

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0282
COMPANY NAME : KGW Group Berhad
FINANCIAL YEAR : December 31, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors (“the Board”) of KGW Group Berhad (“KGW” or “the Company”) remains mindful of its accountability to shareholders and stakeholders in creating sustainable value and ensuring the long term success of the Company's business. The Board is also committed to providing effective leadership in discharging its functions in the best interests of the Company and its subsidiaries (“the Group”).</p> <p>In fulfilling its functions and duties, the Board is guided by the Board Charter and holds primary responsibilities, including: -</p> <ul style="list-style-type: none">(i) Reviewing and approving the Group's corporate plan and strategic initiatives, including corporate restructuring or streamlining and strategic alliances, ensuring they support long-term value creation while considering economic, environmental and social factors underpinning sustainability;(ii) Overseeing the conduct of the Group's business operations and the performance of the Management;(iii) Promoting a strong corporate governance culture within the Group that reinforces ethical, prudent and professional conduct;(iv) Assessing and identifying the principal risks, risk appetite and ensuring the effective implementation of risk management framework;(v) Reviewing the reports from each Board Committee and deliberating on their recommendations as well as reviewing the composition, performance and effectiveness of the Board Committees;(vi) Reviewing the adequacy and integrity of the Group's internal control systems and management information systems; and(vii) Ensuring the integrity of the Company's financial and non-financial reporting. <p>Details of the roles of the Board are outlined in Item 4.1 of the Board Charter.</p>

	<p>To enhance the Board’s efficiency and effectiveness in discharging its responsibilities, the Board has delegated certain responsibilities and authorities to the Board Committees.</p> <p>On 26 February 2025, the Board merged the existing Nomination Committee and Remuneration Committee into a single Board Committee, known as Nomination and Remuneration Committee (“NRC”). On the same day, the Board also split the existing Audit and Risk Management Committee into Audit Committee (“AC”) and Risk Management Committee, which was subsequently redesignated as the Sustainability and Risk Management Committee (“SRMC”).</p> <p>Following this restructuring, the Company currently has three (3) Board Committees, which are AC, SRMC and NRC. The roles and responsibilities of each Board Committee are clearly stated in their respective Terms of Reference.</p> <p>The Board Charter and Terms of Reference for each Board Committee are publicly available on the Company’s website at www.kgwlogistics.com/corporate-governance/.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is chaired by Tengku Faizwa Binti Tengku Razif, an Independent Non-Executive Chairperson of the Company, who is responsible for providing leadership to the Board, enhancing its overall effectiveness, and instilling good corporate governance practices.</p> <p>As outlined in Item 4.4 of the Board Charter, the responsibilities of the Board Chairperson include:</p> <ul style="list-style-type: none"> (i) providing leadership and overseeing the Board in the effective discharge of its duties; (ii) setting the Board agenda and ensuring the Board members receive complete and accurate information in a timely manner; (iii) leading discussions in Board meetings and ensuring efficient and effective conduct of the Board's functions and meetings; (iv) leading the Board in the adoption and implementation of good corporate governance practices in the Company; (v) facilitating the effective contribution of all Board members in Board meetings; (vi) promoting constructive and respectful relations among the Directors and managing the interface between the Board and the Management; (vii) encouraging active participation and allowing the expression of dissenting views in Board meetings; and (viii) ensuring effective communication with shareholders and stakeholders and conveying their views to the Board as a whole. <p>The roles and responsibilities of the Board Chairperson are fully disclosed in the Board Charter and it is accessible on the Company's website at www.kgwlogistics.com/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	:		
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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>In KGW, the position of the Board Chairperson is held by Tengku Faizwa Binti Tengku Razif, while the position of Managing Director is held by Dato' Roger Wong Ken Hong.</p> <p>The roles and responsibilities of the Board Chairperson and Managing Director are separate, distinctive and have been clearly segregated to preserve a balance of power and authority to foster the Board's impartial oversight over management and accountability as well as to avoid unfettered decision-making power.</p> <p>The Board Chairperson is primarily responsible for instilling good corporate governance practices, providing leadership, enhancing the effectiveness of the Board, and managing the interface between the Board and Management. Meanwhile, the Managing Director is responsible for overseeing the Group's business performance, implementing strategies and policies approved by the Board, as well as monitoring the day-to-day operations of the Group.</p> <p>The distinct lines of responsibilities between the Board Chairperson and Managing Director are outlined in the Board Charter, which is available on the Company's website at www.kgwlogistics.com/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

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 :	Departure
Explanation on application of the practice :	
Explanation for departure :	<p>The Board Chairperson, Tengku Faizwa Binti Tengku Razif, does not serve as a member of the AC, NRC or SRMC of the Company but she was invited to attend the Board Committees' meetings held during the financial year ended 31 December 2024 ("FYE 2024").</p> <p>Her attendance at the Board Committees' meetings was primarily to provide recommendations and inputs on issues raised in the Board Committees' meetings. Nonetheless, she does not involve in the decision-making on resolutions, proposals or matters tabled for approval at the Board Committees' meetings. Therefore, her attendance did not compromise the objectivity of the Board Committees.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by two (2) suitably qualified and competent Company Secretaries, namely Mr. Chang Ngee Chuang and Ms. Thong Pui Yee. Both Company Secretaries are qualified to act as the company secretaries pursuant to Section 235(2)(a) of the Companies Act 2016 ("the Act") and are members of the Malaysian Institute of Chartered Secretaries and Administrators.</p> <p>The Company Secretaries assist the Board by advising on matters related to the Company's administration, governance and meeting procedures to ensure their effective functioning in accordance with Board Charter, Terms of Reference, and best practices recommended by the Malaysian Code on Corporate Governance ("MCCG"). The Company Secretaries also advise the Directors on their fiduciary and statutory duties, as well as corporate disclosures and compliances with the Act, the Company's Constitution, the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the MCCG, adopted company policies and other pertinent regulations governing the Company, including guiding the Board towards the necessary compliances.</p> <p>During the FYE 2024, the Company Secretaries have properly and reasonably discharged their roles and duties as follows:</p> <ul style="list-style-type: none">(i) Maintaining the Group's statutory records, registers and documents in a proper manner;(ii) Coordinating and facilitating all meetings of the Board and Board Committees in a timely manner;(iii) Facilitating Board communications and maintaining proper documentation of meeting minutes and Board resolutions;(iv) Advising the Board and Board Committees on their roles and responsibilities, corporate disclosures, as well as procedural and regulatory requirements, to assist the Board and Board Committees in discharging their fiduciary duties and responsibilities in accordance with good corporate governance practices;(v) Ensuring all appointments of Directors are properly made and adhere to all legal and regulatory requirements;(vi) Supporting the Board in convening the general meetings; and

	<p>(vii) Keeping the Board updated with the latest corporate governance developments and assisting the Board in applying governance practices to meet its needs and stakeholders' expectations.</p> <p>The Company Secretaries have and will continue to constantly keep themselves abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters, including changes in the regulatory environment, through continuous training and industry updates.</p> <p>The Board is satisfied with the performance, competency, reliability and support rendered by the Company Secretaries to the Board in discharging its functions and duties during FYE 2024.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

Practice 1.6

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>At KGW, all Board and Board Committees meetings are scheduled in advance, giving all Directors ample time to secure their availability for attendance. The annual meeting calendar is prepared and circulated to all Directors before the beginning of each calendar year.</p> <p>To facilitate an efficient and timely flow of information, notices, agendas and meeting papers containing the relevant reports for each meeting are circulated to the Directors at least seven (7) days before the scheduled meeting. This advance distribution of meeting materials provides Directors with ample time for thorough review and thoughtful consideration of agenda items, and when necessary, to seek additional information from the Management to facilitate their decision-making process during the meeting.</p> <p>Furthermore, to promote objective and independent discussion during the meeting, all Board and Board Committees meetings are conducted separately. The Board and Board Committees may at their discretion, invite Senior Management or external parties to the meetings as needed to facilitate decisions and ensure the effective discharge of responsibilities.</p> <p>All Directors have full and unrestricted access to all information related to the Group's business and affairs, as well as to the advice and services of the Company Secretaries and the Management in a timely manner, facilitating effective decision making and discharge of duties.</p> <p>The Company Secretaries record all matters, discussions, deliberations, decisions and conclusions made during the Board meetings. The meeting minutes are then circulated to the Board on a timely basis for review and thereafter, for confirmation at the following meeting. The duly confirmed and endorsed meeting minutes will be properly kept by the Company Secretaries at their registered office.</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

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 has established a Board Charter that serves as a formal guidance for Directors to effectively fulfil their duties and responsibilities. The Board Charter outlines the roles, responsibilities, and operating procedures of the Board, ensuring clarity in authority of the Board, Board Committees and individual Directors.</p> <p>The Board Charter has outlined the following areas: -</p> <ul style="list-style-type: none">(i) Board structure;(ii) Roles and responsibilities of the Board, Chairman of the Board, Managing Director, Executive Directors, Independent Directors, Senior Independent Non-Executive Directors and Board Committees;(iii) Matters reserved for the Board;(iv) Board diversity policy;(v) Disqualification or vacation of office;(vi) Directors' training;(vii) Company secretary;(viii) Board meetings and procedures;(ix) Access to information and independent professional advice;(x) Remuneration of Directors and Senior Management;(xi) Code of Conduct and Ethics;(xii) Anti-Bribery and Corruption Policy;(xiii) Whistleblowing Policy and Procedures;(xiv) Relationship with shareholders and stakeholders;(xv) Accountability and audit; and(xvi) Review of Board Charter. <p>The Board Charter will be reviewed periodically by the Board. Any new regulations that impact the Board's responsibilities are updated to align with the Company's requirements. The Board Charter was last reviewed by the Board on 26 February 2025.</p> <p>The Board Charter is publicly available on the Company's website at www.kgwlogistics.com/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

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

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

Practice 3.1

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

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

Application	: Applied				
Explanation on application of the practice	<p>The Board has adopted the Code of Conduct and Ethics ("the Code") to uphold the highest standards of ethics and governance. The principles of professionalism, honesty and integrity are fundamental values that the Group is committed to upholding in all business dealings, ensuring that every interaction reflects these standards.</p> <p>The Code outlines comprehensive policies and procedures to guide ethical conduct, which cover the following key areas: -</p> <table border="1" data-bbox="560 1146 1407 1653"> <thead> <tr> <th data-bbox="560 1146 983 1182">Employee Conduct</th> <th data-bbox="983 1146 1407 1182">Business Conduct</th> </tr> </thead> <tbody> <tr> <td data-bbox="560 1182 983 1653"> <ul style="list-style-type: none"> ➤ Discrimination and harassment ➤ Fraud, protection/proper use of the Group's assets and accounting records ➤ Outside directorship and other outside activities ➤ Conflict of interest ➤ Confidential information ➤ Insider trading ➤ Family and relative of employees </td> <td data-bbox="983 1182 1407 1653"> <ul style="list-style-type: none"> ➤ Dealing with external parties ➤ Money laundering ➤ Bribery and corruption ➤ Gifts, entertainment and others </td> </tr> </tbody> </table> <p>By adhering to these principles outlined in the Code, the Group aims to foster a workplace culture that not only meets regulatory requirements but also builds trust and enhances the Company's reputation among its stakeholders.</p> <p>The Code was last reviewed by the Board on 26 April 2024 and will be reviewed by the Group at least once in three years to ensure that it continues to remain relevant and appropriate.</p>	Employee Conduct	Business Conduct	<ul style="list-style-type: none"> ➤ Discrimination and harassment ➤ Fraud, protection/proper use of the Group's assets and accounting records ➤ Outside directorship and other outside activities ➤ Conflict of interest ➤ Confidential information ➤ Insider trading ➤ Family and relative of employees 	<ul style="list-style-type: none"> ➤ Dealing with external parties ➤ Money laundering ➤ Bribery and corruption ➤ Gifts, entertainment and others
Employee Conduct	Business Conduct				
<ul style="list-style-type: none"> ➤ Discrimination and harassment ➤ Fraud, protection/proper use of the Group's assets and accounting records ➤ Outside directorship and other outside activities ➤ Conflict of interest ➤ Confidential information ➤ Insider trading ➤ Family and relative of employees 	<ul style="list-style-type: none"> ➤ Dealing with external parties ➤ Money laundering ➤ Bribery and corruption ➤ Gifts, entertainment and others 				

	<p>Additionally, the Group has also adopted an Anti-Bribery and Corruption Policy (“ABC Policy”) in line with the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018). As part of the Group’s zero-tolerance policy against all forms of bribery and corruption, the ABC Policy outlines principles and guidelines for handling bribery and corruption-related activities and issues when they arise.</p> <p>Both the Code and ABC Policy are accessible on the Company’s website at www.kgwlogistics.com/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 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 Group is committed to upholding the highest standards of ethics, integrity and accountability in its business operations. To reinforce this commitment, KGW has formalised and adopted a Whistleblowing Policy and Procedures, which outline clear procedures and reporting channels available to support the effective implementation of the Code and the ABC Policy in cases of any violations. This policy provides a secure avenue for Directors, officers, employees, stakeholders and members of the public to report genuine concerns regarding suspected or known misconduct, wrongdoing, corruption, fraud or abuse. It also protects whistleblowers from any discrimination, harassment, reprisals or retaliation.</p> <p>If there is a reasonable belief or suspicion of malpractice or misconduct within the Group, whistleblowers are encouraged to report it through the following secure channels:-</p> <p>(i) Whistle Blowing Form Whistleblowers may submit a Whistle Blowing Form via the web form available on the Company's website at www.kgwlogistics.com/anti-bribery-anti-corruption-and-whistle-blowing-policy.</p> <p>(ii) Email Reporting Whistleblowers may report directly to the Chairperson of the AC via a protected email at jslim48@yahoo.com.</p> <p>The Company ensures confidentiality protection for whistleblowers and takes all reasonable measures to protect the whistleblowers from any discrimination, retaliation or harassment, provided that such report is made in good faith.</p> <p>The Whistleblowing Policy and Procedures is accessible on the Company's website at www.kgwlogistics.com/corporate-governance/.</p> <p>During FYE 2024, the Board is pleased to report that the Group has not received any whistleblower reports concerning breaches of the Company's policies or applicable laws.</p>

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

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges its vital role in overseeing the overall sustainability management of the Group, which involves establishing and monitoring the Group's sustainability strategies, priorities and goals.</p> <p>On 25 November 2024, the Board, upon recommendation by the NRC, adopted a Sustainability Policy to support the Group's objective to realise its goal to develop a sustainable business, focusing on six (6) key principles: economic, supply chain, innovation and technology, environmental, social and governance. This policy ensures sustainability and ethical practices of the Company's financial performance, management and operations with the view to contributing to the overall environmental sustainability and creating value from sustainable practices.</p> <p>While the Board holds ultimate responsibility for the Group's overall sustainability agenda, it has delegated the oversight and management of sustainability matters to the SRMC. The SRMC is, in turn, assisted by the Sustainability Working Committee ("SWC"). The SWC, comprising Key Senior Management, is tasked to: -</p> <ul style="list-style-type: none">(a) Perform annual material matters assessment;(b) Monitor the implementation of sustainability strategies and initiatives in the Group's daily business operations; and(c) Report or discuss with the SRMC the progress of integration of sustainability strategies and initiatives into business operations on a periodical basis. <p>The purpose of material matters assessment is to identify and prioritise the risks and opportunities of the Group related to economic, environmental, social and governance ("EESG") factors. SWC will conduct this assessment annually to assess the relevancy of the identified material matters and to discover any potential new material matters during the financial year. During the FYE 2024, the Company</p>

	<p>has identified fifteen (15) material matters and ranked them according to their significance to the Group and its stakeholders.</p> <p>The Group’s sustainability strategies and performance in addressing the material risks and opportunities are illustrated in the Sustainability Statement in the Company’s Annual Report 2024.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises the importance of maintaining regular engagement with both internal and external stakeholders in shaping the Group's sustainability strategies, priorities, and targets. These interactions provide the Board valuable insights into their diverse needs and expectations. This understanding is crucial in shaping the Group's strategic planning process, allowing the Board to align its sustainability initiatives with stakeholders’ interests and concerns.</p> <p>During the FYE 2024, the Company has engaged seven (7) primary stakeholder categories which are government/regulators, shareholders/investors, customers, analyst/media, employees, suppliers/vendors and local communities.</p> <p>Additionally, the Company provides a comprehensive overview of stakeholders’ engagements, material matters assessments, sustainability strategies, targets and performance in the Sustainability Statement 2024, which is included in the Annual Report 2024. This approach underscores the Group's commitment to transparency and accountability in its sustainability efforts and to help stakeholders understand the integration of EESG factors into the Group’s operations.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>To stay informed and updated about the latest development trends and issues in sustainability, the Board, assisted by the NRC, assesses the training programmes attended by the Directors during the financial year to ensure the Directors had and will continue to stay abreast with the latest industry development and trends as well as the sustainability matters related to the Group.</p> <p>To-date, all Directors have successfully completed the Mandatory Accreditation Programme Part II: Leading for Impact, which provided an in-depth exploration of key focus areas to help Directors navigate both existing and emerging sustainability challenges. In addition, the Directors have also participated in training programmes and conference related to EESG and sustainability topics. The NRC will continue to identify and recommend sustainability-related training programmes for the Board, ensuring that the Directors are kept up to date with the latest development in sustainability best practices.</p> <p>Other than attending formal training programmes, the Board will keep themselves abreast with the sustainability issues relevant to the Group through the presentation of updates, news, publications from relevant agencies, engagement with external consultants and business associates, structured reading and/or deliberation during the Board meetings.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	<p>The Board is mindful that setting sustainability targets requires careful consideration of their attainability, which should be weighed against the Company’s long-term objectives.</p> <p>As part of the Board’s accountability in sustainability management, the Board, through the NRC, has developed and adopted a Board evaluation questionnaire to assess the Directors based on their knowledge, abilities, experience and effectiveness in addressing the Group's material sustainability-related risks or EESG matters. However, the performance review of Key Senior Management in addressing the Group's sustainability material matters was not conducted during FYE 2024.</p> <p>Based on the outcome of the Board performance evaluation conducted for FYE 2024, the Board concluded that the Company’s EESG initiatives were above average.</p> <p>The Company will include Key Senior Management in its annual EESG or sustainability assessment in the future.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC is responsible for periodically reviewing the Board composition and the tenure of each Director. Additionally, the annual re-election of a Director is contingent on satisfactory evaluation of their performance and contribution.</p> <p>Board composition was one (1) of the key criteria assessed in the Board's performance evaluation for the FYE 2024. The NRC reviewed and determined the required mix of skills, experience, core competencies and diversity in terms of age, cultural background and gender within the boardroom to enhance the Board's overall effectiveness. Based on the evaluation results, the NRC is satisfied that the current Board possesses the right combination of skills and composition to drive business growth.</p> <p>Guided by the Directors' Fit and Proper Policy and Gender Diversity Policy adopted by the Company, the NRC evaluates the re-election of Directors based on prescribed criteria, including character, integrity, experience, competence and time commitment. The Directors' Fit and Proper Policy and Gender Diversity Policy are accessible on the Company's website at www.kgwlogistics.com/corporate-governance/.</p> <p>After evaluating and being satisfied with the overall performance and contributions of the following retiring Directors ("Retiring Directors"), the NRC has recommended their re-election at the forthcoming Third Annual General Meeting ("AGM"), to the Board in accordance with Clause 135 of the Company's Constitution:</p> <ul style="list-style-type: none">(a) Tengku Faizwa Binti Tengku Razif; and(b) Ms. Cheok Hui Yen. <p>Upon the recommendation of the NRC, the Board has resolved to propose the re-election of the Retiring Directors of the Company at the forthcoming Third AGM for shareholders' approval.</p>
Explanation for departure	:	

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

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is led and managed by experienced Board members from diverse backgrounds with a wide range of expertise. Currently, the Board consists of six (6) members, of which four (4) of them are Independent Non-Executive Directors (“INED”), one (1) Managing Director and one (1) Executive Director. The current Board composition also fulfils the prescribed requirement of one-third (1/3) of the Board to be independent as stated under Rule 15.02 of the AMLR.</p> <p>The presence of INEDs, comprising more than half of the Board, provides sufficient check and balance in the decision-making process, thereby ensuring objective and independent deliberation, review and decision-making at the Board.</p> <p>The NRC appraises the independence of INED annually to make sure they remain independent, objective and act in the best interest of the Company, the Group, shareholders and stakeholders.</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 5.3

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

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

Application	:	Applied															
Explanation on application of the practice	:	<p>As of the date of this report, none of the INED has served on the Board of the Company for a cumulative term of more than nine (9) years. The tenure of each INED is as follows: -</p> <table border="1"><thead><tr><th>Directors</th><th>Appointment Date</th><th>1-3 Years</th></tr></thead><tbody><tr><td>Tengku Faizwa Binti Tengku Razif</td><td>24/9/2022</td><td>✓</td></tr><tr><td>Lim Joo Seng</td><td>24/9/2022</td><td>✓</td></tr><tr><td>Lee Li Choon</td><td>24/9/2022</td><td>✓</td></tr><tr><td>Lean Sze Yau</td><td>24/9/2022</td><td>✓</td></tr></tbody></table> <p>It is stipulated in the Board Charter that the tenure of an INED shall not exceed a cumulative term of nine (9) years. Upon reaching this tenure limit, the INED may continue to serve on the Board after being re-designated as a Non-Independent Director.</p> <p>If the Board wishes to retain an INED beyond nine (9) years, the Board must provide justification and seek shareholders' approval annually through a two-tier voting process at AGM. Prior to this, it is the NRC's responsibility to evaluate and recommend to the Board the continuance of the INED who has served on the Board beyond the tenure limit.</p>	Directors	Appointment Date	1-3 Years	Tengku Faizwa Binti Tengku Razif	24/9/2022	✓	Lim Joo Seng	24/9/2022	✓	Lee Li Choon	24/9/2022	✓	Lean Sze Yau	24/9/2022	✓
Directors	Appointment Date	1-3 Years															
Tengku Faizwa Binti Tengku Razif	24/9/2022	✓															
Lim Joo Seng	24/9/2022	✓															
Lee Li Choon	24/9/2022	✓															
Lean Sze Yau	24/9/2022	✓															
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

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 Board acknowledges the significance of fostering diversity by ensuring the Board and Senior Management encompass a mix of skills, professional experiences, age, gender, cultural backgrounds and ethnicities. This diversity is essential for fostering a wider range of perspectives and ideas that support the Group's sustainable business development.</p> <p>The NRC is responsible for assessing and recommending suitable candidates to the Board for appointment as Directors of the Company. Guided by its Terms of Reference, the Directors' Fits and Proper Policy and the Gender Diversity Policy, the NRC evaluates the candidates based on the following criteria, among others: -</p> <ul style="list-style-type: none">• Character and integrity, including probity, personal integrity, financial integrity and reputation;• Experience and competence including qualifications, trainings, skills, expertise and experience and past performance or track record; and• Time and commitment, including the ability to discharge the role having regard to other commitments and participation and contribution in the Board. <p>The Board, through the NRC, appoints its members and Key Senior Management through a formal and transparent selection process. Candidates are first considered and evaluated by the NRC, and if deemed suitable, the NRC will recommend the candidates to Board for appointment. The Company Secretaries will ensure all appointments are properly documented. During the FYE 2024, no new Director or Key Senior Management personnel was appointed to the Group.</p> <p>During the FYE 2024, the NRC has conducted an annual evaluation of the performance, skill and experience of the Board and Board Committees as well as the commitment, skills and contributions of each Director. The Board is satisfied with its current composition, which comprises a diverse pool of talent from various fields. This composition</p>

	<p>equips the Board with a broad spectrum of competencies, technical skills and relevant experience that enable the organisation to operate effectively and supports the sustainable development of the Group.</p> <p>Furthermore, none of the Directors of the Company holds more than five (5) directorships in public listed companies, ensuring that each Director of the Company devotes sufficient time to fulfil their duties and responsibilities.</p> <p>The Directors' Fit and Proper Policy and the Gender Diversity Policy are made available on the Company's website at www.kgwlogistics.com/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 5.6

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 NRC is responsible for the screening and recruitment process of new Directors. In this role, the NRC diligently examines the suitability and qualifications of the potential candidates through a formal and transparent selection process before recommending the suitable candidates to the Board for appointment.</p> <p>In fulfilling its responsibilities, the NRC assesses the candidates based on various criteria, including individual suitability, considering mix of skills, functional knowledge, expertise, experience, character, integrity and any other commitments that could enhance and complement the Board composition.</p> <p>In identifying potential candidates, the Board, through the NRC, shall utilise independent sources, in addition to referrals from existing Directors, the Management and/or substantial shareholders of the Company, to identify suitably qualified candidates.</p> <p>During the FYE 2024, there were no new Directors appointed to the Board.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 Clause 135 of the Company's Constitution, the following Retiring Directors are due for retirement and eligible to have offered themselves for re-election at the forthcoming Third AGM: -</p> <ul style="list-style-type: none">(i) Tengku Faizwa Binti Tengku Razif; and(ii) Ms. Cheok Hui Yen. <p>The performance of the Retiring Directors has been assessed by the NRC through the individual Director assessment as well as fit and proper assessment. Based on these evaluations' results, the Board and the NRC have issued a statement expressing their satisfaction with the performance and effectiveness of the retiring Directors standing for re-election at the AGM. Appropriate justifications for supporting the re-election of the retiring Directors are provided in the Notice of the Third AGM dated 29 April 2025, for shareholders' review and consideration.</p> <p>The profiles of the Retiring Directors, including their age, gender, tenure of service, directorships in other companies, qualification and working experience, can be viewed in the Profile of Board of Directors section in the Annual Report 2024.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied													
Explanation on application of the practice	:	<p>On 26 February 2025, the Board merged the existing Nomination Committee and Remuneration Committee into a single Board Committee, known as the NRC. Despite this restructuring, the composition of the NRC remained unchanged</p> <p>The NRC is currently chaired by Ms. Lee Li Choon, an INED of the Company, and comprises exclusively INEDs. The composition of the NRC is as follows:</p> <table border="1"> <thead> <tr> <th>Designation</th> <th>Director</th> <th>Directorship</th> </tr> </thead> <tbody> <tr> <td>Chairperson</td> <td>Lee Li Choon</td> <td>INED</td> </tr> <tr> <td>Member</td> <td>Lim Joo Seng</td> <td>INED</td> </tr> <tr> <td>Member</td> <td>Lean Sze Yau</td> <td>INED</td> </tr> </tbody> </table> <p>In terms of nomination responsibilities, the Chairperson of the NRC is responsible for: -</p> <p>(a) Leading succession planning and the appointment of Directors; and (b) Leading the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed.</p>		Designation	Director	Directorship	Chairperson	Lee Li Choon	INED	Member	Lim Joo Seng	INED	Member	Lean Sze Yau	INED
Designation	Director	Directorship													
Chairperson	Lee Li Choon	INED													
Member	Lim Joo Seng	INED													
Member	Lean Sze Yau	INED													
Explanation for departure	:														
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>															
Measure	:														
Timeframe	:														

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is committed to promoting gender diversity as guided by its Gender Diversity Policy. The Board ensures equal opportunities for all candidates who meet the specified criteria such as individual experience, knowledge and competency, as well as other qualities relevant to the Group's current business portfolios and potential investments in selecting Board members.</p> <p>Currently, there are four (4) female Directors on the Board, namely Tengku Faizwa Binti Tengku Razif, Ms. Cheok Hui Yen, Ms. Lim Joo Seng and Ms. Lee Li Choon, constituting 67% female Board representation. Gender diversity adds value to the Board's deliberations by incorporating varied perspectives and insights from female directors, contributing to more informed decision-making.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has in place a Gender Diversity Policy to promote women’s participation in the Board and Senior Management within the Group. By adopting the Gender Diversity Policy, the Company has established a framework for the Group to foster a diverse and inclusive Board and management level, promote an environment that values individuals regardless of gender and ensure equal career development opportunities for all employees.</p> <p>Currently, the Company has successfully achieved 67% female representation on the Board (<i>4 out of 6 Directors</i>) and 60% female representation within the Key Senior Management team (<i>3 out of 5 Key Senior Management personnel</i>), both exceeding the minimum 30% target set out in the Gender Diversity Policy.</p> <p>Nonetheless, gender is not considered a prerequisite for directorships or managerial positions within the Company or the Group. Instead, appointments are made based on objective criteria and merit to ensure the selection of the most qualified candidates, regardless of gender.</p> <p>The Gender Diversity Policy is accessible on the Company’s website at www.kgwlogistics.com/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

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	: The Board, through the NRC, conducted the following assessment in respect of the FYE 2024 and the evaluation results were presented to the NRC and the Board:- (a) Performance of the Board as a whole; (b) Performance of the Board Committees; (c) Performance of each individual Director; and (d) Independence of INEDs. The performance evaluation process was facilitated by the Company Secretaries through Directors' self-assessments and peer reviews. The Board carried out the annual assessment internally and considered the current evaluation framework to be effective. The content of the evaluation was customised and determined by the Board, encompassing a series of relevant assessment criteria, as follows: <u>Performance of the Board as a whole and Board Committees</u> (i) Board composition; (ii) Strategy; (iii) Board meetings; (iv) Corporate/Management reporting; (v) Human capital; (vi) Risk management; (vii) Investor relations; and (viii) Purpose, composition and process of each Board Committees. <u>Performance of each Individual Director</u> (i) Meeting attendance; (ii) Fit and proper; (iii) Contribution and performance; and

	<p>(iv) Calibre and personality.</p> <p>Based on the outcome of the assessments conducted by the NRC for FYE 2024, the Board is satisfied that: -</p> <p>(a) All individual Directors are able to meet the Board’s expectations in terms of character, experience, integrity, competency and time commitment in discharging their roles as Directors of the Company;</p> <p>(b) All individual Directors have exercised due care and carried out professional duties proficiently;</p> <p>(a) The Board and Board Committees had been effective in carrying out their functions and duties; and</p> <p>(c) All INEDs had been and remain independent from management and free from any business relationship that could materially interfere with their independent judgement.</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 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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board has not established a formal Remuneration Policy for determining the remuneration for both Directors and Key Senior Management.</p> <p>Without a formal Remuneration Policy, the Board Charter and the Terms of Reference of NRC serve as a guide for the Board and the NRC to determine the remuneration for Directors and Senior Management.</p> <p>The remuneration packages for the Executive Directors and Key Senior Management are linked to the Group's performance and achievement of goals, such as quantified organisational targets, key performance indices and/or individual achievements.</p> <p>The remuneration of Non-Executive Directors includes a basic fee determined based on their responsibilities in the Board Committees and the Board, attendance and any special skills and expertise they contribute to the Board. The Directors' fee and benefits are subject to shareholders' approval at the AGM, and shall be a fixed sum, not based on commission or percentage of profits or turnover.</p> <p>Directors concerned are abstained from deliberation and voting on their respective own remuneration.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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>On 26 February 2025, the Board merged the existing Nomination Committee and Remuneration Committee into a single Board Committee, known as the NRC. Despite this restructuring, the composition of the NRC remained unchanged.</p> <p>The NRC is currently chaired by Ms. Lee Li Choon, an INED of the Company, and comprises exclusively INEDs. The composition of the NRC is as follows:</p> <table border="1"><thead><tr><th>Designation</th><th>Director</th><th>Directorship</th></tr></thead><tbody><tr><td>Chairperson</td><td>Lee Li Choon</td><td>INED</td></tr><tr><td>Member</td><td>Lim Joo Seng</td><td>INED</td></tr><tr><td>Member</td><td>Lean Sze Yau</td><td>INED</td></tr></tbody></table> <p>The roles and responsibilities of the NRC are governed by its Terms of Reference, which is available on the Company's website at www.kgwlogistics.com/corporate-governance/.</p> <p>The key responsibilities of the NRC related to remuneration include:</p> <ul style="list-style-type: none">(i) Formulating policies, procedures, and guidelines and setting criteria for the remuneration packages of Directors and Senior Management;(ii) Ensuring that all Directors and Senior Management are fairly rewarded for their individual contributions to the Company, with remuneration that commensurate with their level of executive responsibility and aligns with the Group's performance; and(iii) Ensuring that the level of remuneration of the Directors and Senior Management are competitive enough to attract and retain the right talent within the Board and Senior Management to drive the Group's long-term objective.	Designation	Director	Directorship	Chairperson	Lee Li Choon	INED	Member	Lim Joo Seng	INED	Member	Lean Sze Yau	INED
Designation	Director	Directorship												
Chairperson	Lee Li Choon	INED												
Member	Lim Joo Seng	INED												
Member	Lean Sze Yau	INED												

	The Terms of Reference of the NRC is available on the Company's website at www.kgwlogistics.com/corporate-governance/ .	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The details of the Directors' remuneration for the FYE 2024, on named basis, with remuneration breakdown is shown in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tengku Faizwa Binti Tengku Razif	Independent Director	72.0	2.5	-	-	-	-	74.5	72.0	2.5	-	-	-	-	74.5
2	Dato' Roger Wong Ken Hong	Executive Director	-	-	-	-	-	-	-	-	60.0	960.0	80.0	-	133.2	1,233.2
3	Cheok Hui Yen	Executive Director	-	-	-	-	-	-	-	-	-	180.0	15.0	-	24.6	219.6
4	Lim Joo Seng	Independent Director	36.0	2.5	-	-	-	-	38.5	36.0	2.5	-	-	-	-	38.5
5	Lean Sze Yau	Independent Director	36.0	1.5	-	-	-	-	37.5	36.0	1.5	-	-	-	-	37.5
6	Lee Li Choon	Independent Director	36.0	2.5	-	-	-	-	38.5	36.0	2.5	-	-	-	-	38.5

Intended Outcome

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

Practice 8.2

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

Application	:	Departure									
Explanation on application of the practice	:										
Explanation for departure	:	Due to the confidentiality and sensitivity of remuneration details, the Board is of the opinion that disclosing the remuneration of Senior Management on a named basis would not be in the Company's best interest, given the competitive environment that may give rise to recruitment and talent retention challenges.									
		In view thereof, the Board opted to disclose the remuneration of Senior Management (who are not Directors of the Company) received for the FYE 2024 in bands of RM50,000 on unnamed basis as follows: -									
		<table border="1"> <thead> <tr> <th>Range of Remuneration</th> <th>Number of Senior Management</th> </tr> </thead> <tbody> <tr> <td>RM200,001 to RM250,000</td> <td>1</td> </tr> <tr> <td>RM250,001 to RM300,000</td> <td>1</td> </tr> <tr> <td>RM300,001 to RM350,000</td> <td>-</td> </tr> <tr> <td>RM350,001 to RM400,000</td> <td>1</td> </tr> </tbody> </table>		Range of Remuneration	Number of Senior Management	RM200,001 to RM250,000	1	RM250,001 to RM300,000	1	RM300,001 to RM350,000	-
Range of Remuneration	Number of Senior Management										
RM200,001 to RM250,000	1										
RM250,001 to RM300,000	1										
RM300,001 to RM350,000	-										
RM350,001 to RM400,000	1										
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>											
Measure	:										
Timeframe	:										

Intended Outcome

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

Practice 8.3 - 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	:	

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>To maintain the objectivity of the Board's review of the AC's findings and recommendations, the positions of Board Chairperson and Chairperson of the AC are held by two (2) different individuals. The Board is chaired by Tengku Faizwa Binti Tengku Razif, while the AC is chaired by Ms. Lim Joo Seng, both of whom are INEDs.</p> <p>The separation of the position as well as the duties and responsibilities of the Board Chairperson and the AC are outlined in the Terms of Reference of the AC, which is available on the Company's website at www.kgwlogistics.com/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 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Terms of Reference of the AC stipulates that a former partner of the Company's external audit firm shall observe a cooling-off period of at least three (3) years before being eligible for appointment as a member of the AC. This requirement ensures that the independence and objectivity of the AC members are not jeopardised.</p> <p>Currently, none of the AC members are the former partners of the Company's external audit firm, and the Board does not foresee any new appointment of former audit partner to the AC.</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 entrusted by the Board to assess and review both the audit and non-audit services provided by External Auditors, along with reviewing their suitability and independence.</p> <p>Under the AC's Terms of Reference, the AC shall conduct annual evaluations of the External Auditors' performance, suitability, objectivity and independence, as well as the quality of their audit and non-audit services. This evaluation covers the following key factors:</p> <ul style="list-style-type: none">(i) Performance, suitability, objectivity and independence of External Auditors;(ii) Adequacy of External Auditors' audit arrangements, particularly on the scope and quality of audit;(iii) External Auditors' capacity, resources, and ability to meet deadlines and respond to issues in a timely manner, as specified in the Audit Planning Memorandum; and(iv) Nature and extent of non-audit services rendered by the External Auditors. <p>Based on the annual performance evaluation conducted by the AC for the FYE 2024, the AC was satisfied with the performance and independence of the External Auditors and recommended to the Board the re-appointment of Messrs. Ecovis Malaysia PLT as External Auditors of the Company. The Board had in turn, recommended the same for shareholders' approval at the forthcoming Third AGM of the Company.</p> <p>The External Auditors have also provided written assurance to the Board confirming their independence throughout the audit engagement for the FYE 2024, in compliance with all applicable professional and regulatory requirements.</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

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted												
Explanation on adoption of the practice	:	The AC comprises solely of INEDs and its current composition is as follows: <table border="1"><thead><tr><th>Designation</th><th>Name</th><th>Directorship</th></tr></thead><tbody><tr><td>Chairperson</td><td>Lim Joo Seng</td><td>INED</td></tr><tr><td>Member</td><td>Lean Sze Yau</td><td>INED</td></tr><tr><td>Member</td><td>Lee Li Choon</td><td>INED</td></tr></tbody></table>	Designation	Name	Directorship	Chairperson	Lim Joo Seng	INED	Member	Lean Sze Yau	INED	Member	Lee Li Choon	INED
Designation	Name	Directorship												
Chairperson	Lim Joo Seng	INED												
Member	Lean Sze Yau	INED												
Member	Lee Li Choon	INED												

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>All members of the AC are financially literate, competent and possesses the required expertise and knowledge to effectively discharge their duties.</p> <p>Ms. Lim Joo Seng, the Chairperson of the AC, is a member of Certified Practising Accountants of Australia and Malaysian Institute of Accountants, with more than 20 years of experience in the accounting and finance field. The qualifications and experience of the individual AC members are disclosed in the Profile of Board of Directors in the Annual Report 2024.</p> <p>Although only one-third ($\frac{1}{3}$) of the AC is a member of a professional accounting body, all AC members are financially literate and stay updated with the latest developments in accounting and auditing standards, practices and rules through continuous professional developments and updates from both the Management and External Auditors.</p> <p>The training programmes attended by the AC members during FYE 2024 are detailed in the Corporate Governance Overview Statement in the Annual Report 2024.</p> <p>Based on the annual performance evaluation of the AC for the FYE 2024, the NRC is satisfied that all AC members possess the necessary skills, knowledge and understanding to effectively assess the Group's financial statements and the accounting standards applied. Consequently, the Board, through the NRC, believes that the AC has carried out its roles and responsibilities appropriately and effectively during the FYE 2024.</p>

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

Intended Outcome

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 is committed to maintaining a sound internal control and risk management systems within the Group to safeguard the Group's assets, shareholders' investments and stakeholders' interests.</p> <p>To facilitate this duty, the Board has established an Enterprise Risk Management Framework ("ERM Framework") to provide overall guidelines and approach to the Group's risk management. The ERM Framework delineates five (5) key risk management procedures, namely identifying, analysing, responding to, monitoring, and reporting any potential risks or structural weaknesses that may impede the Group from achieving its business objectives. The Board acknowledged that the ERM Framework is designed to identify and manage the Group's risk within the acceptable tolerance levels, and that the systems in place could only provide reasonable but not absolute assurance.</p> <p>Before the formation of the SRMC on 26 February 2025, the Board was assisted by the Audit and Risk Management Committee in fulfilling its oversight responsibilities. The Committee periodically examined and reviewed the adequacy and effectiveness of the Group's risk management and internal control systems to ensure that they remain relevant and compliant with applicable laws and regulations. These responsibilities are now undertaken by the SRMC.</p> <p>To further enhance the effectiveness and efficiency of the Group's risk management and internal control systems, the Board has outsourced its internal audit function to an independent professional firm to conduct periodic reviews of the Group's internal control system. The AC monitors and reviews the effectiveness of internal audit activities and ensures that actions have been taken by the Management to improve the operational control processes as highlighted by the Internal Auditors, thereby contributing to the ongoing effectiveness of the system of risk management and internal control.</p> <p>An overview of the Group's current state of risk management and internal control are set out in the Statement on Risk Management and Internal Control of the Annual Report 2024.</p>

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

Intended Outcome

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 recognises its overall responsibility for building a good risk management framework and internal control system, as well as continuously monitoring its effectiveness, adequacy, and integrity in the dynamic business environment. The Board, through the SRMC, constantly identifies and monitors the key business risks and challenges faced by the Group, including strategic, financial, and operational risks, and continuously reviewing the effectiveness of the risk management and internal control systems.</p> <p>The ERM Framework adopted by the Company involves five (5) key risk management procedures, including proactively identifying, analysing, responding, monitoring and reporting on the Group's risks. Senior Management under the leadership of the Managing Director is responsible for implementing and executing the strategies, culture, people, processes, technology and structures, which are integral components of the ERM Framework.</p> <p>The Group's internal control system comprises clearly defined, formalised, and documented internal policies, standards and procedures. Key components of the Group's internal control system include: -</p> <ul style="list-style-type: none">(i) Company policies, including Board Charter, Terms of Reference, the Code, ABC Policy, and Whistleblowing Policy and Procedure;(ii) Standard operating procedures covering various operational areas;(iii) Well defined organisation structure with a proper segregation of duties; and(iv) Periodic operational review meetings to enhance internal control system. <p>The Company has engaged the outsourced Internal Auditors to assess and evaluate the Group's internal control and risk management system. With the assurance provided by the Management and the Internal Auditors, the Board is satisfied that the Group's risk management and internal control system is operating adequately and effectively during FYE 2024 to safeguard the Group's assets, shareholders' investments and stakeholders' interests.</p>

	Further details on the Group’s risk management and internal control system are disclosed in the Statement on Risk Management and Internal Control in the Annual Report 2024.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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>On 26 February 2025, the Board established the SRMC to oversee the effective implementation of the risk management framework, internal controls and sustainability matters, particularly on the EESG aspects of the Group.</p> <p>The SRMC consists solely of INEDs, and the current composition is as follows:</p> <table border="1"><thead><tr><th>Designation</th><th>Name</th><th>Directorship</th></tr></thead><tbody><tr><td>Chairperson</td><td>Lean Sze Yau</td><td>INED</td></tr><tr><td>Member</td><td>Lee Li Choon</td><td>INED</td></tr><tr><td>Member</td><td>Lim Joo Seng</td><td>INED</td></tr></tbody></table> <p>The roles and responsibilities of the SRMC are set out in its Terms of Reference, which is available on the Company's website at www.kgwlogistics.com/corporate-governance/.</p>	Designation	Name	Directorship	Chairperson	Lean Sze Yau	INED	Member	Lee Li Choon	INED	Member	Lim Joo Seng	INED
Designation	Name	Directorship												
Chairperson	Lean Sze Yau	INED												
Member	Lee Li Choon	INED												
Member	Lim Joo Seng	INED												

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The AC is responsible for overseeing the effectiveness of the Group's internal audit function. The duties and responsibilities of the AC related to the internal audit function are outlined in the Terms of Reference of the AC, including but not limited to: -</p> <ul style="list-style-type: none">(i) Reviewing the adequacy of the scope, functions, competency and resources of the internal audit functions, ensuring it has the necessary authority to perform its duties; and(ii) Reviewing the internal audit plan, processes, results of the internal audit assessments, and investigation undertaken, as well as ensuring appropriate actions are taken on the recommendations of the Internal Auditors. <p>The Group's internal audit function has been outsourced to an independent professional firm, Eco Asia Governance Advisory Sdn Bhd ("Eco Asia"). They report directly to the AC, preserving and ensuring its independence and objectivity in performing their functions. Through the AC, the Internal Auditors provide the Board with independent assessments and objective assurance on the adequacy and effectiveness of the Group's internal control system.</p> <p>The AC has full and unrestricted access to all necessary information and resources within the Group, facilitating the internal auditors' work. The internal audit reviews are carried out based on the approved internal audit plan by the AC. Upon completion of each internal audit review, they will report the audit findings, along with root-cause analysis, potential risks and implications, as well as recommended corrective actions to the AC. The Management is tasked with implementing the recommended corrective actions within a set timeframe. Thereafter, the internal auditors will conduct follow-up reviews to ensure the corrective actions are properly implemented.</p> <p>For FYE 2024, the Board is of the opinion that the Group's internal audit function is operating adequately, and there were no major weaknesses in the internal control system that could materially impact the Group's financial performance or operations.</p>
Explanation for departure	:	

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

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the FYE 2024, the internal audit function was outsourced to an independent professional firm, Eco Asia.</p> <p>The internal audit engagement team is headed by Ms. Janeeta Salim, the Head of Department of Eco Asia. She is an Associate Member of the Institute of Internal Auditors Malaysia. She brings valuable expertise to the team with her extensive experience in the internal audit field. During the FYE 2024, she was supported by a team consisting of one (1) Assistant Manager, two (2) Senior Consultants and two (2) Junior Consultants to conduct the following internal audit reviews:-</p> <p>(i) ERM review on the Group (ii) Inventory management review on KGW Medica Sdn Bhd</p> <p>The internal audit reviews were conducted in accordance with the International Professional Practices Framework (IPPF), as guided by the International Standards for the Professional Practice of Internal Auditing.</p> <p>The Internal Auditors are independent and free from any relationships or conflicts of interest that could impair their objectivity in conducting internal audit.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the importance of timely, transparent and effective communication with shareholders and stakeholders to foster mutual trust and a clear understanding of objectives and expectations. The Board is committed to providing prompt, accurate, consistent and fair disclosure of the Group's business operations and developments to the shareholders and the public.</p> <p>The following communication channels are mainly used by the Company to disseminate information on a timely basis:</p> <p>(i) <u>Company's website</u> The Company's website at www.kgwlogistics.com provides comprehensive and updated information about our Group and businesses, including access to corporate information such as our Board and key Senior Management, corporate governance practices, corporate policies, financial information and annual reports.</p> <p>General public may reach out to the Company through the "Contact Us" section on the Company's website, which provides an avenue for stakeholders to send enquiries, suggest improvements or lodge complaints.</p> <p>(ii) <u>Corporate announcements made to Bursa Securities</u> All announcements, material updates and development regarding the Group, as well as quarterly financial reports are made available to the public through announcements submitted to Bursa Securities. These corporate announcements are accessible on both the Company's website at www.kgwlogistics.com and the Bursa Securities' website at www.bursamalaysia.com.</p> <p>(iii) <u>Annual Report</u> The Company's Annual Report outlines comprehensive information on the Group, including business overview, financial performance, corporate governance, sustainability</p>

	<p>management, risk management, internal control system and the Group's prospects, which provides convenient source of reference for shareholders, investors and other stakeholders.</p> <p>(iv) <u>General Meetings</u> General meetings serve as primary platform for dialogue with shareholders, where they can direct interact and communicate with the Board by raising any concerns and seeking clarifications from the Directors on the Group's businesses and affairs.</p> <p>(v) <u>Investor Relations</u> For inquiries related to Investor Relations, the public may reach out to our dedicated representative at the following contact details:</p> <p>Name: Ms. Wendy Kam (Chief Financial Officer) Tel No.: +603-7842 8899 Email: corporate@kgwlogistics.com</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 Board acknowledges the importance of the AGM as a vital platform for direct and meaningful communication between the Board and the Company's shareholders. Therefore, the Board is committed to ensuring that shareholders are given ample time to review and consider the resolutions to be discussed at the AGM.</p> <p>To facilitate this, the Company has implemented a practice of issuing the AGM notice to the registered shareholders at least twenty-one (21) days, or if the circumstances allow, at least twenty-eight (28) days prior to the meeting. This ensures that shareholders have adequate time to peruse the Company's Annual Report and consider the resolutions to be discussed and voted on during the AGM. Moreover, shareholders also have sufficient time to make arrangements to attend and participate the AGM personally or to appoint a proxy to attend on his/her behalf.</p> <p>The notice of the Second AGM of the Company was circulated to the shareholders on 30 April 2024, exceeding the required twenty-eight (28) days' notice period ahead of the Second AGM held on 31 May 2024. To further enhance outreach, the Second AGM notice was published in nationally circulated newspapers.</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 regards general meetings as an important avenue for shareholders to interact with Directors, providing an opportunity for shareholders to voice their concerns and receive direct insights into the Company's management. This fosters a more comprehensive and meaningful dialogue between the Board and its shareholders.</p> <p>During the Second AGM, the Board demonstrated its commitment through full attendance at the meeting. The Board Chairperson, along with the members of the Board Committees and Senior Management, provided comprehensive responses to all questions and concerns raised prior to the meeting, as well as those submitted during the event.</p> <p>Additionally, the External Auditors were also invited to participate in the Second AGM to address any queries from shareholders related to the audit process and the preparation of the Company's and Group's financial statements, if any.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Second AGM of the Company held on 31 May 2024 was conducted virtually using the Remote Participation and Voting (“RPV”) facilities via the online meeting platform at www.swsb.com.my facilitated by ShareWorks Sdn Bhd. The Company utilised technology to enhance greater shareholder participation in the AGM and improve the meeting’s proceedings through live streaming and electronic voting (“e-voting”) for the resolutions tabled at the meeting.</p> <p>Detailed procedures and clear guidance for remote participation and e-voting by shareholders, proxies and corporate representatives, including submitting questions to the Company before or during the AGM in real time via typed texts, are provided in the Administrative Guide for the Second AGM which was circulated to the shareholders along with the Notice of AGM.</p> <p>The fully virtual Second AGM provides the same level of transparency and participation as an in-person meeting, enabling shareholders to engage effectively in discussions and decision-making processes.</p> <p>To ensure the orderly conduct of the AGM and uphold the credibility and fairness of the voting process, the Company has appointed ShareWorks Sdn Bhd as the Poll Administrator to conduct the polling process and has appointed Aegis Communication Sdn Bhd as the Independent Scrutineer to validate the voting results.</p> <p>The Company had put in place information security measures to protect the participants’ personal information and prevent cyber threats.</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 13.4

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>During the Second AGM, the shareholders, corporate representatives and proxies attending the meeting remotely were briefed on the usage of the text box in the RPV facilities to submit questions related to the agenda items. They were given ample time to pose their questions since the beginning of the meeting. All Directors and Key Senior Management of the Company were present at the meeting to address the submitted questions with meaningful responses, fostering interactive engagement during the meeting. Should there be any time constraints, the responses from the Board and Key Senior Management would be emailed to the shareholders as soon as possible after the meeting.</p> <p>During the Second AGM, the Chairperson ensured that opportunities and sufficient time to raise questions were given to the shareholders, corporate representatives and proxies attending the meeting to encourage for active participation. The Board Chairperson will ensure that shareholders have the opportunity to engage with the Board and effectively participate in the AGM, while also ensuring that the Board and Senior Management address shareholders' queries with meaningful response, fostering interactive engagement during the AGM.</p> <p>The Company's corporate website also serves as an additional channel for shareholders to engage, raise concerns and provide feedback to the Company.</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 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Company engaged ShareWorks Sdn. Bhd. to conduct its fully virtual Second AGM through live streaming and online remote voting via its RPV facilities and online meeting platform at www.swsb.com.my. The detailed procedures for remote participation and voting in the virtual meeting are outlined in the “Administrative Guide for Second AGM”, ensuring the smooth conduct of the meeting.</p> <p>The RPV facilities enabled the shareholders to exercise their rights to attend, speak and vote virtually in the Second AGM. All shareholders, corporate representatives and proxies could freely ask questions using the text box in the live streaming player via real time submission of typed texts. All questions posed were displayed on the screen and made visible to all meeting participants throughout the Questions and Answers session.</p> <p>The voting module of the RPV was opened and made accessible to all shareholders, corporate representatives and proxies to submit their votes from the commencement of the AGM until the closure of the voting session.</p> <p>The results of the poll, upon verified by the Independent Scrutineers, were also broadcasted to all meeting participants while the Chairperson announced the poll voting results of the resolutions.</p> <p>The required preparation and measures have been taken to ensure a seamless experience for shareholders who participate online as much as possible like they are in a physical meeting. There was also smooth two-way communication between shareholders, corporate representatives and proxies with the Board and senior management during the meeting.</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 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The minutes of the general meeting serve as a valuable resource for shareholders and stakeholders as they provide a comprehensive understanding of the issues raised and discussed during the meeting. The draft minutes of the Second AGM were circulated to the Board for comments and thereafter confirmed as a correct record of proceedings. The minutes of the Second AGM, including the questions raised during the meeting together with the answers provided by the Company and the outcome of the voting results, were made available to the shareholders not later than thirty (30) business days after the conclusion of the meeting at the Company's website at www.kgwlogistics.com .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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

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