

## CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 5136  
**COMPANY NAME** : Hextar Technologies Solutions Berhad  
**FINANCIAL YEAR** : March 31, 2025

### 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>Hextar Technologies Solutions Berhad ("HexTech" or "the Company") and its subsidiaries (collectively known as "the Group") are led by the Board of Directors ("Board"). The Board's primary focus is to provide overall strategic leadership, identify and manage principal risks, and oversee the growth and performance of the Group.</p> <p>The Board's key responsibilities include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• formulating the Group's strategic goals and objectives;</li> <li>• planning, adopting and implementing strategic initiatives for the Group;</li> <li>• supervising the conduct of the Group's business operations and performance;</li> <li>• reviewing and approving any new ventures, major acquisitions and disposals;</li> <li>• identifying key risks and ensuring the implementation of appropriate control and mitigation measures; and</li> <li>• reviewing and evaluating the appointments, performance, training and succession planning of Senior Management personnel.</li> </ul> <p>To effectively fulfil these duties and responsibilities, the Board has delegated specific matters to its Board Committees, namely Audit Committee ("AC"), the Nomination and Remuneration Committee ("NRC") and the Risk Management Committee ("RMC"). These Board Committees play a crucial role in supporting the Board in their respective areas of oversight.</p> <p>The authority and scope of each Board Committees are detailed in their respective Terms of Reference, which are available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</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

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 Independent Non-Executive Chairman, Tan Sri Muhammad Bin Ibrahim, chairs the Board of HexTech, providing overall leadership by fostering a culture of good corporate governance, encouraging balanced deliberations and ensuring well-informed decision-making.</p> <p>A summary of the Chairman's key responsibilities includes, but is not limited to the following:</p> <ul style="list-style-type: none"> <li>• ensuring the smooth and effective functioning of the Board;</li> <li>• ensuring an appropriate Board composition, subject to approval by the Board and shareholders;</li> <li>• ensuring all relevant matters are included on the agenda for Board meetings;</li> <li>• facilitating the active participation of all Directors in Boardroom activities. This includes ensuring that the Board receives accurate, timely information and advice from the Management and/or independent advisers to support sound and informed decisions; and</li> <li>• ensuring that the Executive Directors present a true, fair and comprehensive account of the Group's business condition, operations and cash flows.</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>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The roles of Chairman and Chief Executive Officer ("CEO") are held by different individuals, in accordance with the recommended best practice. Tan Sri Muhammad Bin Ibrahim, the Board Chairman, is primarily responsible for promoting strong corporate governance at the Board level and ensuring its overall effectiveness. Meanwhile, in managing the Group's business, Dato' Ong Choo Meng, the Group CEO, supported by Mr. Choo Joon Keong, the Group Deputy CEO, oversees the Group's day-to-day operations and is responsible for executing approved policies, decisions and corporate strategies across the Group.</p> <p>The roles of the Board Chairman and Group CEO serve distinct yet complementary functions within the Group's leadership structure, providing an appropriate balance of control, authority and accountability. The details roles and responsibilities of the Board Chairman and Group CEO are set out in the Board Charter, which is available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</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

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

### Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b>	: Departure
<b>Explanation on application of the practice</b>	:
<b>Explanation for departure</b>	: <p>The Board Chairman, Tan Sri Muhammad Bin Ibrahim, is not a member of the AC or NRC. However, he was invited to attend the meetings of these Board Committees during the financial year ended 31 March 2025 ("FYE 2025").</p> <p>The attendance of the Board Chairman allowed him to listen to the deliberations and understand the rationale behind the Board Committees' recommendations, without repeating the same discussions at the Board level. This practice saved the valuable time of all Board members and facilitated more efficient and focused Board meetings. In addition, the Board Chairman did not participate in any deliberations or decision-making processes at the Board Committee level. Accordingly, the Board is of the view that this departure does not impair the objectivity of the Board Chairman or the Board when reviewing the observations and recommendations put forth by the Board Committees.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	: <p>While corporate governance guidelines generally recommend that the Board Chairman not attend Board Committees' meetings at public listed companies in Malaysia, the Management has identified significant benefits to having the Independent Non-Executive Chairman present. The presence of the Independent Non-Executive Chairman promotes objectivity and impartiality in discussions, provides an additional layer of scrutiny and oversight, and enhances the quality of the Board Committees' deliberations and decision-making processes.</p> <p>Furthermore, the Independent Non-Executive Chairman can offer valuable insights and perspectives, contributing to more balanced and informed decisions. This arrangement also eliminates the need for the Board Committees Chairmen to separately brief the Independent Non-Executive Chairman on the same meeting agendas at subsequent Board</p>

	meetings, thereby improving overall efficiency. Therefore, the Management believes that the practical advantages of the Independent Non-Executive Chairman attending the Board Committees' meetings outweigh the general recommendation, without compromising the integrity or independence of the Board's oversight.	
<b>Timeframe</b>	:	N/A

### 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>During the FYE 2025, Mr. Ng Heng Hooi resigned as Company Secretary of HexTech on 28 August 2024. On the same day, to enhance support for the Board, Ms. Lim Li Heong was appointed as Joint Company Secretary. Together with Ms. Wong Mee Kiat, the Board continued to be supported by two (2) well-qualified and competent Company Secretaries, both of whom fulfilled the necessary qualifications and were duly qualified under Section 235(2)(a) of the Companies Act 2016.</p> <p>The Company Secretaries effectively carried out their duties and responsibilities during the FYE 2025, including the following:</p> <ul style="list-style-type: none"> <li>• proper maintenance of the Company's statutory records, registers and documents to support the Board in fulfilling its fiduciary duties in accordance with good corporate governance practice;</li> <li>• coordinate for the Board and Board Committees' meetings, ensure all meetings are properly convened and minutes are accurately recorded;</li> <li>• advise the Board on its roles and responsibilities, as well as corporate disclosures obligation and procedural and regulatory requirements to ensure compliance; and</li> <li>• monitor corporate governance developments and compliance requirements, and assist the Board in applying governance practices to meet both the Board's needs and stakeholders' expectations.</li> </ul> <p>The Company Secretaries have continually kept themselves updated on the latest developments and changes in company law, capital market requirements, corporate governance, regulatory updates and other relevant areas through ongoing professional development and industry briefing. This commitment to continuous learning ensures they remain well-informed and able to support the Board's compliance obligations effectively.</p> <p>The Board expresses its satisfaction with the performance, dedication and support provided by the Company Secretaries during the FYE 2025 and acknowledges their significant contribution to the smooth functioning of the Board and Board 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 1.6

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>To support effective time management, the schedule of all Board and Board Committees' meetings is prepared in advance, allowing the Directors ample time to reserve their dates. Prior to each meeting, the notice of meetings, agenda, minutes of previous meetings and other relevant meeting papers are circulated to all Directors at least five (5) business days beforehand. This ensures that Directors have sufficient time to review the materials and seek additional information from the Management to facilitate their well-informed decision making.</p> <p>All Directors have full and unrestricted access to all information relating to the Group's business and affairs, as well as to the advice and services of the Company Secretaries, Internal Auditors, External Auditors and the Management in a timely manner, to support effective oversight and decision making.</p> <p>In accordance with the Board Charter, the Board shall convene at least four (4) Board meetings annually, with additional meetings held as and when required. During the FYE 2025, the Board held seven (7) meetings to deliberate on matters including, but not limited to quarterly financial results, audited financial statements, the annual report and reports from the Chairmen of Board Committees. The attendance of Directors who held office during the FYE 2025 is disclosed in the Corporate Governance Overview Statement of the Company's Annual Report.</p> <p>The Company Secretaries record all matters discussed, decisions made and conclusions reached during the Board and Board Committees' meetings. Draft meeting minutes are then circulated to the Board and Board Committees for review and subsequently confirmed at the following meeting. Once confirmed, the signed minutes are properly maintained and kept by the Company Secretaries at the Company's registered office.</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 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>The Board has adopted a Board Charter that serves as a guiding framework for governance, clearly defining the roles, responsibilities and authority of the Board, Board Committees, individual Directors and Management. This ensures a clear division of duties while promoting accountability and transparency in all decision-making processes.</p> <p>The Board Charter shall be reviewed periodically to ensure its continued relevance and alignment with the Group's strategic objectives, as well as its compliance with applicable corporate governance practices, legislation and regulatory requirements. The Board Charter was last reviewed by the Board on 28 May 2024.</p> <p>The Board Charter is available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</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 3.1

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 has formalised its commitment to ethical conduct by adopting a Code of Ethics and Conduct ("the Code"), which applies to all Directors and employees of the Group. The Code sets out the standards required to conduct the Group's business ethically and to uphold the highest levels of professionalism and exemplary corporate behaviour.</p> <p>The Code outlines policies and procedures that address the following key areas:</p> <ul style="list-style-type: none"> <li>• Conflicts of interest</li> <li>• Confidential information</li> <li>• Inside information and securities trading</li> <li>• Protection of assets and funds</li> <li>• Business records and control</li> <li>• Compliance to the law</li> <li>• Personal gifting</li> <li>• Health and safety</li> <li>• Sexual harassment</li> <li>• Outside interest</li> <li>• Fair and courteous behaviour</li> <li>• Misconduct</li> </ul> <p>In addition, the Board has adopted an Anti-Bribery and Corruption Policy and Procedures ("ABC Policy") in accordance with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. The ABC Policy aims to foster a business environment that is free from bribery and corruption, in line with the Group's zero-tolerance principle towards any form of such misconduct. It also reinforces the Group's commitment to complying with all applicable anti-bribery and anti-corruption laws in Malaysia to ensure all commercial dealings are conducted fairly, transparently and with integrity at all times.</p>

	Both the Code and ABC Policy shall be reviewed periodically to ensure their continued effectiveness and relevance. These documents were last reviewed by the Board on 28 May 2024 and they are available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</a> .	
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

### Intended Outcome

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

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

### Practice 3.2

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>In line with the Group's commitment to upholding high standards of social governance within the Group, the Board has established a Whistleblowing Policy to provide guidance for all Directors, employees and stakeholders of the Group to report genuine concerns regarding any suspected wrongdoings, business misconduct or malpractices without fear of retaliation or victimisation.</p> <p>The Board has formed a Whistleblowing Committee ("WC") responsible for administering the Whistleblowing Policy including receiving, reporting and investigating any suspected wrongdoings, business misconduct or malpractices raised by whistleblowers. The whistleblowers may submit their reports directly to Mr. Yeoh Chin Hoe, the Chairman of the WC via e-mail or post as detailed in the Whistleblowing Policy. The Whistleblowing Policy also provides protection to all whistleblowers who report in good faith, ensuring their identity is kept confidential. Furthermore, all information, documents, records and reports related to the investigation shall be securely maintained by the Chairman of the WC to ensure confidentiality.</p> <p>The Whistleblowing Policy shall be reviewed every two (2) years to ensure its relevance, compliance with laws and regulations, and alignment with any changes within the Group. The Whistleblowing Policy was last reviewed and updated on 28 May 2024. The policy is available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</a>.</p> <p>During the FYE 2025, the Board is pleased to report that the Group has not received any whistleblower reports concerning breaches of the Company's policies or applicable laws.</p>
<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>HexTech acknowledges the importance of a robust sustainability governance structure to drive the Group's sustainability agenda effectively and to support its long-term growth and continued success.</p> <p>The Board assumes the highest level of responsibility and accountability for the Group's sustainability initiatives. This includes overseeing key sustainability matters, setting strategies, priorities and targets that align with the Group's core business objectives and stakeholders' expectations. Meanwhile, the Executive Directors and Management team are responsible for executing these strategies and integrating sustainability into the Group's operations. In this regard, the Heads of Departments ("HODs") are tasked with implementing sustainability initiatives and embedding sustainability considerations into daily business operations.</p> <p>The Board has formulated the Group's sustainability strategies across the Economic, Environmental, Social and Governance ("EESG") pillars by identifying material sustainability matters that are most relevant to the Group and its stakeholders, guided by the United Nations Sustainable Development Goals ("SDGs").</p> <p>During the FYE 2025, eleven (11) key sustainability areas were identified and aligned with six (6) relevant SDGs to guide the development and implementation of the Group's sustainability strategies across its business operations.</p> <p>The process for assessing material sustainability matters, the formulation of sustainability strategies and the Group's sustainability performance for the FYE 2025 are further detailed in the Sustainability Statement of the Company's Annual Report.</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 4.2

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 engaging with stakeholders and views their needs and expectations as a key component of the Group's sustainability commitments. Regular engagement with both internal and external stakeholders provides valuable insights into their concerns and material matters, ensuring the Group's sustainability strategies, priorities and targets remain relevant and effective. Stakeholder feedback also plays a vital role in driving continuous improvements in sustainability practices, measurement and reporting standards.</p> <p>The Company adopted its Environmental, Social and Governance ("ESG") Policy on 25 February 2025 to further formalise its sustainability commitments and align its practices with good governance principles. To ensure transparent communication, the Group's sustainability strategies, priorities, and performance against targets are disclosed to external stakeholders through the Sustainability Statement in the Company's Annual Report 2025, as well as on the Company's website at <a href="https://hextartech.com/">https://hextartech.com/</a>. Internally, these strategies, priorities, and targets are communicated by the HODs to employees to facilitate their implementation and encourage active participation in sustainability 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 4.3

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 recognises the importance of having the appropriate capacity and expertise to effectively address the sustainability and materiality matters. To remain updated on emerging sustainability trends and developments, the Board members have actively participated in various training programmes. In addition, all Directors are kept informed of the latest sustainability trends and developments through guidance and updates provided by the Company Secretaries.</p> <p>A comprehensive list of Directors' training attended during the FYE 2025 is provided in the Corporate Governance Overview Statement of the Company's Annual Report.</p> <p>Going forward, the Board, together with the NRC will continue to identify and recommend suitable sustainability-related training for Directors and Management to enhance their knowledge and capabilities in this area.</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>As part of the Board's accountability in sustainability management, the Board, through the NRC, developed and conducted a Board evaluation questionnaire relating to ESG or Sustainability. This evaluation assessed the Directors and Senior Management based on their knowledge, abilities, experience and effectiveness in addressing the Group's material sustainability or EESG matters.</p> <p>The assessment criteria covered key aspects of sustainability management, including the Board's oversight of sustainability strategies implementation, sustainability programme development, progress monitoring of sustainability targets and Directors' understanding of the sustainability risks and opportunities faced by the Group.</p> <p>Based on the performance evaluation conducted for the FYE 2025, the Board is generally satisfied with the overall performance of the Directors and Senior Management in addressing the Company's material risks and opportunities. However, the evaluation also highlighted areas for improvement, notably in the integration of sustainability targets into the remuneration and incentive frameworks for the executive team, the scope and depth of ESG-focused training and professional development for the Board, as well as the Board's capacity to effectively monitor sustainability Key Performance Indicators (KPIs) and targets and to establish greater accountability for Senior Management in achieving these sustainability goals.</p> <p>Moving forward, the Board, together with the NRC, will focus on these areas by strengthening the integration of sustainability into executive performance management, enhancing ESG training for Directors and improving oversight of sustainability targets to drive better sustainability outcomes.</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.

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
<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>As outlined in the Terms of Reference of the NRC, the NRC is responsible for annually reviewing the structure, size, tenure, directorships, balance and overall composition of the Board and Board Committees. This includes assessing the required mix of skills, experience, core competencies and diversity in terms of age, cultural background and gender. The NRC ensures that the current Board composition supports business growth while safeguarding the interest of shareholders and other stakeholders.</p> <p>For the purpose of determining the eligibility of the retiring Directors to stand for re-election at the forthcoming Annual General Meeting ("AGM"), the Board, through the NRC, evaluates each retiring Director against the criteria set out in the Directors' Fit and Proper Policy, along with a formal performance evaluation review conducted during the FYE 2025. This policy serves as a guiding framework for the NRC and the Board when assessing candidates for appointment as Directors, as well as for the re-election of the retiring Directors. The Directors' Fit and Proper Policy is available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</a>.</p> <p>This policy sets out clear criteria for the appointment and re-election of Directors, ensuring they possess the required qualifications and meet applicable regulatory requirements and best practices.</p> <p>During the year, the NRC undertook a comprehensive review and evaluation of the tenure, experience, skills, time commitment and expertise of Dato' Ong Choo Meng and Mr. Choo Joon Keong ("Retiring Directors"), who will retire by rotation pursuant to Article 131.1 of the Company's Constitution and have offered themselves for re-election.</p> <p>Following this review, the NRC was satisfied that the Retiring Directors continue to meet the fit and proper criteria and have demonstrated diligence, capability and effectiveness in fulfilling their duties. Accordingly, the NRC recommended that the Board propose their re-election at the forthcoming 20th AGM.</p>



<b>Explanation for departure</b> :		
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<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>	:	<p>The current Board comprises seven (7) Directors, four (4) of whom are Independent Non-Executive Directors.</p> <table border="1"> <thead> <tr> <th>Directorship</th><th>No. of Directors</th><th>Percentage (%)</th></tr> </thead> <tbody> <tr> <td>Independent Non-Executive Directors</td><td>4</td><td>57.1</td></tr> <tr> <td>Executive Directors</td><td>3</td><td>42.9</td></tr> </tbody> </table> <p>The Board composition complies with the Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and Practice 5.2 of the Malaysian Code on Corporate Governance ("MCCG"), as a majority of the Board are Independent Directors.</p> <p>The NRC conducted its annual assessment of the independence of the Independent Directors and concluded that all Independent Directors remain independent and free from any business or other relationships that could impair their independent judgement in the best interests of the Company.</p> <p>The profiles of all Directors are provided in the Profile of Directors section in the Company's Annual Report.</p>	Directorship	No. of Directors	Percentage (%)	Independent Non-Executive Directors	4	57.1	Executive Directors	3	42.9
Directorship	No. of Directors	Percentage (%)									
Independent Non-Executive Directors	4	57.1									
Executive Directors	3	42.9									
<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 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	As of the date of this report, none of the Independent Director has served for more than a cumulative term limit of nine (9) years in the Company. The tenure of the Independent Directors is as follows:	
		Years of Service	No. of Independent Directors
		Less than 3 years	2
		3 years to 6 years	2
		6 years to 9 years	-
		In accordance with the Board Charter, the tenure of an Independent Director of the Company shall not exceed nine (9) years. Upon reaching this tenure limit, the Independent Director may continue to serve on the Board only if re-designated as a Non-Independent Director.	
		Should the Board wish to retain an Independent Director beyond the nine (9) year’s period, the Board must provide a clear justification and seek annual shareholders’ approval through a two-tier voting process at the AGM. Prior to this, the NRC is responsible for evaluating and recommending to the Board the continuation of any Independent Director who has served beyond the prescribed tenure.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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.

<i>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.</i>	
<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>The Company embraces diversity not only at the Board level but also across its operations, recognising it as a fundamental aspect of good governance that contributes to an effective organisation and the Group's sustainable growth. In line with this commitment, the Group ensures that recruitment and selection practices at all levels are structured to consider a diverse pool of candidates, fostering gender diversity and broader inclusion throughout the organisation.</p> <p>As outlined in the NRC's Terms of Reference, the NRC is responsible for evaluating and recommending potential candidates to the Board in the event of vacancies. In carrying out this responsibility, the NRC adheres to the Directors' Fit and Proper Policy and Diversity Policy for Board and Senior Management ("Diversity Policy") concerning the appointment and re-appointment of Directors.</p> <p>The Directors' Fit and Proper Policy outlines key criteria, including:</p> <ul style="list-style-type: none"> <li>• character and integrity including probity, personal integrity, financial integrity and reputation;</li> <li>• experience and competence including qualification, skills, expertise and experience; and</li> <li>• time and commitment including the ability to discharge role having regard to other commitments and participation and contribution in the Board.</li> </ul> <p>This ensures that the Board possesses a diverse range of professional knowledge, expertise, experience and understanding of the business, market and industry in which the Group operates, thereby supporting its strategic direction and business operations.</p> <p>The Directors' Fit and Proper Policy and Diversity Policy are available on the _____ Company's _____ website _____ at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</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

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>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NRC is responsible for overseeing the screening and selection process and recommending suitable candidates for appointment as Directors to the Board.</p> <p>In carrying out its recruitment and evaluation process, the NRC considers several key criteria, including:</p> <ul style="list-style-type: none"> <li>the requirements for the Board and Board Committees composition;</li> <li>the outcome of the assessment under the Directors' Fit and Proper Policy;</li> <li>the candidates' independence, where the appointment involves an Independent Non-Executive Director; and</li> <li>the candidates' capability to devote sufficient time and commitment to fulfilling the role.</li> </ul> <p>In identifying potential candidates for appointment as Directors, the Board does not solely rely on recommendations from existing Directors, the Management or major shareholders but also utilises independent sources to identify suitably qualified candidates.</p> <p>During the FYE 2025, no new Directors were appointed to 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

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>In accordance with the Article 131.1 of the Company's Constitution, the following Retiring Directors are due for retirement and being eligible, have offered themselves for re-election at the forthcoming 20th AGM:</p> <ul style="list-style-type: none"> <li>(i) Dato' Ong Choo Meng; and</li> <li>(ii) Mr. Choo Joon Keong.</li> </ul> <p>The details and profiles of the Retiring Directors, including their age, gender, tenure of service, other directorships, qualifications and working experience, are set out in the Profile of Directors section in the Company's Annual Report.</p> <p>The performance of the Retiring Directors was assessed by the NRC through the individual Director performance evaluation and the fit and proper assessment. Based on the results of these evaluations, the Board and the NRC have issued a statement expressing their satisfaction with the performance and effectiveness of the Retiring Directors standing for re-election at the AGM. Relevant justifications and statement supporting their re-election are included in the Notice of the 20th AGM for shareholders' reference and consideration.</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 NRC is chaired by Dato' Ong Chong Yi, an Independent Non-Executive Director of the Company.</p> <p>In accordance with the NRC's Terms of Reference, the NRC shall comprise at least three (3) members, all of whom must be Non-Executive Directors, with a majority being independent.</p> <p>The current composition of the NRC is as follows:</p> <table border="1"> <thead> <tr> <th>Designation</th> <th>Name</th> <th>Directorship</th> </tr> </thead> <tbody> <tr> <td>Chairman</td> <td>Dato' Ong Chong Yi</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>Member</td> <td>Yeoh Chin Hoe</td> <td>Independent Non-Executive Director</td> </tr> <tr> <td>Member</td> <td>Sujatha Sekhar A/P Tan Sri B.C. Sekhar</td> <td>Independent Non-Executive Director</td> </tr> </tbody> </table>		Designation	Name	Directorship	Chairman	Dato' Ong Chong Yi	Independent Non-Executive Director	Member	Yeoh Chin Hoe	Independent Non-Executive Director	Member	Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director
Designation	Name	Directorship													
Chairman	Dato' Ong Chong Yi	Independent Non-Executive Director													
Member	Yeoh Chin Hoe	Independent Non-Executive Director													
Member	Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director													
<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>	:	<p>As of 31 March 2025, one (1) out of the seven (7) Board members is a female Director, representing 14.3% of the total Board members.</p> <p>The Board is committed to promoting gender diversity and acknowledges the importance of female representation on the Board. It supports initiatives to improve gender balance on the Board and is actively seeking suitably qualified female candidates who can contribute valuable skills, expertise and diverse perspectives. Potential candidates will be selected based on merit, taking into account factors such as integrity, character, competency, time commitment and relevant experience, all of which are essential to align with the Group's business requirements.</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>	:	The Board is actively seeking a diverse pool of potential female candidates to serve on the Board.
<b>Timeframe</b>	:	End of year 2025.

**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 has adopted a Diversity Policy that provides a clear framework for applying diversity principles in the recruitment, development and appointment of Directors and Senior Management across the Group. The NRC is responsible for overseeing the implementation of this Diversity Policy.</p> <p>The Diversity Policy ensures that gender diversity is given due consideration in the selection and appointment of Board members, with a target of achieving at least 30% female representation on the Board. For Senior Management, appointments will continue to be based on merit, with an emphasis on functional expertise and individual contributions to the Group. Nevertheless, the Group aims to achieve at least 20% female representation within Senior Management.</p> <p>By adopting this Diversity Policy, the Board reinforces its commitment to increasing female representation at both the Board and Senior Management levels and to fostering a more diverse and inclusive workforce. Accordingly, suitably qualified female candidates who can contribute valuable skills, knowledge and expertise will be given fair and equal consideration for future vacancies.</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>With the engagement of the Company Secretaries from an independent external secretarial firm, the Board has conducted an annual assessment to evaluate the effectiveness of the Board as a whole, as well as the performance of the Board Committees and the contributions of each individual Director.</p> <p>This evaluation process involves self-assessments, in which the Directors assess and review themselves, the Board collectively and the performance of each Board Committee. The assessment criteria cover a range of areas, including the fit and proper qualities, contributions and performance and personal attributes of the Directors.</p> <p>The evaluation process also includes an assessment of the independence of Independent Directors, with due consideration given to their relationships with the Group and any significant transaction they may have with the Group.</p> <p>Upon completion of the evaluation, the results are collated by the Company Secretaries, reviewed by the NRC and subsequently reported to the Board together with agreed action plans to address the gaps/areas for improvement, if any.</p> <p>Based on the findings for the FYE 2025, the Board, through the NRC, is satisfied that the current size and composition of the Board and Board Committees remain appropriate and effective. The Directors collectively possess the skills, qualifications, experience and integrity required to support the Group's business and governance objectives.</p> <p>As of 31 March 2025, all Independent Non-Executive Directors continue to meet the independence criteria prescribed in the MMLR and are capable of providing objective judgement and independent views to 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

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 Board, through the NRC, has established a formal and transparent Remuneration Policy that serves as a guideline in determining the remuneration package of Directors and Senior Management of the Company. The policy takes into account the responsibilities, complexities, skills, experience and performance of the individuals. It is designed to support the Group's key strategies and cultivate a performance-driven culture that enables the Company to attract, retain and motivate capable and talented individuals, while ensuring they are fairly rewarded for their contributions.</p> <p>The remuneration packages for Executive Directors and Senior Management are determined based on factors such as their scope of duties and responsibilities, qualifications and experience, corporate and individual performance as well as prevailing market rates in the industry and comparable companies.</p> <p>The remuneration for Non-Executive Directors comprises fixed fees and meeting allowances that reflect their responsibilities, qualifications, contributions to the Board and attendance at Board and Board Committees meetings. Fees are fixed in sum and not based on commissions or a percentage of profits or turnover.</p> <p>The remuneration packages for both Executive and Non-Executive Directors shall be determined by the Board as a whole. Individual Directors concerned shall abstain from deliberating and voting on their own remuneration. The Directors' fees and benefits are reviewed annually by the NRC before being recommended to the Board for shareholders' approval at the forthcoming AGM.</p> <p>The Remuneration Policy is available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</a> and will be reviewed periodically or as required, to ensure it remains</p>

	aligned with current market practices.	
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

### Intended Outcome

The 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>To uphold the transparency and impartiality in deliberating the Group's remuneration matters, the NRC consists exclusively of Independent Non-Executive Directors.</p> <p>The NRC is responsible for developing an appropriate remuneration framework that aligns with the Company's business strategies and long-term objectives. This includes reviewing and recommending the remuneration packages for Directors and Senior Management.</p> <p>The roles, responsibilities and decision-making authority of the NRC are detailed in its Terms of Reference, which is available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</a>.</p> <p>For the assessment of remuneration packages, all Directors have abstained from discussion and voting on matters relating to their own remuneration. Additionally, the Directors' fees and benefits payable to Independent Non-Executive Directors, are presented separately at the AGM as a distinct resolution for shareholders' approval.</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>	:		
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**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>	:	A detailed disclosure on named basis for the remuneration of individual Directors for the FYE 2025 is set out below:

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Muhammad Bin Ibrahim	Independent Director	240.00	11.25	-	-	-	-	251.25	240.00	11.25	-	-	-	-	251.25
2	Dato' Ong Choo Meng	Executive Director	-	-	-	-	-	-	-	-	-	36.00	-	-	5.73	41.73
3	Choo Joon Keong	Executive Director	-	-	-	-	-	-	-	-	-	585.00	96.00	-	88.85	769.85
4	Ronald Khoo Boo Soon	Executive Director	-	-	-	-	-	-	-	-	12.00	433.50	106.50	-	70.41	622.41
5	Dato' Ong Chong Yi	Independent Director	36.00	7.75	-	-	-	-	43.75	36.00	7.75	-	-	-	-	43.75
6	Yeoh Chin Hoe	Independent Director	36.00	10.50	-	-	-	-	46.50	36.00	10.50	-	-	-	-	46.50
7	Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Director	36.00	7.00	-	-	-	-	43.00	36.00	7.00	-	-	-	-	43.00

### 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>	:	<p>The Board is of the view that the disclosure of detailed remuneration of the Senior Management on a named basis would not be in the best interest of the Group. This is due to the highly competitive environment for talent within the industry and the sensitive nature of remuneration data, which could potentially lead to internal discord.</p> <p>As an alternative to the recommended practice, the Board has opted to disclose the aggregate remuneration and benefits of the Group’s Senior Management including Executive Directors for the FYE 2025 in bands of RM50,000 on an unnamed basis, as follows:</p> <table><tr><th>Range of remuneration (RM)</th><th>Number of personnel</th></tr><tr><td>300,001 – 350,000</td><td>1</td></tr><tr><td>350,001 – 400,000</td><td>-</td></tr><tr><td>400,001 – 450,000</td><td>1</td></tr><tr><td>450,001 – 500,000</td><td>-</td></tr><tr><td>600,001 – 650,000</td><td>1</td></tr><tr><td>750,001 – 800,000</td><td>1</td></tr><tr><td>1,300,001 – 1,350,000*</td><td>1</td></tr></table> <p><i>*Include commission</i></p>	Range of remuneration (RM)	Number of personnel	300,001 – 350,000	1	350,001 – 400,000	-	400,001 – 450,000	1	450,001 – 500,000	-	600,001 – 650,000	1	750,001 – 800,000	1	1,300,001 – 1,350,000*	1
Range of remuneration (RM)	Number of personnel																	
300,001 – 350,000	1																	
350,001 – 400,000	-																	
400,001 – 450,000	1																	
450,001 – 500,000	-																	
600,001 – 650,000	1																	
750,001 – 800,000	1																	
1,300,001 – 1,350,000*	1																	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																		
<b>Measure</b>	:	<p>The Company had committed to disclosing the remuneration components of the top five (5) Senior Management on a named basis in bands of RM50,000 within one (1) year. However, due to the ongoing review of its remuneration structure and data privacy considerations, the Company requires additional time to finalise this process. The disclosure will be provided once the review is completed and appropriate protocols are established to safeguard sensitive personal information.</p>																

<b>Timeframe</b>	:	Within 3 year	
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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 AC is chaired by Mr. Yeoh Chin Hoe, while the Board is chaired by Tan Sri Muhammad Bin Ibrahim, both of whom are Independent Non-Executive Directors.</p> <p>The clear separation of leadership and responsibilities between the Board Chairman and the AC Chairman preserves the Board's independence and objectivity when reviewing the AC's findings and recommendations.</p> <p>The AC's Terms of Reference is available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</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 9.2**

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>The AC's Terms of Reference mandate a cooling-off period of at least three (3) years before a former key audit partner is eligible for appointment as a member of the AC. This policy is in place to preserve the independence and objectivity of the AC.</p> <p>Currently, none of the AC members are former partners of the Company's external audit firm, and the Board does not anticipate appointing any former audit partners to the AC.</p> <p>The AC's Terms of Reference is available on the Company's website at <a href="https://ir2.chartnexus.com/hextech/corporate-governance.php">https://ir2.chartnexus.com/hextech/corporate-governance.php</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>In accordance with its Terms of Reference, the AC is responsible for reviewing and assessing the suitability, objectivity and independence of the External Auditors.</p> <p>The Board, through the AC, carries out an annual performance evaluation to assess the independence and performance of the External Auditors, Messrs. Crowe Malaysia PLT. Based on the results of the annual performance evaluation, the AC was satisfied that the External Auditors possess the necessary competence, capacity, resources and objectivity in carrying out the statutory audit for the FYE 2025. The External Auditors also assured the Board of their independence throughout the audit engagement, in line with the independence criteria set out by the Malaysian Institute of Accountants ("MIA"), and confirmed their continued registration with the Audit Oversight Board.</p> <p>Additionally, the External Auditors rendered non-statutory audit services relating to the review of the Statement on Risk Management and Internal Control for the FYE 2025 for a fee of RM5,000. The Board, having considered the non-statutory audit engagement, is satisfied that it did not impair the independence of the External Auditors.</p> <p>Following the AC's recommendation, the Board approved the proposal to re-appoint Messrs. Crowe Malaysia PLT as the Company's External Auditors for the financial year ending 31 March 2026, subject to shareholders' approval at the forthcoming 20th AGM. Messrs. Crowe Malaysia PLT have expressed their willingness to continue as the External Auditors, subject to approval at the 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>	:	Adopted												
<b>Explanation on adoption of the practice</b>	:	<p>Currently, the AC consists of three (3) members, all of whom are Independent Non-Executive Directors.</p> <p>Below is the composition of the AC:</p> <table border="1"> <thead> <tr> <th>Designation</th><th>Name</th><th>Directorship</th></tr> </thead> <tbody> <tr> <td>Chairman</td><td>Yeoh Chin Hoe</td><td>Independent Non-Executive Director</td></tr> <tr> <td>Member</td><td>Dato' Ong Chong Yi</td><td>Independent Non-Executive Director</td></tr> <tr> <td>Member</td><td>Sujatha Sekhar A/P Tan Sri B.C. Sekhar</td><td>Independent Non-Executive Director</td></tr> </tbody> </table>	Designation	Name	Directorship	Chairman	Yeoh Chin Hoe	Independent Non-Executive Director	Member	Dato' Ong Chong Yi	Independent Non-Executive Director	Member	Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director
Designation	Name	Directorship												
Chairman	Yeoh Chin Hoe	Independent Non-Executive Director												
Member	Dato' Ong Chong Yi	Independent Non-Executive Director												
Member	Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director												

**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>Mr. Yeoh Chin Hoe, the Chairman of AC, is a Chartered Accountant of MIA, a fellow member of the Association of Chartered Certified Accountants ("FCCA"), a fellow member of the Institute of Chartered Secretaries and Administrators (UK) and a member of the Malaysian Institute of Certified Public Accountants. The qualification and expertise of all AC members are detailed in the Profile of Directors section of the Annual Report 2025.</p> <p>While only one-third (1/3) of the AC members hold professional qualifications from the professional accounting bodies, all AC members are financially literate and stay abreast of the latest developments in accounting and auditing standards, practices and regulations through ongoing professional development, as well as regular briefings from both Management and the External Auditors.</p> <p>The training programmes attended by the AC members during the FYE 2025 are disclosed in the Corporate Governance Overview Statement of the Company's Annual Report.</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>	:		
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### 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 recognises its overall responsibility for establishing and maintaining an effective risk management and internal control framework across the Group. Supported by the AC and RMC, the Board ensures that appropriate structures, processes and systems are in place to identify, assess, manage and monitor risks that could affect the Group's strategic and business objectives.</p> <p>To achieve this, the Group adopts a decentralised risk management approach, with HODs playing a key role in risk management. HODs are responsible for identifying and evaluating key risks within their areas of responsibility, implementing control measures to manage those risks, and reporting them regularly to senior management, the RMC and the AC. This process allows risks to be detected at the operational level and ensures prompt escalation to the RMC and AC.</p> <p>To further monitor the Group's overall risk landscape and enhance assurance, the Group engages an independent outsourced internal audit function, which conducts periodic reviews and tests the effectiveness of the Group's internal controls and risk management processes in support of the AC. The findings and recommendations arising from these reviews are reported to the AC for follow-up and continuous improvement.</p> <p>Nevertheless, given the inherent limitations of any risk management and internal control system, such systems are designed to manage and mitigate risks, rather than eliminate them entirely, to support the Group's business objectives.</p> <p>An overview of the Group's risk management and internal control framework is set out in the Statement on Risk Management and Internal Control of the Company's Annual Report.</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's risk management and internal control framework is built on several key elements:</p> <ul style="list-style-type: none"> <li>(a) <b>Risk Governance and Oversight:</b> The Board, supported by the RMC and AC, provides top-down oversight of risk management and internal control processes to ensure risks are adequately identified, assessed and managed.</li> <li>(b) <b>Decentralised Risk Ownership:</b> HODs act as risk owners who identify, evaluate and manage risks that could impact their operations. Key risks and mitigation plans are captured in the Group's risk register and are reviewed periodically.</li> <li>(c) <b>Control Environment:</b> Clearly defined policies, procedures and authority limits, as set out in the Group's adopted Risk Management Policy and Standard Operating Procedures (SOPs) to support consistency and accountability across all business units.</li> <li>(d) <b>Monitoring and Reporting:</b> Risks and controls are reviewed and monitored regularly by the AC and RMC. The outsourced Internal Auditors conduct periodic audits to assess the effectiveness of internal controls. Findings and recommendations are reported to the AC for prompt action and follow-up.</li> <li>(e) <b>Continuous Improvement:</b> The risk management and control processes are reviewed annually to reflect new business challenges, regulatory developments and stakeholder expectations.</li> </ul> <p>The Board is satisfied that the Group's risk management and internal control systems were adequate and effective during the FYE 2025 in mitigating material risks to acceptable levels, thereby safeguarding the Group's assets and the interests of its stakeholders.</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 10.3 - 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>	:	Adopted												
<b>Explanation on adoption of the practice</b>	:	<p>The Board has delegated to the RMC the responsibility for overseeing the Group's risk management framework and policies. The composition of the RMC, which consists of a majority of Independent Non-Executive Directors, is as follows:</p> <table> <tr> <th>Designation</th><th>Name</th><th>Directorship</th></tr> <tr> <td>Chairman</td><td>Ronald Khoo Boo Soon</td><td>Executive Director</td></tr> <tr> <td>Member</td><td>Dato' Ong Chong Yi</td><td>Independent Non-Executive Director</td></tr> <tr> <td>Member</td><td>Sujatha Sekhar A/P Tan Sri B.C. Sekhar</td><td>Independent Non-Executive Director</td></tr> </table>	Designation	Name	Directorship	Chairman	Ronald Khoo Boo Soon	Executive Director	Member	Dato' Ong Chong Yi	Independent Non-Executive Director	Member	Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director
Designation	Name	Directorship												
Chairman	Ronald Khoo Boo Soon	Executive Director												
Member	Dato' Ong Chong Yi	Independent Non-Executive Director												
Member	Sujatha Sekhar A/P Tan Sri B.C. Sekhar	Independent Non-Executive Director												

**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 Board has entrusted the AC with the responsibility of reviewing the effectiveness of the internal audit function.</p> <p>The Group's internal audit function is outsourced to an independent professional firm, Eco Asia Governance Advisory Sdn. Bhd. ("Eco Asia" or "Internal Auditors"), which reports directly to the AC to preserve its independence and objectivity. Through the AC, the Internal Auditors provide the Board and the AC with independent assessments and objective assurance on the adequacy and effectiveness of the Group's internal control systems.</p> <p>The Internal Auditors conduct periodic reviews in accordance with the approved internal audit review plan to evaluate the adequacy and effectiveness of the Group's governance, risk management and internal control processes.</p> <p>The AC ensures that the Internal Auditors have the necessary access to information, management support and resources to conduct audits effectively. Upon completion of each internal audit review, the Internal Auditors will report its findings to the AC at the scheduled meetings. These reports highlight audit findings, root-cause analysis, potential risks and implications, as well as recommended corrective actions. The Internal Auditors also conduct follow-up audits to verify that the Management implements the agreed corrective action plans within the specific timelines.</p> <p>Further details on the internal audit function are provided in the AC Report and the Statement on Risk Management and Internal Control in the Company's Annual Report.</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>	:		
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## Intended Outcome

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

## Practice 11.2

The board should disclose—

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

Application	:	Applied						
Explanation on application of the practice	:	<p>For the FYE 2025, the Group engaged Eco Asia, an independent professional firm, to carry out its internal audit function. The internal auditors carry out their duties with complete independence, free from any relationships or conflicts of interest that might impair their objectivity. They execute audit reviews with a high level of professional expertise and diligence.</p> <p>The internal audit engagement team is headed by Ms. Janeeta Salim, the Head of Department of Eco Asia. She is an Associate Member of the Institute of Internal Auditors of Malaysia (IIA). She brings valuable expertise to the team with her extensive experience in the internal audit field. During the FYE 2025, she was supported by a team consisting of one (1) Assistant Manager, two (2) Senior Consultants and two (2) Junior Consultants to conduct the following internal audit reviews:</p> <table><tr><th>Quarter</th><th>Internal Audit Reviews</th></tr><tr><td>Quarter 3, FYE 2025</td><td>Credit Control Review</td></tr><tr><td>Quarter 4, FYE 2025</td><td>E-commerce Management</td></tr></table> <p>The internal audit reviews were conducted in accordance with the International Professional Practices Framework (IPPF), as guided by the International Standards for the Professional Practice of Internal Auditing.</p>	Quarter	Internal Audit Reviews	Quarter 3, FYE 2025	Credit Control Review	Quarter 4, FYE 2025	E-commerce Management
Quarter	Internal Audit Reviews							
Quarter 3, FYE 2025	Credit Control Review							
Quarter 4, FYE 2025	E-commerce Management							
Explanation for departure	:							
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.								
Measure	:							

<b>Timeframe</b>	:		
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### Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of maintaining timely, transparent and effective communication with shareholders and other stakeholders to foster mutual trust and ensure a clear understanding of each party's objectives and expectations.</p> <p>The Board strives to provide prompt, accurate, consistent and fair disclosure of the Group's business operations and corporate development to shareholders and the public. All information disclosed shall be clear, unambiguous, concise, accurate, relevant and meaningful.</p> <p>To promote transparent, open and regular communication between the Company and its stakeholders, the Company utilises the following channels to disseminate information in a timely manner:</p> <ul style="list-style-type: none"> <li> <b>Company's website</b>  The Company's website at <a href="http://www.hextartech.com">www.hextartech.com</a> contains comprehensive and up-to-date information about the Group and its businesses, including profiles of the Board of Directors and key senior management, corporate governance practices, corporate policies, financial information and annual reports. </li> <li> Stakeholders can also reach out to the Company via the "Contact Us" section on the website, which provides a channel for sending enquiries, sharing feedback or lodging complaints. </li> <li> <b>Company announcements made to Bursa Malaysia Securities Berhad ("Bursa Securities")</b>  All company announcements, material and significant developments and periodic financial reports are announced to Bursa Securities and made publicly available on the websites of Bursa Securities and the Company. </li> <li> <b>Annual Report</b>  The Annual Report provides a comprehensive summary of the Group's business performance, financial results, corporate governance, sustainability initiatives and future prospects for the </li> </ul>

	<p>financial year under review, enabling stakeholders to review the Company's progress and outlook.</p> <ul style="list-style-type: none"> <li> <b>Email</b>            Stakeholders can contact the Company directly for enquiries or further information via the Company's email address at <a href="mailto:info@hextartech.com">info@hextartech.com</a>.         </li> <li> <b>General meetings</b>            General meetings provide a key platform for engaging directly with shareholders. Shareholders can raise questions, seek clarifications and provide their views to the Board and Senior Management on the Group's operations and affairs.         </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

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company has been classified as a large company in 2022 and is currently considering the adoption of integrated reporting.</p> <p>Nevertheless, the Company's Annual Report has already included a detailed Management Discussion and Analysis Statement, a Sustainability Statement and other comprehensive financial and non-financial disclosures that meet a high level of transparency and accountability to all stakeholders.</p> <p>Furthermore, the Company ensures that all material information is communicated promptly to stakeholders through its quarterly financial results, annual reports, press releases and relevant announcements published on Bursa Securities' website.</p> <p>The Board remains committed to keeping all stakeholders fully informed of all material matters in a timely and transparent manner.</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>	:	<p>The Company had committed to considering the adoption of integrated reporting based on a globally recognised framework within one (1) year. However, as of the FYE 2025, the Company has not yet adopted integrated reporting due to ongoing reviews of its internal reporting processes and the need to enhance its data collection and assurance mechanisms to support a fully integrated report.</p> <p>The Board remains committed to progressing toward integrated reporting and is targeting adoption once internal preparations and capabilities are sufficiently strengthened.</p>
<b>Timeframe</b>	:	<div>Within 3 years</div> <div></div>

**Intended Outcome**

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

**Practice 13.1**

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

Application	:	Applied	
Explanation on application of the practice	:	In line with good corporate governance practices, the notice of the forthcoming 20th AGM was issued on 29 July 2025, which is at least 28 days in advance of the meeting date scheduled for 26 August 2025. This provides shareholders with sufficient time to receive and review the meeting materials, including the agenda, resolutions, financial reports, and any other relevant information to facilitate informed decision-making.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 13.2**

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

Application	:	Applied	
Explanation on application of the practice	:	<p>All seven (7) Directors of HexTech, together with the Chairmen of the Board Committees and Senior Management, demonstrated their commitment to transparent shareholder engagement by attending the 19th AGM held on 28 August 2024 and Extraordinary General Meeting (“EGM”) held on 24 January 2025. Their presence enabled them to engage directly with shareholders and provide meaningful responses to address any queries raised.</p> <p>Furthermore, the External Auditors attended the 19th AGM to address any queries from shareholders relating to the audit process and the financial statements.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

### Practice 13.3

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>The Company has conducted the 19th AGM and EGM on a fully virtual basis on 28 August 2024 and 24 January 2025 respectively via the remote participation and voting ("RPV") facilities provided by Tricor Investor &amp; Issuing House Services Sdn. Bhd. ("Tricor") at <a href="https://tiih.online">https://tiih.online</a>. The Board has ensured that the required infrastructure and tools are in place to enable the smooth broadcast of the 19th AGM and EGM proceedings.</p> <p>The administrative guides outlining the detailed procedures for RPV at the 19th AGM and EGM respectively were issued to the shareholders together with the notice of meetings, allowing the shareholders to have a comprehensive understanding of the conduct of the general meetings before the scheduled meeting date.</p> <p>Through the RPV facilities, shareholders and/or proxies participated remotely at the 19th AGM and EGM, where they were able to cast their votes on all resolutions electronically and engage with the Board and Senior Management in effective two-way communication by submitting their questions via real-time submission of typed texts during the virtual meetings. The Chairman of general meetings ensures that the conduct of the virtual meetings facilitates meaningful engagement between the Board, Senior Management and shareholders, promoting open and transparent communication with the shareholders.</p> <p>To ensure transparency and integrity in the voting process, the Company appointed Scrutineer Solutions Sdn. Bhd. as the independent scrutineer to verify and announce the poll results for each resolution, providing details of votes for and against, thereby maintaining the credibility and fairness of the voting process for all resolutions discussed during the 19th AGM and EGM. The Chairman then declared the poll results, which were made available at the Bursa Securities' website for the benefit of all shareholders.</p>

	In ensuring the cybersecurity and data protection, Tricor has implemented an Information Technology Policy and Information Security Policy, endpoint controls, and data classification for cyber hygiene practices of the staff. In addition, TIH Online was hosted via a secure cloud platform and the data centre used is certified by ISO 27001, ensuring the confidentiality and security of the meeting proceedings. The online meeting links were sent to the registered shareholders and/or proxies together with a strong password code to log in.	
<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 13.4

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>During the 19th AGM and EGM, the Board Chairman ensured that all shareholders, corporate representatives and proxies present virtually at the meeting were briefed on their rights to raise questions and vote on the resolutions remotely. This introductory briefing helped participants fully understand their role and engagement process throughout the meetings.</p> <p>To encourage open and meaningful dialogue, all Directors and Senior Management attended the meetings, with shareholders and proxies invited to submit questions in real-time via typed submissions. The Board Chairman facilitated this process and ensured that every question was acknowledged and thoroughly addressed, promoting transparent and interactive participation.</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>During the FYE 2025 the Board appointed Tricor to provide the RPV facilities for the Company's 19th AGM and EGM, thereby enhancing greater shareholder engagement and participation. To facilitate a seamless experience, an administrative guide was circulated to shareholders and proxies, outlining detailed procedures for remote participation and voting on the online platform.</p> <p>The shareholders were also given the opportunity to submit questions to the Board prior to the general meetings via Tricor's TIH Online website at <a href="https://tiih.online">https://tiih.online</a>. On the day of meetings, the shareholders could access the online platform using desktops, laptops, tablets and mobile devices, allowing them to participate in the meetings, submit questions and cast their votes in real-time.</p> <p>Throughout the meetings, the Chairman ensured that adequate time was allocated for shareholders and proxies to raise questions through real-time submission of typed texts. All questions received were visible to all participants and were promptly addressed by the Directors or Senior Management of HexTech.</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>	:		
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**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 19th AGM held on 28 August 2024 and EGM held on 24 January 2025 have been made available and accessible to shareholders on the Company's website at <a href="https://ir2.chartnexus.com/hextech/general-meeting.php">https://ir2.chartnexus.com/hextech/general-meeting.php</a> within 30 business days after the conclusion of the respective meetings.
<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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