

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7108
COMPANY NAME : PERDANA PETROLEUM BERHAD
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The role of the Board of Perdana Petroleum Berhad (PPB) is to provide strategic guidance to the Company and effective oversight of its Management, for the benefits of Shareholders and other stakeholders. To this end, the Board reviews and approves the annual budget and also the strategic aims of the Group's vision is to be the leading and preferred offshore marine operator for the upstream oil and gas industry in the region.</p> <p>In the quest to excel as a highly efficient and profitable company, the following core values have been adopted:</p> <ul style="list-style-type: none">• To commit to excel in every aspect of the operation in pursuit of total customer satisfaction in the Greenfield and Brownfield charter services;• To endeavour to create a challenging and rewarding career environment encouraging the employees to realize their optimum potential;• To develop and establish strategic collaborations and a reliable and mutually beneficial relationship with the business partners and associates;• To strive to be a caring and responsible corporate citizen; and• To assure equitable return to the Shareholders. <p>In the annual budget, the capital and resources of the Company are allocated to those assets and activities, which will enable it to achieve the Company Goals in a manner best serving the interests of the Shareholders as a whole.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The role of the Chairman of the Company is governed by the Board Charter. The position of Chairman of the Board is currently held by the Independent Non-Executive Director, Datuk Dr Abd Hapiz Bin Abdullah. The Chairman is responsible for representing the Board to Shareholders.</p> <p>The Chairman is responsible for ensuring the integrity and effectiveness of the governance process of the Board and maintains regular dialogue with the Managing Director and Executive Director over all operational matters and will consult with the remainder of the Board promptly over any matter that gives him cause for major concern.</p> <p>The Chairman will act as facilitator at meetings of the Board to ensure that no Directors, whether executive or non-executive, dominates discussion, that appropriate discussion takes place and that relevant opinion among Directors is forthcoming.</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 Chairman and CEO are held by different individuals.

Application	:	Applied	
Explanation on application of the practice	:	Datuk Dr Abd Hapiz Bin Abdullah holds the position of Independent Non-Executive Chairman whilst the Managing Director, En Jamalludin bin Obeng handles the day to day management. The distinct and separate roles of the Chairman and the Managing Director are provided in paragraph 5.5 and 5.2 of the Board Charter respectively.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Applied
Explanation on application of the practice	: Datuk Dr Abd Hapiz Bin Abdullah relinquished his position on the various Board Committees on 16 June 2021 subsequent to his appointment as the Chairman of the Board on 23 June 2020.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretary is a Fellow Member of the Malaysian Institution of Chartered Secretaries and Administrators (MAICSA) and has more than 30 years of experience in handling corporate secretarial matters in the profession and the corporate sector. She is qualified to hold the position under Section 235 (2) of the Companies Act 2016.</p> <p>The Directors are also regularly updated and advised by the Company Secretary on new statutory and regulatory requirements relating to the discharge of their duties and responsibilities, including amendments to the Listing Requirements by Bursa Securities. Every member of the Board has ready and unrestricted access to the advice and services of the Company Secretary. The Company Secretary attends all Board and other Board Committees' meetings and ensures that accurate and proper records of the proceedings of Board and other Board Committees' meetings, and their resolutions passed are kept.</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 1.6

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	:	Board meetings are governed by a structured formal agenda and the agenda for each Board meeting and papers relating to the agenda items are forwarded to all Directors for their perusal 1 week in advance of the date of the Board meeting. Board meeting papers circulated to Directors include details of business propositions and corporate proposals including where relevant, supporting documents such as professional advice from solicitors or advisers. The Directors are thus able to peruse the Board papers and appraise the issues to be deliberated at the Board meeting well before the date of the meeting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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’s main duties include regular oversight of the Group’s business operations and financial performance and ensuring that the infrastructure, internal controls, and risk management processes are firmly in place to assess and manage business risks, inter-alia, operational, credit, market and liquidity risks.</p> <p>The Board has formalised these roles and duties into a Board Charter under are provided in paragraph 3.1 to 3.2 of the Board Charter.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board's Code of Conduct and Ethics ("Code") is set out in Part 6 of the Board Charter.</p> <p>The Board of Directors shall maintain the Company's reputation based on the highest standards of conduct in all business endeavours and the Directors have a responsibility to lead by example, acting with truth, sincerity and fairness in all decisions.</p> <p>This Code describes the standards of business conduct and ethical behaviour for Directors in the performance and exercise of their responsibilities as Directors of the Corporation or when representing the Company.</p> <p>The principles set out in the Board Charter describe how Directors should conduct themselves and each Director is expected to comply with the letter and spirit of this Code which serve as a source of guiding principles for Directors. This Code does not address every expectation or condition regarding proper and ethical business conduct, nor can it anticipate every situation that may arise. Accordingly, Directors are encouraged to bring questions about particular circumstances that may be relevant to one or more of the provisions of this Code to the attention of the Chairman of the Board of Directors, who may consult with inside or outside legal counsel as appropriate.</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 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has established and published the Whistle Blowing Policy (“WBP”) on its website with the objective to provide an avenue for all whistleblowers to report or disclose any improper conduct, and protection for whistleblowers, in compliance with the requirement of this WBP.</p> <p>The WBP was also adopted as part of the Company’s commitment to the highest standards of professional integrity, ethical behaviour, transparency and fair dealing in the conduct of its business.</p> <p>Whistleblowers could report or disclosure of improper conduct by completing the prescribed Whistleblowing Form, in a strict confidential manner by email or mail to PPB Whistleblowing Committee.</p> <p>In order for the whistleblower to be protected under the policy, the whistleblower must disclose his/her name, NRIC number and contact details. The disclosure must at least have details of person(s) involved, nature of allegation, when and where the incident took place as well as supporting evidence, if any.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, together with the management, are responsible for the sustainability agenda and oversees the initiatives and action taken by the Group, to ensure that these are aligned with the strategic direction of the Group.</p> <p>Sustainability issues are embedded into the Company’s operations where appropriate and relevant. These include areas of environment management, social (health & safety, diversity in staff composition, etc.) and governance.</p> <p>For example, as a major step forward in reducing emissions from our OSV, we are reviewing the age of our fleet with a view to renew our vessels. New vessels would have reduced CO2 emissions and minimal pollution.</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 4.2

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 Company is in constant engagement with both internal and external stakeholders. The Company’s expectations are communicated to the relevant stakeholders.</p> <p>The Company is regularly fine tuning this process.</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 views sustainability issues as important to the Company's businesses.</p> <p>During the FY2023, the Directors have individually or collectively attended the following courses / seminars relating to sustainability as set out below:</p> <ul style="list-style-type: none"> - Bursa Malaysia Immersive Session: The Board "Agender" - Board's Oversight Role on Bursa Malaysia's Enhanced Sustainability Reporting Framework - Climate Risk Management and Scenario Analysis Training - Sustainability Governance, Management and Reporting - Implications of the Environmental, Social & Governance ("ESG") agenda to the Board & Management - Driving Sustainable Success: Sustainability for Senior Executives – A Board-of-Directors Engagement Session - Bursa's Sustainability Reporting Requirements for Listed Companies - Board Oversight of Climate Risks and Opportunities - ESG, Climate and Trust: The Board's Role - Integration of Corporate Social Due Diligence Directive - Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
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

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>The Board and Senior Management are evaluated on their understanding in deepening board focus and directing appropriate attention to various Environmental, Social and Governance areas, which can supplement the full board’s oversight of how these matters are integrated into strategy, talent and risk management.</p> <p>The Board and Senior Management were satisfied with its performance in addressing the sustainability issues of the Group.</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>In appointing or reappointing a board member, the Board considers the current composition of the Board and the tenure of each director on the Board. The Board takes cognisance of the new provisions of the Listing Requirements on the limit of tenure of 12 years for independent directors. The Board annually review its composition and evaluate the need to bring new skills and perspective to the boardroom.</p> <p>The Nomination Committee undertakes an annual evaluation of the composition of the Board and in the 2023 review, the Committee viewed that it brings to the PPB Group a diverse wealth of skills, knowledge as well as a balanced mix of experience and expertise to effectively discharge the Board's responsibilities for competent stewardship of the Group.</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	:	The Company presently has four (4) independent directors representing half the Board size.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	The longest serving independent director on the Board, Datuk Dr Abd Hapiz Abdullah has served less than nine (9) years on the Board. He was appointed to PPB on 10 September 2015.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination Committee will review the composition of the continuing members of the Board and Board committee annually and make recommendation(s) to the Board for new any appointment to the Board or Board committees when necessary. The Board then determines whether or not to approve the recommendation of the new appointment.</p> <p>The criteria used in assessment of new Directors before appointment to the Board shall include but not limited to:</p> <ul style="list-style-type: none">• Skills and competency• Knowledge and expertise• Regional and industry experience• Academic and professional qualifications• Background, race, gender, age and nationality• High personal and professional ethics, integrity and values• Ability to devote the required amount of time to carry out the duties and responsibilities of Board membership• Financial capability and business stability to devote significant time, energy and resources• Other directorship <p>The Company does not have a policy on ethnicity and age for appointment of director. The Board always believes in equality and equal opportunity and does not practice gender discrimination. The age of the Directors range from 55 to 71 as the Board believes that this creates an environment where each generation brings different skills, experience and talents to the Board.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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>In identifying candidates as directors, the Board takes into consideration recommendation from existing Board members, Management or major shareholders. The Nomination Committee conducts an interview with the potential candidate as part of the selection process. The qualifications and work experience of the candidates are reviewed to assess if the candidate can 'fit in'.</p> <p>For FY2023, there were no new appointments made.</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	:	The proposed appointment of a new member of the Board other than those nominated by shareholders for appointment at the Annual General Meeting and the proposed re-election of existing Directors who are seeking re-appointment or re-election at the AGM of the Company will be reviewed and assessed by the Nomination Committee. The Nomination Committee will, upon its review and assessment, submit its recommendation on the proposed appointment or re-election of Directors to the Board for approval.
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 Nomination Committee is chaired by Tuan Haji Zakaria bin Kasah, an Independent Non-Executive Director of the Company. The other members are:</p> <ul style="list-style-type: none">➤ Mr Chin Chee Keong (Member of NC) - Non-Independent Non-Executive Director➤ Pn Ruziah binti Mohd Amin (Member of NC) – Independent Non-Executive Director➤ Datuk Selva Kumar A/L Mookiah (Member of NC) – Independent Non-Executive Director
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	:	The Company has adopted a policy on gender diversity where the Board should have at least one lady director.	
		At the Nomination Committee (NC) meeting on 20 February 2024, given the current and future scope of work and future Company's business operation, the NC has reached consensus to recommend to the Board to add one additional independent lady director in complimenting the core competencies of corporate planning and banking experiences to support future business growth and diversification.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	The Company's policy on gender diversity for the Board and Senior Management is disclosed in both the Sustainability Report and Corporate Governance Overview Statement in the Annual Report. The establishment of the gender diversity policies shows that Company's support of the participation of women on the board as well as senior management.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Nomination Committee undertakes an annual evaluation of its own performance, committees and individual directors.</p> <p>On the assessment of the effectiveness of the Board as a whole, the Nomination Committee gave strong ratings on the areas of Board functions, its structure, meetings and compliance.</p> <p>As for the assessment of the effectiveness of the various Board Committees, it was noted that the members of the Committees have sufficient and relevant experience to discharge their duties and to fulfil their roles effectively in accordance to the Committees' term of reference.</p> <p>The Nomination Committee reviewed the contribution of each Director based on the self-evaluation form that was completed and agreed that all the Directors were well prepared for the meeting, and have a broad understanding of the Company, its market place and its performance against competitors. The Directors also provide honest opinions and unique insight to issues presented. Board deliberations are cordial and non-confrontational. The Committee also found the Executive Directors open to feedback from independent members of the Board.</p> <p>The Board also assessed and found that the Independent Non-Executive Directors are independent based on the objective test as set out in the Listing Requirements and free from any business or other relationship with the Company which could materially affect the exercise of their independent judgement. The Independent Non-Executive Directors facilitates the Board to exercise objective judgement independently in particular from the Management.</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	:	The Remuneration Committee carries out the review of the overall remuneration policy for Independent Non-Executive Chairman and Directors whereupon recommendations are submitted to the Board for approval. The Remuneration Committee and the Board ensure that the Company's remuneration policy remains supportive of the Company's corporate objectives and is aligned with the interest of shareholders, and further that the remuneration packages of Managing Director and Executive Director are sufficiently attractive to draw in and to retain persons of high caliber.	
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	:	<p>The Board has formalised Terms of Reference of Remuneration Committee ("RC") which is made available on the Company's website.</p> <p>The responsibilities of RC are as follow:</p> <ul style="list-style-type: none"> • To recommend to the Board the framework of the remuneration package for Managing Director, Executive Director(s) and Senior Management, drawing from outside advice as necessary; • To recommend to the Board any performance related pay schemes for Managing Director, Executive Director(s) and Senior Management; • To review the Managing Director and Executive Director(s)' scope of service contracts; • To consider the appointment of the service of such advisers or consultants as it deems necessary to fulfil its functions; and • To carry out other responsibilities, functions or assignments as may be delegated by the Board from time to time.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board as a whole determines the remuneration of Non-Executive Directors, and each individual Director abstains from the Board decision on his own remuneration. The Non-Executive Directors are paid annual fees and attendance allowance for each Board meeting that they attend.</p> <p>Please refer to page 89 of the Annual Report 2023 for details of the remuneration paid to the Directors.</p>

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	Datuk Dr Abd Hapiz Bin Abdullah	Independent Director	136.0	4.6	-	-	-	-	140.6	-	-	-	-	-	-	-
2	Datuk Selva Kumar A/L Mookiah	Independent Director	80.0	8.3	-	-	-	-	88.3	-	-	-	-	-	-	-
3	Ruziah Binti Mohd Amin	Independent Director	87.0	8.3	-	-	-	-	95.3	-	-	-	-	-	-	-
4	Zakaria Bin Kasah	Independent Director	87.0	11.2	-	-	-	-	98.2	-	-	-	-	-	-	-
5	Chin Chee Kong	Non-Executive Non-Independent Director	87.0	10.6	-	-	-	-	97.6	-	-	-	-	-	-	-
6	Datuk Hasmi Bin Hasnan	Non-Executive Non-Independent Director	-	2.8	-	-	-	-	2.8	-	-	-	-	-	-	-
7	Jamalludin Bin Obeng	Executive Director	-	-	882.0	441.0	-	159.9	1,482.9	-	-	-	-	-	-	-
8	Alias Bin Mat Lazin	Executive Director	-	113.4	-	38.0	-	17.5	168.9	-	-	-	-	-	-	-
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
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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 8.2

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 Board deliberated and agreed that due to sensitivity of the information, this Best Practice will not be applied.	
		En Jamalludin bin Obeng and En Alias bin Mat Lazin, the Managing Director and Executive Director of the Company form part of the top five senior management of the Company and their remuneration have been disclosed in page 89 of the Annual Report 2023.	
<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 Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	The Audit and Risk Management Committee and Board is chaired by separate individual. Cik Ruziah binti Mohd Amin is the Chairman of Audit and Risk Management Committee whereas Datuk Dr Abd Hapiz Abdullah is the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company has since its listing not appointed any former key audit partner onto its Board.</p> <p>The Terms of Reference of the Audit and Risk Management Committee provides that the appointment of the Committee member must be approved by the Board of Directors, which in its opinion would exercise independent judgement based on the structure and composition of the Committee. It also sets out the policy that requires a former partner of the external audit firm of the company to observe a cooling-off period of at least three years before being appointed as a member of the Audit and Risk Management Committee.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The performance and independence of the external audit function has been reviewed and assessed based on agreed performance criteria as set out in the External Auditors' Audit Planning Memorandum, timelines and adequacy of resources to achieve the agreed scope of work of the external audit.</p> <p>It is the policy of the Audit and Risk Management Committee to meet with the external auditors at least twice a year to discuss their audit plan, audit findings and the Group's financial statements. Besides, the Audit and Risk Management Committee is accessible to the external auditors without the presence of the Management as well as Managing Director and Executive Director to discuss key auditing concerns and obtain feedback relating to the Company's affairs. The Audit and Risk Management Committee also meets with the external auditors whenever it deems necessary.</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 :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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	:	The Board reviews the terms of office of the Audit & Risk Management Committee (ARMC) and assess the performance through an annual effectiveness evaluation. All members of the ARMC undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.	
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 of Directors ("the Board") acknowledges its overall responsibility for the Group's risk management and internal control system, including reviewing the adequacy and effectiveness of the system and its alignment with business objectives.</p> <p>The Audit and Risk Management Committee of the Board were tasked by the Board with the responsibility to ensure the establishment of appropriate framework and controls as well as reviewing the functional system of the Group would provide reasonable assurance in ensuring the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations of the Group throughout the financial year under review and regularly appraised by the Board.</p> <p>The Board recognised that the system is designed to manage the Group's risk within an acceptable risk profile, rather than eliminate the risk of failure to achieve Group's policies and business objectives. Therefore the internal controls implemented can only provide reasonable but not absolute assurance against the occurrence of any material misstatement, losses or fraud. This process has been in place for the year under review and up to the date of approval of this statement.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The features of risk management and internal control framework are as set out in the Statement on Risk Management and Internal Control of the Company's Annual Report.</p> <p>The Board is of the view that the risk management and internal control system in place for the year under review and up to the date of issuance of the financial statements is adequate and effective to safeguard the shareholders' investment, the interests of customers, regulators and employees, and the Group's assets. During the financial year, the Board was not aware of any issues which would result in any material losses, deficiencies or errors arising from any inadequacy or failure of the internal controls system that would require disclosure in the Annual Report. The internal controls and risk management will continue to be reviewed in order to improve and strengthen the system to ensure ongoing adequacy, integrity and effectiveness so as to safeguard the Group's assets and shareholders' investment.</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 10.3 - 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	:	On 10 April 2014, the Audit Committee was renamed as Audit and Risk Management Committee ("ARMC") to reflect its role in risk management. The responsibilities of the ARMC is to examine the risk management framework that is in place and to ensure it is effectively implemented.

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 Group's internal audit function is outsourced to an independent professional firm ("Outsourced Internal Auditor"). The Board obtains sufficient assurance of the effectiveness of risk management, internal control and governance processes in the Group, through regular reviews and appraisals conducted by the Outsourced Internal Auditor, which reports directly to the Audit and Risk Management Committee. The Audit and Risk Management Committee determines the adequacy of the scope, function and resources of the internal audit function as well as the competency of the Outsourced Internal Auditor.</p> <p>In its endeavour to provide reasonable assurance on the state of internal control in the Group, the Outsourced Internal Auditor carried out its reviews based on the 2023 Internal Audit Plan which was developed using a risk-based approach and approved by the Audit and Risk Management Committee.</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 Internal Audit function is currently outsourced to an independent professional firm and reports functionally to the Audit Committee of the Board. This reporting relationship promotes independence and objectivity, which assures adequate consideration of audit recommendations and planned suggestive corrective actions. In addition, the internal audit personnel assigned to carry out the work are free from any relationship or conflict of interest, through annual independence declaration, which could impair their independence in carrying out the works.</p> <p>A team of 2 to 3 personnel will be assigned to carry out the internal audit review of the Group depending on the scope of review according to the risk-based Internal Audit Plan. The team is headed by Mr Kuan Yew Choong, a qualified and certified professional under Association of Chartered Certified Accountants (ACCA), who is also a member of Malaysian Institute of Accountants (MIA) & Institute of Internal Auditor Malaysia (CMIIA). All the Internal Audit team are at least degree holders with some of them holding additional professional membership from ACCA, MIA or CPA.</p> <p>The Internal Audit function is carried out based on Baker Tilly International Audit Methodology, which is closely consistent with the International Professional Practice Framework (IPPF) of the Institute of International Auditors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges a key element of good corporate governance is being transparent and accountable to all stakeholders. Underlying the transparency and accountability objectives is the provision of clear, relevant and comprehensive information which is timely and readily accessible to all stakeholders.</p> <p>Taking cognizance of this, the Group maintains a high level of disclosure to and communication with its stakeholders with the provision of clear, comprehensive and timely information, particularly to shareholders and investors, for informed investment decision making, through a number of readily accessible channels.</p> <p>The quarterly financial results announcement and annual report of the Company is a key channel of communication with shareholders and investors.</p> <p>An important forum for communication and dialogue with shareholders is the general meetings of the Company where shareholders are given both the opportunity and the time to raise questions on the agenda items of the general meetings and where Directors of the Company would provide the answers and appropriate clarification where required.</p> <p>The Company conducts separate media and analyst briefing with the release of its quarterly and annual results announcements when deemed necessary. The media briefings are intended not only to facilitate a wider dissemination of the announcement of the financial results of the Group to as wide an audience of investors and shareholders as possible but also to keep the investing public and shareholders updated on the progress and development of the business of the Group as well as any strategic developments within the Group.</p> <p>To promote wider dissemination of corporate and financial information that is made public, the annual reports of the Company, the quarterly announcements of the financial results of the Group, announcements and disclosures made pursuant to the disclosure requirements of the Bursa Securities Listing Requirements are available on PPB' website at</p>

	<p>www.perdana.my and other corporate information are also made available on the Company's website, www.perdana.my.</p> <p>Prompt and timely availability of information is also important for shareholders and investors to make informed investments decisions. Information that is out of date, albeit comprehensive and accurate, would be of less value to shareholders and investors. As such, the Group places a high priority on ensuring that information is made available and disseminated as early as possible.</p>	
Explanation for departure :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	For the Annual General Meeting (AGM) held in 2023, Company had served the notice to shareholder on 18 April 2023 and held the AGM on 17 May 2023 with 28 days notice.	
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>An important forum for communication and dialogue with shareholders is the general meetings of the Company where shareholders are given both the opportunity and time to raise questions on the agenda items of the general meeting.</p> <p>At the AGM held on 17 May 2023, all the directors were present at the AGM. The questions from shareholder were answered and responded by the Chairman and the Managing Director during the meeting.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

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 conducted its 27th AGM on a virtual basis through live streaming and online remote voting via Remote Participation and Voting (“RPV”) facility. It enabled shareholders to participate and vote remotely notwithstanding the imposition of the Movement Control Order and observance of safety requirement.</p> <p>Shareholders are able to attend AGM via the RPV facility or consider appointing the Chairman of the Meeting as proxy to attend and vote on behalf.</p> <p>In line with the Malaysian Code on Corporate Governance (“MCCG”), the Company, Perdana Petroleum Berhad had sought confirmation from its Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) on their cyber hygiene practices to ensure data privacy and security to prevent cyber threats. To this, Tricor had confirmed that it has implemented an Information Technology policy and Information Security policy, endpoint controls and data classification for cyber hygiene practices of the staff. Stress test and penetration testing had been performed on TIIH Online to test its resiliency. To provide further assurance to the public, Tricor Services (Malaysia) Sdn Bhd is ISO27001 certified. In addition to this, the TIIH Online is hosted on a secure cloud platform and the data centre is ISO27001 certified.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>At the commencement of the 27th AGM, the Chairman, Datuk Dr Abd Hapiz bin Abdullah ("Datuk Chairman") briefed the members, corporate representatives and proxies present virtually at the Meeting of their right to ask questions and vote on the resolutions set out in the Notice of the 27th AGM dated 18 April 2023.</p> <p>(1) All the Directors and senior management were present at the 27th AGM to provide responses to the questions posed by shareholders via TIIH Online website at https://tiih.online in relation to the agenda items for the 27th AGM, both prior to and during the 27th AGM.</p> <p>(a) PPB received some questions from shareholders prior to up to a day before the 27th AGM. These questions were displayed in the presentation slides for the shareholders' reference, as the Managing Director, Encik Jamalludin read out the questions submitted by the shareholders and provided the Management's responses for the same.</p> <p>Thereafter, the Company continued to receive more questions as shareholders started to login to TIIH Online 30 minutes before the commencement of the 27th AGM. Ample time and opportunity were made available for shareholders to pose questions. During the meeting which commenced from 9.30 a.m. on 17 May 2023, shareholders, corporate representatives and proxies had submitted a total of 20 questions.</p> <p>(b) To ensure effective communication with the shareholders at a fully virtual general meeting, questions posed by shareholders were displayed on the screen for the meeting participants' reference whilst Encik Jamalludin read out the shareholders' questions.</p>

	<p>Shareholders were allocated cast their vote when the AGM commenced. PPB had allocated additional 5 minutes after the Questions and Answers session for the voting session. The total time allocated was around 35 minutes since the meeting began.</p> <p>(c) 1 question were received after the Q&A session had ended. Hence, it was responded to by the Company via published in the Company's website.</p> <p>(2) Whilst the AGM is one of the platforms where shareholders can raise issues or seek explanation from the Board or Management, they are free to share their feedback and questions at ppb.corporate@perdana.my at any time, outside of the AGM.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The 27th AGM was live streamed for access via TIIH Online website at https://tiih.online.</p> <p>(1) The Poll Administrator, Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) had verified the eligibility of shareholders/corporate representatives/proxies to attend the 27th AGM based on the General Meeting Record of Depositors as at 10 May 2023 and upon the cut-off date and time for proxy form submission. This online platform was secured exclusively for the members with approved registration for the Remote Participation and Voting (“RPV”) at the 27th AGM.</p> <p>(2) Tricor had introduced an application called the Moderator Link, as part of its new services to assist the user in tracking the questions posed by the shareholders during AGM, to facilitate the listed issuer’s compliance with the SC’s Guidance. Questions posed by shareholders via TIIH Online website had been captured and transmitted to PPB for action and response, prior to and during the 27th AGM. Similarly, the same application/tool had been used by PPB for the same questions to be made visible to all meeting participants.</p> <p>With the use of Moderator LINK, Datuk Chairman and Encik Jamalludin who have a good understanding of the Company’s business, had managed the Q&A session smoothly and efficiently. Each question had been displayed on the screen as and when Datuk Chairman, Encik Jamalludin and/or other respondents provided their responses to the respective questions accordingly in an orderly manner.</p> <p>(3) The extensive Q&A session of about half an hours served as an interaction between the Directors, Management and shareholders</p>

	<p>during the fully virtual meeting. Whilst the members were in attendance in the proceedings of the 27th AGM at “(LIVE STREAM MEETING) PERDANA 27TH AGM”, he/she could select “GO TO REMOTE VOTING PAGE” button below the Query Box to cast his/her votes.</p> <p>This is in line with the SC’s Guidance which provides that Members shall be allowed to cast their votes remotely and contemporaneously (live) during the proceeding of the general meeting.</p> <p>(4) Although the online voting session had commenced from the start of the meeting at 9.30 a.m. on 17 May 2023, Datuk Chairman had allowed additional 5 minutes for members to cast their votes after the conclusion of the Q&A session. Datuk Chairman then announced that the “in time” voting session had ended.</p> <p>(5) The poll results were verified by the Scrutineers, Scrutineer Solutions Sdn Bhd (“SSSB”). The Scrutineer, Ms Melissa Liew of SSSB announced the poll results of each Resolution 1 to 8 and each of them was displayed to members, corporate representatives and proxies present as Datuk Chairman declared that the resolutions were duly passed.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

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 27th Annual General Meeting (AGM) dated 17 May 2023 duly confirmed and signed were uploaded on PPB's website: https://perdana.my/agm-notice/ . As all questions were posed by shareholders via the TIIH Online, PPB had check and verify the records after the 27th AGM, to ensure that all questions were responded to during the meeting or published at the website after the meeting. Hence, the complete list of questions received to the 27th AGM together with the answers for the same were posted on PPB'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	:

**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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