

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 0005  
**COMPANY NAME** : UCREST BERHAD  
**FINANCIAL YEAR** : May 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has the overall responsibility for the performance of the Group by maintaining full and effective control over strategic, financial, operational, compliance and governance issues. The Board is responsible in formulating and reviewing of strategic plans, key policies and monitoring the Group's business operations. The Board delegates the day-to-day management of the Company's business to the management team but reserves for its consideration significant matters such as the following:-</p> <ul style="list-style-type: none"><li>• Approval of financial results;</li><li>• Business (Acquisitions/Disposal);</li><li>• Declaration of dividends;</li><li>• Capital Expenditures;</li><li>• Risk appetite setting;</li><li>• Corporate Proposal;</li><li>• Credit policy; and</li><li>• Budget.</li></ul> <p>The Board's role is to oversee the performance of the Management to determine whether the business is properly managed. The Board gets updates from Management at the quarterly Board Meetings when reviewing the unaudited quarterly results. During the meetings, the Board participates in the discussion on the performance of the Group.</p> <p>The Board assumes the following responsibilities:-</p> <ul style="list-style-type: none"><li>• Reviewing, adopting and monitoring strategic plan for the Group to ensure the Group's goals are clearly established;</li><li>• Overseeing the conduct of the Company's business;</li><li>• Identifying risks and assume active role in ensuring the implementation of appropriate systems to manage or mitigate these risks;</li></ul>

	<ul style="list-style-type: none"> <li>• Succession planning, including appointing, training, fixing the compensation of the key managements and to review the Succession Planning Policy from time to time;</li> <li>• Ensuring measures are in place to assess and oversee Management’s performance for strengthening the Group’s performance;</li> <li>• Developing and implementing an investor relations programme or shareholder communications policy for the Group; and</li> <li>• Reviewing the adequacy and integrity of the Group’s internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines.</li> </ul> <p>In furtherance of the above and to ensure orderly and effective discharge of its functions and responsibilities, the Board has established the following Board committees:</p> <ul style="list-style-type: none"> <li>- Audit Committee (“AC”)</li> <li>- Nomination Committee (“NC”)</li> <li>- Remuneration Committee (“RC”)</li> <li>- Option Committee (“OC”)</li> <li>- Sustainability Committee (“SC”)</li> </ul> <p>The Board has defined the terms of reference for each Committee and the Chairman of these respective committees report and update the Board on significant matters and salient matters deliberated by the Committees.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman leads the strategic planning at the Board level, he ensures that all the Directors are briefed on issues arising at Board meetings and sufficient time is allowed for discussion.</p> <p>The position of Chairman is currently headed by the Managing Director, Mr Eg Kah Yee. During this period, the Managing Director undertakes the following roles and functions of the Chairmanship:-</p> <ul style="list-style-type: none"><li>(a) Providing support and guidance to Senior Management Offices to assist and facilitate management succession planning;</li><li>(b) Grooming and mentoring Senior Management Offices to achieve consistently high levels of professionalism and excellent performance;</li><li>(c) Providing leadership to the Board and is responsible for the developmental needs of the Board;</li><li>(d) Ensuring that guidelines and procedures are in place to govern the Board's operation and conduct;</li><li>(e) Ensuring the smooth functioning of the Board and the Governance structure and inculcating positive culture in the Board;</li><li>(f) Ensuring that procedures and processes are in place to facilitate effective conduct of business by the Board;</li><li>(g) Chairing Board meetings and ensures the following:<ul style="list-style-type: none"><li>i. All relevant issues are on the agenda of Board meetings;</li><li>ii. Board debates strategic and critical issues;</li><li>iii. Board receives the necessary management reports relating to the Company's business on a timely basis;</li><li>iv. All directors are able to participate openly in discussions at Board meetings;</li><li>v. Providing leadership to the Board and is responsible for the developmental needs of the Board;</li><li>vi. Chairing general meetings of the Company and provide clarification on issues that may be raised by shareholders; and</li><li>vii. Encouraging active participation and allowing dissenting views to be freely expressed.</li></ul></li></ul>
<b>Explanation for departure</b>	:	

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

## 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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>There is a division of responsibilities between the Chairman and the Managing Director (“MD”) to ensure that there is balance of power and authority ever since the first Executive Director (“ED”) of the Group has been appointed. The Chairman is responsible for the Board’s effectiveness and conduct, whilst the ED has overall responsibilities over the business and operation of the Group. The ED is responsible to formulate business and operations strategies and is empowered to structure the management team in discharging his duties to achieve the goals that has been assigned to him by the Board. The Board is still in favour of the abovementioned division of responsibilities despite the Chairman has assumed the role of ED.</p> <p>Currently, the Chairman of the Board is the Managing Director, Mr Eg Kah Yee. Although a separation of position of Chairman and the Managing Director is recommended, it is the collective view of the Board, based on the current state of affair of and his shareholdings in the Company, Mr Eg Kah Yee’s expertise is highly needed and the Board is confident that the current practice is best in maintaining the sustainability and the creativity of the Group in moving forward for Mr Eg Kah Yee to remain as chairman until a suitable candidate is found.</p> <p>In addition to the abovementioned, the current composition of the Board comprises of a majority of Independent Non-Executive Directors. This provides a check and balance on the Company management with a view to safeguarding and protects the interest of all shareholders as a whole.</p> <p>The Chairman of the Board is not a member of all the Board committees except the Sustainability Committee to ensure there is check and balance as well as objective review by the Board.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.

<b>Timeframe</b>	:	Choose an item.	
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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 1.4

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

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

<b>Application</b>	:	Applied																														
<b>Explanation on application of the practice</b>	:	<p>The Chairman of the Board, Mr Eg Kah Yee is not a member of the Audit Committee, Nomination Committee and Remuneration Committee to ensure there is check and balance as well as objective review by the Board.</p> <p>The current composition of the Audit Committee, Nomination Committee and Remuneration Committee is as follows:-</p> <p><b>Audit Committee</b></p> <table border="1"> <thead> <tr> <th>No.</th> <th>Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>N Chanthiran A/L Nagappan</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>2.</td> <td>Chuan Tsui Ju</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>3.</td> <td>Abdul Razak Bin Dato' Haji Ipap</td> <td>Non-Independent Non-Executive Director</td> </tr> </tbody> </table> <p><b>Nomination Committee</b></p> <table border="1"> <thead> <tr> <th>No.</th> <th>Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>N Chanthiran A/L Nagappan</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>2.</td> <td>Chuan Tsui Ju</td> <td>Independent Non-Executive Director</td> </tr> </tbody> </table> <p><b>Remuneration Committee</b></p> <table border="1"> <thead> <tr> <th>No.</th> <th>Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Prof. Low Teck Seng</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>2.</td> <td>Dato' Dr. Mohd Fikri Bin Abdullah</td> <td>Independent Non-Executive Director</td> </tr> </tbody> </table>	No.	Name	Designation	1.	N Chanthiran A/L Nagappan	Independent Non-Executive Director	2.	Chuan Tsui Ju	Independent Non-Executive Director	3.	Abdul Razak Bin Dato' Haji Ipap	Non-Independent Non-Executive Director	No.	Name	Designation	1.	N Chanthiran A/L Nagappan	Independent Non-Executive Director	2.	Chuan Tsui Ju	Independent Non-Executive Director	No.	Name	Designation	1.	Prof. Low Teck Seng	Independent Non-Executive Director	2.	Dato' Dr. Mohd Fikri Bin Abdullah	Independent Non-Executive Director
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<b>Measure</b> :		
<b>Timeframe</b> :		

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has direct access to the advice and services of the Company Secretaries and is supported by two (2) Company Secretaries, namely Ms Lau Yen Hoon and Ms Lee Shil Teng, who are qualified to act as Company Secretary in accordance with the requirements of the Companies Act 2016. Both Ms Lau Yen Hoon and Ms Lee Shil Teng are Associate member of the Malaysian Institute of Chartered Secretaries and Administrators. Both the Company Secretaries possessed a valid Practising Certificate issued by the Companies Commission of Malaysia pursuant to Section 241(1) of the Companies Act 2016.</p> <p>The Board is updated by the Company Secretaries on new statutes and directives issued by the regulatory authorities. The Company Secretary has attended all the Board and Committee meetings and ensured that all procedures are adhered.</p> <p>The roles and responsibilities of Company Secretary includes the following, amongst others:-</p> <ul style="list-style-type: none"><li>• Ensure compliance of regulatory requirements by providing updates on the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") and the Companies Act 2016 to the Board;</li><li>• Advise and remind the Directors of their obligations to disclose their interest in securities, any conflict of interest and related party transactions;</li><li>• Advise and remind the Directors on the prohibition on dealing in securities during closed period and the restriction on disclosure of price sensitive information;</li><li>• Prepare agenda items of meetings for Board and Board Committees and send to the respective Board and Board Committees;</li><li>• Support the Board by ensuring adherence to Board practices and procedures, rules, relevant laws and best practices on Corporate Governance;</li><li>• Attend all Board and Board Committee meetings to ensure that meetings are properly convened, and that accurate proper records of the proceedings and resolutions passed are made and maintained accordingly;</li><li>• Maintain a secured retrieval system which stores meeting paper and minutes of the Board and Board Committees; and</li></ul>

	<ul style="list-style-type: none"> <li>• Ensure statutory records are kept and maintained in a proper manner, in compliance with all applicable laws and regulatory guidelines.</li> </ul> <p>The Company Secretaries also attend regular conferences, trainings and seminar programmes to keep themselves abreast of the evolving capital market environment, regulatory changes and developments in Corporate Governance.</p>	
<b>Explanation for departure</b> :		
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<b>Measure</b> :		
<b>Timeframe</b> :		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In reviewing and analysing the quarterly interim financial results, the Board was provided with various corroborative information and data. Procedures have been established for timely dissemination of Board and Board Committee meeting papers to all Directors at least five (5) business days prior to the scheduled meetings via emails or physical copies to ensure sufficient time is given to the Directors to read the Board papers and seek clarification, if necessary, and enable them to deliberate issues raised during Board and Board Committee meetings more effectively. Additionally, management was also invited to brief and report in meetings of the Board and Board Committees.</p> <p>The Board and Board Committees leverage on technology to facilitate its meetings and adopt virtual meetings through the use of video conferencing.</p> <p>The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including any dissenting views and matters where Directors abstained from voting or deliberation. The Company Secretaries will circulate the draft minutes of meetings for the Board's and Board Committee's review in a timely manner and thereafter, the minutes of meeting will be tabled for confirmation at the next meeting.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>A Board Charter had been established with the objectives to ensure that all Board Members are aware of their duties and responsibilities, the various legislations and regulations affecting their conduct, principles and practices of good corporate governance towards accountability, transparency, sustainability and enhancing business integrity are applied accordingly.</p> <p>The Board Charter is reviewed periodically and updated in accordance with the needs of the Company and any new or changes in regulations that may have an impact on the discharge of the Board's responsibilities.</p> <p>The Managing Director is supported by his management team on the day-to-day operations. The responsibilities of the management are to:</p> <ul style="list-style-type: none"><li>• Formulate, recommend and implement the strategic objectives of the Company;</li><li>• Translate the approved strategic plan into operation and financial action plans;</li><li>• Manage the Company's human, physical and financial resources to achieve the Company's objectives;</li><li>• Operate within the delegated authority limits set by the Board;</li><li>• Assume the day-to-day responsibilities for the Group's conformance with relevant laws and regulations, its compliance framework and all other aspects of the day to-day running of the Group;</li><li>• Develop, implement and manage the Company's risk management and internal control systems within the risk appetite and framework;</li><li>• Develop, implement and update policies and procedures;</li><li>• Keep pace with industry and economic trends in the Company's operating environment; and</li><li>• Provide the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.</li></ul>

	<p>The Board Charter was last reviewed on 31 May 2023 and would be reviewed and updated periodically.</p> <p>The Board Charter is available on the Company's website at <a href="http://www.ucrest.net">www.ucrest.net</a>.</p>	
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board strongly believes in applying good working ethics and code of conduct in all business dealings. The Board had established the Code of Conduct and Ethics. The Code of Conduct and Ethics is based on the following principles:-</p> <ul style="list-style-type: none"><li>(a) Conflicts of interest;</li><li>(b) Corporate opportunities;</li><li>(c) Protection of confidential information;</li><li>(d) Protection and Proper use of Company Asset;</li><li>(e) Compliance with laws, rules and regulations;</li><li>(f) Trading on inside information;</li><li>(g) Bribery and Corruption;</li><li>(h) Money Laundering;</li><li>(i) Preventing the abuse of power;</li><li>(j) Compliance with the Code of Conduct and Ethics and reporting of any illegal or unethical behaviour; and</li><li>(k) Waivers and amendments.</li></ul> <p>The Code and Conduct and Ethics was reviewed and updated on 25 April 2018 and will be reviewed and updated periodically.</p> <p>In addition, the Board has also formalised an Anti-Bribery &amp; Corruption policy to prevent, detect and address bribery and corruption via establishing a good corporate governance culture and ethical behavior amongst the Directors and employees of the Group. This policy is applicable to all Directors, employees, business partners of the Group.</p> <p>The Anti-Bribery &amp; Corruption policy adopted will be reviewed and updated periodically, as and when necessary, to accommodate change in business environment, administrative operational needs within the Group and ensure compliance with the legislations.</p> <p>The Code of Conduct and Ethics and the Anti-Bribery &amp; Corruption policy are available on the Company's website at <a href="http://www.ucest.net">www.ucest.net</a>.</p>

<b>Explanation for departure</b>	:	
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<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of whistle-blowing and is committed to maintain the standards of ethical conduct within the Group. The Company is committed to operating in compliance with all applicable laws, rules and regulations, including those concerning accounting and auditing, and prohibits fraudulent practices by any of its board members, officers and/or employees. The Board had established a Whistle Blower policy which outlines procedures for employees to report actions that an employee reasonably believes violate a law, or regulation or that constitutes fraudulent accounting or other practices without fear of reprisal. All reports and disclosures will be treated fairly and properly and addressed in an appropriate and timely manner while maintaining the identity of the complaining individual as confidential as possible. This policy applies to any matter which is related to the Group's business. This policy has accordingly been inserted in the employee manual/handbook.</p> <p>The Whistle Blower policy was reviewed and updated on 25 April 2018 and will be reviewed and updated periodically, as and when necessary, to accommodate change in business environment, administrative operational needs within the Group and ensure compliance with the legislations.</p> <p>The Whistle Blower policy is available on the Company's website at <a href="http://www.ucrest.net">www.ucrest.net</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledged the importance of incorporating sustainability considerations into the Company's business and corporate activities, and how sustainability is essential to successful business strategies that could deliver sustainable value to all stakeholders and ultimately boosts the business performance of the Company.</p> <p>The Sustainability Committee ("SC") was established on 19 January 2023 which comprises three (3) Directors and two (2) representatives from the Management team and has been tasked with determining the organisation's sustainability strategy and provides an oversight of our corporate sustainability policies and performance.</p> <p>The Senior Management oversees the implementation of the organisation's sustainability approach and ensures that key targets are being met. The respective division's management heads are responsible for identifying, evaluating, monitoring and managing economic, environmental and social risks and opportunities directly.</p> <p>The Board together with the Management takes responsibility for the governance of sustainability in the Company, including setting the Company's sustainability strategies, priorities and targets. Performance against these clearly set out targets are communicated to the Company's internal and external stakeholders.</p> <p>The Company had in July 2023 adopted the Environmental, Social and Governance ("ESG") Framework which sets out, among others, the vision, core objectives and ESG Metrics in achieving a more sustainable future as well as to prepare the Company in meeting the enhanced sustainability reporting requirements under the Listing Requirements.</p>

Vision

The Company is committed to integrate ESG considerations into our business practices, operations, and investments. Our goal is to create long-term value for our stakeholders while promoting a more sustainable future.

To be recognised as a responsible industry leader, we strive to achieve our vision through:

1. Working with like-minded investors, partners and clients who share our core values and objectives
2. Ensuring our own business and owned developments are resilient to climate change and in-line with our pathway towards Net Zero
3. Empowering our experienced design and delivery supply chain to act responsibly and ethically to create long-term value of our projects
4. Identifying research opportunities and developing innovative solutions
5. Implementing a feedback loop of regular ESG monitoring and reporting to enable continual improvement

Core Objective

Environment	Social	Governance
<p>The Company is committed to reducing our environmental impact and promoting sustainable practices within our healthcare organization.</p> <p>Our environmental objectives include:</p> <ul style="list-style-type: none"> <li>• Minimizing waste generation and promoting recycling and waste reduction practices.</li> <li>• Reducing our energy consumption and promoting the use of renewable energy sources.</li> <li>• Encouraging sustainable transportation practices for employees,</li> </ul>	<p>The Company recognize the importance of our social responsibility to our patients, employees, and the communities we serve.</p> <p>Our social objectives include:</p> <ul style="list-style-type: none"> <li>• Developing high-quality healthcare services that prioritize patient safety and satisfaction.</li> <li>• Providing a safe and healthy work environment for all employees, promoting equal opportunities</li> </ul>	<p>The Company is committed to maintaining strong governance practices that prioritize ethical behaviour, transparency, and accountability.</p> <p>Our governance objectives include:</p> <ul style="list-style-type: none"> <li>• Ensuring compliance with applicable laws and regulations.</li> <li>• Maintaining open and transparent communication with our stakeholders, including patients, employees, shareholders, and regulators.</li> <li>• Maintaining a diverse and</li> </ul>

	<p>patients, partners and suppliers.</p> <ul style="list-style-type: none"> <li>• Ensuring responsible procurement practices that prioritize environmentally friendly products and services.</li> <li>• Managing and reducing the use of hazardous materials and waste.</li> <li>• Regularly monitoring and reporting on our environmental performance.</li> </ul>	<p>and fair treatment.</p> <ul style="list-style-type: none"> <li>• Supporting local communities by promoting volunteerism and providing training and exposures to university students and internship programs and activities, and by partnering with local suppliers and service providers.</li> <li>• Maintaining high ethical standards in all aspects of our business, upholding the principles of transparency, integrity, and accountability.</li> <li>• Encouraging social responsibility among our suppliers and business partners</li> </ul>	<p>independent board of directors that prioritizes ESG considerations in decision-making.</p> <ul style="list-style-type: none"> <li>• Regularly assessing and monitoring our ESG risks and opportunities.</li> <li>• Reporting on our ESG performance and progress towards our ESG objectives.</li> </ul>
<p><b>Explanation for departure</b></p>	<p>:</p>		
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<p><b>Measure</b></p>	<p>:</p>		
<p><b>Timeframe</b></p>	<p>:</p>		

### Intended Outcome

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

### Practice 4.2

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

<b>Application</b>	: Applied									
<b>Explanation on application of the practice</b>	<p>The Board recognises the importance of building a sustainable business, therefore takes into consideration of the environmental, social and governance impact while developing corporate strategies.</p> <p>The Board regularly reviews the strategic direction of the Company and the progress of the Company’s operations, taking into account changes in the business and political environment and risk factors such as level of competition.</p> <p>The Board promotes good corporate governance in the application of sustainability practices throughout the Company, the benefits of which are believed to translate into better corporate performance. Accordingly, the Company takes cognisance of the global environmental, social, governance and sustainability agenda.</p> <p>The Company recognises the value of a diversified and skilled workforce and is committed to creating and maintaining an inclusive and collaborative workplace culture that will provide sustainability for the Company into the future. The Company is committed to leveraging the diverse backgrounds in terms of gender, ethnicity and age, experiences and perspectives of our workforce, to provide good customer service to an equally diverse customer base. The Company’s commitment in recognising the importance of diversity extends to all areas of our business including recruitment, skills, enhancement, appointment to roles, retention of employees, succession planning and training and development.</p> <p><u>Stakeholders Review &amp; Engagement</u></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Stakeholder Group</th> <th style="width: 50%;">Engagement Methodology</th> <th style="width: 30%;">Frequency of engagement</th> </tr> </thead> <tbody> <tr> <td>Customers</td> <td>Customer feedback management Complaint management Market research &amp; innovation</td> <td>Regular Regular Regular</td> </tr> <tr> <td>Vendors</td> <td>Independent evaluation Vendor relationship management</td> <td>Annually Regular</td> </tr> </tbody> </table>	Stakeholder Group	Engagement Methodology	Frequency of engagement	Customers	Customer feedback management Complaint management Market research & innovation	Regular Regular Regular	Vendors	Independent evaluation Vendor relationship management	Annually Regular
Stakeholder Group	Engagement Methodology	Frequency of engagement								
Customers	Customer feedback management Complaint management Market research & innovation	Regular Regular Regular								
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	Governance & Regulators	Formal meetings/visits Licensing, audit & inspections Awareness of anti-bribery and corruption Director training program	Ad-hoc Ad-hoc Annually  Annually
	Employees	Employee performance appraisal Dialogue and engagement Health and safety awareness Employee engagement programmes	Annually Weekly Regular Regular
<b>Explanation for departure</b> :			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b> :			
<b>Timeframe</b> :			

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board through the Nomination Committee assesses the training programmes attended by each of the Directors during the financial year to ensure that they keep abreast with the latest developments in the industry as well as the sustainability issues relevant to the Group, including factors that are driving climate change, sustainable finance and achieving a sustainable business model.</p> <p>Regular discussion of the Group's specific trends, changes in the business environment and claim processes enable the Group to adapt to the market effectively and manage the Group insurance risks, including the exposure to natural disasters.</p> <p>The Board is also mindful of the need to keep abreast of the external trends in sustainability practices and will engage external consultants to provide training to the Board and senior management of the Company to enhance the Company's sustainability efforts and initiatives.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board had through its Nomination Committee carried out annual performance evaluation on the Board effectiveness in addressing the Company’s material sustainability risks and opportunities.</p> <p>The Board, through the Human Resource Department ensures that the performance of senior management in managing material sustainability risks and opportunities are taken into consideration as part of their performance evaluation.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nomination Committee ("NC") assesses the composition of the Board annually to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision making.</p> <p>The NC has reviewed and conducted the assessment of the directors for appointment and re-election, and the tenure of directors on merit based, fit and proper and pursuant to the Listing Requirements and the Malaysian Code on Corporate Governance ("MCCG").</p> <p>The NC after taking into account the assessment of the Directors, namely Encik Abdul Razak Bin Dato' Haji Ipap and Dato' Dr. Mohd Fikri Bin Abdullah who are retiring at the forthcoming Annual General Meeting, is satisfied that they met the criteria as prescribed by the Listing Requirements on character, experience, integrity, competence and time to effectively discharge their roles as Directors, recommended their re-election for the Board's further recommendation to the shareholders for approval. The said Directors have also met the relevant requirements under the fit and proper assessment. The NC has also undertaken an annual assessment on the independence of Dato' Dr. Mohd Fikri Bin Abdullah, who is an Independent Non-Executive Director of the Company.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied																
<b>Explanation on application of the practice</b>	:	The existing composition of the Board is as set out below:- <table border="1" data-bbox="571 647 1407 1068"><thead><tr><th><u>Directors</u></th><th><u>Designation</u></th></tr></thead><tbody><tr><td>Eg Kah Yee</td><td>Chairman/Managing Director</td></tr><tr><td>Eg Kaa Chee</td><td>Non-Independent Non-Executive Director</td></tr><tr><td>Abdul Razak Bin Dato' Haji Ipap</td><td>Non-Independent Non-Executive Director</td></tr><tr><td>Chuan Tsui Ju</td><td>Independent Non-Executive Director</td></tr><tr><td>Prof. Low Teck Seng</td><td>Independent Non-Executive Director</td></tr><tr><td>Dato' Dr. Mohd Fikri Bin Abdullah</td><td>Independent Non-Executive Director</td></tr><tr><td>N Chanthiran A/L Nagappan</td><td>Independent Non-Executive Director</td></tr></tbody></table>	<u>Directors</u>	<u>Designation</u>	Eg Kah Yee	Chairman/Managing Director	Eg Kaa Chee	Non-Independent Non-Executive Director	Abdul Razak Bin Dato' Haji Ipap	Non-Independent Non-Executive Director	Chuan Tsui Ju	Independent Non-Executive Director	Prof. Low Teck Seng	Independent Non-Executive Director	Dato' Dr. Mohd Fikri Bin Abdullah	Independent Non-Executive Director	N Chanthiran A/L Nagappan	Independent Non-Executive Director
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<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																		
<b>Measure</b>	:																	
<b>Timeframe</b>	:																	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company does not have a policy which limits the tenure of its independent directors to nine (9) years. However, the Board takes note that the MCCG recommends that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. An independent director may, subject to the shareholders' approval through a two-tier voting process, continue to serve as an Independent Director of the Company. Justification should be provided in retaining an Independent Director beyond nine (9) years. However, the tenure of an Independent Director is limited to not more than a cumulative period of twelve (12) years. After serving for twelve (12) years, an Independent Director may continue to serve on the board as a Non-Independent Director.</p> <p>The NC had assessed the independence of the Independent Directors and is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interest of the Company. Based on the recommendations from the NC, the Board had also assessed and would be proposing to the shareholders for approval the continuation in office of Ms Chuan Tsui Ju, who has served for more than nine (9) years, as an Independent Non-Executive Director of the Company at the forthcoming AGM. A two-tier voting process would be adopted when seeking the shareholders' approval to retain Ms Chuan Tsui Ju as an Independent Non-Executive Director of the Company.</p> <p>The Board's proposal for continuation in office of Ms Chuan Tsui Ju as Independent Non-Executive Director was based on the following:-</p> <ul style="list-style-type: none"><li>(i) She fulfilled the criteria under the definition of Independent Director as stated in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. Thus, she would be able to function as a check and balance and bring an element of objectivity to the Board;</li><li>(ii) She has devoted sufficient time and attention to her professional obligations for informed and balanced decision making; and</li></ul>

	(iii) She has exercised her due care during her tenure as an Independent Non-Executive Director of the Company and carried out her duties in the best interest of the Company and shareholders.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As documented in the Board Charter, the Board may exercise the power pursuant to the Constitution to appoint a person who is willing to act as a Director either to fill a casual vacancy or as an additional Director upon appropriate recommendation by the NC.</p> <p>The appointment of new directorship would be through a formal and transparent selection process and would take into consideration the evaluation of the candidates' abilities in terms of their character, skills, qualifications, knowledge, experience, expertise, professionalism and integrity to discharge their responsibilities. In the case of candidates for the position of Independent Non-Executive Directors, evaluation will be made on the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.</p> <p>The Company has established a Directors' Fit and Proper Policy which serves as a guide to the NC and the Board in their review and assessment of candidates that are to be appointed onto the Board and its subsidiaries as well as Directors who are seeking for re-election.</p> <p>The Board should consider the factors which includes but not limited to the following in assessing if a candidate meets the criteria under the policy:-</p> <p>(a) Character and integrity</p> <ul style="list-style-type: none"><li>(i) Probity</li><li>(ii) Personal integrity</li><li>(iii) Financial integrity</li><li>(iv) Reputation</li></ul> <p>(b) Experience and competence</p> <ul style="list-style-type: none"><li>(i) Qualifications, training and skills</li><li>(ii) Relevant experience and expertise</li><li>(iii) Relevant past performance or track record</li></ul>

	<p>(c) Time and commitment</p> <p>(i) Ability to discharge role having regard to other commitments</p> <p>(ii) Participation and contribution in the board or track record</p> <p>The Chairman of the Board and the Company Secretary shall be notified of any new directorship by any Board member. The notification shall include an indication of time that will be spent. All the current Directors of the Company held less than five (5) directorships in listed companies.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>The Board delegates to the Nomination Committee (“NC”) the responsibility of recommending the appointment of any new Director. The NC is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous and that appointments are made on merits. Through the NC, the Board will consider recommendations from existing board members, management, major shareholders and third-party sources to identify suitably qualified candidates, when necessary. New board candidates proposed to fill vacancy arises from resignation, retirement or any other reasons will be reviewed by the NC before recommending to the Board for further deliberation. The evaluation process may include, reviewing the candidate’s resume, biographic information, qualifications, skills, knowledge, experience, expertise, competency and his/her understanding of the Group’s business environment.</p>	
		<p>In future, the Board will consider utilising independent sources in identifying suitably qualified candidates.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

## Intended Outcome

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

## Practice 5.7

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The profiles of the Directors who will be due for retirement at the AGM and had offered themselves for re-election, including the nature of interest with the Company, whichever applicable, were set out in the Annual Report 2024 of the Company.</p> <p>The Nomination Committee annually reviews and assess the tenure of each Director and re-election of Director. The review and assessment shall be based on the fit and proper criteria and contingent on satisfactory evaluation of the Director's performance and contribution to the Board.</p> <p>For the Directors who are retiring at the forthcoming Twenty-Seventh AGM ("27<sup>th</sup> AGM"), a statement by the Board and NC that they are satisfied with the performance and effectiveness of the retiring Directors who had offered themselves for re-election at the forthcoming 27<sup>th</sup> AGM, as well as the Board's basis of recommendation and the details on conflict of interest (including perceived or potential conflict of interest) of the said Directors with the Group (if any), is included in the Statement Accompanying the Notice of 27<sup>th</sup> AGM in enabling the shareholders have the information to make an informed decision on the re-election of Directors.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Nomination Committee is chaired by Mr N Chanthiran A/L Nagappan, an Independent Non-Executive Director of the Company.</p> <p>The profile of Mr N Chanthiran A/L Nagappan is set out in the Board of Directors and Key Senior Management’s Profile of the Annual Report 2024.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Board Charter of the Company states that Board members shall comprise of at least one (1) director of the Board is a woman as it is of the view that any new appointment to the Board should be based on the candidate academic background, area of expertise and skills.	
	:	There is currently one (1) woman Director on the Board, namely Ms Chuan Tsui Ju and this seat is equivalent to 14% female representation on the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	
	:		

### Intended Outcome

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

### Practice 5.10

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of gender diversity and is committed to the extent practicable, to address the recommendation of the Code relating to the establishment of a policy formalising its approach to boardroom and workplace diversity.</p> <p>The Board had on 25 April 2018 adopted a Gender Diversity Policy. Diversity encompasses various areas such as gender, age, ethnicity and cultural background for Boardroom and Workplace Diversity and the Board firmly believe that a well diversified workplace could benefit the Company to achieve:-</p> <ul style="list-style-type: none"><li>(a) a good morale between the workforce that leads to a healthy work culture where employees motivate each other to perform at a higher level;</li><li>(b) with a gender-diverse workforce, the Company can expand its customer base and offer better services;</li><li>(c) improved employment and career development opportunities for women;</li><li>(d) a gender-balanced team brings with it greater industry knowledge and helps the company access more resources, as well as multiple channels of information; and</li><li>(e) awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.</li></ul> <p>The appointment of Ms Chuan Tsui Ju reflects that the Board recognises the value of a lady member of the Board and is a step taken by the Board towards achieving a more gender diversified Board.</p> <p>The Gender Diversity Policy is available on the Company's website at <a href="http://www.ucrest.net">www.ucrest.net</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

## 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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Nomination Committee (“NC”) assesses the effectiveness of the Board as a whole, Board Committees and contributions of each individual Director as well as their character, integrity and time commitment, independence of Independent Directors on annual basis. The NC reviews annually the required mix of skills and experience including core competencies which Non-Executive Directors should bring to the Board and other qualities for the Board to function effectively and efficiently.</p> <p>The summary of the assessment and its findings was tabled to the NC on 30 July 2024. Based on the summary as presented, the NC tabled its recommendations to the Board at the Board of Directors’ Meeting held on 30 July 2024. The Board was satisfied with the results of the annual assessment and that the current size and composition of the Board is appropriate and well balanced with the right mix of skills. The Board was also satisfied with the contribution of each of the individual Directors.</p> <p>The Company has established a Directors’ Fit and Proper policy which serves as a guide to the NC and the Board in their review and assessment of candidates that are to be appointed onto the Board and its subsidiaries as well as Directors who are seeking for re-election.</p> <p>For Directors who are subject to re-election at the forthcoming AGM, the NC, having considered the fit and proper assessment on the said Directors, was satisfied with the outcome before recommending the re-election for the Board’s consideration.</p> <p>The Board had also through the NC assessed the independence of the independent Directors and is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interest of the Company.</p>

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



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has established a remuneration policy for the Directors and Senior Management to support and drive business strategy and long-term objectives of the Company and its subsidiaries.</p> <p>Among others, the following are some of the criteria adopted by the Company and its subsidiaries in considering the remuneration of the Senior Management:-</p> <ul style="list-style-type: none"><li>• The overall performance of the Company and its subsidiaries;</li><li>• General economic situation;</li><li>• Prevailing market practice;</li><li>• Salary position against market;</li><li>• Skills and experience; and</li><li>• Individual performance</li></ul> <p>In this regard, the Remuneration Committee ("RC") is responsible to implement the policies and procedures on the remuneration for the Managing Director ("MD") whilst the Board is responsible for approving the policies and procedures which govern the remuneration of the employees including MD and Senior Management of the Company to ensure the same remain competitive, appropriate and in alignment with the prevalent market practices and the Company attracts, retains and motivates the Directors and Senior Management who are with strong credentials, high caliber and astute insights to run the business successfully.</p> <p>The remuneration package is reflective of the individual Director's and Senior Management's experience and level of responsibilities and it is structured to link to corporate and individual performance. The Remuneration Committee is responsible for determining the level and make up of Managing Director ("MD")'s remuneration and approved by</p>

	<p>the Board, with the presence of a majority of non-executive directors. The MD, however, does not participate in any way when determining his remuneration package. The RC is guided by market norms and industry practices when making recommendations for the compensation and benefits of Directors and Senior Management.</p> <p>All Directors are paid fixed monthly directors' fee except for the MD. The MD received annual remuneration package including but not limited to telecommunication facilities and other reimbursable/claimable benefits-in-kind as may be determined from time to time, for the purposes of carrying out his duty as MD. The determination of the Directors' fee is a matter for the Board as a whole, depending on any additional responsibilities taken. The Directors' fee payable to Directors is presented to the shareholders at the Annual General Meeting for their approval.</p> <p>The Remuneration Policy of Directors and Senior Management was adopted by the Board on 25 April 2018. The Policy would be reviewed and updated periodically.</p> <p>The Remuneration Policy is available at the Company's website at <a href="http://www.ucrest.net">www.ucrest.net</a>.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

### Intended Outcome

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

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

### Practice 7.2

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Remuneration Committee ("RC") comprises wholly Independent Non-Executive Director. The RC is responsible to implement the policies and procedures on the remuneration for the Board, Managing Director ("MD") and senior management whilst the Board is responsible for approving the policies and procedures which govern the remuneration of the employees including MD and senior management of the Company to ensure the same remain competitive, appropriate and in alignment with the prevalent market practices and the Company attracts, retains and motivates the Directors and Senior Management who are with strong credentials, high calibre and astute insights to run the business successfully.</p> <p>The determination of remuneration packages of Non-Executive Directors should be a matter for the Board as a whole with the individuals concerned abstaining from discussion on their own remuneration. The Board shall determine the remuneration packages taking into consideration the recommendations of the RC.</p> <p>The Non-Executive Director(s) of the Company, who are also shareholders, had abstained from voting on the resolution in respect of their direct and indirect shareholdings (if any), approving the payment of Directors' fees at the AGM.</p> <p>The RC's Terms of Reference is available on the Company's website at <a href="http://www.ucrest.net">www.ucrest.net</a>.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Details of remuneration of Directors of the Company for the financial year ended 31 May 2024 are set out in the table on the following page.

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	Eg Kah Yee	Executive Director	-	-	-	-	-	-	-	-	-	120.0	-	-	-	120.0
2	Eg Kaa Chee	Non-Executive Non-Independent Director	36.0	-	-	-	-	-	36.0	36.0	-	-	-	-	-	36.0
3	N Chanthiran A/L Nagappan	Independent Director	48.0	-	-	-	130.6	-	178.60	48.0	-	-	-	130.6	-	178.6
4	Chuan Tsui Ju	Independent Director	36.0	-	-	-	-	-	36.0	36.0	-	-	-	-	-	36.0
5	Abdul Razak bin Dato' Haji Ipap	Non-Executive Non-Independent Director	36.0	-	-	-	-	-	36.0	36.0	-	-	-	-	-	36.0
6	Dato' Dr. Mohd Fikri Bin Abdullah	Independent Director	36.0	-	-	-	-	-	36.0	36.0	-	-	-	-	-	86.6
7	Prof. Low Teck Seng	Independent Director	36.0	-	-	-	-	-	36.0	36.0	-	-	-	-	-	36.0
8	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-

### Intended Outcome

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

### Practice 8.2

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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Company respects the confidentiality of the remuneration of the Senior Management in view of the competitive nature of human resource market. Thus, the Company does not have the intention to adopt the recommendation to disclose the details of each member of senior management in bands of RM50,000 on a named basis.	
		However, the Company would endeavour to ensure that the remuneration package of the employees is in line with the industry practices and the annual increments and bonuses pay-out are based on individual performances.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

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



**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

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

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Audit Committee ("AC") comprises three (3) members with majority being Independent Non-Executive Directors. The following are the members of the AC:-</p> <p><b><u>Chairman</u></b> N Chanthiran A/L Nagappan – Independent Non-Executive Director</p> <p><b><u>Members</u></b> Abdul Razak Bin Dato' Haji Ipap – Non-Independent Non-Executive Director Chuan Tsui Ju – Independent Non-Executive Director</p> <p>The AC is chaired by Mr N Chanthiran A/L Nagappan since 26 August 2022. The Chairman of the AC is not the Chairman of the Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>None of the members of the Audit Committee ("AC") were former key audit partners.</p> <p>The Terms of Reference of the AC states that a former partner of the external audit firm and/or the affiliate firm (including those providing advisory services, tax consulting etc) of the Company or any entity within the Group is required to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC.</p> <p>The AC's Terms of Reference is available on the Company's website at <a href="http://www.ucrest.net">www.ucrest.net</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established a transparent relationship with the external auditors through the Audit Committee ("AC"), which has been accorded the authority to communicate directly with the external auditors. The auditors in turn are able to highlight matters which require the attention of the Board to the AC in terms of compliance with the accounting standards and other related regulatory requirements.</p> <p>The AC undertakes annual assessment of the suitability and independence of the External Auditors. The factors considered by the AC in its assessment include, adequacy of professionalism and experience of the staff, the resources of the external auditors, the fees and the independence of and the level of non-audit services rendered to the Group.</p> <p>The AC is satisfied with the external auditors' confirmation of independence and their conduct of the audit. These confirmations were made pursuant to the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.</p> <p>The AC had on 30 July 2024 conducted an assessment on the suitability and independence of the External Auditors. Based on the assessment, the AC was satisfied with Messrs. UHY Malaysia (formerly known as UHY)'s competency, experience and independence. The Board, based on the AC's recommendation, would be tabling the re-appointment of Messrs. UHY Malaysia (formerly known as UHY) as the External Auditors of the Company at the Twenty-Seventh AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The members of the Audit Committee ("AC") are financially literate and have the relevant accounting or related experience and expertise to effectively discharge their duties. They are able to understand, analyse and objectively review matters under the purview of the AC including the financial reporting process.</p> <p>The External Auditors, from time to time, brief the AC updates on financial reporting developments and changes in regulatory environment.</p> <p>The Board, via the Nomination Committee, had also conducted annual assessment on the performance of the AC and each of its members and is satisfied with the performance of the AC in fulfilling its duties as per the Terms of Reference of the AC.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors recognises the importance of sound internal controls and risk management in safeguarding the assets of the Group. However, such systems are designed to manage rather than eliminate the business risk totally. It should be noted that any system could provide only reasonable and not absolute assurance against material misstatement or fraud.</p> <p>The Group has in place an on-going process to identify, evaluate, monitor and manage any significant risks through the internal controls set out in order to attain a reasonable assurance that business objectives have been met. These controls are regularly reviewed by the Board and are subject to continuous improvement.</p> <p>The Enterprise Risk Management framework is applied to determine, evaluate and manage principal risks of the Group. This is complemented by the system of internal control that is integrated into the Group's operations and processes.</p> <p>Please refer to Statement on Risk Management and Internal Control in the Annual Report 2024 for more details.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has put in place an Enterprise Risk Management framework (“ERM”) which comprises the following elements:</p> <ul style="list-style-type: none"> <li>• Communicate and disseminate across the organisation the vision, role and direction of the Group;</li> <li>• Provide guiding principles and approach towards risk management;</li> <li>• Process of identification, assessment, evaluation and management of the various principal risks which affect the Group’s business;</li> <li>• Creation of a risk-awareness culture and risk ownership for more effective management of risks;</li> <li>• Regular review, tracking and reporting on keys risks identified and corresponding mitigation procedures; and</li> <li>• Regular review of the effectiveness of the system of internal control.</li> </ul> <p>The framework is applied to determine, evaluate and manage principal risks of the Group. This is complemented by the system of internal control that is integrated into the Group’s operations and processes.</p> <p>Further details on the internal controls as well as the Board review of the adequacy and effectiveness of the risk management and internal control frameworks are presented in the Statement on Risk Management and Internal Control set out in the Annual Report 2024.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has appointed an outsourced internal audit service provider to carry out the internal audit function, providing the Board with a reasonable assurance of adequacy of the scope, functions and resources of the internal audit function. The purpose of the internal audit function is to provide the Board, through the Audit Committee ("AC"), assurance of the effectiveness of the system of internal control in the Group.</p> <p>The internal audit function is independent of the operations of the Group and performs audit assignments with impartiality, proficiency and due professional care.</p> <p>Internal auditor reports directly to the AC. The functions of the internal auditor are to ensure a regular review of the adequacy and integrity of its internal control system. The internal auditor will also be required to assist the Group in enhancing its existing risk management framework and adopting a risk-based approach based on COSO assessment model.</p> <p>The assessment of the internal audit is reported periodically to the AC. The recommendations arising from the internal audit and its implementations would be monitored.</p> <p>Further details on the activities of the Internal Auditors are provided in the AC Report and the Statement on Risk Management and Internal Control in the Annual Report 2024.</p> <p>The AC has performed an annual assessment on the performance of the Internal Auditors and was satisfied with the adequacy of the scope, function, competency and resources of the Internal Auditors and was of the view that they have the necessary access to information and authority to carry out their work during the financial year under review.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

<b>Measure</b> :		
<b>Timeframe</b> :		

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has appointed an outsourced internal audit service provider to carry out the internal audit function, providing the Board with a reasonable assurance of adequacy of the scope, functions and resources of the internal audit function.</p> <p>The internal audit function is outsourced to an independent professional firm, Vaersa Advisory Sdn Bhd. The internal audit team is headed by Mr Quincy Gan who possesses the relevant qualification and experience and is assisted by eight members. The internal audit personnel are free from any relationships or conflicts of interest with the Company which could impair their objectivity and independence during the internal audit review. The AC had assessed the performance of the internal auditor on 30 July 2024 and was satisfied with the adequacy of the scope, competency and resources of the internal auditor and that it has the necessary authority to carry out its work.</p> <p>The expenses incurred for the internal audit function for financial year ended 31 May 2024 was RM16,000. Internal Auditors evaluate the internal control of Group with COSO assessment model.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company is committed to provide clear, accurate and timely disclosure of all material information to its stakeholders and the general public. The Company will ensure compliance with the disclosure requirements as set out in the Listing Requirement at all times.</p> <p>The Board recognises the importance of communications with its shareholders. The AGM also provides an effective means of communication with the shareholders where they are encouraged to participate in the open question and answer session during the AGM.</p> <p>In 2023, Notice of the Twenty-Sixth AGM ("26th AGM") together with the Company's Annual Report and the Circular to Shareholders were made available to the shareholders on 29 September 2023, being more than 28 days in advance of the scheduled AGM which was held on 15 November 2023. This is to enable the shareholders have sufficient time to read and understand the Company's financial and non-financial performance before the meeting.</p> <p>The Company communicates with its shareholders through the timely release of financial results on a quarterly basis, annual report, press releases and announcements to Bursa Securities. Corporate information, financial information, the Company's announcements and other related communications and information are available at the Company's website.</p> <p>Shareholders or potential investors can also send their enquiry to the Company via the Company's website at <a href="http://www.ucrest.net/contact-us/">www.ucrest.net/contact-us/</a> or may contact the Company via the following:-</p> <p>Tel No : +603-7728 9880 Fax No : +603-7728 1080 Email : <a href="mailto:info@ucrest.net">info@ucrest.net</a></p>
<b>Explanation for departure</b>	:	

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



**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.

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

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Notice of the Twenty-Sixth Annual General Meeting (“26th AGM”) held on 15 November 2023 dated 29 September 2023 was distributed more than 28 days in advance of the meeting.</p> <p>The Notice of 26th AGM includes details of the resolutions proposed along with relevant explanatory notes together with the Statement Accompanying the Notice of AGM are to enable shareholders to make informed decisions in exercising their voting rights.</p> <p>Along with the Notice of 26th AGM, a detailed Administrative Guide was also circulated to all shareholders to guide them on participating in the Company’s virtual AGM.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	All Directors were present at the Twenty-Sixth Annual General Meeting which was held virtually at the Broadcast Venue at Lot 6.04, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on 15 November 2023. In addition to the Board members, the senior management and the external auditors were also present to respond to the shareholders' queries.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In accordance with its Constitution, the Company may convene a meeting of Members at more than one venue using any technology or method that enables the Members of the Company to participate and to exercise the Members’ right to speak and vote at the meeting. The main venue of the meeting shall be in Malaysia and the Chairman shall be present at the main venue.</p> <p>The Twenty-Sixth Annual General Meeting (“26th AGM”) held on 15 November 2023 was conducted on a virtual basis through live streaming via Remote Participation and Voting (“RPV”) facilities to facilitate remote shareholders’ participation and had adopted the electronic voting (e-voting) for the conduct of poll on all resolutions. The appointed poll administrator and Independent Scrutineer conducted the polling/ e-voting process and verified the results of the poll.</p> <p>The entire 26th AGM proceedings were held through the Company’s Cisco Webex. The Administrative Details of the 26th AGM as well as the user guide with detailed registration and voting procedures were shared with the shareholders and the same were also published on the Company’s website.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The Chairman of the Board is proactive and ensure the Company's general meetings support meaningful engagement between the Board, senior management and shareholders.</p> <p>During the general meetings, the Chairman of the Board informed shareholders and proxy holders, their right to participate at general meetings and the conduct of poll voting for all resolutions tabled at general meetings. The shareholders were allowed to submit their questions during the live streaming of the general meetings via the real time submission of typed texts.</p> <p>The general meetings allocated sufficient time for shareholders to pose their questions and for the Chairman and management to respond to those questions accordingly. During the Twenty-Sixth Annual General Meeting, the Board had also responded to the questions submitted by Minority Shareholders Watch Group prior to the meeting, in addition to the live questions posted by the shareholders.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### 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>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The general meetings of the Company had been conducted on virtual basis since 2020.</p> <p>The shareholders may pose their questions via real time submission of typed text at the chat box during the virtual meetings, all questions were addressed accordingly.</p> <p>The general meeting had allocated sufficient time for shareholders to pose their questions and for the Chairman, or management to respond to those questions accordingly.</p> <p>Detailed instruction and procedures on the registration, remote participation and the e-voting process were provided to the shareholders under the Administrative Guide for the general meetings to facilitate the smooth conduct of the meetings. The voting procedures was also briefed during the meetings.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The minutes of the Twenty-Sixth Annual General Meeting (“26th AGM”), detailing the meeting proceedings including questions raised by the Minority Shareholders Watch Group and shareholders as well as the Company’s responses thereto was made available on our corporate website at <a href="http://www.ucrest.net">www.ucrest.net</a> within 30 business days after the 26th AGM.
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

**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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