARC) conducts an annual review of the internal audit function to assess its effectiveness, resource sufficiency, and alignment with professional standards. During the year under review, the ARC affirmed that internal audit activities and the approved annual audit plan were executed effectively and in accordance with the recognised standards. These standards include the International Professional Practices Framework ("**IPPF**") issued by the Institute of Internal Auditors, reflecting a commitment to best practices in internal auditing. Additionally, the Audit and Risk Committee received assurance that all assigned Internal Auditors' engagement team members, maintained independence, and objectivity, and were free from any relationships or conflicts of interest while carrying out their internal audit duties throughout the engagement period that could impair their professional judgment or audit quality. These assessments and assurances underscore the Audit and Risk Committee's diligence in ensuring the integrity and effectiveness of the internal audit function, contributing to enhanced governance and risk management within the Group.
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	Communication and engagement with stakeholders are essential components of the Group's transparency and accountability efforts. These interactions occur through diverse platforms, including media other than general meetings, press announcements, analyst briefings, and electronic means such as the corporate website. To ensure comprehensive, accurate, and timely disclosure, the Board has implemented Corporate Disclosure Policies and Procedures. These policies aim to facilitate transparent communication of Group-related matters to regulators, shareholders, and stakeholders. The Group's corporate website, www.citaglobal.my, serves as a primary information hub for shareholders and the public. It offers access to corporate information, news, events, and announcements to Bursa Malaysia Securities Berhad pertaining to the Group. Moreover, an investor relations section on the website provides detailed information on corporate, financial, corporate governance, and stock prices, making it easily accessible to the public. While the Annual General Meeting ("**AGM**") remains a crucial forum for shareholder communication, the Board ensures transparency by providing comprehensive explanations for all resolutions included in the AGM notice. This enables shareholders to understand and evaluate each resolution's implications fully. At the AGM, shareholders are encouraged to actively engage in the question-and-answer session, seeking clarification on proposed resolutions, the Group's performance, developments, and future direction. The presence of the Board, Key Senior Management, and External Auditors facilitates effective communication and provides shareholders with the opportunity to receive appropriate clarifications.
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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	:	The notice of the Annual General Meeting ("**AGM**") is a critical aspect of shareholder communication and transparency. As per regulatory requirements and good governance practices, the notice for the AGM is despatched to shareholders at least 28 days before the AGM date. For instance, in preparation for the 19th AGM held on 4 June 2024, the Notice was sent to shareholders on 30 April 2024, ensuring compliance with the 28-day notice period. Similarly, for the forthcoming 20th AGM scheduled to be held on 5 June 2025, the Notice is scheduled to be dispatched to shareholders on or by 30 April 2025. This proactive approach ensures that shareholders have sufficient time to review the agenda, proposed resolutions, and any accompanying documents before the AGM date.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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	:	All Directors of the Company are committed to attending General Meetings and addressing any relevant questions from shareholders unless unforeseen circumstances prevent their attendance. During the 19th AGM held on 4 June 2024, all the Directors were present at the AGM. Additionally, the Chairman of both the Audit and Risk Committee and the Nomination and Remuneration Committee were on stage to address shareholders' inquiries pertaining to matters within the purview of their respective Board Committees. Furthermore, members of the Key Senior Management and External Auditors also attended and will continue to attend AGMs to provide insights and respond to shareholders' queries, ensuring transparency and effective communication between the Company and its shareholders.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 13.3
Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The 19th AGM of the Company held on 4 June 2024 was conducted in person at a convenient location in the city center, making it easily accessible to shareholders via public transport. The AGM took place at Shangri-La Kuala Lumpur, ensuring accessibility for shareholders. Shareholders are encouraged to attend general meetings and have the opportunity to submit questions and queries, which the Board will endeavour to address in a timely manner. Shareholders also have the option to appoint proxies to represent them, speak on their behalf, and vote at the general meeting. Voting at the general meeting is conducted by poll, and the Company utilised an electronic voting system to streamline the voting process and facilitate efficient tabulation of votes.	
		The Company will assess the necessity and feasibility of implementing remote participation and electronic voting facilities, considering factors such as the number of shareholders, the reliability of technology, and the cost-benefit analysis for the Company.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 13.4
The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.	
Application :	Applied
Explanation on application of the practice :	It is commendable that the Company facilitated the submission of questions via email before the 19th AGM and made efforts to address those questions during the meeting. This approach allows shareholders to raise concerns and seek clarifications in advance, contributing to a more informed and interactive AGM experience. Furthermore, the allocation of sufficient time for discussion and addressing questions during the AGM reflects the Company's commitment to transparency and shareholder engagement. Encouraging shareholders and proxies to participate in the question-and-answer session demonstrates a willingness to listen to shareholder perspectives and provide meaningful responses. Having the Directors, Chairman of the Board Committees, and External Auditors present at the AGM to respond to queries further enhances the effectiveness of the meeting. Their presence not only assures shareholders of access to key decision-makers but also facilitates a direct and comprehensive exchange of information and insights. Overall, these practices align with good corporate governance principles by promoting transparency, accountability, and shareholder inclusivity in the AGM process. By actively engaging with shareholders and addressing their concerns, the Company fosters trust and confidence among its investor community, contributing to long-term shareholder value and corporate success.
Explanation for departure :	

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

Intended Outcome

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.			
Application	:	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice	:		
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.6

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

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.			
Application	:	Applied	
Explanation on application of the practice	:	The Minutes of the 19th AGM (including the questions raised by shareholders and MSWG together with the responses by the Company and outcome of the voting results) are made available to the shareholders within 30 business days after the 19th AGM at the Company's website at **www.citaglobal.my**.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

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