

CORPORATE GOVERNANCE

OVERVIEW STATEMENT

The Board of Directors (“Board”) of PRG Holdings Berhad (“the Company”) subscribes to and ensure that sound corporate governance (“CG”) principles and practices are observed and practiced by the Company and its subsidiaries (“the Group”) in the pursuit of achieving the corporate objectives and protecting and enhancing shareholders’ value.

This CG Overview Statement (“the Statement”) provides an overview of the CG practices of the Company under the leadership of the Board during the financial year ended 31 December 2023 (“FY2023”). This Statement is prepared in accordance with Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Main Market Listing Requirements (“Listing Requirements”) and made reference to the Malaysian Code on Corporate Governance (“MCCG”).

This Statement is to be read together with the Company’s CG Report which is available on the Company’s website at www.prg.com.my (“the Company’s Website”). The CG Report provides detailed explanation on the application by the Group of the CG practices as set out in the MCCG during FY2023.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board is responsible in formulating and reviewing the Group’s strategic direction and management of the Group. In discharging its roles and responsibilities, the Board is guided by the approved Board Charter and all other policies implemented by the Company. The Board always ensures that good corporate governance culture is practiced in the Company, and effective leadership through oversight on the management and monitoring of the goals, budget, activities, performance, compliance and control in the organisation. Board Members exercise due diligence and care in discharging their duties and responsibilities to ensure that high ethical standards are applied through compliance with relevant rules and regulations, directives and guidelines, and act in the best interests of the Group and of its shareholders.

The Board plays a critical role in setting the appropriate tone at the top, and managing the Board’s effectiveness by focusing on strategy, governance and compliance. The day-to-day management of the business of the Group was delegated to Management, headed by the Group Executive Vice Chairman, who was assisted by the Executive Directors, in the performance of the executive functions.

The Board Charter provides amongst others, matters related to the functions and responsibilities of the Board and Board Committees, as well as its processes. The Board Charter also specifies matters reserved exclusively for the Board’s review and approval. The Board ensures that the Board Charter is reviewed every year so as to remain consistent with the Board’s objectives and responsibilities.

The Board has in place the Code of Conduct to maintain discipline and order in the workplace. The Group is committed to uphold the highest standard of ethical conduct and has formalised the Whistle Blowing Policy and Guidelines which aims to provide a safe and acceptable platform for the Directors, and other parties to report unethical behaviour, suspected fraud or violation of any laws or regulations. The adopted Anti-Bribery and Corruption Policy ensures that the Group uphold and maintain the highest standard of integrity and ethical conduct of its business and operations as well as comply with all applicable laws including the Malaysian Anti-Corruption Commission Act 2009. The Group’s Anti-Bribery & Corruption Policy provides, amongst others, guidance to all employees and associates of the Group to prevent bribery and corruption in all business dealings and also related matters such as proper reporting process and procedures.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**I. Board Responsibilities (Cont'd)**

The Board has full and unrestricted access to the advice and services of the professional Company Secretaries who are experienced and are supported by a dedicated team of company secretarial personnel. In discharging their duties and discharging responsibilities, the Company Secretaries continue to guide and provide advisory services to the management and the Board, including corporate governance related issues and updates on relevant regulatory requirements for compliance with the relevant policies and procedures, law and regulatory requirements and others matters within their scope of responsibilities to assist the Board to discharge their duties effectively.

The Company's financial, operational and business performance, amongst others reports, are reviewed by the Board at its meetings held quarterly. In order to facilitate the Directors' time planning, the annual meeting calendar setting out the scheduled dates for meetings of the Board and Board Committees as well as annual general meeting is prepared and circulated in advance to enable the Directors to plan in advance. Special Board meeting will be convened if urgent matters arise which requires the Board's immediate attention and/or decision. The annual meeting calendar also sets out the closed periods for dealings in the securities of the Company to be strictly adhered to by the Directors and Principal Officers based on the targeted date of announcement of the Group's interim financial results every quarter.

The Board has adopted a process whereby all the Directors and senior management are required to submit and declare to the Board at every quarter's meeting their interest, if any, whether direct or indirect, in any contracts/transactions involving the Group, or any conflict of interest ("COI") or potential COI to facilitate assessment by the Board.

A Director who is in any way, whether directly or indirectly, interested in a contract entered into or proposed to be entered into by the Company shall be counted only to make the quorum at the Board meeting but shall not participate in any discussion while the contract or proposed contract is being considered at the board meeting and shall also abstain from voting on the contract or proposed contract.

Details of the attendance recorded by the Directors at the meetings held during FY2023 were as follows:

	Board of Directors	Board Committees				AGM
		ARMC	NC	RC	LTIP	
Independent Non-Executive Directors						
Tan Sri Datuk Seri (Dr) Mazlan bin Lazim	5/6	5/5	4/4	5/5	-	1/1
Datin Arlina binti Ariff ¹	4/4	2/2	2/2	2/2	-	1/1
Non- Independent Non-Executive Directors						
Lim Chee Hoong ²	6/6	5/5	4/4	5/5	1/1	1/1
Ng Khang Chyi ³	1/1	-	-	-	-	N/A
Executive Directors						
Dato' Lua Choon Hann	6/6	-	-	-	1/1	1/1
Dato' Wee Cheng Kwan	6/6	-	-	-	1/1	1/1
Ng Tzee Penn	5/6	-	-	-	-	0/1
Ji Haitao ⁴	6/6	3/3	2/2	3/3	1/1	1/1
Total number of meetings held	6	5	4	5	1	1

Chairman
 Member
 Non-member

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

Notes:

ARMC: Audit and Risk Management Committee

NC: Nomination Committee

RC: Remuneration Committee

LTIP: Long Term Incentive Plan Committee

AGM: Annual General Meeting

EGM: Extraordinary General Meeting

1: Appointed as Director on 20 April 2023, and the Chairman of ARMC and RC and member of NC on 25 May 2023

2: Redesignated as the member of ARMC and RC on 25 May 2023

3: Appointed as Director on 1 September 2023

4: Redesignated as Executive Director on 25 May 2023

The Company Secretary was present at all the meetings held during FY2023.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities.

II. Board Composition

The Board presently consists of ten (10) members; comprising five (5) Executive Directors (including the Group Executive Vice Chairman and the Group Managing Director), three (3) Independent Non-Executive Directors and two (2) Non-Independent Non-Executive Directors. The composition of the Board complies with the Bursa Securities' Listing Requirements that requires one-third of the Board Members are Independent Directors. The composition and size of the Board are assessed by the Board through the Nomination Committee annually or as and when the need arises.

The Board recognises the benefits of having a diverse Board and to ensure that the mix and profiles of the Board members in terms of age, ethnicity, gender, experience, skills and competencies are required to achieve effective leadership and management. The Board believes that a diverse and inclusive Board will leverage the differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity and gender, which will ensure the Company retains its competitive advantage.

Board Committees

In order to ensure orderly and effective execution of the roles and responsibilities of the Board, the Board has delegated specific responsibilities to five (5) Committees:-

- Audit and Risk Management Committee
- Nomination Committee
- Remuneration Committee
- Long Term Incentive Plan ("LTIP") Committee
- Sustainability Committee

Each Committee operates under their respective approved Terms of References and/or operating procedure which are reviewed intermittently or when required. The Chairman of each Committee will report to the Board on the key issues and outcome of the Committees' meetings which are recorded in the minutes of the Board meeting. No executive power was given to each Committee as their responsibility is to deliberate and examine particular issues and report to the Board with their recommendations. The Board holds the ultimate responsibility for the directions and control of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

Board Committees (Cont'd)

Nomination Committee

The Nomination Committee consists of four (4) members, including three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, as set out below:

Directors	Position
Tan Sri Datuk Seri (Dr) Mazlan bin Lazim	Chairman, Independent Non-Executive Director
Datin Arlina binti Ariff	Member, Independent Non-Executive Director
Lim Chee Hoong	Member, Non-Independent Non-Executive Director
Joyce Tan Soo Yuen	Member, Independent Non-Executive Director (Appointed on 26 March 2024)

The Nomination Committee held a total of four (4) meetings during the FY2023 and recorded full attendance of its members.

The process and criteria to identify and nominate candidates for appointment as a Director, and re-election and re-appointment of existing Directors are set out in the Directors' Fit and Proper Policy/Board Charter/Terms of Reference of Nomination Committee. The Terms of Reference of Nomination Committee is available at the Company's Website.

The Constitution of the Company requires one-third of the Directors to retire from office and subject themselves to re-election by the shareholders in every annual general meeting at least once every three (3) years. The Constitution of the Company also provides that a newly appointed director must retire and submit himself for re-election at the next annual general meeting following his appointment. Thereafter, he is subject to be re-elected at least once every three (3) years. A Director who is due for retirement shall abstain from deliberating and voting on the resolution concerning his re-election as a Director. The Nomination Committee is tasked with the responsibility to review and recommend to the Board for re-election at the annual general meeting of the Company, having due regard to the fit and proper criteria set out in the Fit and Proper Policy, besides their skills, experience and other attributes that would continue to contribute to the Board.

The Board, on the recommendation of the Nomination Committee after considering the size of the Board and to meet the requirements as set out in the Listing Requirements, has approved the appointment of Ms. Joyce Tan Soo Yuen as an Independent Non-Executive Director on 15 March 2024 and Mr. Andrew Chan Lim-Fai as the Group Managing Director on 26 March 2024.

During the FY2023, the Nomination Committee undertaken the following activities:

- (a) Reviewed and recommended to the Board for approval the proposed appointment of Non-Executive Directors including Independent Directors and Non-Independent Director of the Company, after due consideration and assessment of the established fit and proper criteria.
- (b) Conducted annual assessment of the effectiveness and the performance of the Board and Board Committees as well as individual Directors facilitated by the Company Secretary. Upon evaluation, the Nomination Committee was satisfied that:
 - The size, structure and composition of the Board and Board Committees are optimum with appropriate mix of knowledge, skills, attributes and core competencies.
 - The Board has been able to discharge its duties and responsibilities professionally and effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

Board Committees (Cont'd)

Nomination Committee (Cont'd)

During the FY2023, the Nomination Committee undertaken the following activities: (Cont'd)

(b) Conducted annual assessment of the effectiveness and the performance of the Board and Board Committees as well as individual Directors facilitated by the Company Secretary. Upon evaluation, the Nomination Committee was satisfied that: (Cont'd)

- All the Directors continue to uphold the highest governance standards in their conduct and that of the Board.
- The Directors are able to devote sufficient time commitment to their roles and responsibilities as reflected by their satisfactory attendance at Board meetings and Board Committees meetings.

The annual assessment and evaluation were carried out by the Nomination Committee through a set of questionnaires encompassing the Board Structure, Board Operations, Board Roles and Responsibilities which was circulated to the Board Members for completion and subsequently collated by the Company Secretary for tabling to the Nomination Committee and subsequent reporting to the Board.

All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions were properly documented.

- (c) Reviewed the composition of the Board and recommended suitable candidate to fill the membership of Board Committees.
- (d) Reviewed the proposed establishment of the Sustainability Committee to oversee the management and governance of sustainability matters of the Group.
- (e) Reviewed the proposed re-designation of the Directors of the Company.
- (f) Reviewed and assessed the Independent Directors in accordance with the Listing Requirements and MCGG.
- (g) Reviewed the term of office and performance of the Audit and Risk Management Committee and each of its members against the assessment checklist in accordance with the Listing Requirements and was satisfied that the Audit and Risk Management Committee had carried out its duties in accordance with its Terms of Reference.
- (h) Reviewed the retirement of Directors by rotation at the Company's 22nd AGM and having considered the criteria outlined in the Directors' Fit & Proper Policy, have recommended their re-election for Boards' consideration.
- (i) Reviewed the activities carried out by the Nomination Committee for inclusion in the Annual Report.
- (j) Reviewed and updated the Terms of Reference of the Nomination Committee to ensure its adequacy for current circumstances, the Company's policies and/or compliance with applicable rules and regulations.
- (k) Reviewed the Directors' Fit & Proper Policy and Diversity and Inclusion Policy so as to remain consistent with its objective. No revision was recommended by the Committee.
- (l) Discussed the training needs of the Directors and training program available for the Directors to equip themselves with relevant knowledge and keep abreast of latest regulatory developments to effectively discharge their duties.
- (m) Reviewed the Service Contracts for the Executive Directors of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

Board Committees (Cont'd)

Remuneration Committee

The Remuneration Committee consists of four (4) members, including three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The composition of the Remuneration Committee is set out below:

Directors	Position
Datin Arlina binti Ariff	Chairman, Independent Non-Executive Director
Lim Chee Hoong	Member, Non-Independent Non-Executive Director
Tan Sri Datuk Seri (Dr) Mazlan bin Lazim	Member, Independent Non-Executive Director
Joyce Tan Soo Yuen	Member, Independent Non-Executive Director (Appointed on 26 March 2024)

The Remuneration Committee held a total of five (5) meetings during the FY2023 and recorded full attendance of its members.

The Terms of Reference of Remuneration Committee is available at the Company's Website.

The Board has established the Remuneration Policy in order to ensure fair remuneration package is set. The Board is mindful that fair remuneration is critical to attract, retain and motivate Directors and senior management. The remuneration package should take into account the complexity of the Company's business, the individual's responsibilities, expertise, frequency of meetings and industry benchmarks against similar companies. The Remuneration Policy is reviewed by the Remuneration Committee annually to ensure it remains relevant and any proposed revision to the Remuneration Policy will be recommended to the Board for approval.

The Remuneration Committee reviews and recommends to the Board the remunerations of the Directors based on the remuneration policy approved by the Board. It is nevertheless the ultimate responsibility of the Board to decide on the quantum of remuneration for each Director.

The component of the remuneration for the Non-Executive Directors of the Company comprise of:-

- (a) Annual fixed fees as Director and fees for sitting in Board Committees; and
- (b) Meeting allowance based on their attendance at the Board and Board Committees meetings.

During the FY2023, the Remuneration Committee undertaken the following activities:

- (a) Reviewed the remuneration packages of the Executive Directors and senior management personnel of the Company, taking into consideration the Group's level of activities and performance.
- (b) Reviewed the Directors' fees and meeting allowance of the Directors (including new Directors) of the Company.
- (c) Reviewed the activities carried out by the Remuneration Committee for inclusion in the Annual Report 2022.
- (d) Reviewed and updated the Terms of Reference of the Committee to ensure its adequacy for current circumstances, the Company's policies and/or compliance with applicable rules and regulations.
- (e) Reviewed and recommended the proposed allocation of LTIP awards to the Directors and Senior Management to the Board for approval.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

Board Committees (Cont'd)

Remuneration Committee (Cont'd)

During the FY2023, the Remuneration Committee undertaken the following activities: (Cont'd)

- (f) Reviewed and recommended the proposed reinstatement of salary of the affected Directors to the Board for approval.
- (g) Reviewed the proposed new Remuneration Policy covering the Directors and Senior Management of the Company and the Group and recommended to the Board for adoption.
- (h) Reviewed and recommended the proposed reduction of salary of Group Executive Vice Chairman to the Board for approval.
- (i) Reviewed and recommended the proposed suspension of car allowance to employees (including Directors and Senior Management) to the Board for approval.
- (j) Reviewed the proposed bonus entitlements of Executive Directors and Senior Management personnel in respect of FY2022.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

DIRECTORS' REMUNERATION

Practice 8.1 of the MCCG requires the detailed disclosure on named basis for the remuneration of individual Directors including the remuneration breakdown of fees, salary, bonus, benefits in-kind and other emoluments. Details of the Directors' remuneration for the FY2023 are set out 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	Dato' Lua Choon Hann	Executive Director	0	0	0	0	0	0	0	60	0	638	11	32	190	931
2	Dato' Wee Cheng Kwan	Executive Director	0	0	0	0	0	0	60	0	600	45	14	208	928	
3	Ng Tzee Penn	Executive Director	0	0	0	0	0	0	60	0	58	0	0	0	113	
4	Ji Haitao	Executive Director	24	2	0	0	0	26	24	2	145	0	0	0	170	
5	Lim Chee Hoong	Non-Executive Non-Independent Director	70	3	0	0	0	73	70	3	0	0	0	0	78	
6	Tan Sri Datuk Seri (Dr) Mazlan bin Lazim	Independent Director	60	3	0	0	0	63	60	3	0	0	0	0	68	
7	Datin Arlina binti Ariff ¹	Independent Director	42	2	0	0	0	44	40	2	0	0	0	0	42	
8	Ng Khang Chyi ²	Non-Executive Non-Independent Director	20	1	0	0	0	21	20	1	0	0	0	0	21	
9	Elaine Foo Mei Lian ³	Independent Director	0	0	0	0	0	0	0	0	0	0	0	0	0	

Notes:

- ¹ Appointed as Independent Non-Executive Director on 20 April 2023.
- ² Appointed as Non-Independent Non-Executive Director on 1 September 2023.
- ³ Appointed as Independent Non-Executive Director on 30 November 2023 and resigned on 15 December 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

Long Term Incentive Plan Committee

The Long Term Incentive Plan ("LTIP") Committee was set up in line with the establishment of the Group's long term incentive programme with the objective to retain and award high performance employees in the Group and is governed by the By-Laws.

The LTIP Committee consists of four (4) members. The composition of the LTIP Committee is set out below:

Directors	Position
Dato' Lua Choon Hann	Chairman, Group Executive Vice Chairman
Dato' Wee Cheng Kwan	Member, Managing Director – Property & Construction
Lim Chee Hoong	Member, Non-Independent Non-Executive Director
Datin Arlina binti Ariff	Member, Independent Non-Executive Director

For the year under review the LTIP Committee, in discharge of its duties, with the assistance of the LTIP Working Committee, reviewed and evaluated the eligibility and proposed allocation of options and share grant to the eligible persons in accordance with the criteria set out in the By-Laws.

Sustainability Committee

The Sustainability Committee was set up to assist the Board in fulfilling its oversight responsibilities in relation to the Group's sustainability and initiatives, as well as strengthening the Group's sustainability's governance.

The Sustainability Committee consists of three (3) members. The composition of the Sustainability Committee is set out below:

Directors	Position
Lim Chee Hoong	Chairman, Non-Independent Non-Executive Director
Dato' Wee Cheng Kwan	Member, Managing Director – Property & Construction
Ji Haitao	Member, Executive Director

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

The Audit and Risk Management Committee of the Company comprises four (4) members, including three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Directors. All Audit and Risk Management Committee members have the essential skills and expertise to perform their duties and responsibilities.

The Board acknowledged that the Audit and Risk Management Committee should be financially literate and understands matters under their purview including the financial reporting process besides possess a wide range of necessary skills to discharge its duties. All members of the Audit and Risk Management Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules for effective discharge of their duties and functions.

The Terms of Reference of Audit and Risk Management Committee is available at the Company's Website and the activities undertaken by the Audit and Risk Management Committee for the FY2023 are presented in the Audit and Risk Management Report in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)**II. Risk Management and Internal Control Framework**

The Board discharges its responsibilities in the risk governance and oversees functions through the Audit and Risk Management Committee. The Audit and Risk Management Committee, supported by the Risk Management Team comprises the Head of Departments of respective operating divisions, assists Audit and Risk Management Committee in overseeing the risk management matters relating to the activities of the Group. The Audit and Risk Management Committee reviews the risk management framework and processes and monitors the effectiveness of risk treat/mitigation action plans for the management and control of identified key risks.

The adequacy and effectiveness of the internal controls are reviewed by the Audit and Risk Management Committee in relation to internal audit function of the Group. The Board places significant emphasis on maintaining a sound system of internal control covering not only financial controls but also operational and compliance controls as well as risk management in order to safeguard shareholders' investments and the Group's assets. The Board continuously reviews the adequacy and effectiveness of the internal control system to ensure it meets the Group's particular needs and to manage the risks to which it is exposed.

The Statement on Risk Management and Internal Control set out in this Annual Report provides an overview of the state of risk management and internal controls within the Group.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS**I. Communication with Stakeholders**

The Company ensures that its communication with its shareholders and various stakeholders is transparent, timely and with quality disclosure. The relevant information is communicated to shareholders and investors through various disclosures and announcements to Bursa Securities, including the quarterly financial results, annual reports and where appropriate, circulars and press releases. The Company makes use of a broad range of communication channels to disseminate information regarding the Company and the Group. The communication channels would include electronic facilities provided by Bursa Securities for release of announcements to the public, corporate website, social media, emails, road shows or events as well as direct interaction with the shareholders at the general meetings of the Company.

II. Conduct of General Meetings

The general meetings of the Company are the principal forum for shareholders to dialogue and interact with the Directors of the Company. In order to ensure effective participation and engagement with the shareholders, the members of the Board and senior management attend the general meetings to respond to the questions raised by the shareholders and the shareholders are given opportunities to comment and provide feedback on the issues relating to business and affairs of the Company. The Chairman of the meeting allows the shareholders or proxy holders to speak and seek clarifications on the resolutions tabled at the meetings before exercising their voting rights.

The 22nd Annual General Meeting ("AGM") of the Company was held on 25 May 2023. In line with the MCCG, the notice of the 22nd AGM was issued to the shareholders on 27 April 2023, more than 28 days before the 22nd AGM, and the requisite 21 days' notice as prescribed by the Companies Act 2016 and Listing Requirements. The notice of general meetings and circular to shareholders provides details of the resolutions proposed along with background information and justifications for undertaking the corporate proposals alongside the recommendations from the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

II. Conduct of General Meetings (Cont'd)

The Company leverage on technology and conducted the 22nd AGM on virtual basis through live streaming from the broadcast venue at the Company's business premise. The voting of the 22nd AGM was conducted by poll in accordance with Paragraph 8.29A of the Listing Requirements of Bursa Securities and the shareholders exercised their voting rights remotely using electronic voting platform. The outcome of the said AGM was announced to Bursa Securities on the same day after the conclusion of the meetings.

This Statement was approved by the Board of Director of the Company on 29 April 2024.

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7168
COMPANY NAME : PRG Holdings Berhad
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES 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	:	<p>The Board of Directors ("Board") is responsible in formulating and reviewing the Group's strategic direction and management of the Group. In discharging its roles and responsibilities, the Board is guided by the documented and approved Board Charter and delegated day-to-day management of the business of the Group to the Management, headed by the Group Executive Vice Chairman assisted by the Executive Directors.</p> <p>In order to ensure effective discharge of the Board's functions, the Board will assume the following key responsibilities: -</p> <ul style="list-style-type: none">• Together with the Management, promoting good corporate governance culture within the Company which reinforces ethical, prudent and professional behaviour. <p>For effective discharge of the Board's functions and responsibilities, the Board has established the Limits of Authority ("LOA") for the Group where schedule of authorities are delegated to the Management with defined authority limits in carrying out its duties.</p> <p>The Board has delegated to the Group Executive Vice Chairman or the Managing Directors or the Executive Directors, as the case may be, as provided in the LOA, the authority to approve, subject to pre-set thresholds, operational and capital expenditure, procurement, business development and business growth, and human resources matters such as staff recruitment, promotion and/or termination.</p> <p>The LOA sets out specific approval thresholds for Management decisions and it is reviewed periodically to reflect the expansion and/or changes within the Group as appropriate. Any changes to the limits and/or schedule of authority under the LOA will require the Board's approval.</p>

	<p>The responsibilities of the Management include, amongst others, executing action plans for immediate, short term, medium term and/or long-term, organising or optimising the resources to achieve the Company's goals, directing and setting performance standards that indicate progress towards the pre-set goals of the Company.</p> <ul style="list-style-type: none"> • Reviewing, challenging and deciding on Management's proposals for the Company and monitoring its implementation by Management. <p>The Board plays an important role in the development of the Company's strategies, and monitoring of its performance and implementation. The Board reviews and deliberate on the Management's proposed business plans, business directions and strategies for the Group, as well as challenges the Management's view and assumptions on the proposed business plan as appropriate. The Board also reviews and approves the annual budget including major capital commitment and capital expenditure required by the Group.</p> <p>Quarterly, the Board reviews the actual performance compared to approved budget, evaluate the explanation given by the Management and provide guidance and input to Management, taking into consideration the economy outlook and market sentiments, amongst other factors. The Board is also briefed by the Management on the businesses and project updates, review of Group financial reports and performance on quarterly basis.</p> <p>New business ventures, material acquisition and/or disposals of businesses and/or subsidiaries, changes to Management and control structure are amongst others, matters that are required to be tabled for review, deliberation and approval by the Board.</p> <ul style="list-style-type: none"> • Ensuring that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability. <p>PRG's approach in management of material economic, environmental and social ("EES") risks and/or opportunities are provided in the Sustainability Report, which is available on the Company's website at http://www.prg.com.my/investor-relations/.</p> <ul style="list-style-type: none"> • Supervising and assessing Management performance to determine whether the business is being properly managed. <p>The Group Executive Vice Chairman is responsible for implementing the policies, strategies and decisions of the Board as</p>
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	<p>well as overseeing the day-to-day operations and business development of the Group with the assistance of the Managing Directors of Manufacturing, Property Development & Construction Divisions and/or other Executive Directors.</p> <p>Relevant key performance indicators (“KPIs”) have been set for the Group Executive Vice Chairman, Managing Directors and Executive Directors which are closely aligned to the Company’s performance whether financial or non-financial and reviewed and evaluated by the Remuneration Committee and the Board in rewarding the said Directors accordingly.</p> <ul style="list-style-type: none"> • Ensuring there is a sound framework for internal controls and risk management. <p>The Board has in place a Risk Management Framework which is reviewed periodically to ensure adequacy and effectiveness of risk management.</p> <p>Details of the review of internal controls and risk management is set out in the Statement of Risk Management and Internal Control and Audit and Risk Management Committee Report (Internal Audit Function) in the annual report 2023.</p> <ul style="list-style-type: none"> • Understanding the principal risks of the Company’s business and recognising the business decisions involve the taking of appropriate risks. <p>The oversight function of the Board on the effectiveness of risk management and governance has been delegated to the Audit and Risk Management Committee (“ARMC”). During the year, the ARMC reviewed and advised the Board on areas of high risk and the adequacy of compliance and control procedures throughout the organisation.</p> <p>The Board approves and monitors the Group’s internal controls and reporting systems as well as risk management, evaluates their effectiveness and identifies and rectifies significant deficiencies.</p> <p>Internal audit reviews have been carried out based on risk-based audit approach and compliance-based approach, and the findings and recommendations for improvements are presented to the ARMC on quarterly basis.</p> <p>The Board, through the ARMC identifies the principal risks of the Group and ensures the implementation of appropriate systems to mitigate and manage these risks.</p> <ul style="list-style-type: none"> • Setting the risk appetite and establishing a sound framework to manage risk.
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	<p>The ARMC assists the Board in overseeing the adherence of established risk appetite/ tolerance at the enterprise wide level in the enterprise wide risk management framework.</p> <ul style="list-style-type: none"> Ensuring that senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of the Board and senior management. <p>The Board ensure that the appointment of senior management personnel is according to their skills and experience in managing the department. This is to ensure that the succession plan is in place for each department.</p> <ul style="list-style-type: none"> Ensuring that the Company has in place procedures to enable effective communication with stakeholders. <p>The Board monitors material reporting, external communications and shareholders’ communications by the Company. The Company has established an Investor Relations structure responsible for the implementation of relevant programme and strategies of the Group. Details of shareholders’ communication mechanism are set out in Practice 12.1 of this Report.</p> <ul style="list-style-type: none"> Ensuring that all the Directors understand financial statements and form a view on the information presented. <p>The Board members of the Company are updated with the significant risks’ areas and key changes in financial statements by Management and External Auditors on a quarterly basis. The key changes/update of accounting standards will be highlighted by auditors during the audit planning meeting.</p> <ul style="list-style-type: none"> Ensuring the integrity of the Company’s financial and non-financial reporting. <p>The preparation of the Company’s financial and non-financial reports is based on but not limited to the following guidelines:</p> <ul style="list-style-type: none"> - Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers - Sustainability Reporting Guide and Toolkits - Management Discussion and Analysis Disclosure Guide - Guidance on Disclosure in Notes to Quarterly Report - Corporate Governance Guide - Malaysian Code on Corporate Governance
<p>Explanation for departure</p>	<p>:</p>

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	<p>The Board is led by Dato' Lua Choon Hann, the Group Executive Vice Chairman who is primarily responsible for the effective functioning and proper conduct of the Board as well as assuming the formal role as the chairman of the Board Meetings and shareholders' meetings. Dato' Lua leads the Board and is responsible for ensuring the effective and smooth interaction of the overall Board and between individual Directors, both within and outside the Boardroom as well as driving the discussion towards consensus and to achieve effective decision making in every discussion.</p> <p>The roles and responsibilities of the Chairman of the Board are detailed in the Board Charter, which is available on the Company's website at http://www.prg.com.my/investor-relations/.</p> <p>The key responsibilities of the Chairman include:</p> <ul style="list-style-type: none">• providing leadership for the Board so that the Board can perform its responsibilities effectively; <p>Leading and managing the Board's effectiveness by focusing on the Company's strategies, policies, governance and compliance; ensuring that the Board's decisions taken are in the best interests of the Group and fairly reflect the Board's consensus.</p> <ul style="list-style-type: none">• leading the Board in adoption and implementation of good corporate governance practices in the Company; <p>Leading the practice of effective corporate governance, including the establishment of Board Charter, policies and procedures.</p> <p>Setting the board agenda and ensuring that Board Members receive complete and accurate information in a timely manner;</p> <p>The Group Executive Vice Chairman with the assistance of the Company Secretary sets the Board's agenda for each scheduled Board Meeting before circulating to the Board Members.</p> <ul style="list-style-type: none">• leading Board Meetings and discussions;

	<p>Chairing the Board Meetings and shareholders' meetings, leading the meeting pace and discussion in an effective manner to ensure that adequate time is available for robust and thorough deliberation of key issues tabled at the meeting.</p> <ul style="list-style-type: none"> encouraging active participation and allowing dissenting views to be freely expressed; <p>Promoting a culture of openness and debate whilst ensuring that no Directors dominate the discussion. The effective debate and contribution from the Board Members ensure that decisions made by the Board are in the best interests of the Company and Group.</p> <ul style="list-style-type: none"> managing the interface between Board and Management; and <p>During deliberations at Board Meetings, providing his objective views and decisions to resolve situations when there are different views between the Board Members and the Management.</p> <ul style="list-style-type: none"> ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole. <p>During the shareholders' meeting and/or other occasions where key or major actions are taken or statements are made in the name of the Company, acting as the main representative of the Company alongside with the Executive Directors.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The positions of Group Executive Vice Chairman of the Board and Group Managing Director are held by two (2) different individuals namely, Dato' Lua Choon Hann and Mr. Andrew Chan Lim-Fai (who was appointed to the Board on 26 March 2024).</p> <p>There is clear segregation of duties and responsibilities between the said positions to ensure balance of power and authority.</p> <p>The division of the roles and responsibilities of the Group Executive Vice Chairman and Group Managing Director is clearly defined in the Board Charter, which is available on the Company's website at http://www.prg.com.my/investor-relations/.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	The Group Executive Vice Chairman is not a member of the Audit and Risk Management, Nomination or Remuneration Committees and does not participate in any of these Committees.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.5

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

Application	: Applied
Explanation on application of the practice	<p>The Board is supported by two (2) experienced Company Secretaries who are the members of the prescribed professional body and are qualified pursuant to the requirements of the Companies Act 2016. The Board have full and unrestricted access to the Company Secretaries who has vast knowledge in the discharge of the secretarial functions and duties and are supported by a dedicated team of company secretarial personnel.</p> <p>(1) The Company Secretaries manage the logistics of all Board and Board Committees meetings. The attendance and minutes of all Board and Board Committees meetings are properly recorded and kept at the registered office by the Company Secretaries. The Company Secretaries also ensure that the deliberations at the Board and Board Committees meetings are well documented, and the decisions are relayed to the relevant Management personnel to be acted upon.</p> <p>The Company Secretaries coordinates the follow-up actions of Board's decisions and recommendations by the Management. The action items will remain as the matters arising in the minutes of meetings until they are resolved.</p> <p>(2) The Company Secretaries assist the Board in fulfilling its fiduciary duties and leadership role in shaping the corporate governance ("CG") of PRG Group.</p> <p>The Company Secretaries play an advisory role to the Board and the Management, ensuring the compliance of the Board's decision and Management proposal align with the Company's Constitution, Policies and Procedures, CG best practices and its compliance with regulatory requirements, codes, guidance and legislations as well as the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").</p> <p>The Company Secretaries also monitor the development of CG and assist the Board in applying best practices to meet the Board's needs and stakeholders' expectations.</p>

	<p>(3) The Company Secretaries regularly update and keep the Board abreast on applicable new rules and regulations issued by regulatory authorities and any subsequent changes and advise the Board on the corporate disclosures' requirements and compliance applicable to the Group. The Company Secretaries will inform and remind the Board and the Principal Officers quarterly of the closed periods for dealings in the securities of the Company as prescribed under Chapter 14 of the Listing Requirements of Bursa Securities based on the targeted date of announcement of the Group's interim financial results.</p> <p>(4) For annual general meetings/ extraordinary general meetings, the Company Secretaries play an important role in ensuring that the due processes and proceedings are in place and properly managed and ensure that the minutes properly recorded the deliberations and/or questions raised by the shareholders.</p> <p>The Board is satisfied with the performance and assistance rendered by the Company Secretaries to the Board in discharging its functions.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board and its members will always have full access to information concerning the Company. The Management is responsible to provide the Board with all the information of which it is aware, to facilitate the review and discharge of the Board's responsibilities as well as the implementation of good corporate governance and compliance practice in the Company.</p> <p>The Board meets on a quarterly basis to review the Company's financial, operational and business performance and reports, amongst others. In order to facilitate effective time planning by the Directors, the annual meeting calendar setting out the scheduled dates for meetings of the Board and Board Committees is prepared and circulated well in advance before the end of the previous financial year. Exceptions will be given if urgent matters arise which require the Board's immediate attention. The annual meeting calendar also sets out the closed periods for dealings in the securities of the Company to be strictly adhered to by the Directors and Principal Officers based on the targeted date of announcement of the Group's interim financial results in every quarter.</p> <p>Prior to convening the scheduled meetings of the Board and Board Committees, notice of meetings and agendas are reviewed and disseminated to the Directors via email in advance. Members of Key Senior Management will be notified on same including the deadline for submission of the relevant papers/reports by respective heads of operating divisions for review by Management and for tabling at the meetings.</p> <p>With the assistance of the Company Secretaries, the Corporate Affairs Department compile the meetings papers for circulation to the Board Members vide email prior to the date set for the meetings to enable the Directors to review and peruse the papers and reports and consider the matters to be tabled and deliberated at the meetings and, if necessary, obtain further information or clarification from the Management so as to ensure the effectiveness of the proceedings of the meetings. Where necessary, relevant Senior Management personnel are invited to brief the Board or Board Committees and provide details or clarify on matters tabled for review and consideration at the meetings.</p>

	<p>The Management endeavours to circulate the meetings papers to the Board at least three (3) days prior to the meetings.</p> <p>The Board have full and unrestricted access to the advice and services of the Senior Management personnel and/or the Company Secretaries in the discharge of the Board’s duties and responsibilities. The Board is also allowed to seek advice from independent professional advisers when necessary, at the expense of the Company to allow them to discharge their duties effectively. All Independent Non-Executive Directors have access to the Group Executive Vice Chairman and/ or Senior Management personnel should there be any explanation or clarification needed on any aspects of the Group’s operations and/or management issues.</p> <p>Deliberations and decisions made at Board and Board Committee meetings are well documented and recorded in the minutes of meetings by the Company Secretaries, including matters where Directors abstained from voting or deliberation. The minutes will be circulated to the Board and Committees for review and will be confirmed as a correct record of the proceedings by the Board and Board Committees at their following respective meetings. Board’s decisions or matters requiring follow-up by the Management and/or respective divisions will be relayed accordingly for necessary actions by the parties concerned. The Company Secretaries will also follow up with the Management on status of actions taken with reference to the previous minutes of meetings to be updated to the Board at subsequent meeting. The action items will remain as the matters arising in the minutes of meetings until they are resolved.</p>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter adopted by the Company provides guidance and clarity with regards to the role of the Board and Board Committees, the requirements for Directors in carrying out their roles and in discharging their roles and responsibilities, amongst others. The Board Charter specifies matters reserved exclusively for review and approval by the Board. Amongst the matters set out in the Board Charter are the role, duties and responsibilities of the Board, the Chairman, the Independent Directors, the Group Executive Vice Chairman and the Executive Directors.</p> <p>The Board Charter is reviewed by the Board periodically in order to ensure that it remain consistent, relevant and in line with the changes in regulations and best practices applicable to the Group. Details of the Company's Board Charter is available on the Company's website at http://www.prg.com.my/investor-relations/. On 26 March 2024, the Board reviewed and approved certain revisions to the Board Charter for purpose of clarity and consistency with the updated MCGG.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	: Applied
Explanation on application of the practice	<p>The Code of Conduct ("Code") of the Group contains policies and guidelines that all Directors and employees are expected to adhere in performing their duties and daily functions. The establishment of the Code is to maintain discipline and order in the workplace among employees of all levels and also sets out consequences and actions to be taken in the event of violation / suspected violation of the Code. It is the responsibility of all Directors, employees and officers of the Company to comply with the Code and to report any violations or suspected violations thereto.</p> <p>As part of the Company's commitment to uphold the highest standard of the Code, the Whistle Blowing Policy and Guidelines aims to provide safe and acceptable platforms for all Directors, officers and employees to report unethical behaviour, suspected fraud or violation of the Company's Code and other concerns has been formulated and established.</p> <p>In line with the Government's commitment to combat corruption, the Company has adopted an Anti-Bribery and Corruption Policy in 2020 to ensure that the Group uphold and maintain the highest standard of integrity and ethical conduct of its business and operations as well as complying with all applicable laws including the Malaysian Anti-Corruption Commission Act 2009. The Group's Anti-Bribery and Corruption Policy provides, amongst others, guidance to all employees and associates of the Group to prevent bribery and corruption in all business dealings and also related matters such as proper reporting process and procedures. Details of the Code, Whistle Blowing Policy and Guidelines and Anti-Bribery and Corruption Policy are published on the Company's website at http://www.prg.com.my/investor-relations/.</p> <p>The Board reviewed the Code of Conduct on 26 March 2024 and will continue to review the same regularly to ensure it remains relevant and up to date.</p>

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

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has adopted a Whistle Blowing Policy and Guidelines in order to provide a platform for the employees and other individuals to report genuine concerns in relation to any violation or improper conduct or wrongdoing within the Group.</p> <p>The Whistle Blowing Policy and Guidelines provides an avenue for reporting of any breach or suspected breach of any law or regulation, including business principles and the Group’s policies and guidelines, in a safe and confidential manner. An employee who makes a report of improper conduct in good faith shall not be subject to unfair dismissal, victimisation, demotion, suspension, intimidation or harassment, discrimination, any action causing injury, loss or damage or any other retaliatory actions by the Group.</p> <p>Details of the Whistle Blowing Policy and Guidelines are set out on the Company’s website at http://www.prg.com.my/investor-relations/.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application :	Applied				
Explanation on application of the practice :	<p>The Company developed a two-tier sustainability governance structure to assure a coordinated approach in advancing our sustainability goals. Headed by the Board, it is accountable for setting the Group's direction towards sustainability.</p> <p>On 29 November 2024, the Company had set up the Sustainability Committee to strengthen its sustainability governance. The Sustainability Committee comprised of three (3) members, Mr. Lim Chee Hoong (Non-Independent Non-Executive Director), Dato' Wee Cheng Kwan (Executive Director) and Mr. Ji Haitao (Executive Director).</p> <p>The Board is supported by the Sustainability Committee ("SC"), which oversees the Group's sustainability strategy, ESG initiatives and implementation of sustainability practices into the business. The SC is also responsible for the overall integration of sustainability, including the sustainability framework, commitments, strategy, targets, and ensuring the credibility of material ESG topics disclosed in sustainability reporting.</p> <p>The details below underline the main functions and duties of each tier within the governance structure.</p> <table border="1"><thead><tr><th>Position</th><th>Roles and Responsibilities</th></tr></thead><tbody><tr><td>Board of Directors</td><td><ul style="list-style-type: none">Provides strategic oversight of the Group's overall sustainability agenda, strategies and climate-related risks and opportunities.Provides approval for sustainability strategies, policies, material sustainability matters and the annual Sustainability Statement proposed by the SC.</td></tr></tbody></table>	Position	Roles and Responsibilities	Board of Directors	<ul style="list-style-type: none">Provides strategic oversight of the Group's overall sustainability agenda, strategies and climate-related risks and opportunities.Provides approval for sustainability strategies, policies, material sustainability matters and the annual Sustainability Statement proposed by the SC.
Position	Roles and Responsibilities				
Board of Directors	<ul style="list-style-type: none">Provides strategic oversight of the Group's overall sustainability agenda, strategies and climate-related risks and opportunities.Provides approval for sustainability strategies, policies, material sustainability matters and the annual Sustainability Statement proposed by the SC.				

	<p>Sustainability Committee</p>	<ul style="list-style-type: none"> • Provides oversight of the establishment of sustainability strategies, priorities and targets, ensuring alignment with the Group’s goals, commitment and business strategies. • Provides oversight on the sustainability performance, processes, framework and strategies. • Assesses and manages ESG-related risks and opportunities, including climate-related risks. • Ensures strategic management of material sustainability matters and oversees implementation of approved strategies. • Oversees stakeholder engagement and the management of material sustainability matters. • Reviews the adoption and effectiveness of sustainability policies/standards and provides oversight and input for sustainability strategy implementation to align with the Group’s goals. • Performs other functions and exercise powers delegated by the Board.
	<p>The Terms of Reference of Sustainability Committee and Sustainability Policy is available on the Company’s website.</p>	
<p>Explanation for departure :</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure :</p>		
<p>Timeframe :</p>		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company integrates elements of sustainability into daily operations and communicate its initiatives at all levels within the organisation as the importance of sustainability and their impacts on the business deepens. The Company employs a stakeholder-driven approach to manage and pursue sustainability initiatives as part of its business strategy. The Group strives to continuously engage with these stakeholders to address their needs and concerns on issues related to the business operations, etc. with the opportunity to identify sustainability risks and opportunities through various measures as disclosed in the sustainability report.</p> <p>The Company place significant importance to the feedback provided by the stakeholders as their opinions are critical to our decision-making process, with far-reaching implications for both the financial and non-financial components of our value chain. To gather these valuable insights and understand the material concerns of our stakeholders, the Company engage with them through various channels to ensure our sustainability activities meets their specific needs and expectations.</p> <p>Details of the stakeholder engagements are set out in the Sustainability Statement in the Annual Report 2023.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.3

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

Application	: Applied						
Explanation on application of the practice	<p>The Board recognises and ensures that they keep abreast and provide stewardship in incorporating sustainability into the strategies of the Company and its business operations.</p> <p>The Group aim to minimise our environmental impact and address climate change by enhancing the Group’s energy management system and assisting others in transitioning into energy efficient operation.</p> <p>To bolster our climate action and better manage climate-related matters and disclosures, PRG plans to adopt TCFD recommendations and its four core elements: Governance, Strategy, Risk Management and Metrics and Targets.</p> <p><u>Governance</u></p> <p>The Board’s strategic oversight on climate-related risks and opportunities at PRG is integral to building a resilient and sustainable business strategy aligned with both environmental responsibility and long-term shareholder value.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Position</th> <th>Roles and Responsibilities</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td> <ul style="list-style-type: none"> • The Board exercises strategic oversight over the integration of sustainability strategies, policies and initiatives, including climate-related aspects into the business operations. • The Board reviews and provides approval for ESG key performance indicators (“KPIs”), encompassing indicators related to climate considerations </td> </tr> <tr> <td>Management Team</td> <td> <ul style="list-style-type: none"> • The SC monitors the implementation of sustainability initiatives and performance, including those that are climate-related. • The SC provides recommendations on sustainability initiatives and strategies to the Board, including those that are climate-related. </td> </tr> </tbody> </table>	Position	Roles and Responsibilities	Board of Directors	<ul style="list-style-type: none"> • The Board exercises strategic oversight over the integration of sustainability strategies, policies and initiatives, including climate-related aspects into the business operations. • The Board reviews and provides approval for ESG key performance indicators (“KPIs”), encompassing indicators related to climate considerations 	Management Team	<ul style="list-style-type: none"> • The SC monitors the implementation of sustainability initiatives and performance, including those that are climate-related. • The SC provides recommendations on sustainability initiatives and strategies to the Board, including those that are climate-related.
Position	Roles and Responsibilities						
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Management Team	<ul style="list-style-type: none"> • The SC monitors the implementation of sustainability initiatives and performance, including those that are climate-related. • The SC provides recommendations on sustainability initiatives and strategies to the Board, including those that are climate-related. 						

	<p><u>Strategy</u></p> <p>The assessment of climate related risks and opportunities is first entrusted to the SC, then subjected to consideration by the Board. Identifying these climate-related factors enables PRG to formulate strategies for adapting to and mitigating future climate events, enhancing the resilience of PRG’s business operations.</p> <p><u>Risk Management</u></p> <p>To mitigate potential financial implications, the Group outlined our objectives and actions which involve integrating processes for identifying, assessing and managing climate-related risks into our risk management framework.</p> <p><u>Metrics and Targets</u></p> <p>To quantify our progress in managing climate-related risks, we established metrics and targets that serve to accurately evaluate our sustainability efforts. These involve measuring our carbon emissions, waste, energy and water consumptions, expressing carbon emissions in tCO₂e, electricity usage in kWh, water consumption in m³ and waste generation in tonnes. We track and disclose our GHG emissions under Scope 1 and Scope 2, and will be initiating Scope 3 in the upcoming year.</p> <p>Further details of the Company’s approaches on the climate changes are set out in the Sustainability Statement in the Annual Report 2023.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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	:	In conjunction with the annual evaluation conducted by the Nomination Committee on the effectiveness and performance of the Board for the financial year ended 31 December 2023 (“FY2023”), relevant questions relating to the Management of sustainability and related measures and material matters on ESG have been incorporated into the questionnaires. The Board ensures that the consideration and management of sustainability risks and opportunities are the criteria encompassed in the annual evaluation of the Directors and effectiveness of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	The Nomination Committee, through the annual evaluation performed on the Board, Board Committees and individual Directors, reviewed the composition of the Board and Board Committees based on objective criteria, merit and with due regard of the appropriate size, diversity, required mix of skills, experience, age, cultural background, gender, core competencies, and adequacy of balance between Executive Directors, Non-Executive Directors and Independent Directors.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board presently consists of ten (10) members; comprising five (5) Executive Directors (including the Group Executive Vice Chairman and the Group Managing Director), three (3) Independent Non-Executive Directors (“INED”) and two (2) Non-Independent Non-Executive Directors.	
		The Company complies with Paragraph 15.02(1) of Main Market Listing Requirements (“Listing Requirement”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) which required 1/3 of the board of directors to be independent directors.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has assessed the INEDs of the Company and concluded that they are independent in character and judgement as they have provided unbiased, objective and independent view to Board deliberation, free from any relationships or circumstances which are likely to affect or could appear to affect their judgement and are also independent of management. The Board is of the view that they will continue to provide invaluable contributions to the Board as INEDs.</p> <p>In compliance with the amended Listing Requirements of Bursa Securities, the Board had on 25 May 2023 redesignated Mr. Lim Chee Hoong, the Independent Director who had served the Board for more than 12 years as a Non-Independent Non-Executive Director.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied																									
Explanation on application of the practice	:	<p>The Board encourages a diverse composition which include but is not limited to age, race, ethnicity, gender, experience, skills and competencies to facilitate effective decision-making process by providing different insights and perspective, amongst other attributes.</p> <p>The Board understands that a diverse board can offer greater depth and breadth and the diversity at senior management level will also provide constructive debate besides stimulating ideas which leads towards better decision making and results.</p> <p>The diversity in the race/ethnicity, age group and gender of the existing Board as of 31 December 2023 is as follows: -</p> <table border="1"><thead><tr><th rowspan="2"></th><th colspan="2">Race/ Ethnicity</th><th colspan="2">Gender</th></tr><tr><th>Malay</th><th>Chinese</th><th>Male</th><th>Female</th></tr></thead><tbody><tr><td>Number of Director</td><td>2</td><td>6</td><td>7</td><td>1</td></tr></tbody></table> <table border="1"><thead><tr><th rowspan="2"></th><th colspan="3">Age Group</th></tr><tr><th>40-49</th><th>50-59</th><th>60 and above</th></tr></thead><tbody><tr><td>Number of Director</td><td>5</td><td></td><td>3</td></tr></tbody></table> <p>The Board has in place the Diversity and Inclusion Policy with details provided in the Company's website at http://www.prg.com.my/investor-relations/.</p> <p>The appointment of Key Senior Management Personnel is also made with due regard to diversity in skills, experience, age, cultural background and gender. The profiles of the Key Senior Management Personnel are set out in the Company's Annual Report 2023.</p> <p>The diversity in the race/ethnicity, age group and gender of the Senior Management as of 31 December 2023 is as follows: -</p>		Race/ Ethnicity		Gender		Malay	Chinese	Male	Female	Number of Director	2	6	7	1		Age Group			40-49	50-59	60 and above	Number of Director	5		3
	Race/ Ethnicity			Gender																							
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	Age Group																	
	40-49	50-59	60 and above															
Number of Senior Management	1	3	1															
Explanation for departure :																		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																		
Measure :																		
Timeframe :																		

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination Committee is guided by the adopted Directors Fit and Proper Policy in carrying out its duties to identify and review candidates for appointment as Director on the Board.</p> <p>On its review of the proposed appointment of Datin Arlina binti Ariff (“Datin Arlina”) and Mr. Ng Khang Chyi (“Mr. Ng”) as a new members of the Board of Director of the Company during FY2023, the Nomination Committee reviewed the existing board structure and assessed amongst others, the experience, balance of skills, expertise and core competencies, as well as gender diversity of the Board, and noted that Datin Arlina and Mr. Ng met the criteria as set out in the Directors’ Fit and Proper Policy on character and integrity, experience and competence, time and commitment for effective discharge their role as Directors, and had accordingly submitted its recommendation to the Board.</p> <p>The Nomination Committee may use the services of professional recruitment firms or seek independent professional advice whenever necessary to source for the right candidate for directorship.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>For individuals standing for election as Directors of the Company (excluding directors standing for a re-election), the Board ensures shareholders are provided with the necessary information in order to make an informed decision on the appointment of Directors.</p> <p>The profiles of the Directors standing for re-election are set out in Directors' Profile section in the Annual Report. These include their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest. The information of their shareholdings (if any) were also set out in the Annual Report.</p> <p>The statement with details and justification to support the re-election of Directors are disclosed in the Explanatory Notes section of the Notice of AGM is also included in the Annual Report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	Tan Sri Datuk Seri (Dr) Mazlan bin Lazim, the Independent Non-Executive Director is the Chairman of the Nomination Committee.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board fully supports the diverse perspective and insights a female board member could bring to the effective functioning of the Board in the discharge of its duties.</p> <p>In line with the above and in compliance with the Main Market Listing Requirements of Bursa Securities, the Board has appointed Datin Arlina binti Ariff as an Independent Non-Executive Director on 20 April 2023. On 15 March 2024, the Board has appointed another female Independent Non-Executive Director, Ms. Joyce Tan Soo Yuen.</p> <p>At the subsidiary level, Ms Vivien Ho, the Chief Financial Officer of Furniweb Holdings Limited plays a significant role in the financial operations of the Group; and Ms Chriss Lee, the Director, Agriculture oversees the operation for the Agriculture Division.</p> <p>Though the Board is satisfied with the current size and composition of the Board, the Board may widen the pool with the appointment of more female directors and/or senior management personnel when opportunities arises or necessary.</p> <p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board understands that a diverse board can offer greater depth and breadth and the diversity at senior management level will also provide constructive debate besides stimulating ideas which leads towards better decision making and results.</p> <p>The Diversity and Inclusion Policy of the Company, amongst others, provides that selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural background, in addition to educational background, professional experience, skills and knowledge.</p> <p>The policy and procedure for recruitment and appointment of Directors are set out in the Directors' Fit and Proper Policy. The Board is guided by this policy in carrying out its responsibilities in respect of nomination, selection and appointment process with due regard to the experience, knowledge and expertise, balance of skills, core competencies and gender. The Board ensures that its composition not only reflects the diversity in gender but will also have the right mix of skills and balance for effective functioning of the Board and decision-making process.</p> <p>The Board may use the services of professional recruitment firms or seek independent professional advice whenever necessary to source for the right candidate for directorship.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Board carried out annual assessment on the effectiveness and performance of the Board, Board Committees and the individual Directors of the Company through the Nomination Committee facilitated by the Company Secretary. The Nomination Committee also assessed the independence of Independent Directors against the established criteria to ensure independent in character and judgement and that the Independent Directors would continue to provide unbiased, objective and independent view to the Board.</p> <p>The effectiveness of the Board and Board Committees is assessed through a set of questionnaires encompassing the Board's Structure, Board Composition, Board Operations, Board Roles and Responsibilities, Board Chairman's roles and responsibilities and Board Committees' performance.</p> <p>The assessment of individual Directors' contributions and performance was also carried out through questionnaires and the assessment criteria includes Director's Contribution to Interaction in Meetings, Quality of Input provided by individual Directors, Understanding of Role as well as the Board Chairman's Role.</p> <p>The independence of the Independent Directors is assessed through the Independent Directors' Self-Assessment Checklist, declarations and confirmations from the Independent Directors.</p> <p>The Board is satisfied that all the Independent Directors continue to provide their independent judgement and acted in the interest of the Company and its stakeholders during the financial year.</p>
Explanation for departure	:

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

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established the Remuneration Policy ensure fair remuneration package is set.</p> <p>The Board is mindful that fair remuneration is critical to attract, retain and motivate Directors and Senior Management personnel. The Board will be responsible for approving the remuneration strategy for Directors. In determining whether to approve the relevant level of remuneration, the Board will consider the recommendations from the Remuneration Committee, prevailing market conditions, performance of the individuals, the business strategies and objectives of the Group, amongst other factors.</p> <p>The Remuneration Committee will review and deliberate on the remunerations of the Directors at least once annually, or when necessary, propose for any amendments before submitting to Board for endorsement and subsequent shareholders' approval where applicable.</p> <p>The Remuneration Policy is reviewed by the Remuneration Committee at least once annually or when necessary to ensure it remains consistent with the objectives of the Company. The Remuneration Policy is available on the Company's website at http://www.prg.com.my/investor-relations/.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	The Remuneration Committee comprises wholly of Non-Executive Directors in order to ensure objective judgement and decision are made on the remuneration of the Directors. The responsibility of the Remuneration Committee includes establishing formal and transparent remuneration policies for Directors as stipulated in its Terms of Reference available on the Company's website at http://www.prg.com.my/investor-relations/ .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	Detailed disclosure on named basis for the remuneration of individual Directors of the Company for the financial year ended 31 December 2023 are set out 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	Dato' Lua Choon Hann	Executive Director	0	0	0	0	0	0	0	60	0	638	11	32	190	931
2	Dato' Wee Cheng Kwan	Executive Director	0	0	0	0	0	0	0	60	0	600	45	14	208	928
3	Ng Tzee Penn	Executive Director	0	0	0	0	0	0	0	60	0	53	0	0	0	113
4	Ji Haitao	Executive Director	24	2	0	0	0	0	26	24	2	145	0	0	0	170
5	Lim Chee Hoong	Non-Executive Non-Independent Director	70	3	0	0	0	0	73	70	3	0	0	0	0	73
6	Tan Sri Datuk Seri (Dr) Mazlan bin Lazim	Independent Director	60	3	0	0	0	0	63	60	3	0	0	0	0	63
7	Datin Arlina binti Ariff (appointed on April 2023)	Independent Director	42	2	0	0	0	0	44	42	2	0	0	0	0	44
8	Ng Khang Chyi (appointed on 1 September 2023)	Non-Executive Non-Independent Director	20	1	0	0	0	0	21	20	1	0	0	0	0	22
9	Elaine Foo Mei Lian (appointed on 30 November 2023, resigned on 15 December 2023)	Independent Director	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The disclosure of top five Senior Management Personnel's names and various remuneration components includes salary, bonus, benefits in-kind, and other emoluments would not be in the best interest of the Group due to confidentiality and security concerns. The Board is of the view that such disclosure would have adverse effect on the Company's talent retention in the highly competitive industry.</p> <p>The disclosure of Key Management's remuneration has been made in note 32(c) in the Audited Financial Statements of the Company for year ended 31 December 2023.</p> <p>The Board ensures that the remuneration of Key Senior Management Personnel is commensurate with the performance of the Company, with due consideration to attract, retain and motivate senior management to lead and run the Company successfully.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the ARMC and the Chairman of the Board are held by different individuals.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	The ARMC has adopted the policy that requires the observation of at least three (3) years cooling-off period for a former key audit partner to be appointed as a member of the ARMC and this has been incorporated in the Terms of Reference of the ARMC which is available on the Company's website at http://www.prg.com.my/investor-relations/ .	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC has established policies and procedures to assess the suitability and independence of the External Auditors of the Company. The ARMC conducts evaluation on the External Auditors annually against the established evaluation criteria in accordance with the Listing Requirements of Bursa Securities and key areas such as competency, communication, interaction and independence. At least twice a year and whenever necessary, the ARMC meets with the External Auditors without the presence of executive Board members or management personnel, to allow the ARMC to communicate independently with the External Auditors on matters concerning the Group.</p> <p>The External Auditors also rotates their Engaging Partner in charge of the financial statement audit of the Group once every 7 years in compliance with the requirements of the relevant professional body to maintain their independence from the Group. The ARMC is satisfied with the confirmation by the External Auditors that they are independent in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysia Institute of Accountants in relation to the audit of the financial statements of the Group for the year ended 31 December 2023.</p> <p>The ARMC also considered the provision of non-audit services by the External Auditors during the financial year and concluded that the provision of these services did not compromise the independence and objectivity as the amount of fees paid for the non-audit services were not significant.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied								
Explanation on application of the practice	:	<p>The Board acknowledges that the ARMC should be financially literate and are able to understand matters under the purview of the ARMC including the financial reporting process besides possess a wide range of necessary skills to discharge its duties.</p> <p>The ARMC reviewed financial related matters and carried out their responsibilities according to the Terms of Reference of ARMC. The activities carried out by the ARMC are set out in the Report of the Audit and Risk Management Committee in the Annual Report 2023.</p> <p>The Board took cognisance that all members of the ARMC should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.</p> <p>The training programmes attended by Directors during the financial year ended 31 December 2023 are set out as below:</p>								
		<table border="1"><thead><tr><th>Name</th><th>Date of Training</th><th>Subject</th></tr></thead><tbody><tr><td rowspan="2">Dato' Lua Choon Hann</td><td>17 August 2023</td><td>Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers</td></tr><tr><td>10 October 2023</td><td>Anti-Bribery Management (ABM) Awareness and Refresher Session for Board of Directors and Top Management</td></tr></tbody></table>	Name	Date of Training	Subject	Dato' Lua Choon Hann	17 August 2023	Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers	10 October 2023	Anti-Bribery Management (ABM) Awareness and Refresher Session for Board of Directors and Top Management
Name	Date of Training	Subject								
Dato' Lua Choon Hann	17 August 2023	Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers								
	10 October 2023	Anti-Bribery Management (ABM) Awareness and Refresher Session for Board of Directors and Top Management								

	Dato' Wee Cheng Kwan	17 August 2023	Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers
		10 October 2023	Anti-Bribery Management (ABM) Awareness and Refresher Session for Board of Directors and Top Management
		25 October 2023	Management of Cyber Risk
	Ji Haitao	17 August 2023	Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers
		10 October 2023	Anti-Bribery Management (ABM) Awareness and Refresher Session for Board of Directors and Top Management
	Ng Tzee Penn	10 October 2023	Anti-Bribery Management (ABM) Awareness and Refresher Session for Board of Directors and Top Management
	Tan Sri Datuk Seri (Dr) Mazlan bin Lazim		
	Ng Khang Chyi	10 October 2023	Anti-Bribery Management (ABM) Awareness and Refresher Session for Board of Directors and Top Management
		22 and 23 November 2023	Mandatory Accreditation Programme
	Lim Chee Hoong	2 February 2023	Towards Readiness for Employer's and Payroll Audit by LHDNM
		21 February 2023	Reinvestment Allowance & Automation Capital Allowance

		8 March 2023	Seminar Percukaian Kebangsaan 2023
		20 March 2023	2023 Budget Seminar
		16 May 2023	MIA Webinar Series: Equity Accounting, Joint Ventures, Joint Arrangements, and Joint Operations with case study illustrations
		14 June 2023	Taxation Course 2023: Module 2 - Malaysia Tax Deductible Expenses (In Collaboration with MAICSA)
		20 June 2023	Taxation Course 2023: Module 3 - Capital Allowance and Reinvestment Allowance (In Collaboration with MAICSA)
		26 June 2023	Taxation Course 2023: Module 4 - Business or Employment Income (In Collaboration with MAICSA)
		1 and 2 August 2023	National Tax Conference 2023
		24 August 2023	Cross Border Transactions and Withholding Tax
		7 September 2023	e-Invoicing
		8 September 2023	MIA Webinar Series: Compare and Contrast Asset Accounting – PPE, IP, Inventories, Biological Assets and Financial Assets
		4 October 2023	Essential Tax Updates in 2023

		11 October 2023	Transfer Pricing Conference 2023
		16 October 2023	E-Invoicing: Is Your Business Ready for New Regulations?
		18 October 2023	MFRS Updates 2023 & Understanding MFRS 136: Impairment of Assets - Principles, Concepts & Common Application Issues
		1 November 2023	2024 Budget Seminar
		16 November 2023	Seminar on “Corporate Talk 2023”: Transformasi Identiti Digital Melalui SSM Biztrust”
		20 December 2023	Seminar on “Corporate Talk 2023”: Business Review Reporting”
	Datin Arlina binti Ariff	5 and 6 July 2023	Mandatory Accreditation Programme
		25 July 2023	Finance Essentials for Non-Finance Directors
		10 October 2023	Anti-Bribery Management (ABM) Awareness and Refresher Session for Board of Directors and Top Management
		1 and 2 November 2023	Islamic Finance for Board of Directors Programme
	<p>The External Auditors also briefed the Directors on any changes to the accounting standards that may affect the Group’s financial statements from time to time during the ARMC meetings.</p>		

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

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The risk management and internal control framework have been adopted by the Company and reviewed periodically to ensure it is consistent and in line with the changes in regulations and best practices applicable to the Group.</p> <p>The ARMC oversees risk management matters and practices relating to the activities of the Group.</p> <p>Risk Management Teams (“RMTs”) are formed at each subsidiary level by the Manufacturing, Property Development & Construction, Agriculture and Energy Efficiency Divisions respectively and headed by the Managing Directors and Executive Directors of each Divisions, supported by the Divisions’ Heads. The RMTs in the discharge of their duties, will identify, evaluate and manage respective risks affecting their Divisions, and report to the ARMC on quarterly basis.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year 2023, the ARMC assists the Board in overseeing the risk management matters relating to the activities of the Group. The ARMC, assisted by RMTs reviews the risk management framework and process and monitors the effectiveness of risk treat/mitigation action plans for the management and control of identified key risks of each operating Division.</p> <p>The Board places significant emphasis on maintaining a sound system of internal control covering not only financial controls but also operational and compliance controls as well as risk management in order to safeguard shareholders’ investments and the Group’s assets. The Board continually reviews the adequacy and effectiveness of the internal control system to ensure it meets the Group’s objectives and manage the risks to which it is exposed.</p> <p>The Statement on Risk Management and Internal Control set out in the Company’s Annual Report 2023 provides an overview of the state of risk management and internal controls within the Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.3 - 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	:	<p>The Board recognises the importance of risk management and is committed to maintain a sound system of risk management and internal controls for the Group's business operations. The oversight function of these areas is delegated by the Board to the ARMC.</p> <p>The internal audit function for the Manufacturing Division is performed in-house undertaken by the Internal Audit Department ("IAD") whilst the internal audit function for the Property Development and Construction and Agriculture Divisions is outsourced to an independent consulting firm, GRC Consulting Services Sdn Bhd ("GRCCS"), to provide assurance and strengthen the effectiveness as well as the adequacy and integrity of the system of internal control of the Group.</p> <p>Both the in-house and outsourced Internal Auditors undertake independent assessments on internal control system and assure the ARMC that no material issue or major deficiency had been noted which would pose a high risk to the overall system of internal control under review. The Internal Auditors report directly to the ARMC every quarter in the discharge of their duties and responsibilities.</p> <p>In order to ensure the responsibilities of Internal Auditors are fully discharged, the ARMC reviews, amongst others:</p> <ul style="list-style-type: none">(i) the adequacy of the scope, competency, experience and resources of the internal audit function; and(ii) the internal audit plan, processes, the result of the internal audit assessments, investigations undertaken and whether or not appropriate actions are taken on the recommendations. <p>Further details of the activities of the internal audit function are set out in the Statement of Risk Management and Internal Control and Audit and Risk Management Committee Report (Internal Audit Function) in the Company's Annual Report 2023.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group's internal audit function for the Manufacturing Division is performed in-house and undertaken by the IAD and for the Corporate, Property Development & Construction and Agriculture Divisions, is outsourced to GRCCS.</p> <p>The IAD is headed by Mr Robert Loo, who has vast experience in internal audit. Mr Robert undertook professional study in Public Accountants and has more than 20 years' experience in internal audit field. The internal audit function is carried out in accordance with the International Standards for the Professional Practice of Internal Auditing, and guided by the COSO and ISO best practices.</p> <p>Presently, two (2) audit staffs including Mr Robert are assigned to undertake the internal audit review for the companies under the Manufacturing Division. The internal audit review is carried out in accordance with the approved Internal Audit Plan including follow-ups on previous identified audit findings.</p> <p>The Engagement Director of GRCCS is Mr. Affeiz Abdul Razak who has more than 20 years diverse professional experience in internal audit, risk management and corporate governance advisory. He is currently one of the Governors in The Institute of Internal Auditors Malaysia's (IIAM) Board as Board's Vice President I and had served previously as the Honorary Treasurer and Honorary Secretary of IIAM. He is a Chartered Member of Institute of Internal Auditors Malaysia – CMIIA, Certified Financial Services Auditor – CFSA (US) and has Accreditation in Internal Audit Function Assessment Validation by IIA (US), Associate Member of Association of Certified Fraud Examiners (US), Member of Business Continuity Institute (UK) – MBCI (UK), Affiliate Member of Institute of Risk Management (UK), Certified Business Continuity Institute (UK) Professional - CBCI with Merit (UK), Member of Institute of Corporate Directors Malaysia and Associate Member of Asian Institute of Chartered Bankers.</p>

	<p>The internal audit methodology adopted by GRCCS is in accordance with the International Professional Practices Framework and the Institute of Internal Auditors (IIA)'s International Standards for the Professional Practice of Internal Auditing in meeting the responsibilities of the Internal Auditors and the internal audit activities.</p> <p>GRCCS ensures that it deploy adequate staffs with necessary experience and qualifications for the internal audit reviews of the Group.</p> <p>The Internal Auditors have declared that they are independent and free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of effective, transparent and timely dissemination of information to the shareholders and investors to ensure that they are well informed of major developments of the Company and the Group. Such information is communicated to shareholders and investors through various disclosures and announcements to Bursa Securities, including the quarterly financial results, annual reports and where appropriate, circulars and/or press release.</p> <p>The Company leverages a broad range of communication channels to disseminate information regarding the Company. The communication channels would include public announcement via Bursa Securities, corporate website, social media, emails, road shows or events and general meetings of the Company.</p> <p>Apart from the announcements made through Bursa Securities, the Company also provides the Group's corporate and non-financial information including the Company's policies and procedures, corporate governance, Board Charter as well as Terms of Reference of each Board Committees at the Company's website at http://www.prg.com.my/investor-relations/. The notices of general meetings and minutes of general meetings are also made available on the Company's website. The information on the website is updated on a regular basis.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Annual Report 2022 of the Company together with the Notice Convening the 22 nd Annual General Meeting ("22 nd AGM") was sent to the registered shareholders on 27 April 2023, more than 28 days before the 21 st Annual General Meeting held on 25 May 2023. This allows the shareholders to make the necessary arrangements to attend and participate in person or appoint corporate representatives and/or proxy(ies) to attend on their behalf. It also enables the shareholders to consider the proposed resolutions to be tabled at the meeting and make an informed decision in exercising their voting rights at the general meeting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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	:	The Company ensures that all Directors including the Chairman of the Audit and Risk Management Committee, Nomination and Remuneration Committees as well as Key Senior Management Personnel attend the general meetings of the Company to support and provide meaningful response to the questions raised by the shareholders of the Company and engage interactive discussion on the business and performance of the Company, besides the resolutions tabled at the meeting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The 22nd AGM of the Company held on 25 May 2023 was conducted on a virtual basis through online meeting platform via Cloud AGM Platform operated by ARB Wemeet Sdn Bhd, the appointed Poll Administrator, to facilitate remote participation and voting by the shareholders or proxy holders.</p> <p>Participation at the AGM can be via personal smart mobile phones, tablets, personal computers or laptops and all eligible shareholders or proxy holders would receive email notification to enable them to participate and vote at the AGM using the Remote Participation and Voting ("RPV") facilities vide the e-Portal.</p> <p>The Administrative Guide which was furnished to the shareholders in advance provides guidance and detailed information for pre-registration by the shareholders or appointment of proxy or corporate representative and submission of proxy form in order to participate at the AGM remotely and exercise their rights including voting on the resolutions proposed at the AGM.</p> <p>The Company appointed Aegis Communication Sdn Bhd as Scrutineers to verify the poll results for the AGM.</p> <p>(a) Remote shareholders' participation</p> <p>The online registration by shareholders for remote participation was opened forty-eight (48) hours before the AGM.</p> <p>After the registration was validated and accepted, an email notification was sent to the shareholders.</p> <p>(b) Voting in absentia</p> <p>All shareholders/proxies attended the AGM remotely via live streaming had also voted via the RPV facilities until the close of the voting session announced by the Chairman.</p>

	The poll results for the resolutions tabled were duly verified by the Scrutineers and announced by the Chairman of the meeting. The announcement on the poll results were then submitted to Bursa Securities on the same day. The Minutes of the AGM, upon approval by the Chairman were made available on the Company's website within the prescribed timeline.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: The 22 nd AGM was conducted on a virtual basis through live streaming from the broadcast venue at the Corporate Office. The Company issued the Annual Report 2022 together with the Notice convening the 22 nd AGM on 27 April 2023 and the Administrative Guide with guidance for registration and participation at the virtual meeting. Shareholders or proxies submitted their questions relating to the business operations of the Company via the real time submission of typed texts through the "Ask Question" button in the website during the live streaming of the 22 nd AGM. The questions posted at the meetings were duly addressed by the Company before commencement of the voting process.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: The Company held its virtual 22 nd AGM on 25 May 2023. RPV facilities were provided by the Poll Administrator at the said AGM to allow shareholders or proxy holders to participate and pose questions via typed texts through the “Ask Question” button in the website. As provided in the Administrative Guide, participation at the AGM can be via personal smart mobile phones, tablets, personal computers or laptops, and the preferred application program for maximum functionality. Shareholders are free to reach out to the Poll Administrator for any e-services assistance for registration and/or access to the e-Portal. Shareholders or proxies were given the opportunity to submit their questions relating to the resolutions tabled and/or the business and performance of the Company at the Meeting electronically through the “Ask Question” button in the website during the live streaming of the 22 nd AGM. The Company will endeavour to respond to the questions submitted by the shareholders or proxies at the Meeting. The questions posed by the shareholders had been made visible to all meeting participants during the meeting.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The Minutes of the 22 nd AGM have been made available to the shareholders no later than 30 business days after the AGM at the Company's website at https://www.prg.com.my/agm/ .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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

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