

CORPORATE GOVERNANCE REPORT

STOCK CODE : 9091
COMPANY NAME : EMICO HOLDINGS BERHAD
FINANCIAL YEAR : March 31, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") of Emico Holdings Berhad ("Emico" or "the Company") acknowledges the importance of maintaining good corporate governance that is necessary for effective operation of the Group.</p> <p>The main roles and responsibilities of the Board are as follows:</p> <ol style="list-style-type: none">1. Reviewing and approving material investment, acquisitions and disposals of property, plant and equipment.2. Reviewing and approving related party transactions.3. Reviewing the adequacy of the Group's internal control policies.4. Monitoring compliance with relevant laws & regulations and accounting standards within the corporate and business environment.5. Reviewing and approving annual financial statements and quarterly financial results. <p>The Board has also delegated certain areas of responsibilities to the Board Committees. Each Committee has the authority to perform their respective duties according to their terms of reference and makes recommendations to the Board.</p> <p>On the other hand, the executive directors are responsible for the overall management of the operation and strategic direction of the Group. The executive directors will report to the Board on significant matters relating to the Group as and when required.</p> <p>The Board is guided by the Board Charter in discharging its duties and responsibilities. The Board Charter is available on the Company's website (www.emico.com.my).</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

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 Chairman's main role is to ensure effective conduct of the Board through the execution of the following:</p> <ul style="list-style-type: none"> i. To ensure Board effectiveness, implementation of Board's policies and decisions, corporate affairs and overall financial performance of the Group; ii. To ensure the Management provides accurate, timely and clear information to members of the Board. iii. To develop and determines the Group's strategy and overall business and commercial objectives; iv. To ensure orderly conduct and proceedings of meetings of the Company v. To facilitate effective communications between the shareholders and the Directors and ensures shareholders have adequate opportunity to air their views and obtain answers to their queries. <p>The responsibilities of the Chairman are set out in the Board Charter which is available on the Company's website at www.emico.com.my.</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

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	:	The Chairman of the Board namely, Mr. Lim Teck Chye is not the CEO of the Company.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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 Chairman of the board is not a member of the Audit Committee, Nomination Committee or Remuneration 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

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 Company Secretaries of Emico are members of professional bodies and qualified to act as company secretaries.</p> <p>The Company Secretaries are responsible for proper maintenance of secretarial records, preparation of resolutions and other secretarial functions of the Company. The Company Secretaries attend all Board, Board Committees and General meetings of the Company and records the minutes of the meetings.</p> <p>In addition, the Company Secretaries regularly update the Board on the changes of the listing requirements upon receiving the circulars from Bursa Securities, which are relevant to the Company.</p> <p>All directors have access to the advice and services of the Company Secretaries in carrying out their duties and to ensure all rules, requirements and regulations are complied with.</p> <p>During the financial year, the Company Secretaries had attended various seminars and conferences to keep themselves abreast with the regulatory changes and other areas of sustainability, governance, finance and accounting.</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 1.6

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>During the financial year ended 31 March 2024, the Board held meetings on 23 May 2023, 28 June 2023, 22 August 2023, 24 November 2023 and 22 February 2024 respectively, making a total of 5 meetings.</p> <p>All Board and Board Committees' meetings follow an agenda which, together with a set of Board papers containing information for each item on the agenda, is distributed at least 7 days prior to each meeting to ensure the Directors have sufficient time to evaluate the matters and be prepared for discussion at the meeting. However, sensitive matters may be tabled at the meeting itself. Members of senior management who may provide additional insights into the matters at hand will be present at the relevant time during the meeting.</p> <p>The Directors have direct access to the Management and unrestricted access to any information relating to the Company and its Group in discharging their duties.</p> <p>The deliberations and decisions of the Board and Board Committees are properly documented in the minutes including matters where directors abstained from voting or deliberation.</p> <p>The minutes of proceedings had been circulated in a timely manner.</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 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's roles and responsibilities are documented in the Board Charter which reflects the corporate governance structure and practices of the Emico Group. The Charter also outlines, amongst others, the role of the Executive Chairman, the role of the Company Secretary, Board processes, Board functions and Board development.</p> <p>The Board reviews the Board Charter annually to ensure its relevance. The Board Charter of Emico was reviewed and approved by the Board on 30 May 2024, in order to ensure the Board's function are governed and aligned with the current laws and practices to be consistent with the Board's objective. The Board Charter is available on Emico's website at www.emico.com.my.</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 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>In addition to the Company Directors' Code of Ethics established by the Companies Commission of Malaysia, the Group also has a Code of Ethics and Conduct that sets out sound principles and standards of good practice in the industry, which are observed by the Directors and the employees. Both Directors and employees are required to uphold the highest integrity in discharging their duties and in dealings with stakeholders, customers, fellow employees and regulators. This is in line with the Group's Core Values which emphasise behavioural ethics when dealing with third parties and fellow employees.</p> <p>The Code of Ethics and Conduct for the company was last reviewed by the Board on 30 May 2024.</p> <p>A copy of the Code is available on Emico's website at www.emico.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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>Emico Group advocates openness and transparency in its commitment to the highest standard of integrity and accountability. The Integrity Hotline which had been implemented, provides an avenue for all the employees to report, in good faith, belief, without malicious intent, on any suspected misconduct or actual wrongdoing including but not limited to unethical incidences such as criminal activities or contravention of laws/regulations committed by another employee or any person who has dealings with the Group via the following channels:</p> <p>Protected Email Address at integrity@emico.com.my</p> <p>The above email will be directly channelled to the Chairman of Audit and Risk Management Committee.</p> <p>Confidentiality of all matters raised and the identity of the whistleblower, are protected under the Policy. Emico Group has a Whistleblowing Policy, which provides broad principles, strategies, and policies for the Group in relation to whistle blowing in order to promote high standards of integrity. The policy establishes robust and comprehensive programmes and controls for the Group and highlights the roles and responsibilities at every level in responding to Whistle Blowing act.</p> <p>The Whistleblowing Policy was last reviewed by the Board on 30 May 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 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	The Group acknowledges sustainability as one of the drivers towards the Group's continuous and long-term business activities. The Board holds the ultimate accountability for the integration of sustainability into the Group's operations through its governance structure, driven by the Executive Chairman who is assisted by Heads of Department, and the sustainability features are reviewed regularly. Please refer to Page 19 of the Emico Annual Report 2024.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 Group is committed to continuously improve its sustainability related initiatives to provide value to sustainable business, environmental management, and social accountability throughout the Group’s business activities.</p> <p>The Board proactively considers sustainability issues when overseeing the planning, performance and long-term strategy of the Group to ensure the Group remains resilient so as to deliver sustainable value as well as to maintain the confidence of its stakeholders. Please refer to Page 20 of the Emico 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 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Group regularly reviews its sustainability strategies to ensure that they remain appropriate and relevant. The Group had environmental program that includes targets, activities and performance monitoring to continuously improve its environmental performance. In addition, the Group is in the progress of obtaining ISO14001 certification. For climate related opportunities, the Group is applying the practice of using recycled plastic materials in the production to reduce the CO2 emission.	
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	:	The Board had through its Nomination Committee carried out annual performance evaluation on the Board on effectiveness and frequency of Board Meetings held during the year as well as effectiveness in addressing the Group's material sustainability risks and opportunities.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Company's Executive Director, Lim Lay Khim has been identified as a designated person within the management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the Group's operations

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 Nominating Committee ("NC") carries out an annual review for assessing the effectiveness of the Board as a whole, the Board Committees and each individual director.</p> <p>During the financial year, the NC assessed the independent directors had served for more than 12 years.</p> <p>The NC discussed and was satisfied with the independence of the independent directors by virtue of them are independent from the management of the Company and have no business dealings with the group which could be perceived to interfere with the exercise of their independent judgement and NC resolved to recommend to the Board that independent directors be proposed for re-appointment at the forthcoming AGM of the Company.</p> <p>The NC had assessed and recommended the following retiring directors for re-election at the forthcoming AGM:-</p> <p>i) To re-elect Mr. Lim Teck Chye, a Director who retires by rotation in accordance with Article 103 of the Company's Constitution and who, being eligible, offers himself for re-election.</p> <p>ii) To re-elect Dato' Jimmy Ong Chin Keng, a Director who retires by rotation in accordance with Article 103 of the Company's Constitution and who, being eligible, offers himself for re-election.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

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

Intended Outcome

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

Practice 5.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board presently has five (5) members which consist of two (2) Executive Directors, one (1) Non-Independent Non-Executive Director and two (2) Independent Non-Executive Directors. The current Board composition complies with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad where at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, must comprise Independent Directors.</p> <p>The Board is mindful that the Board does not comprise a majority of INEDs and is of the view that the present INEDs, with the breadth of professional background, consists of qualified individuals with diverse experience and knowledge, enable them to discharge their duties and responsibilities effectively through their sharing of impartial, objective and unbiased opinion and viewpoints.</p> <p>When assessing their independence, the NC focused beyond the candidate's background, economic and family relationships and considered whether such candidate could bring independent and objective judgment to board deliberations.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	Others

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	:	There is no Director who has served a cumulative term of nine (9) years eligible to be retained as an Independent 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 5.4 - 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 Nominating Committee (“NC”) is responsible for making recommendations for the appointment of Directors to the Board including the election/re-election of retiring Directors at the Annual General Meeting (“AGM”).</p> <p>With regard to the Board Composition, the NC has considered the required mix of skills, experience, knowledge, competencies and other necessary qualities including gender diversity to the Board.</p> <p>While the Board supports the philosophy of gender diversity and recognizes the benefits that it can bring, the Board believes that any new appointments should be based on merits and capability.</p> <p>The appointment of the Company’s Senior Management is also based on objective criteria and merit.</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	:	In identifying candidates for appointment as directors, besides recommendation from existing Board members, Management or major shareholders, the Board may seek from external and independent sources to identify suitable and qualified candidates.	
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, whereas their interest is included in the Analysis of Shareholdings.</p> <p>The Board of Directors have considered the Nomination Committee’s assessment, deliberated and recommended for the re-election of the retiring Directors. A statement by the Board being satisfied with the performance of the retiring Directors who offered themselves for re-election at the Company’s 32nd AGM is included in the Explanatory Notes to the Notice of AGM.</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 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	As at 31 March 2024, NC was chaired by Mr. Kee Chei Hen, an Independent 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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Presently, the Board has one (1) female director out of a total of five (5) which represent 20% of the Board Composition.	
		All appointments to the Board and employment of senior management are based on objective criteria, merit, skills and experience, and are not driven by age, cultural background or gender considerations. In line with our commitment to diversity, more woman representation on the Board and senior Management will be taken into consideration if and when vacancies arise and also when suitable candidates are identified in selecting the best candidate to support the achievement of the Company's strategic objectives.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
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	:	Please refer to Page 60 of the Emico Annual Report 2024.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	: In FY 2024, the Nominating Committee had carried out its duties to perform the annual assessment of the Board, Board Committees and each individual director. The assessment of the Board and Board Committees are carried out by way of questionnaires in regard to mix of skills, knowledge, competency, proceeding of meetings, experiences, timely reporting and so forth. Whilst the assessments of individual directors are carried out by way of self-assessment questionnaires sent to the director's concerned. The self-assessment questionnaires cover amongst others the character, integrity, contributions in meetings, quality of input, time commitment, understanding of role and so forth. The responses to the questionnaires are then sent to the Company Secretaries for compilation. The Nominating Committee then deliberate based on their ratings and makes its recommendations to the Board. The director's concern shall abstain from deliberating on his own assessment.
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 remuneration package of the executive Board members is structured to ensure that compensation and benefits commensurate with the level of skills and experience and performance of individual executive Board members in addition to performance based targets such as revenue growth and profitability.</p> <p>The components of the remuneration package for the Executive Directors include fixed salary, fixed fees, allowance, bonus, performance incentive and benefits-in-kind. The Executive Directors played no part in deciding their own remuneration and the respective Board members shall abstain from all discussion pertaining to their remuneration.</p> <p>As for Independent Non-Executive Directors, the level of remuneration is reflective of their experience, expertise, knowledge, level of responsibilities and the onerous challenges in discharging their fiduciary duties. The determination of Directors' fees for all Directors shall be a matter for the Board as a whole.</p> <p>The Independent Non-Executive Directors ("INED") and Non-Independent Non-Executive Directors ("NINED") receive fixed fees.</p> <p>The remuneration of the ED, INEDs and NINED of Emico was tabled to the Board at its meeting held on 22 February 2024 and further information on the above remuneration structure is set out in the Corporate Governance Overview Statement ("CG Overview Statement") Page 59 of the Company's Annual Report 2024, which will be tabled for shareholders at the forthcoming 32nd Annual General Meeting on 12 September 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 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>Remuneration Committee (RC)</p> <p>The terms of reference for RC are as follows:</p> <p>Appointment/Composition</p> <ul style="list-style-type: none">• The RC shall be appointed by the Board of Directors.• The RC shall consist of not less than two (2) members.• The majority of RC shall be Independent Non-Executive Directors. <p>As at 31 March 2024, the members of RC are as follows:</p> <p>(i) Mr. Kee Chei Hen, Chairman, Independent Non-Executive Director</p> <p>(ii) Mr. Ng Hong Kiat @ Ng Han Kiat, Member, Independent Non-Executive Director</p> <p>(iii) Dato' Jimmy Ong Chin Keng, Member, Non-Independent Non-Executive Director</p> <p>The duties and responsibilities of RC consist of the following:</p> <ul style="list-style-type: none">• To establish and recommend to the Board, the remuneration package for Executive Directors such as the terms of employment or contract of employment/service, benefit, pension, incentive scheme, bonuses, fees, expenses, compensation payable on termination of service of contract by the Company and/or the Group etc.• To review and recommend to the Board the remuneration packages of Non-Executive Directors for shareholders approval at the Annual General Meeting.• To consider other remunerations or rewards to retain and attract directors. <p>These terms of reference for RC are disclosed in the Board Charter of www.emico.com.my.</p>

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

Intended Outcome

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	:	Please refer to Page 59 of the Emico 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	Lim Teck Chye	Executive Director	30,000	0	510,000	63,750	0	75,524	679,274	30,000	0	510,000	63,750	0	113,394	717,144
2	Lim Lay Khim	Executive Director								30,000	0	144,000	18,000	0	76,619	268,619
3	Ng Hong Kiat @ Ng Han Kiat	Independent Director								30,000	0	0	0	0	13,250	43,250
4	Kee Chei Hen	Independent Director								30,000	0	0	0	0	9,250	39,250
5	Dato' Jimmy Ong Chin Keng	Non-Executive Non-Independent Director								30,000	0	0	0	0	26,250	56,250
6	Input info here	Executive Director								0	0	0	0	0	0	0
7	Input info here	Independent Director								0	0	0	0	0	0	0
8	Input info here	Executive Director								0	0	0	0	0	0	0
9	Input info here	Non-Executive Non-Independent Director								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	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
Explanation on application of the practice	:	Please refer to Page 60 of the Emico Annual Report 2024.	
Explanation for departure	:		
	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Julie Ong Lye Im	Director of Warehouse	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	150,001-200,000
2	Darren Lim Yan Da	Director of Operations	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	150,001-200,000
3	Tan Teong Yu	Director of Finance and Administration	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	150,001-200,000
4	Liew Kong Wang	Director of Supply Chain	100,001-150,000	0-50,000	0-50,000	0-50,000	0-50,000	100,001-150,000
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	:	Adopted
Explanation on adoption of the practice	:	Please refer to Page 60 of the Emico Annual Report 2024.

No	Name	Position	Company ('000)					Total
			Salary	Allowance	Bonus	Benefits	Other emoluments	
1	Julie Ong Lye Im	Director of Warehouse	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	150,001-200,000
2	Darren Lim Yan Da	Director of Operations	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	150,001-200,000
3	Tan Teong Yu	Director of Finance and Administration	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	150,001-200,000
4	Liew Kong Wang	Director of Supply Chain	100,001-150,000	0-50,000	0-50,000	0-50,000	0-50,000	100,001-150,000
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	:	As at 31 March 2024, the Chairman of Audit and Risk Management Committee is Mr. Ng Hong Kiat @ Ng Han Kiat, an Independent Non-Executive Director and he is not the Chairman 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

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 Term of Reference of Audit and Risk Management Committee includes a policy that requires a former key audit partner to observe a cooling-off period of at least three years before being appointed as a member of the Audit and Risk Management Committee.</p> <p>As at 31 March 2024, the Chairman of Audit and Risk Management Committee is Mr. Ng Hong Kiat @ Ng Han Kiat, an Independent Non-Executive Director.</p> <p>Currently, there is no appointment of former key audit partner as an Audit and Risk Management Committee.</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 Audit and Risk Management Committee ("ARMC") and the Board place great emphasis on the objectivity and independence of the External Auditors, namely Messrs. BDO PLT, in providing relevant and transparent reports to the shareholders.</p> <p>The ARMC is responsible to appraise and assess the performance and independence of the external auditors by way of questionnaires which cover amongst others the quality of work, competency, manpower resources, size of the firm, industry knowledge, and experience of the team assigned to the audit of the Group, objectivity of the external auditors and so forth.</p> <p>The existing auditors, Messrs. BDO PLT had confirmed to the ARMC that they are, and have been independent throughout the conduct of their audit engagement for FY 2024 in accordance with the terms of all relevant professional and regulatory requirements and the Board are satisfied that the external Auditor, Messrs BDO PLT are independent in performing their duties.</p> <p>A full report of the ARMC outlining its role in relation to the internal and external auditors is set out in the ARMC Report on pages 50 to 54 of the Annual Report 2024.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

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

Intended Outcome

There is 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>Based on the diverse background and experience, the members of the Audit and Risk Management Committee ("ARMC") of Emico possesses wide range of necessary skills and financially literate.</p> <p>Both, Mr. Ng Hong Kiat @ Ng Han Kiat and Dato' Jimmy Ong Chin Keng are members of the Malaysian Institute of Accountants. Therefore, the requirement of Paragraph 15.09(1)(c) of the Main Market Listing Requirements ("MMLR") of Bursa Securities where at least one (1) member of the ARMC must be a qualified accountant has been complied with.</p> <p>In FY2024, the Nominating Committee had assessed the term of office and performance of the ARMC and its members in accordance with Paragraph 15.20 of the MMLR of Bursa Securities by way of a set of comprehensive questionnaires.</p> <p>The questionnaires cover amongst others the understanding of role and terms of reference, financial literacy, integrity, independency, time commitment and so forth.</p> <p>The Nominating Committee was satisfied that the ARMC and its members had discharged their duties according to their terms of reference and had recommended to the Board that the existing composition to remain status quo.</p> <p>Members of the ARMC are to assess their own training needs and are expected to attend continuous training to keep themselves abreast of relevant developments in accounting standards, practices, laws and regulations.</p> <p>The trainings attended by the members of the ARMC can be obtained</p>

	from the Annual Report 2024 under CG Overview Statement.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises its responsibilities and the importance of sound risk management practices and internal control, and reviewing the adequacy and integrity of those systems. The Board has established a Risk Management Committee under Audit and Risk Management Committee (“ARMC”) which set the policy and procedures to implement the recommendations from “Statement on Risk Management and Internal Control (“SORMIC”): Guidelines for Directors of Listed Issuers”.</p> <p>These procedures, which are subject to regular review, are intended to provide an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. However, the Board recognised that such a system is a concerted and continuing process, designed to manage and reduce, rather than eliminate, the risks identified to acceptable levels. Therefore, the system of risk management and internal control implemented can only provide reasonable and not absolute assurance against the occurrence of any material misstatement or loss.</p> <p>Further detailed are disclosed in the Statement of Risk Management and Internal Control Statement (“SORMIC”) on pages 63 to 64 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

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has overall responsibility for establishing and maintaining a sound risk management and internal control system to ensure that shareholders’ investments, customers’ interests and the Group’s assets are safeguarded. The effectiveness of risk management and internal controls is continuously reviewed to ensure that they are working adequately and effectively.</p> <p>The Audit and Risk Management Committee (“ARMC”) regularly evaluates the adequacy and effectiveness of the Group’s internal control systems by reviewing the actions taken on lapses/deficiencies identified in reports prepared by Group Internal Audit during its scheduled meetings. The ARMC also reviews Audit’s recommendations and management responses to these recommendations to ensure the lapses/deficiencies identified are being dealt with adequately and promptly.</p> <p>The Statement on Risk Management and Internal Control (“SORMIC”) is furnished on pages 63 to 64 of Annual Report 2024 and this provides an overview of the state of internal controls within the Group.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	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 internal audit function of the Group is outsourced to an independent firm. The Internal Auditors reports directly to the Audit and Risk Management Committee (“ARMC”). The Internal Auditors will review the systems of internal control of the Group based on the audit plan approved by the ARMC. The Internal Auditors will then report their findings, recommendations for improvements and the management responses to the ARMC on a quarterly basis. The progress of the implementation of recommended actions is being monitored through follow up reviews by the Internal Auditors. The ARMC will report to the Board on the progress and findings of the internal audit function.</p> <p>The ARMC is also responsible to appraise and assess the performance of the internal audit function annually. The assessment is carried out by way of questionnaires and discussions with the Internal Auditors. The questionnaires cover amongst others the quality of work, competency, manpower resources and so forth.</p> <p>The ARMC had assessed the Company’s internal audit function for FY 2024 and was satisfied therewith.</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 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 Company had outsourced its internal audit function to Qwest Corporate Consultants Sdn Bhd to audit and monitor the compliance of the Group’s policies, procedures and the effectiveness of the Group’s internal control systems.</p> <p>The head of internal audit is a qualified practitioner. Mr. Lee Cheng Wooi graduated with a professional degree in accounting. He is a member of C.A (M), MICPA and IIAM. The number of staff deployed for internal audit is usually 2.</p> <p>The internal auditors had declared to the Audit and Risk Management Committee the following:</p> <ol style="list-style-type: none"> 1) The Company’s internal audit function were conducted in accordance with the standards sets by professional bodies; 2) They are not aware of any relationships or conflicts of interest which could impair their objectivity and independence; 3) The internal audit team has sufficient professional experience, technical skills and appropriate staff mix to effectively carry out the work required; and 4) The internal audit team had participated in various continuing professional development programmes on topics which are relevant to their work function.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

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

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board values its dialogue and engagement with both institutional shareholders and private investors and recognises the importance of providing timely and equal dissemination of relevant information to them.</p> <p>The AGM is the principal forum of dialogue with the shareholders and also an avenue for the Chairman and Board members to respond personally to all queries and provide sufficient clarification on issues and concerns raised by the shareholders. Shareholders are encouraged to attend, speak and vote at the Company's general meetings. In compliance with the requirement under Paragraph 8.29A(1) of the MMLR of Bursa Securities, voting at the AGM will be conducted by poll system.</p> <p>Other than the forum of the AGM, the other medium of communication between the Company and shareholders and/or investors are as follows:</p> <ul style="list-style-type: none">• quarterly financial statements and circulation of annual reports;• Circular to Shareholders;• announcements on major corporate developments in accordance with the MMLR of Bursa Securities;• the Company's general meetings;• posting on the Company's website at www.emico.com.my.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

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

Intended Outcome

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	:	<p>The Board had adopted Practice 13.1 to issue the notice of annual general meeting (AGM) to shareholders at least 28 days prior to the meeting. The additional time given will allow shareholders to make necessary arrangements to attend and participate in person or through proxies or corporate representatives and also to consider the proposed resolutions before exercising their voting rights at the meeting.</p> <p>The Notice of the 32nd AGM of Emico was issued and dated on 31 July 2024 i.e. 28 days prior to the AGM date on 12 September 2024.</p> <p>In addition, the Notice of the 32nd AGM provides the detailed explanations under the Explanatory Notes for both, Ordinary and Special Businesses for each resolution to be passed at the forthcoming AGM in order for the shareholders to make informed decisions in exercising their voting rights.</p> <p>The Notice of the 32nd AGM of the Company is available for viewing on the Company's Annual Report 2024 and Bursa 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

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>All Directors, including the Chairpersons of the respective Board Committees had attended the last AGM of the Company held on 14 September 2023 and will attend the forthcoming AGM of the Company.</p> <p>In addition to the above, members of the senior management and external auditors of the Company had also attended the last AGM and will attend the forthcoming AGM and to respond to the shareholders' queries including the responses in respect to the questions raised by the MSWG prior to the AGM and/or during the AGM.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	<p>Based on an analysis of the investors, the Company does not have large number of shareholders. Also, a large majority of investors are Malaysians. Furthermore, all general meetings are held at a location which is easily accessible to all shareholders. As such, there is no concern over voting in absentia and/or remote shareholders' participation at AGM.</p> <p>As of now, the Company encourages participation of shareholders through the issuance of proxies when there is indication that shareholders are unable to attend and vote in person at general meetings and maintain the same location for the AGM for the past years.</p> <p>The Company intends to engage with the shareholders closely and to address any issue directly with the shareholders.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	Others

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 31st 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.

<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 :	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 31st AGM have been available to shareholders no later than 30 business days after the AGM. A copy of the said minutes could be downloaded from the Company's website (www.emico.com.my).
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**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.

Click or tap here to enter text.

