

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5084
COMPANY NAME : IBRACO BERHAD
FINANCIAL YEAR : December 31, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is collectively responsible for the stewardship of the Group's business and affairs, setting and ensuring that the strategic plan supports long-term value creation and includes economic, environmental, social and governance considerations underpinning sustainability.</p> <p>The Management, led by the Group Managing Director ("GMD"), is responsible for the day-to-day operation of the Group's business activities in accordance with the direction of the Board.</p> <p>The Board has established various Board Committees to assist the Board in the running of the Group. The Board Committees are:</p> <ul style="list-style-type: none">(i) Audit committees ("AC");(ii) Nomination and Remuneration Committee ("NRC");(iii) Risk Management Committee ("RMC"); and(iv) Sustainability Committee ("SC"). <p>The terms of reference of each of the Board Committees are available on Ibraco's website at www.ibraco.com.</p> <p>The Board is committed to conduct business operations integrate with good corporate governance practice throughout the Group, which reinforces ethical, prudent and professional behaviour, with reference to the Malaysian Code on Corporate Governance ("MCCG") in discharging its duties and responsibilities.</p> <p>The Board reviewed and deliberated the Management's proposed annual target, providing guidance and feedback to the Management on the business opportunities as well as the enterprise and climate risks to ensure the targets set are met and in line with the Company's long-term objectives.</p> <p>The Company's Board Charter has established clear functions reserved</p>

	<p>for the Board and those delegated to the Management. The Company has adopted a set of Code of Conduct and Ethics and various governance policies to establish a strong corporate culture to guide Directors and employees to commit themselves to ethical standards and conduct at work.</p> <p>Whistle-blower Policy has also been established to encourage all employees or members of the public to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity, and in an appropriate way.</p> <p>The Board Charter, Code of Conduct and Ethics, Whistle-blower Policy and Anti-Bribery and Corruption Policy are available on Ibraco's website at www.ibraco.com.</p> <p>The Board supervises and assesses the Management's performance via various measurements, namely the financial performance to be reported by the Management quarterly, and NRC's yearly assessments on the performance of the Board, Board Committees, and individual directors.</p> <p>The RMC assists the Board in overseeing the overall management of principal areas of risk of the Group. The RMC reports to the AC on the overall Group Risk Profile annually. The RMC will report separately to the AC on the additional new risks (if any) should there be any new proposal or project.</p> <p>The Board promotes effective and timely communication with its stakeholders to build investor confidence. A dedicated Investor Relations section is available on the Company's website at www.ibraco.com. Information released on Bursa Malaysia Securities Berhad is made available immediately after the announcement, and all newsletters issued by the Company are made available on the Company's website.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

Practice 1.2

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 roles and responsibilities of the Chairman of the Board are clearly defined in the Board Charter, which is available on Ibraco's website at www.ibraco.com.</p> <p>The Chairman providing leadership for the Board to ensure the effectiveness of the Board functions, and encourages participation and deliberation by all the Board members.</p> <p>The Chairman, who is assisted by the company secretary, sets the board agenda for each meeting and ensures adequate time is allocated for discussion of issues tabled to the board for deliberation. Directors receive complete and accurate information in a timely manner prior to Board meetings.</p> <p>The Chairman's good leadership is acknowledged by the rating that is above average via the Self and Peer Assessment of the Board Members in the annual Board Effectiveness Evaluation.</p> <p>The Chairman also maintains harmonious and open lines of communication with the GMD.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>To ensure balance of authority and power, the role of Chairman and CEO are held by two different individuals:</p> <p>(i) Mr. Ng Cheng Chuan – Chairman (ii) Datuk Chew Chiaw Han – GMD (equivalent to CEO)</p> <p>The Chairman is responsible for setting the tone at the top, and ensuring the effectiveness of the Board functions, while the GMD spearheads the business and day-to-day management of the Company.</p> <p>The roles and responsibilities of the Chairman and GMD are clearly defined in the Board Charter, which is available on Ibraco's website at www.ibraco.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.

Application	:	Applied
Explanation on application of the practice	:	Mr. Ng Cheng Chuan, the Chairman of the Board is not a member of any Board Committee for the year ended 31 December 2024 and has not received invitations from Ibraco's Board Committees to participate in any meetings held to maintain independence. Mr Ng Cheng Chuan solely focuses on executing his fiduciary duties as Chairman of the Ibraco Board as provided for in Practice 1.2.
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>Both Company Secretaries of Ibraco Berhad are qualified to act as company secretary under Section 235(2) of the Companies Act 2016, i.e. under approved bodies of Malaysian Institute of Accountants ("MIA") and Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA").</p> <p>The joint Company Secretaries regularly update and advise the Board on statutory and regulatory requirements, on the resultant implications of any changes in regulatory requirements to the Company and Directors in relation to their duties and responsibilities. The joint Company Secretaries also oversee adherence to Board policies and procedures, brief the Board on the proposed contents and timing of material announcements to be made to regulators, as well as any changes to regulatory requirements that may affect the Company and the Board.</p> <p>The in-house Company Secretary ensures the timely circulation of Board papers ahead of Board meetings. This practice allows Directors ample time to review the materials, seek clarification from Management or Company Secretaries, and consult independent advisers, if necessary, before the meetings. Moreover, the in-house Company Secretary also attends all Board and Board Committee meetings, and ensures meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained accordingly.</p> <p>In addition, the in-house Company Secretary contributes to the onboarding process for new directors, playing a key role in orientation and providing support for director training and development initiatives.</p> <p>The Company Secretaries play an important role in the annual general meeting ("AGM") to ensure the due processes and proceedings are in place and properly managed. The Company Secretaries will assist the Chairman and the Board to conduct the AGM and ensure the minutes are properly recorded, particularly the queries raised by the shareholders.</p>

	The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging its functions.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>The annual calendar of Board meetings, Board Committees meetings and the AGM is circulated in advance to ensure sufficient time is given to the Directors to plan their schedules and enable them to attend the meetings. Board committee meetings were conducted separately from the board meeting to enable objective and independent discussion during the meeting.</p> <p>Notices of meetings are circulated at least seven (7) days prior to the date of Board and Board Committees meetings, except for special meetings convened to discuss urgent matters. The meeting materials are circulated to Board or Board Committee members five (5) business days in advance of the meetings, in order to ensure the members, have sufficient time to review the relevant materials and be prepared for the meetings.</p> <p>The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including matters where Directors abstained from voting or deliberation. The in-house Company Secretary will communicate with the relevant Management of the Board's decisions/recommendations for appropriate actions to be taken. All decisions/recommendations will be follow-up with the Management on the status of actions taken, and the action items would stay as 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 was established and formalised, which sets out the roles and responsibilities of the Board and serves as a reference for Board activities and those delegated to the Management. The roles and responsibilities of the Chairman, GMD, Executive Directors, Non-Executive Directors and Senior Independent Director are clearly defined in the Board Charter.</p> <p>The Board Charter undergoes periodic reviews to align with evolving legal, regulatory and business norms. Throughout the year, the Board Charter was reassessed to guarantee a Board composition ranging from a minimum of three (3) to a maximum of eleven (11) Directors. The NRC shall conduct an annual review to ensure an appropriate well-balanced mix of skills, experience and diversity in the Board, explicitly defining the roles of non-executive directors and senior independent director.</p> <p>The Board Charter is available on Ibraco's website at www.ibraco.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has adopted a set of Code of Conduct and Ethics to establish a strong corporate culture to guide Directors and employees to commit themselves to ethical standards and conduct at work.</p> <p>Besides that, the Board has also established a set of Anti-Bribery and Corruption Policy to commit integrity in conducting business in accordance with the guidance of the Guidelines on Adequate Procedures issued pursuant to section 17A(5) of the Malaysia Anti-Corruption Commission Act 2009.</p> <p>All new directors and employees are briefed on the Code of Conduct and Ethics and the Anti-Bribery and Corruption Policy during their induction and orientation process upon joining the Group.</p> <p>The Anti-Bribery and Corruption Policy is served as Ibraco's overall position on bribery and corruption in all its forms and Directors are bound to this Policy and shall act professionally with integrity in their performance of their duties. The Anti-Bribery and Corruption Policy is also extended to our business associates.</p> <p>Both the Code of Conduct and Ethics and the Anti-Bribery and Corruption Policy are subject to periodical review, and are accessible on Ibraco's website at www.ibraco.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
------------------	---	--	--

Intended Outcome

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 Whistle-blower Policy has been established to encourage all employee or members of the public to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity, and in an appropriate way.</p> <p>This Policy provides an avenue for employees and members of the public to report without fear of reprisals and safeguard such person’s confidentiality, and provide a transparent and confidential process for dealing with concerns.</p> <p>The reporting procedure is clearly defined in the Policy, which is available on Ibraco’s website at www.ibraco.com. The AC is responsible for reviewing the Whistle-blower Policy while the administration of the Policy is performed by the Group Internal Auditor (“GIA”). If there is a need to contact someone other than the GIA or Company Secretary, the whistleblower should contact the AC Chairman (Senior Independent Non-Executive Director).</p> <p>There was no whistle-blower complaint raised during FY2024.</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>Under the stewardship of the Board, the Sustainability Committee is put in place to oversee and ensure the Group responsibly conducts its business, concerning its impact on the environment, economy and society. The Sustainability Committee executes its roles and responsibilities as prescribed by its TOR.</p> <p>The Sustainability Committee, which is chaired by an Independent Non-Executive Director, is assisted by the Sustainability Working Committee, which comprises the Heads of Departments to discharge duties of embedding a sustainability culture in our daily business.</p> <p>Further details on the sustainability governance structure are provided in the Sustainability Statement of the Annual Report 2024.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Sustainability Committee has identified sustainability matters related to Ibraco’s property development, construction, manufacturing activities and club operation, assessing their impact on the environment, economy and society, including the needs and expectations of stakeholders. It has also incorporated material sustainability matters into the risk management framework to ensure they are addressed as part of the organisation’s risks and opportunities. All material sustainability matters are handled by relevant departments, where sustainability development is linked to their departmental key performance indicators.</p> <p>The detailed approach of the sustainability strategies, priorities and targets, as well as performance, are set out in the Sustainability Statement of the Annual Report 2024.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

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>All Board members continue to keep themselves abreast with the latest developments in the area of Environment, Social and Governance. Directors take it upon themselves to avail themselves of available information and to attend training sessions on sustainability topics.</p> <p>The Board received briefings from the Management regarding sustainability issues pertinent to the Group guided by the Group’s policy within the domain of Economic, Environment and Social aspects, encompassing considerations of climate transition risks and physical risks.</p> <p>The Group’s commitment towards sustainability is set out in the Sustainability Statement of the Annual Report 2024.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The NRC carried out an annual assessment of the performance of the Directors as well as the GMD. Within the evaluation, individuals are assessed on their contribution and commitment towards the Group Sustainability targets.</p> <p>The KPIs of Senior Management's performance in addressing the Company's material sustainability risks and opportunities have been incorporated in the annual performance evaluation.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Sustainability Manager is the designated person within the working levels of the Group to coordinate managing sustainability-related matters.

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The composition, balance and size of the Board is reviewed by the NRC annually to ensure an appropriate balance of skills, experience and diversity, which include the skill sets, experience and functional knowledge of its members.</p> <p>To ensure a person to be appointed or elected/re-elected as a Director of the Company possesses the necessary quality and character as well as integrity, competency and commitment, the Board is guided by the Directors’ Fit and Proper Policy which is available on Ibraco’s website at www.ibraco.com</p> <p>During FY2024, the NRC conducted a review of:</p> <ul style="list-style-type: none"> the performance and contribution of each Director for recommending whether the retiring Director should be nominated for re-election at the forthcoming Annual General Meeting (“AGM”); the mix of skills, knowledge, professionalism, integrity, diversity, experience, and other qualities to enable the Board to function completely and efficiently as well as the size, structure and composition of the Board. <p>Based on the advice of the NRC and its own deliberation, the Board is satisfied with the performance of all directors and has consequently endorsed their re-election.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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 has fulfilled the Listing Requirements 15.02(1) of Bursa Securities that at least 1/3 of the Board must be Independent Directors.	
		The Board also acknowledged that MCCG called upon companies to have at least half of the Board composed of Independent Directors in order to foster greater objectivity in the boardroom. However, the Directors, with their diverse professional backgrounds and specialisations, collectively bring considerable knowledge, independent judgements and expertise to the Board. Further, with the current Board composition, there is no disproportionate imbalance of power and authority on the Board between the Non-Independent and Independent Directors.	
		The Board assessed the independence of each Independent Director on annual basis in addition to annual self-declaration of independency by the Independent Director. All the Independent Directors satisfied the independence criteria as set out in the Listing requirement.	
<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	:	To date, none of the independent directors has served more than nine (9) years on 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

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC assesses the suitability of the candidates before recommending the candidates to the Board for appointment. The Board and the NRC take into account the diversity in skills, experience, age, cultural background and nationality when seek for potential candidates.</p> <p>The Directors' Fit and Proper Policy adopted by the Board will serve as a guide for the NRC and the Board in their review and assessment of candidates.</p> <p>For the financial year under review, the NRC has conducted its annual assessment of the Board, Board Committees, Individual Directors and the performance of GMD using a set of detailed questionnaire completed by Directors. The scope of assessment covered the following:-</p> <ul style="list-style-type: none">(i) the mix of skills, expertise, composition, size and experience required by the Board;(ii) the contribution and effectiveness of Individual Director via peers and self-assessment;(iii) the effectiveness of the Board and its committees;(iv) assess the independence of the Independent Directors; and(v) the composition, effectiveness, competency and performance of the AC and the performance of the GMD. <p>The results of the assessment were compiled by the Company Secretary and tabled to the Board for review and deliberation. The Board are satisfied that the size of the Board and those of the various committees are optimum and concluded that the composition of the Board has an appropriate mix of skills and core competencies and that all the members of the Board and various committees are suitably qualified to hold their portions as Directors in view of their respective academic and professional qualifications, experience and qualities.</p>
Explanation for departure	:	

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

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board does not solely rely on recommendations from existing Board Members, Management or Major Shareholders. The NRC is guided by its Terms of Reference and Fit and Proper Policy in carrying out its responsibilities in respect of the nomination, selection and appointment process in Ibraco.</p> <p>The search methods employed by Ibraco’s NRC in finding suitable candidates include considering recommendations of directors of other listed companies from business associates and through other networking sources.</p> <p>During the year under review, there is no appointment of new director.</p> <p>All new appointments to the Board are strategically made in alignment with the Group’s needs, concurrently enhancing the Board’s skills mix to respond to evolving developments.</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>The information of the Board of Directors and their respective profiles, position, age, gender, nationality or relationship are included in the Board of Directors' Profile in the Annual Report 2024 on page 5 to 8, whereas their interest is included in the Analysis of Shareholdings on page 171.</p> <p>In accordance with the Directors' Fit and Proper Policy, Directors seeking re-election must satisfy fit and proper criteria pertaining to Character and Integrity, Experience and Competence, and Time and Commitment.</p> <p>The Board, through the NRC had undertaken an annual assessment of the Directors who are seeking re-election pursuant to the Company's Constitution before including in the explanatory note of notice of AGM in the Annual Report 2024.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The NRC is chaired by Mr. Chin Mui Khiong, who is a Senior Independent Non-Executive Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at the Board level as an essential element towards achieving sustainable business growth.</p> <p>The Board now consists of four (4) women Directors out of a total of seven (7) Directors, representing 57% of the Board composition.</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 5.10

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 has adopted a Board Diversity Policy, which is available on Ibraco's website at www.ibraco.com and also disclosed in the annual report.</p> <p>Recruitment of senior management and staff has also taken into account gender diversity, the information is disclosed on pages 38 and 39 of the Annual Report 2024.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	: For the financial year under review, the NRC has conducted its annual assessment of the Board, Board Committees, Individual Directors and the performance of GMD using a set of detailed questionnaire completed by Directors. The scope of assessment covered the following:- (i) the mix of skills, expertise, composition, size and experience required by the Board; (ii) the contribution and effectiveness of Individual Director via peers and self-assessment; (iii) the effectiveness of the Board and its committees; (iv) assess the independence and tenure of the Independent Directors; and (v) the composition, effectiveness, competency and performance of the AC and the performance of the GMD. The results of the assessment were compiled by the Company Secretary and tabled to the Board for review and deliberation. The Board are satisfied that the size of the Board and those of the various committees are optimum and concluded that the composition of the Board has an appropriate mix of skills and core competencies and that all the members of the Board and various committees are suitably qualified to hold their portions as Directors in view of their respective academic and professional qualifications, experience and qualities.
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 Group’s 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.</p> <p>100% of directors and employees receive a performance assessment or appraisal. Directors and senior management are assessed based on set criteria.</p> <p>The Board as a whole, decides fees payable to Non-Executive Directors before they are presented for approval by shareholders at the AGM. Individual directors recusing themselves from discussions and decisions regarding their own remuneration package.</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 level and composition of remuneration of directors and senior management take into account the company’s desire to attract and retain the right talent in the board and senior management to drive the company’s long-term objectives.

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

Practice 7.2

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Terms of Reference (“TOR”) of NRC is accessible on Ibraco’s website at www.ibraco.com.</p> <p>The TOR empowered the NRC to review and recommend the remuneration packages of both Non-Executive and Executive Directors and subsequently for shareholders’ approval. The NRC has delegated to the GMD to determine the remuneration package for Senior Management. At present, Ibraco’s Board and Senior Management remuneration remain fair and competitive to attract and retain the right talent in Ibarco to drive Ibraco’s long-term objectives.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The disclosure of all Directors remuneration including fees, allowances and emoluments is shown in the Corporate Governance Statement in the Annual Report 2024.

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	Datuk Chew Chiaw Han	Executive Director	Input info here	Input info here	1,200,000	600,000	53,127	216,000	2,069,127	18,000	Input info here	1,200,000	600,000	53,127	216,000	2,087,127
2	Lily Tang Lee Lin	Executive Director	Input info here	Input info here	276,000	92,000	14,729	47,940	430,669	30,000	Input info here	276,000	92,000	14,729	47,940	460,669
3	Junijah Binti Ismail	Independent Director	75,000	Input info here	Input info here	Input info here	Input info here	Input info here	75,000	75,000	Input info here	Input info here	Input info here	Input info here	Input info here	75,000
4	Sharifah Deborah Sophia Ibrahim	Non-Executive Non-Independent Director	48,000	Input info here	Input info here	Input info here	Input info here	Input info here	48,000	56,400	Input info here	Input info here	Input info here	Input info here	Input info here	56,400
5	Ng Cheng Chuan	Non-Executive Non-Independent Director	240,000	Input info here	Input info here	Input info here	Input info here	Input info here	240,000	240,000	Input info here	Input info here	Input info here	Input info here	Input info here	240,000
6	Wong Siaw Wei	Independent Director	84,500	Input info here	Input info here	Input info here	Input info here	Input info here	84,500	84,500	Input info here	Input info here	Input info here	Input info here	Input info here	84,500
7	Chin Mui Khiong	Independent Director	96,500	Input info here	Input info here	Input info here	Input info here	Input info here	96,500	96,500	Input info here	Input info here	Input info here	Input info here	Input info here	96,500
8	Guido Paul Philip Joseph Ravelli	Non-Executive Non-Independent Director	21,000	Input info here	Input info here	Input info here	Input info here	Input info here	21,000	21,000	Input info here	Input info here	Input info here	Input info here	Input info here	21,000
9	Input info here	Independent Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company does not comply with Practice 8.2 to disclose the top five senior management's remuneration component in bands of RM50,000 on a named basis due to confidentiality, negative impact arising from the disclosure and to maintain a stable working environment for long-term strategic goals.	
		The Nomination and Remuneration Committee ensures that the remuneration packages of the Senior Management Personnel are competitive and fair to retain and motivate executives while aligning their interests with the Group's long-term strategies. The executive remuneration packages are determined by considering individual responsibilities, skills, expertise, experiences and contributions to the Group's performance.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The AC comprises three (3) members, the majority of them being Independent Non-Executive Directors.</p> <p>Mr. Chin Mui Khiong is the Chairman of the AC and he is not the Chairman of the Board. He is a qualified accountant and a member of the MIA.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group applies this practice of a cooling-off period, which is clearly stated in Terms of Reference of the AC which can be found on www.ibraco.com.</p> <p>None of the members of AC were key audit partners of the External Auditors.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	: Applied
Explanation on application of the practice	<p>The AC together with the CFO/Executive Director assessed the performance, suitability and independence of the external auditors according to the External Auditors Assessment Policy.</p> <p>The external auditors, Messrs. Crowe Malaysia PLT (“Crowe”) has tabled the 2024 Audit Plan to the AC, which outlines its engagement team, audit timeline, the areas of audit emphasis, and its focus on key audit matters.</p> <p>In year 2024, the AC undertook its annual assessment of the suitability, effectiveness and independence of the external auditors, taking into consideration the Management’s feedback on external auditors’ performance. Assessment questionnaires were used as a tool to obtain input from the personnel who had substantial contact with the external auditors throughout the year. External auditors’ performance was rated using a five-point scale on their ability to provide advice, suggestions or clarifications relating to the presentation of financial statements, ability to provide realistic analysis of issues using technical knowledge and independent judgement, and maintain active engagement, through both verbal and written communication during the audit process, including their responsiveness to issues.</p> <p>Crowe also provided a written assurance that they had been independent throughout the audit engagement for FY2024 in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>Having collectively assessed the external audit function, the AC concluded that they were satisfied with the performance, suitability and independence of the external auditors. Accordingly, the re-appointment Crowe as auditors of the Company was being recommended by the AC to the Board.</p>

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

Intended Outcome

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 AC members have a wide range of necessary skills, knowledge and experiences to discharge their duties. The AC Chairman, Mr Chin Mui Khiong and member, Ms Wong Siaw Wei are both certified accountants and members of the MIA.</p> <p>The profile of each AC member is set out in the Profile of Directors of Ibraco 2024 Annual Report.</p> <p>The AC members are financially literate, and have carried out their duties in accordance with the Terms of Reference of the AC, where the AC members review the quarterly results and year-end financial statements, focus particularly on:</p> <ul style="list-style-type: none">• changes in or implementation of major accounting policy changes;• significant matters highlighted including financial reporting issues;• significant judgements made by Management, significant and unusual events or transactions, and how these matters are addressed;• compliance with accounting standards and other legal requirements; and• any related party transactions and conflict of interest situation that may arise within the Company and the Group including any transaction, procedure or course of conduct that raises questions of Management's integrity. <p>The AC also seeks explanations and additional information from the CFO and the Senior Management in regard to the financial performance and the preparation of the financial statements. During FY2024, the AC members have attended conference and training on areas relevant to their duties and responsibilities to keep</p>

	<p>themselves abreast of the latest developments in accounting and auditing standards, practices and rules, as well as training related to climate change.</p> <p>The Board is satisfied with the AC's performance as its chairman and members possess the necessary knowledge, experience, expertise and skills which contributed to the overall effectiveness of the AC.</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

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of the roles of sound risk management and internal control system in promoting good corporate governance. The risk management and internal control system is designed to gear the Group into meeting its business goals and objectives and to manage the risks to which it is exposed, where the Board and the Management acknowledge that such risks cannot be completely eliminated but to manage within an acceptable risk and can only provide reasonable and not absolute assurance against any risk of material errors, frauds or losses occurring.</p> <p>Both the AC and RMC play an active role, coupled with internal personnel, to effectively mitigate and manage risks. The RMC assists the Board, identifying, evaluating, monitoring and reporting risk areas, providing control measures and updates to the AC on a timely basis. The AC reviews and approves risk-based internal audit plan to ensure that business objectives of the Company are achieved, ensure timely completion of audit plan, and the effectiveness and implementation of any corrective action plans proposed.</p> <p>The Statement on Risk Management and Internal Control is set out in Ibraco 2024 Annual Report.</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>Ibraco's Enterprise Risk Management ("ERM") is supported by a triple line of defence approach that enable risks to be quickly identified, tracked and managed accordingly. The Board via the AC reviews the adequacy and effectiveness of the risk management framework and internal controls as well as policies and compliance procedures in respect of key business practices. The Internal Audit Department assists the AC in evaluating the effectiveness of the Company's risk management and Internal control system via its Internal Audit Plan.</p> <p>The Board has received assurance from the CFO and GMD that Ibraco's risk management and internal control framework is operating adequately and effectively.</p> <p>The features of the risk management and internal control framework, and the adequacy and effectiveness of this framework are set out in the Statement of Risk Management and Internal Control of Ibraco 2024 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

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>Ibraco Group has established an in-house Internal Audit Department, which is led by GIA, who reports directly to the AC, to assist the AC in discharging its duties and responsibilities. The Department undertakes regular, independent and systematic reviews of the internal control system so as to provide reasonable assurance that such systems will continue to operate effectively, efficiently and economically in accordance with the Group's overall objectives and goals.</p> <p>The in-house Internal Audit Department is guided by the Internal Audit Charter as well as the Professional Practices Framework in assessing the reporting on the adequacy and effectiveness of the internal control, anti-corruption, whistle-blowing, governance and risk management processes.</p> <p>Internal Audit Charter emphasises that independence is essential to the effectiveness of the Internal Audit function. As guided by the Charter, the internal audit has no direct authority or responsibility for the activities it audited. The internal audit has no responsibility for developing or implementing procedures or systems and does not prepare records or engage in original line processing functions or activities. The GIA has direct access and unrestricted access to the AC, Management and the Board. Periodic meetings, without the presence of Management are held between the GIA and the AC.</p> <p>The Board is responsible for approving any change to the position of the GIA, and the AC will be consulted as part of the process.</p> <p>The AC is responsible for reviewing the responsibilities and staffing of the Internal Audit Department and also the quality control procedure of the Department.</p> <p>The GIA annual Audit Plan is reviewed and approved by the AC. The results of the audits as disclosed in the IA reports were reviewed by the AC, and the relevant Management members are responsible to ensure that corrective actions on reported weaknesses were taken within the required timeframes.</p> <p>The AC is satisfied that the internal auditors' independence has been maintained as adequate safeguards are in place.</p>

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

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The in-house Internal Audit Department is guided by the Internal Audit Charter as well as the Professional Practices Framework in assessing the reporting on the adequacy and effectiveness of the internal control, governance and risk management processes. Internal Audit Charter emphasises that independence is essential to the effectiveness of the Internal Audit function. As guided by the Charter, internal audit has no direct authority or responsibility for the activities it audited. The internal audit has no responsibility for developing or implementing procedures or systems and does not prepare records or engage in original line processing functions or activities.</p> <p>The IA Department is led by the GIA. The GIA, Ms. Denise Yong Hui Hui, is a member of the MIA and CPA Australia. The AC has conducted an annual appraisal and assessment of GIA’s performance and Internal Audit function. The AC was satisfied with the competency, experience and resources of the Internal Audit function for discharging its role and responsibilities. The GIA is assisted by an Internal Audit Executive.</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

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 acknowledges the importance of communication with the stakeholders of the Group's businesses and corporate developments.</p> <p>The Board has set out Shareholders' Communication Policy that covered standards and requirements in relation to communicating with the shareholders, which is available on Ibraco's website at www.ibraco.com.</p> <p>A dedicated Investor Relation section is available on Ibraco's website, where information released by the Company to Bursa Malaysia Securities Berhad is made available immediately after the announcement.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	It is the Company's practice to send out the Notice for AGM to shareholders 28 days prior to the date of the AGM. In addition to sending notice, the Company also published the AGM Notice in the newspapers and on its website.	
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The 52 nd AGM was held on 24 May 2024, all directors attended the meeting except Mr Ng Cheng Chuan due to his travelling commitment.	
		All Board members are aware of their duty to attend all General Meetings of the Company. Barring unforeseen circumstances, all Board members will attend all forthcoming General Meetings of the Company.	
		Board of Directors are encouraged to attend the General Meetings in person or virtually.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	In the 52 nd AGM, voting was conducted on a poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements. Shareholders are allowed to appoint any person(s) as their proxies to attend, participate, speak and vote in his stead at the General Meeting.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: During 52 nd AGM of the Company, Shareholders were welcomed to pose questions to the Board. Any questions raised and addressed by the Board are minuted and minutes of the AGM were uploaded to the Company's website.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

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

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

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The minutes of the 52 nd AGM were uploaded to the Company's website within 30 business days after the 52 nd 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.

Click or tap here to enter text.

