CORPORATE GOVERNANCE REPORT

STOCK CODE	**:**	0007
COMPANY NAME	**:**	PUC 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 PERSUANT 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	:	The Board of Directors ("**Board**" or "Directors", both shall be used interchangeably in this Corporate Governance Report) of PUC Berhad ("**PUC**" or the "**Company**") strives to achieve high standards in corporate governance through strengthening self and market discipline, promoting consistent compliance with laws and ethical values, and maintaining the standards of corporate governance culture to ensure appropriate management of risks and levels of internal controls systems within PUC and its subsidiaries (the "**Group**"). The Board is the ultimate decision-making body of the Group and plays a fundamental role in leading and overseeing the overall direction, vision, performance and affairs of the Group on behalf of the shareholders with the exception matters which require the approval of shareholders. The Directors, individually or collectively have a legal duty to act in the best interests of the Company fairly, honestly and diligently and in accordance with the duties and obligations set out in the Board Charter and the laws and regulations. The Board also serves as a panel to provide effective leadership and guidance for setting strategic direction and assessing adequacy and integrity of the internal control and risk management systems of the Group. The Board delegates authority for conducting the business to the Group Managing Director & Group Chief Executive Officer ("**GMD**") who, together with the Management team, is accountable to the Board. The Board has assigned the day-to-day affairs of the Group's various divisions to local management, which includes the GMD, Key Senior Management and heads of departments of the main operating companies. They are responsible for overseeing conduct and performance of their businesses within the established business strategies. Please refer to the Board Charter for detailed responsibilities of the Board on the Company's website at www.puc.com.

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	:	The Chairman, Datuk Oh Chong Peng, has a robust leadership background and vast experience in various senior positions, which led to his election from among the Board of Directors and his redesignation as an Independent Non-Executive Chairman of the Board on 1 June 2020. The responsibilities of the Chairman include, but are not limited to, the following:- • setting the mission and vision, and carrying out a visionary leadership role in facilitating the effective conduct of the Board; • creating a culture of openness characterised by debate and appropriate challenge among Board members; • promoting and ensuring the highest integrity standards for corporate governance processes and issues; • undertaking primary responsibility for ensuring that the Board receives accurate, timely, and clear information, and being consulted on all relevant matters; and • leading a well-organised Board Meeting and providing an unbiased view to allow each Board member to raise their concerns, if any. Please refer to the profile of the Chairman in the Annual Report 2024, as well as the Company's website at www.puc.com.
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 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	The positions of Chairman and GMD of PUC are held by different individuals. The Board is led by the Independent Non-Executive Chairman, Datuk Oh Chong Peng, and is supported by the GMD, Mr. Cheong Chia Chou, along with other Board members who possess a wide range of expertise. Together, they play an important role in the stewardship of the Group's direction and operations. The respective roles and responsibilities of the Chairman and the GMD remain separate and are outlined in the Board Charter, which provides clear and distinct responsibilities for each role to enhance the appropriate existing balance of role, responsibility, power, authority and accountability. The Board Charter is available on the Company's website at www.puc.com.	
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 1.4

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

Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	To align with the Malaysian Code on Corporate Governance 2021 ("**MCCG**"), the Board amended the Board Charter in November 2021. The Chairman of the Board shall not be a member of the Audit and Risk Management Committee ("**ARMC**"), Nomination Committee ("**NC**") or Remuneration Committee ("**RC**") of PUC (collectively, the "**Board Committees**"). Hence, the Chairman of the Board, Datuk Oh Chong Peng, has resigned as the Chairman of RC in November 2021. The Chairman is not a member of the Board Committees. The Chairman is invited to the meetings of Board Committees due to his vast knowledge and experience. The Board Committees welcome his presence and input as needed.
		The Chairman of the Board is only an invitee to the Board Committees' meetings. The Board Committees operate independently, with members expressing their views objectively and without prejudice. The Chairman ensures that adequate time is allocated for thorough deliberation on the Board Committees' recommendations or observations at the Board level, facilitating sound and well-informed decision-making. The final decision or approval still rests with the Board, which consists of a majority of independent directors. Therefore, we are of the opinion that there is no impairment of objectivity.
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 1.5

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	:	The Board is supported by qualified and competent Company Secretaries, who are members of the professional body namely, The Malaysian Institute of Chartered Secretaries and Administrators. They are also qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016 ("**CA 2016**"). The Company Secretaries play an important role in facilitating PUC's overall compliance with the CA 2016, ACE Market Listing Requirements ("**AMLR**"), MCCG and other relevant laws and regulations. The Company Secretaries are also responsible for assisting the Board and Board Committees in functioning effectively in accordance with the respective Terms of Reference ("**ToR**") and best practices, as well as ensuring adherence to existing Board policies and procedures. The roles and responsibilities of the Company Secretaries have been formalised in the Board Charter, which serves as a reference for them in the discharge of their duties. The Board Charter is available on the Company's website at www.puc.com.	
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 1.6

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	:	To ensure that all Directors are able to provide the required time commitment for meetings, PUC practises early planning of meetings schedule. The schedules of the Board and Board Committee meetings are prearranged in the final quarter of each financial year, with tentative dates tabled to the Board via email circulation. Additional Board Meetings may be held as needed for the Board's urgent decisions. This practice enables the Directors to plan ahead, provides sufficient time for Directors' deliberation and discussion of various matters, and ensures efficient planning by Management. All Directors have direct access to the Company Secretaries and Management, with unrestricted access to all information and documents relevant to the business and affairs of the Group. The Board may invite any employees to attend Board and Board Committee Meetings to assist in its deliberations. To keep abreast of the digital era, Board papers, including but not limited to the minutes of Board meetings, are made accessible via electronic means for instantaneous delivery and easy access by Board members. They are circulated at least five (5) days prior to the Board meetings to enable ample review time for the Board of Directors. A chat group had also been set up specifically for the Board, GMD, Financial Controller and Management to facilitate communication and the sharing of information. The Company has also implemented conference call and video conferencing facilities to enable Directors who are unable to attend meeting in person to also participate in Board and Board Committee Meetings. To ensure the efficient flow of information between the Board and Management, the decisions made at the Board meetings are circulated to the Directors and GMD within 48 working hours after the meetings. This also applies to the ARMC meetings. The proceedings of the Board and Board Committee meetings are minuted to reflect all deliberations and decisions made during the

	meetings. The minutes are prepared and circulated in a timely manner.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Practice 2.1
The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

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

Application	:	Applied
Explanation on application of the practice	:	The Board has adopted a Board Charter to promote standards of corporate governance and to clarify, among other things, the roles and responsibilities of the Board, Board Committees, individual Directors and Management. The Board periodically reviews the Board Charter to ensure it remains consistent with the Board's roles and responsibilities and in line with prevailing legislations and practices. The Board Charter is available on the Company's website at www.puc.com. <u>Roles and Responsibilities of the Board and Management</u> The Board of Directors is the ultimate decision-making body of the Group and plays a fundamental role in leading and overseeing the overall directions, vision, performance and affairs of the Group on behalf of the shareholders, except for matters that require the approval of shareholders. The Directors, individually or collectively, have a legal duty to act in the best interests of the Company fairly, honestly and diligently and in accordance with the duties and obligations set out in the Board Charter as well as applicable laws and regulations. The Board also serves as a panel providing effective leadership and guidance for setting the strategic direction and assessing the adequacy and integrity of the Group's internal control and risk management systems. The Board delegates the implementation and monitoring of these directions and control systems to Management, granting authority for the actual conduct of the business to the GMD, who, together with the Management team, is accountable to the Board. The Board has established a Limit of Authority ("**LoA**") that details matters specifically reserved for the Board's decision and those delegated to Management, including the relevant parameters. The operational authority limits delegated to Management incorporate segregation of duties and checks and balances. The LoA sets out the responsibilities and the approval limits for each party involved and is made available to all Directors. When

	necessary, the LoA is reviewed and updated to accommodate changes in the scope and activities of the Company's business and operations. The Board approves the LoA and any changes thereto. The Board makes every effort to ensure that the Company is properly managed and continuously improved to protect and enhance shareholders' value while meeting the Company's obligations to all parties with which it interacts. <u>Key matters reserved for the Board</u> Key matters reserved for the Board's approval include, among others, the quarterly financial results, audited financial statements, annual business plan, strategies and budget, significant transactions or expenditures, related party transactions, restructuring, the appointment of Director and Chairman/Member of Board Committees, the appointment of GMD, and the remuneration for Directors and the GMD.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

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

Practice 3.1
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 has established the Code of Conduct and Ethics ("**COCE**") for the Group and, together with Management, implements its policies and procedures, which include managing conflicts of interest and preventing the abuse of power, corruption, insider trading and money laundering. The COCE outlines the ethical and professional standards of corporate and individual behaviour expected of the Board, Management and employees of the Group. The COCE is available on the Company's website at www.puc.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Practice 3.2
The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	The Group has in place a Whistleblowing Policies and Procedures which serves as an internal disclosure channel for whistleblowing in the workplace, enabling employees to raise genuine concerns and disclose alleged, suspected or actual wrongdoings or known improper conduct on a confidential basis at the earliest opportunity and ensuring that employees can do so without fear of any form of victimisation, harassment, retribution or retaliation. This is in accordance with the Malaysian Whistleblower Protection Act 2010 and other similar laws prevailing in the countries where the subsidiary companies are located. The Whistleblowing Policies and Procedures is available on the Company's website at www.puc.com. All matters reported will be reviewed within a reasonable timeframe, and after due consideration and inquiry, a decision will be made on whether to proceed with a detailed investigation. Guidance or direction may be sought from the GMD and other appropriate parties. While all complaints received will be reported to the GMD, whistleblowing complaints alleging fraud and breaches of corporate governance will be escalated to the ARMC and the Chairman of the Board.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
The 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	:	PUC has established a Sustainability Committee comprising key members from various departments and backgrounds. The members of Sustainability Committee are tasked with overseeing all matters related to sustainability, both domestically and regionally. The Sustainability Committee is chaired by Mr. Cheong Chia Chou, GMD of PUC. The roles of the Sustainability Committee include: 1) Identifying material sustainability indicators for the Group; 2) Engaging with the Board to obtain feedback on sustainability concerns; 3) Engaging with stakeholders to maintain sustainability performance across the Group; and 4) Reporting on sustainability progress in terms of targets and achievements to the Board. The Board consistently considers sustainability when exercising its duties, including the development and implementation of the Company's strategies, business plans, major action plans and risk management processes. The strategic management of material sustainability matters is driven by Management.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
The 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	:	PUC's sustainability strategies, priorities, targets and performance against these targets are communicated to both internal and external stakeholders through the Company's Annual Report, meetings, announcements and website. PUC holds regular team meetings via online video calls and conferences. Additionally, PUC conducts employee engagement sessions from time to time to communicate updates on the Group's business direction and operation. PUC's stakeholder engagement table remains largely unchanged due to the enduring nature of the stakeholders' priorities. Please refer to the Sustainability Statement in PUC's Annual Report 2024, as well as website at www.puc.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
The 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	:	The Risk Management Policy and Framework establishes an ongoing process for identifying, evaluating and managing significant risks that could affect the achievement of the Group's corporate objectives. The Board regularly reviews performance against the established risk tolerance limits. The Board conducts quarterly reviews of the risk assessment and receives assurance from the GMD and the Financial Controller regarding risks that could threaten the business. Management has also implemented measures to mitigate risks and manage exposures within the acceptable levels defined by the risk tolerance limit approved by the Board. The Group is committed to continuously embed long-term sustainability by practising transparency, accountability and reliability in engaging with stakeholders for feedback and insights to address and prioritise material economic, environmental and social issues.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 4.4
Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	A detailed study is required to develop the criteria for performance evaluations of the Board and Management to address material sustainability risks and opportunities.	
		The Company does not have any alternative practice currently.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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 :	Adopted
Explanation on adoption of the practice :	PUC's Sustainability Committee is led by Mr. Cheong Chia Chou, the GMD of the Company. With the goal of ensuring PUC's long-term success and resilience, the Sustainability Committee focuses on managing sustainability strategically and integrating sustainability considerations into the Company's operation by setting clear goals and objectives, ensuring sustainability metrics are incorporated into decision-making processes, strategic planning and performance evaluations, encouraging company-wide culture that values sustainability and collaborating with industry peers that focus on sustainability to share knowledge, resources and best practices.

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	:	The NC conducts an annual assessment of the appropriateness and effectiveness of the Board's and Board Committees' composition, mix of skills, time commitment and experience of each Director. The NC has reviewed and assessed Directors for appointment and re-election, as well as the tenure of independent non-executive directors on merit based. The Directors' Fit and Proper Policy was adopted on 15 June 2022 and is available on the Company's website at www.puc.com.	
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 5.2
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 Board comprises nine (9) members, including six (6) Independent Non-Executive Directors, two (2) Non-Independent Non-Executive Directors and one (1) Executive Director, who also serves as the GMD. The present composition of the Board complies with Rule 15.02 of the AMLR, which requires at least two (2) Directors or one-third (1/3) of the Board members of a listed issuer, whichever is higher, to be Independent Directors, as well as at least one (1) female Director. The Independent Non-Executive Directors provide unbiased and independent views, ensuring that the strategies proposed by Management are fully deliberated and examined for the benefit of all stakeholders in the Group.	
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 5.3
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	:	PUC has revised its Board Charter to align with the MCCG by including Practice 5.3 of MCCG:- - The tenure of Independent Directors is capped at a cumulative period of nine (9) years. - Upon completion of the nine (9) 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. Mr. Liew Peng Chuen @ Liew Ah Choy ("**Mr. Liew**"), who has served on the Board for more than 10 years as an Independent Non-Executive Director of the Company, was deliberated at the NC Meeting held on 22 August 2024. The NC members were satisfied and recommended that Mr. Liew continue as an Independent Non-Executive Director despite his long service in the Company. His re-election to the Board will be subject to shareholders' approval at the forthcoming 26th Annual General Meeting ("**AGM**").
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.4 - Step Up

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

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	:	The Board acknowledges the importance of boardroom diversity in terms of age, gender, nationality, ethnicity and recognises the benefits of this diversity. The Board also recognises that having a range of different skills, backgrounds, experiences and diversity is essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance. The Board is of the view that whilst promoting boardroom diversity is essential, the normal selection criteria of a Director, based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board, should remain a priority. The Board from time to time undertakes a review of its composition to determine areas to strengthen and improve opportunities. Furthermore, the Company values diversity not only in the boardroom but also in the workplace, as it is an essential measure of good governance that critically contributes to a well-functioning organisation and sustainable development of the Company. The profiles of the Directors are set out in the Annual Report 2024.	
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	:	The NC, on behalf of the Board, acts as a key gatekeeper in ensuring the Board and Board Committees have the right balance of skills, experience, independence and knowledge to effectively discharge their duties and responsibilities. The Board is mindful of the need to maintain a balanced composition and diversity within the boardroom. The NC evaluates and assesses the qualifications, credentials, core competencies of potential candidates, considering the required mix of skills to demonstrate knowledge, expertise and experience, character, gender, age, ethnicity, professionalism, integrity, competencies, time commitment and other qualities. Thereafter, the NC recommends the new candidate to the Board for approval. In searching for potential candidates, the NC generally takes into account the Directors' or Management's recommendations or nomination by the major and substantial shareholders of the Company. The ToR of the NC does not preclude the use of professional recruitment firms to source suitable candidates for directorship or to seek independent professional advice whenever necessary. The profiles of shortlisted candidates shall be circulated to the NC members for consideration and assessment based upon and subject to the Directors' Fit and Proper Policy. Subsequently, the NC will provide a recommendation to the Board for approval.
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 5.7
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	:	When a Director is appointed or reappointed, the Company promptly announces the appointment or reappointment on the Bursa Malaysia Securities Berhad ("**Bursa Securities**") website. The profiles of all Directors are published in the Annual Report 2024, detailing their age, gender, date of appointment, qualifications, directorships in other public companies, working experience, any conflict of interest and their shareholdings in the Company, if any. The Board has provided a statement in the Annual Report 2024 regarding their recommendation for Directors who are retiring and standing for re-election at the upcoming 26th AGM.
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 5.8
The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">In accordance with Rule 15.08A of the AMLR concerning the governance of the NC, PUC's NC is composed entirely of Independent Non-Executive Directors with the committee chaired by an Independent Director.

Seated on the NC are:
<table>
<tr><th>Name</th><th>Designation and Directorship</th></tr>
<tr><td>Liew Peng Chuen @ Liew Ah Choy</td><td>Chairman, Independent Non-Executive Director</td></tr>
<tr><td>Raja Zafura Binti Raja Zain</td><td>Member, Independent Non-Executive Director</td></tr>
<tr><td>Hafez Mohd Hashim Bin Razman Md Hashim</td><td>Member, Independent Non-Executive Director</td></tr>
</table></td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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 currently has one (1) female Director and eight (8) male Directors. The Company is in compliance with Rule 15.02 (1)(b) of AMLR. The Board acknowledges the best practice outlined in the MCCG, which recommends that at least 30% of the Board be female. Although the Company does not yet meet this target, all decisions made by the Board are objective and in the best interests of the Company and shareholders, considering diverse perspectives and insights. The Board believes that it is important to retain the best available talent regardless of gender, ethnicity or age to maximise the effectiveness of the Board. Currently, the Board has one (1) female Director, Raja Zafura Binti Raja Zain. Her presence contributes to the Board's gender diversity, adding valuable perspectives and approaches to discussions.
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 5.10
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	:	PUC does not have a formal gender diversity policy for selecting new Board Members and does not have specific targets for female candidates in the workplace. However, the Board currently has one (1) female Director, Raja Zafura Binti Raja Zain. The gender diversity of the Board and the Key Senior Management are disclosed in the Sustainability Statement. The Board acknowledges the importance of gender diversity in the boardroom, as propounded by MCCG, and fully supports the inclusion of female candidates in the selection of new director and senior management. Nevertheless, the Board is guided by the principle that appointment of new Board members and senior management should be based on the candidates' expertise, competencies, experience and knowledge, rather than solely on gender.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
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.

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.		
Application	:	Applied
Explanation on application of the practice	:	The NC annually reviews the effectiveness and composition of the Board and Board Committees, as well as the performance of individual Directors. This evaluation requires individual Directors and Board Committee members to complete separate questionnaires aimed at assessing their effectiveness and identifying areas for improvement. The evaluation criteria are aligned with the Corporate Governance Guide issued by Bursa Securities, as well as the MCCG and AMLR. The evaluation questionnaires address the following areas:- • Board of Directors Assessment • Board Skills Matrix • Directors' Self and Peer Assessment • Independence Assessment of Independent Directors • Average Board Committee Assessment • Individual Board Committee Assessment The evaluation process also includes both peer and self-assessment, allowing Directors to evaluate their own performance alongside that of their peers. A summary of these assessments and any comments are compiled and discussed at the NC meeting. The NC then reports its findings to the Board at the Board meeting. All assessments and evaluations conducted by the NC in the discharge of its duties are properly documented.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure	:		
Timeframe	:		

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

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

Practice 7.1
The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The policies and procedures in determining the remuneration of Directors and Key Senior Management would be the prerogative of the Board through the RC and the Company's Human Resource department. In proposing the remuneration for Directors and Key Senior Management to the Board for approval, while ensuring the concerned Director abstains from the decision-making process, the RC promotes long-term decision-making and aims to minimise undue volatility in remuneration outcomes. The RC takes into account the responsibilities of the Directors including the GMD, as well as the pay and employment conditions of all our employees. Additionally, the RC considers corporate and individual performance, stakeholders' perspectives, general market conditions, the achievement of strategic goals, and both regional and global corporate performance. The RC also benchmarks against the remuneration practices of other comparable companies in terms positions, size and complexity for reference.
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	

Timeframe :		

Intended Outcome

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

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

Practice 7.2

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

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

<table>
<tr><td>Application :</td><td>Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td>The Company's RC comprises of all Independent Non-Executive Directors. The composition of the RC is as follows:-

<table><tr><th>Name</th><th>Designation and Directorship</th></tr><tr><td>Liew Peng Chuen @ Liew Ah Choy</td><td>Chairman, Independent Non-Executive Director</td></tr><tr><td>Raja Zafura Binti Raja Zain</td><td>Member, Independent Non-Executive Director</td></tr></table>
The Company has established a ToR which sets out the functions, powers, duties and responsibilities of the RC.

The ToR is available on the Company's website at www.puc.com.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td></td></tr>
<tr><td></td></tr>
<tr><td colspan="2">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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 Board believes in a competitive and transparent remuneration framework that is in line with Rule 9.25, Appendix 9C(12) of the AMLR. The details of the Directors' remuneration received and receivable from the Company and its subsidiaries for the financial year ended 30 June 2024 ("**FY2024**") are outlined in the table below and will be reported in the Annual Report 2024:

No	Name	Directorate	Company ('000)							Subsidiaries ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Datuk Oh Chong Peng	Independent Director	81.0	-	-	-	-	9.0	90.0	45.5	-	-	-	-	-	45.5
2	Liew Peng Chuen @ Liew Ah Choy	Independent Director	54.0	-	-	-	-	23.0	77.0	3.0	-	-	-	-	-	3.0
3	Raja Zafura Binti Raja Zain	Independent Director	54.0	-	-	-	-	10.0	64.0	-	-	-	-	-	-	-
4	Hafez Mohd Hashim Bin Razman Md Hashim	Independent Director	54.0	-	-	-	-	8.0	62.0	-	-	-	-	-	-	-
5	Fong Yew Meng	Independent Director	54.0	-	-	-	-	22.0	76.0	-	-	-	-	-	-	-
6	Ng Say Beng	Non-Executive Non-Independent Director	54.0	-	-	-	-	9.0	63.0	-	-	-	-	-	-	-
7	Dato Sri' Adnan Bin Wan Mamat	Non-Executive Non-Independent Director	54.0	-	-	-	-	8.0	62.0	-	-	-	-	-	-	-
8	Ooi Kah Hoe *(Appointed on 19 January 2023)*	Independent Director	52.3					10.0	62.3							
9	Leong Yien Hung *(appointed on 1 November 2023 and resigned on 29 January 2024)*	Non-Executive Non-Independent Director	8.8					2.0	10.8							
10	Cheong Chia Chou	Executive Director	-	-	594.0	-	-	4,197.50	4,791.50	-	-	-	-	-	-	-

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.

<table>
<tr><td>Application :</td><td colspan="2">Departure</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2"></td></tr>
<tr><td>Explanation for departure :</td><td colspan="2">The Board believes that disclosing the remuneration of the top five Key Senior Management on a named basis is inappropriate due to concerns about the sensitivity of remuneration package, privacy, security and the potential risk of staff poaching. Additionally, such disclosure is subject to the Personal Data Protection Act 2010.

The Group's Key Senior Management and their total remuneration from the Group are categorised into the various bands as follows:-
<table>
<tr><th>Amount</th><th>Number of Key Senior Management</th></tr>
<tr><td>RM350,000-RM400,000</td><td>1</td></tr>
<tr><td>RM600,000-RM650,000</td><td>1</td></tr>
</table></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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

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 Chairman of ARMC is not the Chairman of the Board. The ARMC is chaired by Mr. Fong Yew Meng, an Independent Non-Executive Director whereas the Chairman of the Board is Datuk Oh Chong Peng, the Independent Non-Executive Chairman of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.2
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 Board has not appointed any former key audit partner as a member of ARMC. Nonetheless, the Company has revised the ToR of the ARMC to observe a cooling-off period of at least three (3) years before a former key audit partner is permitted to be appointed as a ARMC member. The ToR of ARMC is available on Company's website at www.puc.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.3
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	:	To safeguard the quality and reliability of the Company's audited financial statements, the ARMC has put in place policies and procedures to assess the suitability, objectivity and independence as well as the performance of the Company's external auditors ("**External Auditors**"). The ARMC assesses the independence of the External Auditors based upon the criteria as set out by the International Federation of Accountants and the Malaysian Institute of Accountants. Furthermore, the ARMC had also received written assurance from the External Auditors confirming that they were, and had been, independent throughout the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up
The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	Currently, the ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors.

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 is assisted by the ARMC to oversee the Group's and Company's financial reporting process and the quality of financial reporting and ensuring that the financial statements comply with the provisions of the CA 2016 and the applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards in Malaysia. The ARMC comprises three (3) Independent Non-Executive Directors, all of whom possess a mix of skills, qualifications and experience. The Chairman and members of ARMC are financially literate. The Chairman of ARMC, Mr Fong Yew Meng is a fellow of the Institute of Chartered Accountants in England and Wales. He is a business manager with over 30 years' experience in financial derivatives in Singapore, Tokyo, London and New York. The ARMC has undertaken continuous professional development to keep themselves abreast with accounting standards, practices and rules. The performance of the ARMC is reviewed annually by the NC. The evaluation covers aspects such as the members' financial literacy levels, its quality and composition, skills and competencies and the conduct and administration of the ARMC meetings. Based on the evaluation, the NC concluded that the ARMC has been rated "strong" in its performance and has carried out its duties in accordance with its ToR during the FY2024.
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
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	:	The Board affirms its overall responsibilities for the Group's risk management framework and system of internal controls which include the establishment of an appropriate control environment and framework as well as reviewing its adequacy and effectiveness. The internal controls system and risk management framework have been applied to manage risks within cost levels appropriate to the significance of the risks. Accompanying these regular reviews and evaluations of internal controls system and risk management frameworks is a continuous process of identifying, evaluating and managing significant risks which are encountered by the Group. A Statement on Risk Management and Internal Control of the Group which provides an overview of the state of internal controls within the Group is set out in the Annual Report 2024.
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
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	:	A centralised risk management policy and strategy is established for the Group to provide a holistic and wide view on the risk and compliance management within the Group. Further information on the Group's risk management policy and strategy is presented in the Statement on Internal Control and Risk Management of the Annual Report 2024.	
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

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 Audit Committee was renamed as Audit and Risk Management Committee on 23 May 2018 to better reflect its role in supporting the Board with the Company's risk management matters. The ARMC comprises three (3) members, all of whom are Independent Non-Executive 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 :	The ARMC of the Company is responsible for monitoring and reviewing the effectiveness of the Group's internal audit function. The internal audit function is independent of the External Auditors and is outsourced to Governance Advisory.Com Sdn Bhd, who reports directly to the ARMC ("**Internal Auditor**"). The Internal Auditor attends and reports at the ARMC meetings on its work conducted as well as its findings, responses and recommendations. Further details of the internal audit activities are set out in the Statement on Risk Management and Internal Controls in the Annual Report 2024.	
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
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	:	The internal audit function was outsourced to an independent professional firm, GovernanceAdvisory.com Sdn Bhd, which adopts a risk-based methodology. The outsourced internal audit team consists of one (1) executive director, one (1) assistant manager and eight (8) senior consultants/consultants. The Head of Internal Audit, Mr Wong Tchen Cheg, is a Member of the Malaysian Institute of Accountant (MIA) and CPA Australia. The internal audit is carried out in accordance with the International Professional Practices Framework established by the Institute of Internal Auditors Global. A strategic and annual Internal Audit Planning Memorandum directs audit resources to significant risk areas, prioritising audits in areas assessed as having potentially higher risks for effective governance, risk management and internal control. Where applicable, examinations are conducted on policies, manuals and standards governing the activities, processes, and systems, along with an analysis of the data contained in the accounting and management information systems, while Key Senior Management are interviewed. The internal audit personnel are free from any relationships or conflicts of interest that could impair their objectivity and independence.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	

Timeframe :		

Intended Outcome
There is 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 :	PUC continues to engage with stakeholders and address their needs and expectations, taking into consideration their viewpoints to provide new perspectives that generate positive impact for the Company. The Company's key stakeholder groups are identified based on their significance and potential impact on our business. PUC strives to maintain an open and transparent channel of communication with its stakeholders, aiming to provide updated and accurate information about the Group. Regular stakeholders' engagement may occur through:- (i) periodic release of financial results via announcement on the website of Bursa Securities; (ii) notices of AGM / Extraordinary General Meeting via Bursa Securities' website or the Company's website / press media; (iii) Annual Reports; (iv) social media platforms; and (v) press releases.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
There is 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	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 13.1
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 AGM and Form of Proxy are given to the Company's shareholders at least twenty-eight (28) days prior to the AGM. Each item of the special business included in the Notice of AGM is accompanied by an explanatory statement on the proposed resolution. This statement is designed to facilitate a better understanding and evaluation of the issues involved, thereby empowering shareholders to make informed decisions. By ensuring that shareholders receive adequate notice and detailed explanations, the Company reinforces its commitment to transparency and effective communication. This practice not only fosters shareholder engagement but also aligns with best governance practices, enabling stakeholders to evaluate the implications of the proposed resolutions thoroughly.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

Practice 13.2
All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application :	Applied	
Explanation on application of the practice :	All Board members, Board Committees, Management, Company Secretaries and External Auditors are committed to attending and participating in all General Meetings unless unforeseen circumstances inevitably render them unable to attend. The Chairman recognises that General Meetings are important forums for the Board to engage with shareholders and views them as opportunities to enhance real-time, two-way communication. Central to this approach is the principle of encouraging effective shareholders participation by allowing sufficient time for the question-and-answer session. The Board and its Committees will work together with the Management to ensure that the dates of General Meetings are set to accommodate all parties. All members of the Board attended the 25th AGM fully virtually in year 2023.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

Practice 13.3
Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied	
Explanation on application of the practice	:	There are no qualifications regarding the appointment of proxies. Notice was served with ample time for shareholders to articulate the rationale and justification for each proposed resolution. General Meetings were conducted virtually, allowing greater flexibility for shareholders to participate remotely. In the event the shareholders are unable to attend the General Meeting, entitled shareholders are allowed to appoint proxy or proxies to attend and vote on their behalf. The Company and the virtual meeting service provider take all necessary steps to ensure that the virtual meetings run smoothly. This includes implementing strong cyber hygiene practices, such as data privacy and security measures, to prevent cyber threats.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 13.4
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.

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.		
Application	:	Applied
Explanation on application of the practice	:	The 25th AGM was conducted fully virtually. The Company issued the Annual Report 2022 together with administrative notes that provided guidance on conducting the fully virtual meeting on 26 June 2023. Shareholders were allowed to submit their questions via email before the 25th AGM or during the meeting in real time via the Webinar platform. The meeting allocated sufficient time for shareholders to pose their questions, and Key Senior Management responded accordingly. Questions posted by shareholders were addressed by Key Senior Management. The responses to the questions were then published on the Company's website at www.puc.com.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

Practice 13.5
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.

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.		
Application	:	Applied
Explanation on application of the practice	:	The Company and the Board consistently ensure that the conduct of virtual general meetings facilitates meaningful engagement between the Board, Key Senior Management and shareholders. This includes implementing the necessary infrastructure and tools to support, among other things, a smooth broadcast of the general meetings and interactive participation by shareholders. Shareholders were allowed to submit their questions via email prior to the AGM or during the meeting in real time via the Webinar platform. Shareholders were allocated sufficient time to pose their questions, all of which were displayed at the chat box during the virtual meeting The responses to the questions were subsequently published on the Company's website at www.puc.com.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

Practice 13.6
Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.			
Application	:	Applied	
Explanation on application of the practice	:	The Company is in compliance with the Rule 9.21(2) of the AMLR, which requires a summary of the key matters discussed at the AGM to be published on the Company's website as soon as practicable. The minutes of the general meetings were uploaded on PUC's website at www.puc.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT 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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