

CORPORATE GOVERNANCE REPORT

STOCK CODE : 3611
COMPANY NAME : PARAGON GLOBE BERHAD
FINANCIAL YEAR : March 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	: Applied
Explanation on application of the practice	<p>The Board of Directors ("Board") has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The roles and responsibilities of the Board are set out in the Board Charter, which is available on the Company's website at www.pgbgroup.com.my/board-charter/. The summary of key responsibilities of the Board are as follows:</p> <ul style="list-style-type: none">▪ Reviewing and adopting a strategic business plan for the Company, aligned to ensure obligations to shareholders and stakeholders are met;▪ Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed, the Board should therefore provide entrepreneurial leadership;▪ Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks – the Board should appraise the Company's major risks and oversee that appropriate risk management and internal control procedures are in place;▪ Reviewing the adequacy and the integrity of the Company's internal control systems; and▪ Reviewing the responsibilities of each Board Committee as and when required. <p>The Board has delegated specified responsibilities to the Board Members and the Board Committees to oversee critical or major functional areas and to address matters which require detailed review or in-depth consideration. The Board Committees' roles and responsibilities in its functions which had been delegated by the Board are set out in each respective Board Committees' Terms of Reference which available on the Company's website at www.pgbgroup.com.my.</p>

	<p>The Board and employees are committed to adhere to the Code of Conduct.</p> <p>The Board has overall responsibility to set strategies for promoting the sustainable growth and financial soundness of the Company and its subsidiaries. The Independent Non-Executive Directors would ensure corporate accountability by providing unbiased and independent views, advice and judgement and challenging the Management’s assumptions and projections in safeguarding the interests of the shareholders.</p> <p>The Board is aware of the importance of ethical conduct and business sustainability and ensures that sustainability is embedded in the development of the Group’s strategies, taking into account the economic, environmental, social and governance (“ESG”) aspects of business operations. As such, the Sustainability Steering Committee oversees the implementation of business sustainability practices within the Group. Details of the Group’s related strategies are disclosed in the Sustainability Report of the Company’s Annual Report 2023.</p> <p>The Board, via the Risk Management Committee (“RMC”), has put in place the Group Risk Management Framework and Policy for Management to identify, analyse, evaluate, manage, report and monitor key risks that may impact the Group. Details of the Group Risk Management Framework and Policy and its related internal control system are set out in the Statement on Risk Management and Internal Control of the Company’s Annual Report 2023.</p> <p>The Board has also ensured that the Group has in place procedures to enable effective communication with stakeholders. Primary communication with shareholders was via the Annual General Meeting, where the Chairman of the Board would invite shareholders who were present to engage in the resolutions being tabled for voting. In addition, the Group has a company website https://pqbgroup.com.my/contact-us/ to provide a platform for investors and shareholders the opportunity to stay abreast of the Group’s development, including financial and other announcements made to Bursa Malaysia Securities Berhad.</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 1.2

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 role and responsibilities of the Chairman of the Board is clearly set out in the Board Charter, which is available on the Company's website at www.pgbgroup.com.my/board-charter/.</p> <p>The Chairman is primarily responsible for:</p> <ul style="list-style-type: none">- Leadership and management of the Board;- Ensure the integrity and effectiveness of the governance process of the Board and Board Committees function effectively;- Oversee and evaluate the conduct and performance of the Group; and- Undertakes to ensure efficient functioning of the Board and that procedural rules are followed and quality information to facilitate decision-making is delivered to Board members on a timely basis;- Holds the primary executive responsibility for the Group's business performance and manages the Group in accordance with the strategies and policies approved by the Board.- Leads the Executive Directors ("ED") in making and implementing the day-to-day decisions on the business operations, managing resources and risks in pursuing the corporate objectives of the Group.- Brings material and other relevant matters to the Board, motivates employees and drives change/innovation and growth within the Group. <p>The Chairman acts as facilitator at meetings of the Board by giving to other Board Members ample time to deliberate during the stipulated meeting time and ensures that no Board Member, whether executive or non-executive, dominates the discussion.</p> <p>The Chairman also ensures that decisions are taken on a sound and well-informed basis, including by ensuring that all strategic and critical issues are considered by the Board, and that Directors receive the relevant information on a timely basis.</p>

	<p>Dato' Sri Edwin Tan Pei Seng has been appointed as the Executive Chairman of the Board on 1 August 2020. As can be seen from his profile set out on in the Annual Report 2023, Dato' Sri Edwin Tan Pei Seng has leverage on his competencies and experience in property development and construction for over 10 years.</p> <p>The Board believes that the Executive Chairman is competent to provide effective leadership to the Group and to make independent judgment to the aspects of the Group's performance while maintaining his highest standards of conduct and integrity. The Executive Chairman will ensure that high standards of corporate governance are practiced throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value and the financial performance of 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

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The position of Chairman of the Board is held by Dato' Sri Edwin Tan Pei Seng while the position of CEO remains vacant.</p> <p>Currently, the Board is led by an Executive Chairman and supported by two (2) Executive Directors, One (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors.</p> <p>The Executive Chairman is responsible for providing strong leadership to the Board and ensuring the integrity and effectiveness of the governance process of the Board and Board Committees function effectively while CEO held responsibilities in providing executive leadership and are accountable for the Board for implementation of strategies, objectives and decisions of the Board within the framework of delegated authorities, values and policies.</p> <p>Dato' Sri Godwin Tan Pei Poh serves as the Group Executive Director, responsible for overseeing the administration and strategic plan that guides the direction of the organisation, including marketing management, operational planning, financial planning and management. Furthermore, he currently leads the Management in day-to-day operations within his area of expertise and plays a crucial role in driving the Group forward.</p> <p>The Board is of the opinion that there is satisfactory balance of power and authority on the Board as the roles of Executive Chairman and the Executive Directors are clearly defined and established while the decision-making process of the Board is based on collective decisions without any individual exercising any considerable concentration of power or influence and well balanced by the presence of strong elements of independence in the Board.</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 1.4

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	: In compliance with the enhanced MCCG updates introduced in April 2021, Dato' Sri Edwin Tan Pei Seng, the Executive Chairman is not a member of the Audit Committee ("AC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). These Committees are chaired by different Independent Non-Executive Director and the composition of these Board Committees comprise a majority of Independent Non-Executive Directors except for AC, which comprise wholly independent Non-Executive Director. In addition, the Chairman of the Board was not invited to any of the AC, NC, RC and RMC's board meeting. This approach mitigates the risk of self-review and preserves the objectivity of the Chairman and the Board when deliberating on the observations and recommendations presented by the Board Committees.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.5

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

Application	: Applied
Explanation on application of the practice	<p>The Board is supported by qualified Company Secretaries who are members of Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and are qualified to act as company secretary under Section 235(2)(a) of the Companies Act, 2016. They bring vast knowledge and experience from their time in public practice and are further assisted by a dedicated team of company secretarial personnel.</p> <p>The primary responsibilities of the Company Secretaries shall include:</p> <ul style="list-style-type: none">▪ Attending board meetings and other meeting as required;▪ Maintaining the required statutory registers and records;▪ Monitoring regulatory changes and corporate governance developments;▪ Guiding/assisting the Board and Management in applying of the Malaysian Code on Corporate Governance;▪ Playing an advisory role to the Board particularly with regard to the Company's Constitution as well as compliance with relevant rules and regulations;▪ Ensuring that Board policies and procedures are observed;▪ Highlighting all issues which they feel ought to be brought to the Board's attention and▪ Preparing precise minutes to document Board and Board Committees proceedings and ensuring conclusions are accurately recorded. <p>The agenda for the Board and Board Committee meeting is prepared by the Company Secretaries. They will ensure that deliberations at the Board and Board Committees meetings are clearly and comprehensively recorded as source documents. The Directors may comment or request clarification before the minutes are tabled for confirmation and signed by the Chairman of the meeting as a correct record of the proceedings of the meeting.</p> <p>All Directors have direct access to the advice and services of the Company Secretaries, both collectively as a full Board and individual capacity, in discharging their duties.</p>

	The appointment and removal of the Company Secretaries is a matter for the Board as a whole. In the current financial year, there has been a change in the composition of Company Secretaries, with one Company Secretary from an external company secretary firm resigning, effective from 30 September 2022.	
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>In order to facilitate the Directors' scheduling and to encourage attendance of the Board, the annual meeting schedule for the Board, Board Committees and Annual General Meeting ("AGM") of the Company is prepared and circulated to the Directors and Management in advance. This is also to ensure that the Management is given sufficient time for preparation of meeting materials for each meeting so as to achieve meeting effectiveness.</p> <p>All the Directors are provided with a set of comprehensive Board papers, which includes the agenda and all other relevant materials, at least 5 business days in advance of each Board Meetings or Board Committees Meetings. These papers are required to be given in advance prior to the meeting(s) or any other time frame agreed with the Board, when necessary, to ensure the Directors have sufficient time for thorough review and consideration, thereby enabling effective participation in the Board's decision-making process.</p> <p>The Board is granted unrestricted access to all relevant information within the Group and is supplied in a timely basis with information and reports through Board papers for informed decision making. These papers are meticulously prepared and cover various aspects such as Group financial performance, quarterly result announcements, proposed policies and procedures, operational issues and updates on statutory regulations and requirements affecting the Group, if any. Other matters highlighted for the Board's decision include the approval of corporate exercise, budgets, acquisitions and disposal of assets. Meeting agendas are scheduled according to the complexity of the agenda items and purpose. This approach enhances the effectiveness of the meetings and enable in-depth deliberation for each matter.</p>

	<p>To enable the Board to discharge their duties and responsibilities effectively, the Board members have complete and unhindered access to the Senior Management and Company Secretaries, enabling them to seek clarification and gain a deeper understanding of the Group's business affairs. Whenever necessary, external auditors and external advisers are invited to attend Board meetings on specific items on the agenda to provide additional insights and professional views, advice and explanations within their competencies in order for the Board to make informed decisions. Senior Management will also be invited to participate in the Board meetings to enable all Board members have equal access to the latest updates and developments of business operations of the Group.</p> <p>The minutes of each Board and Committee Meeting(s) are circulated to all Directors within a reasonable timeframe after the meeting for their review to be confirmed and adopted at the next meeting.</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 Charter acts as a source of reference and primary guide to the Board members in the performance of their duties, roles and responsibilities. It clearly set out and documented the functions, roles and responsibilities of the Executive Chairman, Executive Directors, Non-Executive Directors and Senior Independent Non-Executive Director.</p> <p>The Board Charter further defines the responsibility of the Board, the formal schedule of matters that are reserved for the Board's deliberation and decision making, board remuneration and evaluation, directors' training and development, financial reporting responsibilities and code of ethics. It helps to ensure all Board members are aware of their fiduciary duties and responsibilities, various legislations and regulations affecting their conduct, the need for safeguarding the interests of the shareholders and other stakeholders and that the highest standards of corporate governance are applied in all their dealings in respect and on behalf of the Company.</p> <p>The Board Charter is publicly made available on the Company's website at www.pgbgroup.com.my/board-charter/ with last review performed on 22 November 2022. The Board Charter is kept under review and updated as practices on Corporate Governance and regulatory requirements develop and further guidelines on Corporate Governance are issued by the relevant regulatory authorities.</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

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

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

Practice 3.1

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

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

Application	: Applied
Explanation on application of the practice	<p>The Company has in place a Code of Conduct to set the tone for proper and ethical behaviour expected of the Directors and the employees. The Code of Conduct serves as a reference to help guide actions and behaviours while working for and/or dealing with the Company to maintain high standards of businesses ethics and encourage performance with integrity.</p> <p>The Code of Conduct has described the following measures put in place to:</p> <ul style="list-style-type: none">- ensure compliance with laws, rules and regulations;- handle actual or potential conflict of interest;- protect and ensure the proper use of the Group's assets and information; and- encouraging the reporting of unlawful or unethical behaviour. <p>All Directors and employees of the Group are required to read, understand, accept and abide by the terms of Code of Conduct and all new staff are briefed on the requirements of the Code of Conduct as part of the Company's induction programme.</p> <p>The Board reviews the Code of Conduct as and when necessary, to ensure that it continues to be effective. The Code of Conduct can be found on the Company's website at https://pgbgroup.com.my/code-of-conduct/.</p>

	<p>In addition, both the Board of Directors and the Company Secretaries adhere to the ethical values described in the Code of Ethics for Company Directors and Company Secretaries issued by the Companies Commission of Malaysia. This Code aims to establish standards of ethical conduct for Directors based on acceptable belief and values; promoting social responsibility and accountability in accordance with the applicable legislations, regulations and guidelines; and to instill professionalism amongst the Company Secretaries within the tenets of morality, efficiency and administrative effectiveness.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company demonstrates its commitment to upholding the highest standards of integrity, openness, and accountability in its business activities and operations through the implementation of a comprehensive Whistleblowing Policy.</p> <p>The Whistle Blowing Policy serves as a reliable mechanism for individuals to report or disclose any observed violations or wrongdoings within the Group. It provides established channels through which whistle-blowers can confidently report concern without fear of retaliation and ensuring a culture of trust and transparency. Whistle-blowers are encouraged to act in good faith when reporting and disclose genuine concerns that are believed to be substantially true, without any personal gain as motivation.</p> <p>The Whistle Blowing Policy also guarantees protection for whistle-blowers, safeguarding them from reprisals, discrimination or victimization. It is crucial to the Company's commitment to promoting a safe environment for reporting and addressing potential improprieties.</p> <p>Any allegations received through the whistle-blowing channels are taken seriously and promptly investigated. The outcome(s) of the investigation are diligently reported at the meetings of Risk Management Committee.</p> <p>The Board will review the Whistle Blowing Policy and make any necessary amendments to ensure its relevancy and alignment with the prescribed requirements and best corporate governance practices. The details of the Group's Whistle Blowing Policy are available on the Company's website at https://pgbgroup.com.my/corporate-governance.</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

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, in collaboration with Senior Management, acknowledges the significance of incorporating sustainability risks and opportunities into the development and execution of company strategies, business plans, major actions, and risk management. Sustainability Governance Framework is established to govern the sustainability management of the Group. This framework outlines the goals, strategies and governance structure with regards to sustainability matters, which have been approved by the Board.</p> <p>During the current financial year, the Company has strengthened its sustainability governance structure to ensure the effective implementation of sustainability strategies and initiatives across the entire Group. This structure enables strategic oversight of economic, environment, social and governance ("ESG") matters, risk management, as well as the gradual integration of ESG consideration into the business model and processes.</p> <p>The governance structure comprises the Board of Directors as the highest authority, supported by the Board Sustainability Committee ("BSC") and the Sustainability Steering Committee ("SSC"). The BSC includes members from the Risk Management Committee and Audit Committee, who are responsible for supervising the organisation's sustainability strategies and providing recommendations to the Board. The SSC, chaired by the Sustainability Officer ("SO") and consisting of various Heads of Department ("HOD"), is responsible for executing the approved sustainability strategies as directed by the Board. Sustainability initiatives are further supported by the Sustainability Working Committee ("SWC"), which manages and executes daily sustainability activities.</p>

	<p>This structure allows sustainability to permeate the organisation's culture, supporting the development of a desired mindset as the norm for the Group. Detailed information regarding the roles and responsibilities of the governance structure can be found in the "Sustainability Statement" section of the Company's Annual Report.</p> <p>The SSC discusses material sustainability matters related to ESG risks and new opportunities, ensuring that RMC, AC and Board updated on these issues. In addition, SWC meets up monthly to update and track the progress for the implementation of Group's sustainability initiatives.</p> <p>By integrating sustainability considerations that align with stakeholders' expectations, the Board ensures that the Group's strategies, business plans, major actions, and risk management practices address sustainability concerns. This approach enables the Group to maintain competitiveness, enhance resilience, and adapt to changes in the business landscape.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

Practice 4.2

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 Board engaging with all of the internal and external stakeholders to gather a wider perspective relating to their interests, needs, concern and expectation for continual improvement as well as assist the Group to focus and prioritise matters efficiently and appropriately. It is fundamental for the Group to build the trust and confidence of stakeholders, and forms the foundation of good governance in the Group.</p> <p>We engage with our stakeholders through multifaceted platforms which are appended below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Stakeholders</th> <th>Channel of Engagement</th> </tr> </thead> <tbody> <tr> <td>Shareholders and Investors</td> <td> <ul style="list-style-type: none"> ▪ Annual general meetings ▪ Annual reports ▪ Company website ▪ Corporate announcements ▪ Extraordinary general meetings ▪ Meetings ▪ Quarterly financial results announcements ▪ Social media platforms </td> </tr> <tr> <td>Employees</td> <td> <ul style="list-style-type: none"> ▪ Corporate activities ▪ Engagement contract ▪ Employee handbook ▪ Employee survey ▪ Employee performance appraisals ▪ Learning and development trainings and workshops ▪ Meetings </td> </tr> <tr> <td>Customers</td> <td> <ul style="list-style-type: none"> ▪ Advertisement and marketing promotions ▪ Corporate and product brochures ▪ Company website ▪ Corporate announcements ▪ Customer feedback and service platforms ▪ Public events ▪ Project launches ▪ Social media platforms </td> </tr> </tbody> </table>	Stakeholders	Channel of Engagement	Shareholders and Investors	<ul style="list-style-type: none"> ▪ Annual general meetings ▪ Annual reports ▪ Company website ▪ Corporate announcements ▪ Extraordinary general meetings ▪ Meetings ▪ Quarterly financial results announcements ▪ Social media platforms 	Employees	<ul style="list-style-type: none"> ▪ Corporate activities ▪ Engagement contract ▪ Employee handbook ▪ Employee survey ▪ Employee performance appraisals ▪ Learning and development trainings and workshops ▪ Meetings 	Customers	<ul style="list-style-type: none"> ▪ Advertisement and marketing promotions ▪ Corporate and product brochures ▪ Company website ▪ Corporate announcements ▪ Customer feedback and service platforms ▪ Public events ▪ Project launches ▪ Social media platforms
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Stakeholders	Channel of Engagement
Contractors and Suppliers	<ul style="list-style-type: none"> ▪ Briefings, updates and meetings ▪ Contract and legal discussions ▪ Company website ▪ Emails and letters ▪ Letter of awards ▪ Performance evaluations ▪ Sites visiting and inspections ▪ Tender sessions
Government and Regulators	<ul style="list-style-type: none"> ▪ Audit and inspections ▪ Compliance reporting ▪ Emails and letters ▪ Industry associations and consultants ▪ Regulatory requirements reporting ▪ Seminars, workshops and training sessions
Local communities and non-governmental organisations	<ul style="list-style-type: none"> ▪ Company website ▪ Community initiatives and development programmes ▪ Corporate announcements ▪ Public events ▪ Social media platforms ▪ Sustainability and related programmes
Media	<ul style="list-style-type: none"> ▪ Advertisement and marketing promotions ▪ Corporate and product brochures ▪ Company website ▪ Corporate announcements ▪ Press release ▪ Public events ▪ Project launches ▪ Social media platforms
<p>The Company's annual Sustainability Statement offers a comprehensive overview of the Group's sustainability strategies, performance and initiatives, catering to the information needs for both internal and external stakeholders. It also provides a detailed account of the Group's management approach towards a wide range of ESG topics, the evaluation of the said management approach and the resulting outcomes.</p> <p>For further insights into the Group's engagement efforts with stakeholders, detailed information can be found in the "Stakeholders Engagement" section of the annual Sustainability Statement within the Company's Annual Report 2023.</p>	
Explanation for departure	:

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is mindful the importance of staying abreast about sustainability issues that are relevant to the Company and its business. The Board, through the NC, assesses the training programmes attended by each Director during the financial year to ensure Directors are up to date with the latest developments in industry and emerging sustainability issues that are relevant to the Group.</p> <p>The Company's Annual Report 2023 includes a disclosure of the training programs and seminars attended by each Director. This information can be found in the "Corporate Governance Overview Statement" section, providing transparency and accountability regarding the Directors' efforts to stay informed about sustainability matters.</p> <p>During the preparation of the Annual Report, the Board received a briefing on sustainability reporting. This briefing provided knowledge on the integration of ESG matters into the Group's business model and the emergence of sustainability related risks and opportunities. The Board is also being updated on the progress of the Group's sustainability priorities and initiatives through participation in the annual updates by Risk Management Committee on Group Risk Management Report and annual approval on Sustainability Report.</p> <p>Looking ahead, the Group is progressively incorporating ESG-related risks into its risk register. By including these risks in the register, the Board can exercise oversight and develop appropriate mitigation measures to address the identified risk factors, ensuring the Group's resilience and long-term sustainability.</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

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	In line with amendments to the MCCG implemented in April 2021, the Board has reviewed the recommendation to include a review of the performance of the Board and Senior Management in addressing the Company's material sustainability risks and opportunities.	
		Performance evaluations of the Board and Senior Management have been implemented and undertaken annually.	
		However, currently, the Senior Management performance evaluations does not include their performance in addressing sustainability risks and opportunities. Moving forward, greater alignment with sustainability related issues will be incorporated into Senior Management performance evaluation.	
		These elements will be incorporated and implemented at the performance evaluation of the Senior Management.	
<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

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

Practice 4.5- Step Up

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

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
Application	: Adopted
Explanation on adoption of the practice	: <p>The Sustainability Officer (“SO”) plays a crucial role in managing sustainability strategies and initiatives within the Group.</p> <p>As the designated person responsible for sustainability, the SO, chairs the SSC, work collaboratively with its member to establish sustainability strategies and priorities based on identified sustainability matters. The SO also monitors the progress of SWC in implementing day-to-day sustainability initiatives and reports to the BSC.</p> <p>The primary roles and responsibilities of the SO include:</p> <ul style="list-style-type: none">▪ Monitors the overall sustainability progress and efforts related to sustainability carried out by members of the SSC and SWC;▪ Provides reports to the BSC regarding the overall sustainability progress of the SSC and SWC;▪ Leads and oversees the implementation of approved sustainability measures in the business strategy across the Group’s operations;▪ Reviews any changes or new sustainability matters reported by respective heads of departments; and▪ Leads the sustainability education programmes and sharing insights into sustainability trends with various departments within the Group. <p>By fulfilling these responsibilities, the SO plays a pivotal role in driving the Group’s sustainability agenda, ensuring that sustainability considerations are integrated into the organisation’s operations, and fostering a culture of sustainability across the Company.</p>

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 Board through the NC to oversees the overall composition of the Board in terms of size, mix of skills, experience, competencies and the balance between Executive Directors and Non-Executive Directors to ensure that the composition of the Board is refreshed for it to operate in an effective manner.</p> <p>The effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board and the contribution of the Board’s various committees, tenure profile of each Director will be reviewed and assessed on an annual basis.</p> <p>NC will recommend to the Board for approval, to seek shareholder’s approval for the annual re-election of retiring Directors based on satisfactory evaluation of the Director’s performance and contribution to the Board.</p> <p>The Board is always mindful of its composition and is keen to refresh its composition subject to the meritocracy of potential candidates.</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	:	Please provide an explanation on how the practice is being applied.
Explanation for departure	:	<p>During the current financial year, a new female Executive Director was appointed, effective from 16 June 2022. As a result, the current Board composition consists of seven (7) members of which three (3) of whom are Independent Non-Executive Directors (“INEDs”).</p> <p>The Board’s composition complies Paragraph 15.02(1) of the Main Market Listing Requirements of Bursa Securities (“MMLR”) which requires a minimum of two (2) Directors or one-third (1/3) of the Board, whichever is higher to be Independent Directors.</p> <p>The Board believes that the existing number of INEDs is adequate to ensure objective deliberations and decisions within the Group. The presence composition of INEDs also serve as an effective check and balance, safeguarding the interests of the minority shareholders and other stakeholders while maintaining high standards of conduct and integrity. All decision made by the Board are reached through unanimous agreement after thorough deliberation.</p> <p>None of the INEDs participates in the day-to-day management of the Group. They are free from any business or other relationships, which could interfere with the exercise of their independent judgement or ability to act in the best interest of the Company.</p> <p>The composition of the Board comprises qualified individuals with a diverse range of industry knowledge, experience and technical skills necessary for effectively managing and directing the Group which is essential for the sustainable and growth of the business, as well as to promote the interest of all stakeholders. The Board considers its current composition to be optimal for the Group’s current business profile, enabling effective leadership for future business growth.</p>

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	None of the Independent Non-Executive Directors of the Company have exceeded the cumulative terms of nine (9) years.	
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 composition of the Board fulfils the prescribed requirement for a minimum of two (2) Directors or at one-third (1/3) of the Board members to be independent, as stated in Paragraph 15.02 of the Listing Requirements. Detailed profiles of the Directors can be found in the “Board of Directors’ Profile” section of the Company’s Annual Report 2023.</p> <p>The Board has adopted a formal Board Diversity Policy to ensure effective decision-making and governance. This policy considers a range of factors such as professional experience, business experience, skills, knowledge, age and educational background in order to foster diversity within the Board. A copy of this policy can be assessed on the Company’s website at https://pgbgroup.com.my/board-diversity-policy/.</p> <p>All appointments process will be based on a candidate’s background, qualifications, experience and competency, in alignment with the requirements of the job function taking into consideration workforce diversity and any applicable regulatory requirements. The Company practices equal employment opportunities for all qualified individuals, striving to create a fair and inclusive workforce and retaining and attracting the most suitable candidates for the job.</p> <p>The NC is responsible for assessing, considering, and recommending suitable candidates for appointment to the Board when vacancies arise. The NC follows the criteria outlined in the recently adopted Directors’ Fit and Proper Policy to ensure that Directors possess high calibre, sound judgement, high integrity and credibility on a continuing basis. The Directors’ Fit and Proper Policy can be found on the Company’s website at https://pgbgroup.com.my/corporate-governance/.</p>

	<p>The Directors remain fully committed in discharging their statutory duties and responsibilities, as evidenced by their attendance at Board and Board Committee meetings during the FY2023. Detailed information regarding the Directors' attendance at meetings can be found in the "Corporate Governance Overview Statement" of the Company's Annual Report 2023.</p> <p>Throughout the year, the Board members engaged with Management, both formally and informally. Despite some Directors holding multiple directorships, they were able to dedicate sufficient time to attend and actively participate in the Board and Board Committee meetings. The Board is satisfied that each Director has devoted sufficient time to effectively carried out their responsibilities.</p> <p>In addition, all Directors are required to allocate time to attend relevant external training programmes to continually develop and refresh the necessary skills and knowledge to meet the challenges of the Board. Details of the training programmes and seminars attended by all Directors during the current financial year can be found in the "Corporate Governance Overview Statement" section of the Company's Annual Report 2023.</p>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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 appointment of Directors is undertaken by the Board as a whole but will first be considered and evaluated by the NC. The NC presents suitable recommendations to the Board based on the nomination and selection processes practiced by both NC and the Board. The responsibilities of the NC in this regard are outlined in its Terms of Reference, which is available on the Company's website at https://pqbgroup.com.my/nomination-committee/.</p> <p>In sourcing suitable candidates for consideration of appointment as Director, the NC may rely on recommendations from the existing Board members, Management and major shareholders. NC is also open to referrals from external source available, such as industry data base and professional association, as well as independent search firms to source for potential candidates for appointment of the Directors.</p> <p>During the selection process, the NC considers various criteria outlined in the Directors' Fit and Proper Policy. These criteria include character, expertise, experience, integrity, competencies and time commitment to effectively discharge his/her role as a Director, with due regard to the benefits of diversity in skills, experience, age, gender and cultural background that would suit the Company's strategic goals to join the Board.</p> <p>The NC assess directorship suitability based on the following criteria:</p> <ul style="list-style-type: none">▪ Probity, personal integrity and reputation;▪ Financial integrity;▪ Experience and competence; and▪ Time and commitment. <p>Potential candidates are required to complete "Prospective Directors Information Form" which includes a self-declaration of fit and proper form. A copy of this form can be found in the Directors' Fit and Proper Policy.</p>

	<p>Shortlisted candidates are expected to provide their curriculum vitae which includes information on academic/professional qualification, working experience, employment history and experience (if any) as directors of other companies.</p> <p>In accordance to the Practice 5.9, the NC, through internal and external sources, striving to seek for suitable female candidates to fill the position of Independent Non-Executive Director. The Company is committed to continuing its search for suitable candidate to comply with the requirement.</p> <p>For more detailed information about the Directors' Fit and Proper Policy, please refer to the Company's website at https://pgbgroup.com.my/corporate-governance/.</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 5.7

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>In accordance with the Company's Constitution, one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three, then the number nearest one-third (1/3) shall retire from office and be eligible for re-election. An election of Directors shall take place each year provided always that all Directors including the Executive Chairman shall retire from office at least once in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the annual general meeting at which he retires.</p> <p>The NC holds the responsibility of evaluating and recommending the re-appointment of any Non-Executive Director to the Board. This evaluation takes place at the end of their specified term of office or when Directors are subject to re-election under the retirement by rotation provision in the Company's Constitution stated above.</p> <p>Before recommending a Director for re-election, the Board, with the support of the NC, conducts an evaluation of the Director's contribution and performance to determine the eligibility of the Directors to stand for re-election. The NC takes into account several factors during this evaluation process:</p> <ul style="list-style-type: none">▪ Level of Directors' contribution to the Board through each of their skills, experience and strength in qualities;▪ Level of independence demonstrated by each of the Non-Executive Directors and their ability to act in the best interests of the Company in decision-making, to ensure that they are independent of Management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company; and▪ Fit and proper criteria.

	<p>By considering these factors, the NC can determine whether a Director meet the necessary requirements and eligible for re-election. The Board will only recommend re-election if the outcome of the evaluation is deemed satisfactory. This ensures that the re-appointment of Directors is based on their performance and suitability for continuing their role on the Board.</p> <p>With the current Board size of seven (7), two (2) Directors are to retire in accordance with the Company's Constitution provided that all Directors shall retire from office once at least in every three (3) years and shall be eligible for re-election.</p> <p>During the year 2023, the NC conducted an annual assessment of all the Directors. The assessment parameters included factors such as attendance record, contributions to interaction, the quality of their input, and their understanding of their roles and responsibilities. Based on the results of annual assessment, the NC collectively viewed that the retiring Directors met the criteria as prescribed by Paragraph 2.20A of the MMLR of Bursa Malaysia.</p> <p>Upon the recommendation by the NC, the Board supported the re-election of Dato' Sri Edwin Tan Pei Seng and Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar, who are seeking for re-election as Directors under the Company' Constitution. The Board reasonably believed that, given their vast experience, ability and exposure, they will be able to effectively fulfil their position and act in the best interests of the Company.</p> <p>The profiles of the Directors who subject for re-election, including the nature of interest with the Company, whichever applicable, are provided in the "Board of Directors' Profile" section of the Company's Annual Report 2023.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board believes that the roles of the Chair of the NC can be effectively carried out by an Independent Director in ensuring objectivity and independence in the deliberations of the NC including the evaluation of the Board, Board Committees and Individual Directors as well as the selection and appointment process.</p> <p>Currently, Dato' Haji Ismail Bin Karim, an Independent Non-Executive Director, serves as the Chair of the NC.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: <p>The Board recognises the benefit for having gender diversity and values the different perspectives from women Director as an important element of a well-functioning board. The Board is committed to appointing female directors who possess the appropriate qualifications, experience and competencies, ensuring that such appointments bring value to both the Board and the Company.</p> <p>In the current financial year, pursuant to the Paragraph 15.02(1)(b) of the MMLR, the Board successfully identified and recruited a qualified female Executive Director, resulting in a 14% female representation on the Board.</p> <p>The Company is dedicated to striving towards achieving the MCCG’s recommendation of a 30% representation of women on its Board. However, the selection and appointment of a new Board member will be based on merits and effective blend of skills, experience and knowledge in areas identified, the size of the Board and the needs of the Company.</p> <p>Further details pertaining the diversity of the Board in terms of gender, age and ethnicity can be found in the “Sustainability Statement” section of the Company’s Annual Report 2023.</p> <p>The Company does not set any specific target for boardroom diversity and female representative will be considered when suitable candidates are identified. During employee recruitment process, the Company ensures diversity in its management level by having female representative at the management level which could potentially be a pipeline for future candidates to be appointed as Director or Senior Management.</p> <p>The Board, through the NC, will review the proportion of the female to male board members as well as overall composition and size of the Board to ensure it fairly reflects the investments of the shareholders of the Company while at the same time having due regard for diversity in skills, experience, cultural background, gender and age.</p>

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

Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.10

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

Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: <p>In embracing a diverse and inclusive culture that promotes diversity and gender equality across the Group, the Group has implemented the Board Diversity Policy, which can be found on the Company’s website at https://pgbgroup.com.my/board-diversity-policy/.</p> <p>However, it is worth noting that the Group does not currently have a formal gender diversity policy specifically tailored for Senior Management positions.</p> <p>Despite of this, the Board remains committed to supporting a non-gender discrimination policy and endeavours to promote workplace diversity, including the representation of women in both the Board and Senior Management roles within the Company. To achieve this, the Company ensures that recruitment and selection practices at all levels are transparent and appropriately structured, providing equal opportunity to candidates who equipped the necessary competencies, skills, experience, character, time commitment, integrity and other qualities required for the Company’s future needs. It is noteworthy that the Group has already achieved a representation of 67% female employees at the Senior Management level.</p> <p>Further details pertaining the diversity of Senior Management in terms of gender, age and ethnicity can be found in the “Sustainability Statement” section of the Company’s Annual Report 2023.</p> <p>Notwithstanding the absence of a formal written gender diversity policy specifically for Senior Management, the Board acknowledges and will adhere to the relevant regulations and provisions regarding gender diversity. The Board is committed to taking necessary steps to include women candidates in all Board and Senior Management recruitment exercises. Furthermore, the Board recognises the importance of having a formal diversity policy for Senior Management and will work towards implementing such a policy to promote gender diversity within the Company.</p>

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

Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The NC operates and guides its activities in accordance with its approved terms of reference and Board Charter, which are available on the Company's website, while discharging its roles and responsibilities.</p> <p>The Board has delegated to the NC the responsibility to carry out an annual assessment of performance and effectiveness of the Board, Board Committee, the contribution of each individual Director and independence assessment of Independent Directors.</p> <p>The forms and criteria for assessment are reviewed by the NC and approved by the Board. The objective of the assessment is to track the Directors' discharge of their roles and responsibilities, identify areas for improvement, highlight areas that need more attention, and overall assess the effectiveness of the Board, Committee and Directors. The NC oversees this process, reviewed the results and reported the outcome of the Assessment to the Board.</p> <p>During the year, the Board, through the NC, conducted an annual evaluation internally. This exercise consisted of the following assessments:</p> <ul style="list-style-type: none">(i) Board and Board Committees Evaluation;(ii) Board Skills Matrix Self-Assessment; and(iii) Independent Non-Executive Director Self Evaluation. <p>These assessments and evaluations were conducted by the NC during the financial year under review without engaging the services of independent third party.</p>

The criteria for evaluating the Board and Board Committee are based on factors such as size and structure, the mix of skills, experience and qualities, the effectiveness of Board meetings, the frequency of Board meetings and other considerations. In addition to these criteria, other factors such as nature and extent of function performed as well as quality of information and decision making are also taken into consideration in assessing the effectiveness of the Board Committees.

The criteria of the evaluation for the performance of individual Directors are based on their character, experience, level of integrity, core competencies, contributions towards Board deliberations and various meetings held and their ability to allocate sufficient time to effectively discharge their duties and responsibilities. The Executive Directors, particularly, are undergo further assessment on their contribution towards the Group's business development and growth, leadership and management skills, and achievement of specific targets.

Regarding the assessment of the independence of Independent Non-Executive Director, each Director performs a self-evaluation based on the criteria of independence as defined under paragraph 1.01 of the MMLR of Bursa Securities. Each Independent Non-Executive Director verifies their tenure of service as Independent Non-Executive Director in the Company.

Each Director is given sufficient time to complete the evaluations and assessments forms before the meeting of the NC and the Board in order for the Company to collate the results for the NC to review and report to the Board.

Based on the assessments conducted for the Board and Board Committee, the overall average ratings for the areas of assessments were above 2, based on a 4-scale rating. The results indicated that the performance of the Board, the Board Committees, the individual Directors and members of the Board Committees during the assessment period had been satisfactory ($2.00 < \text{average rating} \leq 4.00$) on a 4-scale rating, and therefore, they had been effective in their overall discharge of functions, roles and duties. The Board was satisfied with each of the Directors' level of performance, and that they had also met the performance criteria in the prescribed areas of assessments. The results of these assessments form the basis of the NC's recommendations to the Board for the re-election of Directors at the 76th Annual General Meeting.

In addition, the NC also highlighted the observations which include key strengths of the Board and Board Committee in accordance with Guidance 6.1 of the MCCG. The Board works functionally as a team a mutually and dynamic working relationship that foster trust and esteem. The board meetings were carried out in an "open communication" setting with directors contributing in a timely and positive manner for each resolution of concerns.

In line with Guidance 5.8 of the MCCG and the terms of reference of the NC, the NC Chairman led the annual review of Board effectiveness, ensuring that the performance of each individual director and Chairman of the Board are independently assessed. The NC deliberated at length on each comment or feedback resulted from the assessment. NC also discussed on action to be taken on most feedback. The outcomes of these assessments were generally satisfactory, considering the size of the Company, with identified areas for improvement. Each Director took note of the weaknesses identified and committed to keeping themselves updated and actively improving in those areas.

With the view to raise the bar on the Board's governance practices and overall effectiveness, the enhancement areas were considered based on items with rating below 3.5 and the Board members' comments or feedback. In this respect, the NC had derived from the assessment results, the areas requiring ongoing attention for continuous improvement which were categorised as below:

- (a) To engage the Board on the Company's medium and long-term strategy and performance, and direction; and
- (b) To increase training in areas identified as necessary by the Board.

In the current financial year, the Board successfully identified and recruited a qualified female Executive Director. This complied with the requirement pursuant to the Paragraph 15.02(1)(b) of the MMLR.

In addition to the Board Skills Matrix Self-Assessment, each Director have completed assessment and will look into the areas that required further enhancement.

Based on the Independence Directors' Performance assessment, all the Directors have complied with the MCCG requirements where none of them have held more than five (5) directorships in listed issuers companies. They have exercised their independent judgment during the financial year under review and have properly carried out their duties as Independent Director. They also do not hold any shares in Paragon Globe Berhad ("PGB") and do not act as director for more than nine (9) years.

The collective view based on ratings given by the members of NC together with the minutes of the NC were properly documented. The outcome and summary results evaluating the effectiveness of the Board as a whole, the effectiveness of the Board Committees, the contributions of each individual Director and the independence of the Independent Non-Executive Directors were tabled to the NC for recommendation before reporting the same to the Board for notation and further consideration. The Board viewed that its current composition is sufficient to meet the needs, objectives and aspirations 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

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 entrusted the RC to formalise the Remuneration Policy, which determines the appropriate level of remuneration packages of Directors and Senior Management, taking into account various factors such demands, complexities, performance, skills and experiences. The remuneration of Directors is generally benchmarked against the market average of comparable companies to ensure competitiveness, aiming to attract experienced and qualified Directors who can contribute to the Company's success.</p> <p>In determining the remuneration packages for Executive Directors and Senior Management, the component parts of their remuneration are structured to link rewards to corporate and individual performance, taking into account similar packages at comparable companies. This is to ensure that the level of remuneration is generally set to provide market competitiveness to attract, retain and motivate Executives of the highest calibre to competently manage the Company.</p> <p>The performance of Executive Directors and Senior Management is measured based on the achievements of their annual key performance indicators ("KPIs"), both qualitative and quantitative. The RC evaluates the performance and rewards are granted to Executive Directors and Senior Management for their achievement of the respective KPIs include an annual bonus and increment to their base salaries.</p>

An annual review on remuneration takes place at the last quarter of each calendar year. Overall remuneration results together with internal factors such as performance of the Group, individual performance, duties, responsibilities and commitments of the Directors and Senior Management will be presented to RC for consideration. The RC considered the compensation and benefits are commensurate with the level of the Directors' responsibilities and performance, while also taking into account the Group's performance relative to the industry. Upon review of the RC, the appropriate recommendations will be made to the Board for approval.

The remuneration packages for the Non-Executive Directors are determined based on their qualification, experience, time commitment and competence having regard to their responsibilities. The annual evaluation is undertaken by the RC. This is to ensure develop a remuneration structure that is commensurate with the Non-Executive Directors responsibilities at both the Board and Board Committee level and is sufficient to attract, incentives and retain quality Non-Executive Directors.

Non-Executive Directors shall be paid via fixed retainer fees, meeting allowances and other benefits. Directors' fees and benefits payable to each Non-Executive Directors are reviewed and tabled individually to the shareholders for approval on an annual basis via Annual General Meeting of the Company. In accordance with proper governance practices, all Directors abstained from discussing and deciding on their own remuneration.

During the current financial year, a meeting was held to review the remuneration and benefits for the Executive Directors and Senior Management. The RC considered the compensation and benefits that are commensurate with the level of the Directors' responsibilities and performance, while also taking into account the Group's performance relative to the industry. The Board endorsed the recommendations from the RC for the proposed remuneration paid to the Executive Directors and Senior Management for the financial year is appropriate based on with their expertise, working experience, knowledge, responsibilities and individual contribution to the overall performance of the Group.

The RC evaluate the fee levels and responsibilities undertaken by the Non-Executive Directors, who actively participated in various Board Committees during the current financial year. Taking into account the intricate nature of the Group's operation and the time commitment required from the Non-Executive Directors, the RC put forth revised remuneration packages payable to the Non-Executive Directors aligned with their performance and responsibilities. The proposed remuneration packages were submitted to the Board for approval and, and if necessary, recommended to the shareholders for their approval.

	<p>The Remuneration Policy for Directors and Senior Management was recently updated and approved by the Board during its meeting held on 22 November 2022. The policy undergoes reviews to ensure the remuneration of Directors and Senior Management is on par with other publicly listed companies. Further details of the Group's Remuneration Policy can be assessed on the Company's website at https://pgbgroup.com.my/corporate-governance/.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

The 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 Company has established Remuneration Committee ("RC") to implement its policies and procedures on remuneration including reviewing and recommending to the Board a formal and transparent policy on remuneration of Directors and Senior Management. The RC is also responsible for setting the remuneration packages of individual Directors, Senior Management as well as overseeing management development and succession plans.</p> <p>The RC comprises entirely of non-executive directors, a majority of whom are independent. In discharging its roles and responsibilities, the RC operates and guides under its terms of reference, which has been approved by the Board and is available on the Company's website at https://pbggroup.com.my/corporate-governance/.</p> <p>The Board will review the terms of reference of RC and make any necessary amendments to ensure consistency with the needs of the Group and to be in line with the MMLR and the MCCG.</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

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board collectively determined the remuneration for the individual directors based on the recommendation of the Remuneration Committee. Each of the Directors has abstained from deliberating and voting on their own remuneration.</p> <p>The Board ensures that information relating to Directors' remuneration is made transparent to all shareholders in line with good corporate governance practice and the Main Market Listing Requirements of Bursa Securities. The detailed disclosure on Directors' remuneration for the financial year ended 31 March 2023 is disclosed on named basis for Directors of PGB in the Annual Report.</p> <p>The individual directors' remuneration package including fees, salaries, bonuses and estimated value of benefits-in-kind (if any) are set out as per table below as well as under the section of "Corporate Governance Overview Statement" of the Company's Annual Report 2023.</p>

N o	Name	Directorate	Company							Group						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Sri Edwin Tan Pei Seng	Executive Director	-	-	900,000	150,000	35,200	127,061	1,212,261	-	-	900,000	150,000	35,200	127,061	1,212,261
2	Dato' Sri Godwin Tan Pei Poh	Executive Director	-	18,000	480,000	100,000	7,200	72,821	678,021	-	18,000	480,000	100,000	7,200	72,821	678,021
3	Mdm. Leong Siew Foong (w.e.f 16 June 2022)	Executive Director	-	14,250	171,000	5,000	4,767	27,620	222,637	-	14,250	171,000	5,000	4,767	27,620	222,637
4	Mr. Tee Boon Hin	Independent Director	66,000	3,500	-	-	-	-	69,500	66,000	3,500	-	-	-	-	69,500
5	Dato' Haji Ismail Bin Karim	Independent Director	66,000	3,500	-	-	-	-	69,500	66,000	3,500	-	-	-	-	69,500
6	Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar	Independent Director	66,000	3,000	-	-	-	-	69,000	66,000	3,000	-	-	-	-	69,000
7	Dato' Jeffrey Lai Jiun Jye	Non-Executive Non-Independent Director	60,000	3,500	-	-	-	-	63,500	60,000	3,500	-	-	-	-	63,500

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	:	<p>In FY2023, the Senior Management of the Company was enhanced with the appointment of Ms. Chew Sai Peng on 12 September 2022. Ms. Chew Sai Peng's inclusion has brought valuable expertise and contributions to the team. As a result, the Senior Management consisted of three (3) members during FY2023, which consists of Finance Director and Senior General Manager and Project Director.</p> <p>The details of the remuneration for the members of Senior Management who are not members of the board for financial year ended 31 March 2023 in bands of RM50,000 has been disclosed below as well as set out in the section of "Corporate Governance Overview Statement" of Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Mr. Tan Hui Boon	Senior General Manager & Director of all subsidiaries of the Company	150,001-200,000	0-50,000	0-50,000	Choose an item.	0-50,000	250,001-300,000
2	Ms. Eileen Tey Yee Lin	Finance Director	200,001-250,000	0-50,000	0-50,000	Choose an item.	0-50,000	300,001-350,000
3	Ms. Chew Sai Peng (w.e.f 12 September 2022)	Project Director	150,001-200,000	0-50,000	0-50,000	Choose an item.	0-50,000	150,001-200,000
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee ("AC") comprises three (3) Independent Non-Executive Directors. Mr. Tee Boon Hin, the Senior Independent Non-Executive Director of the Company, was appointed as the Chairman of the AC on 27 November 2017.</p> <p>He is a Chartered Accountant and a member of the Malaysian Institute of Accountants ("MIA"), complying with Paragraph 15.09(1)(c)(i) of the MMLR of Bursa Securities.</p> <p>The Chairman of the AC is Mr. Tee Boon Hin, while the Chairman of the Board is Dato' Sri Edwin Tan Pei Seng. Hence, the Chairman of the AC is not the Chairman of the Board. The Board acknowledges the importance of an independent and objective AC to ensure the integrity of the Group's financial reporting process and accounting records.</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>Since the formation of the AC, the Board has never appointed any former key audit partner as the AC member.</p> <p>The Board will observe a cooling-off period of at least three (3) years in the event any potential candidate who is a former key audit partner is being considered for appointment as a member of the AC.</p> <p>Such requirement is stated in the terms of reference of AC, to ensure that the objectivity, effectiveness and independence of the external auditors are preserved.</p> <p>The terms of reference of the AC have been reviewed by the Board. The details of the terms of references are available on the Company's website at https://pbggroup.com.my/corporate-governance/.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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 is responsible for annually assessing the suitability, objectivity and independence of the external auditors, BDO PLT ("BDO") and providing recommendations to the Board their appointment and re-appointment.</p> <p>Additionally, the AC ensures that proper checks and balances are in place to prevent any conflict between the provision of non-audit services and the audit function, and the independence and objectivity of the external auditors does not impair. The AC obtains prior approval before any non-audit services are provided by the external auditors.</p> <p>On 28 February 2023, BDO through their presentation on the Audit Planning Memorandum to the AC, confirming their independence from the Group as external auditors in accordance with relevant professional and regulatory requirements for the audited financial statements of the Group for the financial year ended 2023. The provision of non-audit services by the external auditors did not conflict with their audit function and did not compromise their independence and objectivity.</p> <p>Furthermore, the AC considered the information presented in the external auditors' Annual Transparency Report as of 31 December 2021 during their assessment of the external auditors' system of quality control and audit quality.</p> <p>The AC has met with the external auditors twice (2) per year without the presence of Executive Directors and the Management to allow the AC members and the external auditors to exchange independent views on matters which required the AC's attention. No significant concerns were raised during these private sessions and BDO confirmed that they had received full cooperation from the Management throughout the audit process. There were no areas of concern that required escalation to the Board.</p>

	<p>The AC reviews the suitability, objectivity and independence of the external auditors on an annual basis. This evaluation encompasses various factors, including:</p> <ul style="list-style-type: none"> ▪ auditors' calibre; ▪ quality of services; ▪ adequacy of resources; ▪ governance and independence; ▪ audit scope and planning; ▪ audit fee; and ▪ communication and interaction with the AC with focus on their audit planning/audit strategy, audit findings/audit finalisation and completion. <p>Considering all the evaluation criteria, the AC recommended the re-appointment of BDO as external auditors of the Group for the ensuing year. The Board on the recommendation of the AC, is satisfied that BDO remains effective, objective and independent in carrying out its role as external auditors of the Company. The Board has approved the AC's recommendation for the re-appointment of BDO for the ensuing year to be tabled at the 76th Annual General Meeting of the Company for shareholders' approval.</p> <p>During the FY2023, the non-audit services conducted by BDO comprised mainly tax services for the subsidiaries of the Company. The Management is obliged to obtain confirmation from BDO regarding their independence. All non-audit service engagements were subject to AC's approval. The AC determined that the provision of non-audit services did not compromise BDO's independence and objectivity. The non-audit services were conducted by separate teams from the BDO's statutory audit team. The AC concluded that it continued to be satisfied with the performance of BDO and their objectivity and independence throughout the year were not impaired by nature of the non-audit services, related fees, or any other circumstances.</p> <p>In addition, the Group has approved an External Auditors' Policy, which outlines the principles and guidelines governing the appointment, responsibilities and relationship between the Company and the external auditors. The details of the External Auditors' Policy are available on the Company's website at https://pbggroup.com.my/corporate-governance.</p>
<p>Explanation for departure</p>	<p>:</p>

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

Measure :		
Timeframe :		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The AC is composed of the following Independent Non-Executive Directors, all of whom are independent: -</p> <ul style="list-style-type: none">▪ Mr. Tee Boon Hin (Chairman);▪ Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar (Member); and▪ Dato' Haji Ismail Bin Karim (Member). <p>This inclusion of independent members allows the committee to exercise its judgement objectively and act in the best interest of the Company. Additionally, it enables the committee to communicate independently with external auditors regarding matters that require attention of AC.</p>

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 is composed of three (3) Independent Non-Executive Directors who bring diverse professional backgrounds and expertise to the committee. The Chairman of the AC, Mr. Tee Boon Hin, is a member of the Malaysian Institute of Accountants, ensuring strong financial expertise within the committee. The other AC members are also equipped with knowledge and skills from various industries and complemented by their years of experience.</p> <p>The AC members possess a wide range of skills necessary to discharge their duties as outlined in the terms of reference. They provide valuable advice to the Board on financial reporting, internal audit and the Group's risk and internal control environment. All members are financially literate and are able to understand matters under the preview of the AC including the financial reporting process.</p> <p>The qualification and experience of the AC members are disclosed in the "Board of Directors' Profile" section of the Company's Annual Report 2023.</p> <p>The Board expressed satisfaction with the AC's performance based on the results of the recent evaluation. The Chair and members possess the necessary knowledge, experience, expertise and skills which contributed to the overall effectiveness of the AC.</p> <p>Throughout the FY2023, AC members remained updated on relevant developments in the accounting standards and corporate governance practices. The continuous professional development undertaken by each member is detailed in the "Corporate Governance Overview Statement" section of the Company's Annual Report 2023.</p>

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

Intended Outcome

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 affirms its overall responsibility for maintaining a sound governance, risk management and internal control system and for reviewing their adequacy and effectiveness. This ensures assurance on the achievement of the Group's strategies and business objectives as well as safeguarding the interest of all stakeholders and protecting the Group's assets.</p> <p>The Board acknowledges that risk management is an ongoing process that involves identifying, evaluating, responding to, managing and monitoring significant risks that may affect the Group's business performance. It ensures that optimum operational function is maintained within an acceptable risk appetite while striving to achieve the Group's overall strategic objectives.</p> <p>The Board has delegated the responsibility of governance oversight of risk management matters to the Risk Management Committee ("RMC"). The RMC is entrusted with the task of establishing and implementing an effective risk management framework for the Group. Additionally, the RMC is responsible for reviewing the effectiveness of the risk management framework to ensure its ongoing relevance and adequacy.</p> <p>To embed the practice of risk management throughout the Group and effectively manage key business risks and opportunities, the Board has established a structured Group Risk Management Framework as the governance structure and processes for the enterprise-wide risk management. The principles, practices and process of this framework, established by the Board are, in material aspects, guided by the ISO 31000:2018 - Risk Management - Guidelines.</p>

	<p>Objectives of the Risk Management Framework include, but are not exclusive to:</p> <ul style="list-style-type: none"> ▪ Provide guidance for identifying, managing, reporting and monitoring risks; ▪ Provide guidance for risk consideration within the tolerable threshold throughout business processes and decision making; and ▪ Clearly defined the roles and responsibilities and reporting structure. <p>Details of the Group’s Risk Management process flow are set out in the “Statement on Risk Management and Internal Control” section of the Company’s Annual Report 2023.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

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

Practice 10.2

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 acknowledges the importance of having an effective risk management and internal controls system as a fundamental aspect of a good business management practice. The Group has implemented a structured process for risk management, which involves analysing and evaluating risks based on approved risk criteria, considering both likelihood and impact ratings.</p> <p>The Company conducts an annual risk review to identify and assess the risks from various perspectives, including strategic, governance, financial and operational perspective. The findings, including key risks identified, relevant risk events, and management action plans, are compiled into the Key Risk Report, which is presented to the RMC. The Risk Profile is updated and presented to the Board for their review.</p> <p>The Board has provided disclosure on the key features of the Group' risk management and internal control system as well as its adequacy and effectiveness in the "Statement on Risk Management and Internal Controls" section of the Company's Annual Report.</p> <p>The Board has received assurance from the Executive Chairman and Finance Director that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects, based on the risk management and internal control systems of the Group.</p> <p>Based on the information and assurance received, the Board is satisfied that the risk management and internal control system in place during the year under review are adequate and effective in safeguarding investment, interests of customers, regulators, employees, and the Group's assets.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Board has established the Risk Management Committee ("RMC"), which comprised wholly of Independent Non-Executive Directors. The RMC is composed of the following members: -</p> <ul style="list-style-type: none">▪ Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar (Chairman);▪ Dato' Haji Ismail Bin Karim (Member); and▪ Mr. Tee Boon Hin (Member). <p>The terms of reference of the RMC can be found on the Company's website at https://pgbgroup.com.my/corporate-governance/. Additionally, the details of the Group's Risk Management Framework are provided in "Statement on Risk Management and Internal Control" section of Company's Annual Report 2023.</p>

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>For an effective and independent internal audit function as an integral part of the control structure of the Group, the Company has outsourced the internal audit function to a professional external service firm called NeedsBridge Advisory Sdn Bhd. This firm reports directly to the AC under the terms of the engagement letter, Internal Audit Charter and the AC's terms of reference.</p> <p>As guided by the Internal Audit Charter, Internal Auditors must be independent of the activities and processes, which it appraises to ensure it is able to perform its duties in an objective manner and provide impartial advice to the AC.</p> <p>To ensure the full discharge of Internal Auditors' responsibilities, the AC undertakes the following reviews:</p> <ul style="list-style-type: none">▪ review the Internal Audit Charter;▪ review the adequacy of the scopes, functions, competency and resources of the internal audit function;▪ review any appraisal or assessment of the performance of internal audit function team members; and▪ ensure internal audit function discharge its duties in accordance with Internal Audit Charter. <p>The primary role of Internal Auditors is to assist AC in discharging its duties and responsibilities by conducting independent assessment of the adequacy and effectiveness of the Group's risk management, control and governance processes.</p> <p>Internal Auditors perform their function based on an audit plan that is reviewed and approved by the AC. IA provides recommendations to mitigate control weaknesses and enhance the governance, risk management and control processes within the Group. The results of the audits as disclosed in the IA reports were reviewed by the AC. The relevant Management were made responsible to ensure that corrective actions on the reported weaknesses were taken within the required timeframes. IA conducted follow-up reviews/audits to ensure that the corrective actions were implemented appropriately.</p>

	<p>The AC performs an annual evaluation of the Internal Auditors which covered the areas of:</p> <ul style="list-style-type: none"> ▪ quality of services; ▪ sufficiency of resources in respect of the firm, processes, technical knowledge and competency of the audit team; ▪ independence and objectivity; and ▪ audit scope and planning; and ▪ communication and interaction with the AC and external auditors with focus on evaluation of internal controls of the Company. <p>Based on the evaluation performed by the AC, the Committee expresses satisfaction with the internal audit plan, processes, and the results of internal audits and investigations.</p> <p>Further details and a summary of the IA function’s work can be found in the “Audit Committee Report” section of the Company’s Annual Report 2023.</p>	
Explanation for departure :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has entrusted the internal audit function to an external independent professional firm that ensures its personnel are free from any relationship or conflict of interest or undue influence of others to override professional and business judgment which could impair their independence and objectivity.</p> <p>To preserve the independence and objectivity, the outsourced internal audit function is not permitted to act on behalf of Management, decide and implement management action plan, perform on-going internal control monitoring activities (except for follow up on progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to a member of the Management or the employee. IA reports directly to the AC with unrestricted access to the Group's employees and documents in the performance of their engagement.</p> <p>The engagement director of the outsourced internal audit function, Mr. Pang Nam Ming, is a professional member of The Institute of Internal Auditors Malaysia, member of Malaysian Institute of Accountants, fellow member of Association of Chartered Certified Accountants, Certified Internal Auditor and Licensed Goods and Services Tax Agent in Malaysia.</p> <p>During the financial year under review, sufficient resources were allocated to the fieldworks of the internal audit by the outsourced internal audit function based on the scope of internal audit work approved by the AC. The internal audit function was manned by one (1) manager, assisted by at least one (1) senior consultant and at least one (1) consultant per audit engagement with oversight performed by the engagement director.</p>

	<p>The audit engagement of the outsourced internal audit function is governed by the engagement letter (which includes purpose and scope of works, accountability, independence, the outsourced internal audit function’s responsibilities, the Management’s responsibilities, the authority accorded to the outsourced internal audit function, limitation of scope of works, confidentiality, the proposed fees and engagement team) and Internal Audit Charter (which includes purpose and mission, its roles, professionalism required including adherence to the Institute of Internal Auditors’ mandatory guidance, its authorities, reporting structure, independence and objectivity required, its responsibilities, purpose of internal audit plan, reporting and monitoring and quality assurance and improvement programme) which are reviewed by the AC and approved by the Board.</p> <p>The internal audit is carried out, in material aspects, in accordance with the International Professional Practices Framework (“IPPF”) established by the Institute of Internal Auditors Global.</p> <p>Based on the evaluation of internal audit function’s performance, the review of their work and deliverables, the AC and the Board are satisfied that the outsourced internal audit function maintains independence, objectivity, and the absence of relationships or conflicts of interest that could compromise their effectiveness.</p> <p>Further details and a summary of the IA function’s work can be found in the “Statement on Risk and Internal Control” section of the Company’s Annual Report 2023.</p>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of an effective and transparent communicative with its stakeholders, including but not limited to shareholders, customers, employees, suppliers, regulators, media and local communities. The Board is fully committed to upholding the highest standards of transparency and accountability by disclosing relevant information pertaining to the Group.</p> <p>In compliance with the requirements stipulated by the MCCG and the Capital Markets and Services Act 2007, the Board ensures that all material events and information are publicly disseminated in a transparent manner, thereby providing fair and equitable access to all stakeholders without any selective disclosure.</p> <p>Various channels are used as mean to communicate with shareholders and other stakeholders, including but not limited to:</p> <ul style="list-style-type: none">▪ Annual general meetings ("AGM");▪ Extraordinary general meetings;▪ Corporate announcements;▪ Annual reports;▪ Press release and press statements;▪ Company website;▪ Public events; and▪ Social media platforms. <p>The AGM serves as a crucial platform for the Board to engage in dialogue and interact with shareholders. During each AGM, the Board presents the Group's business overview, financial highlights and future developments, aiming to provide shareholders with insights into the Group's business activities, financial performance and strategic plans.</p> <p>The Chairman of the Board encourages shareholders' active participation during meeting by allocating ample time for a question-and-answer session, allowing them to share their views. The Senior Management, the Company's External auditors, as well as advisers, where relevant, are present to address any concerns raised by shareholders.</p>

Shareholders, investors and members of the public can reach out to the Company for inquiries through the following contact details:

- Tel: 607-278 6668
- Fax: 607-278 6666
- Email: enquiry@pgbgroup.com.my

The Board recognise the importance of timely dissemination of financial information and updates on the developments to enable shareholders and the general public to stay informed about the Group's performance and prospects. Shareholders, investors and members of the public are able to access such announcements on Bursa Securities' website at www.bursamalaysia.com and additional information is available on the Company's website at www.pgbgroup.com.my. This ensure that all stakeholders enjoy equal access to the material information.

The Group also through its corporate communications department engages with media to convey the Group's strategies, products and major developments. The Group's Executive Chairman and/or Executive Directors also takes an active role in engaging with stakeholders through their participation in the investor relations programme or media events.

The Company's annual report provides comprehensive information on the business performance and financial results of the Group. It includes the Management Discussion and Analysis ("MDA") section, which offer insights into the performance, financial condition, risk exposure and future prospect of the Group from perspective of the Management. Additionally, the annual report ensures full disclosure of the Company's compliance with the MMLR, MCGG, and financial reporting requirements. By adhering to these standards and regulations, the Company demonstrates its commitment to transparency and accountability in providing accurate and reliable information to stakeholders.

The Board emphasises the importance of maintaining proper corporate disclosure procedures to provide stakeholders with comprehensive, accurate, and high-quality information in a timely manner. The Group has recently adopted a Corporate Disclosure Policy that guides on the requirements and approaches for disclosure in order to provide shareholders and investing public with comprehensive, accurate and quality information. This policy applies to all Directors, Management and the employees of the Group. The details of the Group's Corporate Disclosure Policy are available on the Company's website at <https://pgbgroup.com.my/corporate-governance>.

The Company ensures that confidential information is handled properly by Directors, Management, employees and relevant parties to avoid leakage and improper use of such information. Personnel and working team for preparing the disclosure will conduct due diligence and proper verification, as well as coordinate the efficient disclosure of material information to the investing public.

	<p>In 2021, the Group conducted its first materiality assessment involving employees from all business segments to identify key sustainability topics that are material to both PGB and our stakeholders. Building on this, in 2022, materiality survey was expanded to include external stakeholders. This ensures that the material matters reflect the evolving stakeholders' priorities and their potential impact on sustainable value creation.</p> <p>To further engage with stakeholders, the Company has conducted various events during the current financial year. These events provide opportunities for dialogue and interaction with stakeholders.</p> <p>A detailed account of the Group's sustainability strategies, performance, initiatives and how the Company addresses stakeholder expectations across various sustainability matters can be found in the "Sustainability Statement" section of the Company's Annual Report 2023.</p>
Explanation for departure :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
Measure :	
Timeframe :	

Intended Outcome

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 Notice of Annual General Meeting (“AGM”) of the Company is dispatched to the shareholders at least 28 days before the date of holding the AGM, well in advance of the 21 days requirement stipulated in the Companies Act 2016 and Main Market Listing Requirement of Bursa Malaysia Securities Berhad (“Bursa Securities”)</p> <p>The Company has complied with the statutory requirement with regards to timeline in sending out notice of AGM to shareholders all these years. The same practice will apply to future AGM of the Company.</p> <p>The practice allows the shareholders to have additional time to make the necessary arrangements to attend and participate in person or through corporate representatives or proxies. More importantly, it enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting.</p> <p>The notes to the Notice of AGM provided detailed explanations for each resolution proposed, including re-election of Directors, Directors’ remuneration comprising the Directors’ fees and benefits, appointment of auditors, to enable shareholders to make informed decisions in exercising their voting rights.</p> <p>The Administrative Guide was intended to provide the shareholders with the detailed procedures of the AGM, their entitlement to attend the AGM, their right to appoint a proxy and information as to who may count as a proxy.</p> <p>The Notice of AGM is published in the company website at www.pgbgroup.com.my and also made available to public at the website of Bursa Securities. The Board with the assistance of the Company Secretaries has ensured the Notice of AGM contained sufficient information related to the resolutions set out in the Notice.</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>The Board acknowledges its responsibility to engage shareholders' participation at the general meetings and provide meaningful responses to their concerns and queries.</p> <p>It has been the practice of the Company that all Directors be present at all general meetings held during the financial year. It has been scheduled and approved in advance by the Board at the beginning of the year to ensure full attendance of the Board. The Chairman of the Audit, Nomination, Remuneration and Risk Management Committee and the key personnel Management were available and attended the general meetings to response the relevant questions that raised by shareholders.</p> <p>The 75th AGM of the Company conducted on 12 September 2022 as well as the Extraordinary General Meeting ("EGM") held on 28 February 2023 were convened physically. All Directors were in full attendance in physically for both of the general meetings. The Senior Management also attended the meetings to respond on matters that were under the purview of the respective parties.</p> <p>At the 75th AGM, the Finance Director presented on the Group's financial performance as well as the progress updates on the projects. The corporate presentation would enable shareholders to gain insights on the business activities, financial performance and future developments of the Group, thereby, enabling the shareholders to form an informed view on the Company.</p> <p>During the general meetings, the Chairman of the Board encourages shareholders to raise their concerns to the Company and depending on the topic asked, he will either answer the question himself or direct it to any of the Directors who present and is more suited to address the issue.</p> <p>Shareholders may also forward their enquiries and questions outside of the general meetings to the Company through the following contact details:</p> <ul style="list-style-type: none">➤ Tel: 607-278 6668➤ Fax: 607-278 6666➤ Email: enquiry@pqbgroup.com.my

	Suggestions and comments communicated by shareholders were taken into careful consideration and well noted by the Board and Management.	
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	:	Please provide an explanation on how the practice is being applied.
Explanation for departure	:	<p>After one (1) year of conducting virtual general meetings due to the COVID-19 pandemic, the Board has decided to return to a physical platform for the 75th AGM held on 12 September 2022 and the Extraordinary General Meeting (“EGM”) held on 28 February 2023. This shift allows the Board to engage with shareholders in person, taking into account the transition of the country into the endemic phase of COVID-19.</p> <p>The Board is cognisant of the leverage on the technology or application which enabled remote shareholders' participation to encourage shareholders' participation in the AGM. After taking into account the cost to conduct the AGM by combining physical and remote participation (hybrid format), the proposal has been kept in abeyance.</p> <p>For the physical AGMs, the Board is always considering the location or venue of the AGM which shall be accessible to the shareholders. Both of the general meetings were held in the city area of the Johor Bahru.</p> <p>Accordingly, the Company will continue to explore the use of technology available in the market for more cost effective technology to provide meaningful interactions with shareholders during general meetings.</p> <p>The Company engaged Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) as the Poll Administrator for both general meetings. The Company leveraging on the remote voting service provided by Tricor which enable the shareholders to vote remotely via Tricor's TIH Online website at https://tiih.online. If a member is unable to attend the general meetings, he/she may appoint a proxy or the Chairman of the meeting as his/her proxy to attend the general meetings via Remote Participation and Voting (“RPV”) facilities.</p>

	<p>On the day of the general meetings, the shareholders were required to login for remote participation at the general meetings. E-voting tutorial video was played during the general meetings prior to the commencement of the e-voting session to ensure the shareholders understand the method on exercising their rights as members.</p> <p>In line with the Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions put to general meetings have been voted by e-poll with an independent scrutineer appointed to validate the votes casted at the general meetings. The outcomes of voting on the proposed resolutions have been disclosed to the market and posted on the Company's website at www.pgbgroup.com.my after the general meetings. Tricor has put in place the necessary information security measures to prevent cyber threats and data breaches, which includes hosting RPV facilities on a secured cloud platform.</p> <p>Moving forward, the Company aims to leverage on technology to facilitate remote shareholders' participation at general meetings, taking into consideration the number of shareholders residing at remote locations the availability, affordability, accuracy and stability of such technologies and infrastructure, and age profile of the shareholders.</p>	
<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

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Company acknowledges the significance of general meetings as a vital platform for the Board to engage in dialogue and interact with shareholders. The Chairman of the Board actively encourages shareholders to participate during these meetings. Shareholders are given the opportunity to raise questions or seek clarification on various matters, including the financial and non-financial performance of the Group, long-term strategies, and any other relevant concerns.</p> <p>Shareholders are encouraged to express their views and raise any matters of concern directly to the Chairman of the Board or the chairman of the Board Committees. Prior to the general meetings, shareholders can also email their questions or inquiries to the Company at enquiry@pgbgroup.com.my. All questions received including those emailed to the Company will be addressed verbally in the general meeting.</p> <p>To ensure effective communication, Management personnel are present during the general meetings to respond to any queries from shareholders. The Chairman allocates sufficient time for shareholders to raise their questions, and appropriate responses are provided in relation to the concerns and inquiries raised by shareholders.</p> <p>The Company values the input and feedback from its shareholders, and the Board strives to address their concerns and provide meaningful responses during the general meetings.</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

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 :	Please provide an explanation on how the practice is being applied.
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	: Pursuant to Guidance 13.6 of the MCCG 2021, minutes of the general meeting is published on the Company's website www.pgbgroup.com.my within thirty (30) business days upon conclusion of the general meeting.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**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.

Not applicable
