

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0094
COMPANY NAME : Zen Tech International Berhad
FINANCIAL YEAR : June 30, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	: Applied
Explanation on application of the practice	<p>The Board of Directors ("Board") of Zen Tech International Berhad ("Company") sets the vision, mission, strategy, and structure for the Company and its subsidiaries ("Group"). The Board is accountable to shareholders and responsible to relevant stakeholders.</p> <p>To fulfil its duties, the Board has established and delegated authority to the following committees:</p> <ol style="list-style-type: none">1. Audit Committee ("AC")2. Nomination Committee ("NC")3. Remuneration Committee ("RC")4. Risk Management & Investment Committee ("RMIC")5. Employees' Share Option Scheme Committee ("ESOSC") <p>These committees monitor and evaluate policy implementation, strategic plans, internal controls, risk management, and the Employees' Share Option Scheme. While specific powers are delegated, the Board retains ultimate decision-making responsibility. Committee Chairmen report to the Board regularly, keeping it informed of key issues and decisions.</p> <p>The Board appoints committee members and Chairmen, who operate within the respective committees' Terms of Reference. These are published on the Company's website (www.ztech.com.my).</p> <p>The Board Chairperson focuses on corporate strategies, governance, and decision-making. Executive Directors set, manage, and execute Group strategies, overseeing operations and keeping the Board informed. They are responsible for day-to-day operations, organizational effectiveness, and implementing Board policies and decisions in key areas such as finance, sales, and operations.</p>

	<p>The respective Boards in the Company’s subsidiaries oversee their respective operations and management. They meet as needed to discuss business activities, new developments, and challenges. The respective heads of the subsidiaries prepare quarterly status reports for the Company and may attend its meetings to provide updates if required.</p> <p>Executive Directors attend all Board meetings, ensuring the Board receives accurate and timely information about the Group's performance, financial condition, operations, and prospects.</p> <p>The roles and responsibilities of the Board, Board Committees, individual Directors, and Management, as well as issues reserved for Board decision, are detailed in the Company's Board Charter, available on the Company's website (www.ztech.com.my).</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Our Chairperson, YAM Tunku Dr. Kamariah Aminah Maimunah Iskandariah Binti Almarhum Sultan Iskandar, Tunku Puteri Johor was appointed on 30 November 2023. She has devoted her life to caring for the unfortunate and the needy, supporting the education of underprivileged postgraduate scholars as a trustee of the Iskandar Foundation as well as caring for sexually abused children as the patron of an organisation called Protect and Save The Children Association of Selangor and Kuala Lumpur. Her Highness is also an ambassador of the Asian Liver Center at Stanford University in the US. When appropriate, YAM Tunku Dr. Kamariah Aminah Maimunah Iskandariah Binti Almarhum Sultan Iskandar, Tunku Puteri actively and constructively contributes to the discussion of any issues presented before the Board or Board Committees and offers wise and useful advice or suggestions.</p> <p>YAM Tunku Dr. Kamariah Aminah Maimunah Iskandariah Binti Almarhum Sultan Iskandar, Tunku Puteri has the capacity to steer and direct the course of a meeting, to bring up important and relevant issues, to promote frank, constructive and open debate, and to steer the Board members toward making wise and well-informed choices and/or recommendations.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>YAM Tunku Dr. Kamariah Aminah Maimunah Iskandariah Binti Almarhum Sultan Iskandar, Tunku Puteri serves as the Board's Chairperson, and Mr. Siva Kumar A/L Kalugasalam, Dato' Zhang Li, and Mr. Chow Hung Keey serve as the Board's Executive Directors.</p> <p>Separate individuals hold the positions of Independent Non-Executive Chairperson and Executive Directors, with a distinct separation of duties and power. A balance of power and authority is ensured by the separation of the roles of Chairperson and Executive Directors.</p> <p>The Chairperson oversees in maintaining the Board's proper conduct, and the Executive Directors are responsible for ensuring that the Group's daily operations and business affairs function efficiently and effectively as well as implementing the Board's decisions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairperson is not a member of any of these specified committees, but the board allows the Chairperson to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Applied
Explanation on application of the practice	: The Chairperson of the Board is not a member of the AC, NC, RC, RMIC and ESOSC nor has she participated in any of these Board Committees' meetings to ensure there is check and balance and objective review by the Board for better governance.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.5

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

Application	:	Applied	
Explanation on application of the practice	:	In accordance with Section 235(2)(a) of the Companies Act 2016, the Board is assisted by qualified company secretaries who are the members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"). They offer a wealth of knowledge and expertise from their time spent in public practice, and they also receive support from a committed group of company secretarial staff.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board papers are distributed in advance of the Board meetings to give the Directors time to peruse, ponder, and, if required, seek additional clarifications so they are fully informed before the meeting. The Board members typically get the meeting materials, including the minutes of previous meetings, about 7 days before the meetings.</p> <p>All meetings of the Board and Board Committees are properly convened by the Company Secretary. After the meetings, the Company Secretary will make sure that accurate and proper records of the events and resolutions adopted are documented. The minutes will then be distributed to the members of the Board and Board Committees for review and confirmation.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has adopted the principles of good corporate governance and practise in compliance with the relevant Malaysian laws, and the Board Charter outlines the Board's duties and responsibilities, composition, and operation.</p> <p>The Board periodically examines this charter and makes any necessary adjustments to maintain it consistent with the Board's goals and current legislation and regulations.</p> <p>The Board Charter is available on the Company's website at https://ztech.com.my/corporate-governance/</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board is dedicated to conducting itself in line with the strictest codes of business conduct and every pertinent regulation, rule, and law. The Code of Conduct and Ethics offers guidelines for Directors addressing moral and ethical issues as they deal with their responsibilities and obligations throughout their appointment. The Code of Conduct and Ethics is available on the Company's website at https://ztech.com.my/corporate-governance/
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board and Management are dedicated to operating the Company's operations and activities with the utmost transparency, accountability, and integrity.</p> <p>In this regard, the Company is steadfastly working to create a culture of transparency and honesty where anyone who is aware of potential malpractice or wrongdoing is encouraged to disclose such concerns in good faith without fear of retaliation.</p> <p>Thus, a Whistleblowing Policy was established to give all our employees and members of the public a way to report any unacceptable conduct in accordance with the steps outlined in this policy, as well as to protect those who make such reports on behalf of our employees and the public.</p> <p>The Whistleblowing Policy's provisions are accessible for review on the Company website at https://ztech.com.my/corporate-governance/</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board of Directors are responsible for overseeing the Group's overall sustainability performance and is in charge of the Company's sustainable governance structure. The Executive Directors formed a management committee, which reports to the Board and oversees supervising sustainability practices, policies, and processes in order to enhance sustainability performance. The Sustainability Statement of the Annual Report 2024 contains details on key sustainability issues and strategies.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises that the crucial initiatives in enhancing sustainability at the Company are stakeholders’ involvement, consultation, and regular feedback collection.</p> <p>Stakeholders’ engagements were conducted during the financial year through formal and informal channels to explain the Company's sustainability strategy and priorities. The Management will analyse and discuss any feedback received internally.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board stays informed about relevant sustainability issues through:</p> <ol style="list-style-type: none"> 1. Internal training programs focused on sustainability areas 2. Periodic updates from the Securities Commission and Bursa Malaysia Securities Berhad 3. Regular briefings from the Company Secretaries on the latest sustainability practices and issues <p>This approach ensures the Board remains cognizant of and current with the sustainability agenda as it relates to the Company and its business</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>A risk register with the corresponding mitigation plans is being kept up to date by the Board and the Management team. Every time there are changes or a new risk is identified, the Management is responsible to report to the Risk Management and Investment Committee. The Committee will evaluate and ensure an adequate risk management system is put in place, considering the important sustainability risks and opportunities.</p> <p>During the annual performance evaluation, the Board will review if all the principal risks have been identified and proper risk management system has been implemented.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination Committee oversees the overall makeup of the Board, including the mix of skills, experience, and core competencies required for the Board to fulfil its tasks and obligations.</p> <p>Every year, the Board will be evaluated for its overall performance, each Director's contribution to that effectiveness, and the contributions of the Board's Committees.</p> <p>The Board Charter further stipulates that an Independent Director's tenure shall not more than nine years in total. The Annual General Meeting must approve Independent Directors who want to serve on the Board for more than nine years. The annual re-election of retiring Directors has been subject to a positive assessment of their performance and contribution to the Board.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>As of 30 June 2024, the Board comprises of 9 members, including 3 Executive Directors, 5 Independent Non-Executive Directors (“INED”) and 1 Non-Independent Non-Executive Director, in compliance with Rule 15.02(1) of the ACE Market Listing Requirement (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The Independent Directors make up 55% of the Board composition. Presently, the number of female Director on the Board is 2, representing 22% of the total Board composition.</p> <p>The Board will review its composition and size from time to time with the aim to eventually achieve the target of 30% female representation on the Board. The strong representation of the Independent Directors ensures objective and impartial review and decision-making processes.</p> <p>The INED do not participate in the day-to-day management of the Company. The INED engage with senior management of the Company, external and internal auditors as and when required to address matters concerning the management and the oversight of the Company’s business and operations.</p> <p>All the Directors had given confirmation on a yearly basis, as to whether they have any family relationship with any director and/or major shareholder of the Company and their directorship/shareholding in other company to enable the Board to assess the Directors’ independence as and when any new interest or relationship develops.</p> <p>For the financial year under review, the Board through the NC has received affirmation from all the INEDs of their independence based on the criteria as prescribed by the AMLR of Bursa Securities.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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	:	The Board currently does not have independent director that have served for more than nine (9) years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

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

Intended Outcome

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

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination Committee (“NC”) evaluates potential directors based on their ability to fulfil expected responsibilities. For Independent Non-Executive Directors (“INED”), additional criteria are considered include fit and proper standards, competencies, commitment, performance, skills, expertise, professionalism, age, cultural background, leadership qualities, and integrity.</p> <p>The NC reviews the diversity of the Board and Key Senior Management annually, considering skills, experience, age, cultural background, and gender. The current composition provides an appropriate mix of expertise across security, IT/engineering, project development, corporate management, finance/taxation, accounting/auditing, and human capital, aligning with the Group's objectives.</p> <p>Key Senior Management appointments are based on skill, experience, and leadership qualities, as defined by job descriptions. In compliance with Bursa Malaysia Securities Berhad regulations, no Director holds more than 5 directorships in listed companies, ensuring sufficient focus on the Company affairs.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied	
Explanation on application of the practice	:	<p>Identifying and recommending new appointments to the Board is within the purview of the Nomination Committee. The prospective candidates may come from independent sources, incumbent directors, senior management personnel, shareholders, or third-party referrals.</p> <p>On the advice of senior management and independent directors (hereafter, "IDs"), new directors were chosen during the financial year in question. Since management and IDs are familiar with the Company's needs and business environment, their referrals and suggestions are more useful in terms of meeting those needs and expectations while also saving the Company's cost by avoiding the need to contact outside sources for candidate recommendations.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	: Applied
Explanation on application of the practice	<p>The information on the appointment and re-appointment of Director(s) is available to the shareholders on the Company's website and Bursa Malaysia Securities Berhad's ("Bursa Securities") website. The Company will release an immediate announcement to Bursa Securities in accordance with the prescribed format whenever there is an appointment of new Director. The re-election of Director will be set out in the notice of AGM and announcement to Bursa Securities. The shareholders would be able to make an informed decision on the re-election of the retiring Directors at the AGM.</p> <p>The performance, contributions, independence, fitness and propriety of each Director who is standing for re-election had been assessed by the NC through the effectiveness of the Board, Board Committees and Directors' self-assessment conducted for the financial year 2024, time commitment in discharging their roles and responsibilities including attendance at Board or Board Committees meetings, briefings and site visitations, participation in continuing training programmes, and contribution to the Board's deliberation through their skills, knowledge, expertise and experience.</p> <p>In October 2024, the Board endorsed the NRC's recommendation for the following Directors to be considered for re-election pursuant to Clauses 156 and 165 of the Company's Constitution at the forthcoming Nineteenth AGM: -</p> <ol style="list-style-type: none">1. Clause 97.1 of the Constitution of the Company<ul style="list-style-type: none">• Tan Sri Syed Mohd Yusof bin Tun Syed Nasir; and• Edwin Silvester Das2. Clause 104 of the Constitution of the Company<ul style="list-style-type: none">• YAM Tunku Kamariah Aminah Maimunah Iskandariah binti Sultan Iskandar; and• Dato' Zaidi bin Mat Isa @ Hashim.

	The profile of retiring Directors is published in the Annual Report 2024, which includes their age, gender, date of appointment, year of service, directorships in other companies, qualification, working experience, Date of Appointment, any conflict of interest or potential conflict of interest with the Company and shareholdings in the Company, if any.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC is chaired by Tan Sri Syed Mohd Yusof Bin Tun Syed Nasir who is an Independent Non-Executive Vice Chairman of the Company. The Board had elected the members of the NC from amongst themselves and all of whom are Independent Non-Executive Directors, namely: -</p> <p>Chairman Tan Sri Syed Mohd Yusof bin Tun Syed Nasir (Independent Non-Executive Vice Chairman)</p> <p>Members Mr. Edwin Silvester Das (Senior Independent Non-Executive Director) Mr. Wong Kok Fong (Independent Non-Executive Director)</p> <p>The profile of the NC members is available in the Annual Report 2024 of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Currently, there is only two (2) female director on the Board, YAM Tunku Kamariah Aminah Maimunah Iskandariah binti Sultan Iskandar, the Independent Non-Executive Chairperson and Dato' Zhang Li, who is an Executive Director and represents 22.2% of the Board.	
		The Board acknowledges board diversity, including gender diversity, as a crucial component of sound corporate governance and a quality of a board that functions well. The Board holds the opinion that, while a number of diversity-related factors, including gender, will be taken into consideration when choosing candidates for appointments to the Board, the merit and contribution that the selected candidates will make to the Board should take precedence when making appointments to the Board. The Board will appoint additional female directors when qualified individuals are found, and it makes a constant effort to discover potential female directors for nomination.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company does not have a formal strategy and target established on gender diversity during the financial year under review.	
		Although the Company does not have a formal strategy and target established on gender diversity, the Board now has two (2) female members, which added depth and variety in experience, expertise, and viewpoints to the Company's business operation. In fact, the Board is made up of experts from a variety of backgrounds who are dedicated to acting with professionalism and corporate ethics in all of their pursuits.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: The Company Secretary facilitated the NC in carrying out the annual evaluation of the effectiveness of the Board, Board Committees and individual Directors based on questionnaires tailor-made for the Company incorporating the following: <ul style="list-style-type: none">• Board mix and composition.• Quality of information and decision making.• Boardroom activities.• Performance evaluation on Board Committees.• Directors' self-assessment; and• Performance of the Board in addressing the Company's material sustainability risks and opportunities. <p>The Company has established the Directors' Fit and Proper Policy to ensure that individuals of high calibre who possess the right character, experience, expertise, integrity, track record and qualifications are appointed on the Board of the Company and its subsidiaries. All candidates to be appointed to the Board of the Company, including those seeking for re-election/re-appointment, shall undergo a review of fit and properness by the Board in accordance with the Directors' Fit and Proper Policy.</p> <p>In October 2024, the NC reviewed the results of the evaluation exercise and considered the comments given by the Board and Board Committees members and the suggested areas for continuous improvement. The NC agreed that the Board, Board Committees and each individual Director have performed well and effectively during the year under review.</p>
Explanation for departure	:

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

Intended Outcome

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

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

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company’s website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a Remuneration Policy and Procedure to facilitate the Remuneration Committee (“RC”) to review, consider and recommend to the Board for decision on the remuneration packages of Executive Directors and Non-Executive Directors.</p> <p>The remuneration of the Executive Directors is reviewed by the RC and for their consideration and recommendation to the Board for approval. The Executive Directors are entitled to other benefits provided to employees of the Company and other additional benefits if so, proposed by the RC for its consideration and recommendation to the Board for approval.</p> <p>The remuneration of Non-Executive directors, which made up of Directors’ fee is determined by the Board. The Remuneration Policy and Procedure is available for reference at the Company’s website at https://ztech.com.my/corporate-governance/</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	The RC comprises exclusively of Non-Executive Directors is responsible to review and recommend the remuneration of the Board and senior management for the approval by the Board. The RC ensures the remuneration packages are designed to attract, retain and motivate the Directors. The RC reviews and recommends the remuneration of the Directors to ensure that it is aligned to the market and reflecting the experience and expertise that commensurate with the duties and responsibilities. The Terms of Reference of the RC which has published in the Company's website at https://ztech.com.my/corporate-governance/
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The Company has disclosed in its Annual Report 2024 the remuneration of individual Directors on named basis.

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	Dato Helen Zhang Li	Executive Director	-	54	348	-	-	-	402	-	54	348	-	-	-	402
2	Siva Kumar Kalugasalam	Executive Director	-	42	180	-	-	-	222	71.5-	42	180	-	-	-	293.5
3	Tan Sri Syed Mohd Yusof Bin Tun Syed Nasir	Independent Director	120	-	-	-	-	-	120	120	-	-	-	-	-	120
4	Chow Hung Keey	Executive Director	-	-	144	-	-	-	144	36	-	144-	-	-	-	180
5	Edwin Silvester Das	Independent Director	60	-	-	-	-	-	60	60	-	-	-	-	-	60
6	Wong Kok Fong	Independent Director	55	-	-	-	-	-	55	55	-	-	-	-	-	1555
7	Zhang Yang	Non-Executive Non-Independent Director	60	-	-	-	-	-	60	60	-	-	-	-	-	60
8	Dato' Zaidi bin Mat Isa @ Hashim (Appointed w.e.f. 27 March 2024)	Independent Director .	15	-	-	-	-	-	15	15	-	-	-	-	-	15
9	YAM Tunku Dr. Kamariah Aminah Maimunah Iskandariah Binti Almarhum Iskandar Sultan Iskandar, Tunku Puteri Johor (appointed w.e.f. 30 November 2023)	Independent Director	105	-	-	-	-	-	105	105	-	-	-	-	-	105

Intended Outcome

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

Practice 8.2

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

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

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.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	Presently, the Chairman of the Audit Committee is Mr. Wong Kok Fong whilst the Chairperson of the Board is YAM Tunku Dr. Kamariah Aminah Maimunah Iskandariah Binti Almarhum Sultan Iskandar	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	The requirement for a former audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee is part of the Terms of Reference of the Audit Committee.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board through the AC, maintains an appropriate, formal and transparent relationships with both Internal and External Auditors relationship.</p> <p>During the financial year the Group's auditors Messrs. SBY PLT had resigned voluntarily and subsequently the Board appointed Messrs. Morison LLC PLT as the External Auditor of the Company.</p> <p>The authority to speak with them directly has been expressly granted to the AC. By strengthening the accuracy of the Group's financial statements and providing users with assurance of their accuracy, the External Auditors play a crucial role for the shareholders. The External Auditors are invited to the AC meetings during the audit of the Group's financial statements to present the audit plan and audit results. The shareholders' consent at the annual general meeting is required for the nomination of the External Auditors.</p> <p>In August 2024, the AC held a closed-door meeting with the External Auditors, excluding Executive Directors and Management, to address audit-related matters concerning the Group. The External Auditors reaffirmed their annual independence declaration, aligning with their firm's protocols and the Malaysian Institute of Accountants' By-Laws on Professional Independence.</p> <p>Following the yearly evaluation of the External Auditors and upon the AC's advice, the Board is prepared to propose the reappointment of Messrs. Morison LC PLT as the Company's auditors for shareholder approval at the upcoming Nineteenth AGM.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	All the members of Audit Committee are Independent Directors of the Company.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board recognizes that the AC members collectively possess financial literacy and can comprehend matters within their scope, including the financial reporting process. The AC supports the Board by overseeing management's implementation and monitoring of financial reporting, risk management, and internal control systems.</p> <p>Throughout the year in review, AC members received briefings on regulatory and statutory requirements from relevant authorities during quarterly AC meetings, enhancing their awareness and understanding. Furthermore, to stay current with developments in accounting and auditing standards, the External Auditors regularly update the AC on significant changes in accounting practices, standards, and regulations.</p> <p>For a detailed list of training sessions attended by AC members during the year under review, please refer to the Corporate Governance Overview Statement in the Annual Report 2024.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board relies on the Risk Management and Investment Committee (“RMIC”) to oversee the Group's risk management and internal control policies and procedures, effectively managing the Group's overall risk exposure.</p> <p>For a comprehensive overview of the Group's risk management and internal control system for the financial year ended 30 June 2024, please refer to the Statement on Risk Management and Internal Control in the Annual Report 2024.</p> <p>The RMIC's Terms of Reference can be accessed on the Company's official website at https://ztech.com.my/corporate-governance/</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Statement of Risk Management and Internal Control of the Company’s Annual Report 2024 provides specifics of the components of the framework for risk management and internal control, as well as the sufficiency and effectiveness of this framework.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 – Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Board has established Risk Management and Investment Committee to oversee the risk management framework and policies. The Risk Management and Investment Committee comprises exclusively of Independent Directors.

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Audit Committee receives assistance from Vaersa Advisory Sdn Bhd, an independent internal audit consulting firm, in providing assurance on the effectiveness, suitability, and integrity of the Group's internal control systems.</p> <p>Internal auditors' responsibilities include conducting routine and systematic reviews of internal controls and delivering independent, unbiased reports to the Audit Committee on the effectiveness of internal controls and procedures in the Group's operating business entities and the degree of compliance with relevant policies and procedures as well as laws, regulations, directives, and regulatory requirements.</p> <p>The internal audit plan was created based on the core risk areas and significant operating units of the Group, and it is reviewed and approved by the Audit Committee. In accordance with an established internal audit plan, the internal auditors conducted audits and submitted independent reports to the Audit Committee. The Audit Committee received a presentation of the conclusions and suggestions from the internal audit reviews.</p> <p>The Internal Auditors also conducted follow-up inspections to make sure that corrective actions had been taken promptly.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group's internal auditing role has been outsourced by the Board to Vaersa Advisory Sdn Bhd, which reports directly to the Audit Committee. The internal auditors from Vaersa Advisory Sdn Bhd, led by the Director, Mr. Quincy Gan (“Mr. Quincy”), are free from any connections or conflicts of interest that would compromise their impartiality and independence and are qualified to conduct internal audit evaluations. Mr. Quincy Gan is a certified member of the Malaysian Institute of Internal Auditors.</p> <p>The Internal Audit team is made up of 4 personnel headed by Mr Quincy. Mr Quincy has more than 16 years’ experience in internal audit and risk management in international big four audit firm. All the internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work.</p> <p>The internal audit work was carried out in accordance with a framework set by a recognised professional body i.e., International Professional Practice Framework issued by Institute of Internal Auditors, of which final communication of internal audit plan, processes and results of the internal audit assessment are supported by sufficient, reliable and relevant information which signifies a satisfactory conclusion of the internal audit works.</p> <p>The details of the internal audit function are elaborated in the Audit Committee Report of the Annual Report 2024.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board updates shareholders through various announcements, the release of quarterly financial statements, annual reports, shareholders' circulars, policies, and the Board Charter on the Company's website.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Notice of Eighteenth (18 th) Annual General Meeting (“AGM”) of the Company which held on 30 November 2023 was sent to the shareholders at least 28 days prior to the date of the 18 th AGM to give sufficient time to shareholders to consider the resolutions that will be discussed and decided at the 18 th AGM. The Notice of AGM, which sets out the businesses to be transacted at the AGM, was also published in a major local newspaper.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>During the Eighteenth (18th) Annual General Meeting (“AGM”) held on 30 November 2023, the Chairman of the Board and the respective Board Committees were present to facilitate discussions and address any questions. Shareholders may have on matters that fall under the purview of the Board Committees.</p> <p>For the coming AGM, barring any unforeseen circumstances, the Board will continue its past practice to have the full Board present at the AGM which included the Chairman of the Board Committees.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company had utilised the use of technology to enable electronic voting for all resolutions and remote shareholder engagement for its Eighteenth (18th) Annual General Meeting (“AGM”) on 30 November 2023.</p> <p>Remote Participation and Voting (RPV) facilities were used throughout the 18th AGM on 30 November 2023, via its https://zentech-agm.digerati.com.my website. During the 18th AGM, which was broadcasted live, the shareholders were able to register for remote participation, submit proxy forms electronically, attend and participate remotely via live streaming, and vote remotely online on the resolutions put forth at the 18th AGM.</p> <p>The Nineteenth (19th) AGM of the Company will also be held virtually using facilities for remote participation and electronic voting from the broadcast venue; specifics will be included in the Administrative Guide and Notice of the 19th AGM of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>Prior to the Eighteen (18th) Annual General Meeting ("AGM") held on 30 November 2023, shareholders had the option of submitting questions electronically through the Digerati Technologies Sdn Bhd's provided online platform via its https://zentech-agm.digerati.com.my or using the query box to ask questions to the Board of Directors while the 18th AGM was being streamed live.</p> <p>Senior management, the Board, and the Chairman of the Board were present to respond to inquiries made of them during the 18th AGM. Before and during the 18th AGM, shareholders and proxies had enough chance to ask questions. During the 18th AGM, the Chairperson read out the questions, to which the Board and senior management duly replied.</p> <p>The 18th AGM's questions and answers as well as the meeting's minutes were posted online by the Company.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Applied
Explanation on application of the practice :	The virtual eighteenth (18 th) Annual General Meeting (“AGM”) was conducted smoothly without any downtime or disruption. The administrative guide on remote participation were provided to shareholders and proxies before the meeting. Before and during the 18 th AGM, shareholders and proxies had enough chance to ask questions. During the virtual 18 th AGM, the Executive Director read out the questions, to which the Board and senior management duly replied.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The minutes of the Eighteenth (18 th) Annual General Meeting (“AGM”) held on 30 November 2023 were made available on the group’s website within 30 business days upon conclusion of the meeting. This represents the Board’s awareness of the importance of the timely release of general meeting minutes for the perusal of shareholders.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	: Choose an item.

**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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