

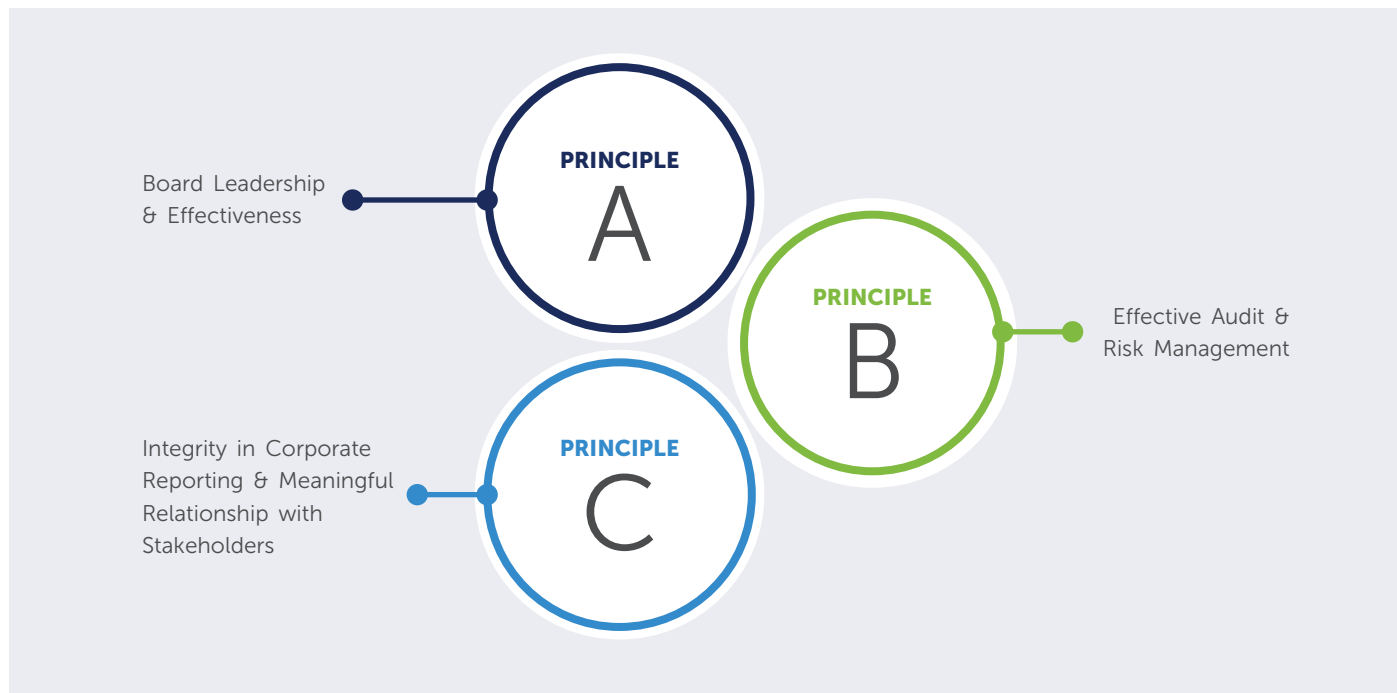
Corporate Governance Overview Statement

As the global advances towards practicing good corporate governance, we believe that corporate governance has formed a framework of principles, criteria and procedures which the Company can adopt to achieve its organisational discipline and enhance accountability, transparency and fairness. A sound corporate governance practice is crucial to enhance shareholders’ value, instilling business integrity, increasing investors’ confidence and to achieve the corporate objectives and vision of Malakoff Corporation Berhad (“**Malakoff**” or “**Company**”) and its subsidiaries (collectively referred to as “**Malakoff Group**” or “**Group**”).

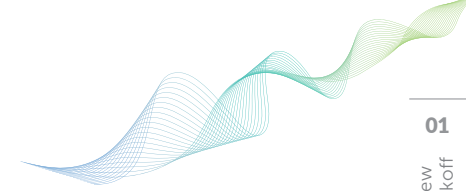
The Board is committed to ensuring that the Group’s Corporate Governance Framework complies with the requirements and guidelines under Companies Act 2016 (“**Act**”), Malaysian Code on Corporate Governance 2021 (“**MCCG 2021**”) and the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”).

The Board oversees the execution of the management’s functions and constantly strives to improve the Group’s long-term interests by upholding its four corporate governance pillars namely, ethical behaviour, accountability, transparency and sustainability. The Board is fully committed to apply the highest possible standard of corporate governance.

The Board is pleased to present this Corporate Governance (“**CG**”) Overview Statement for the financial year ended 31 December 2022 based on the following principles of MCCG 2021:



The CG Overview Statement shall be read together with the CG Report 2022, available on the Company’s website at www.malakoff.com.my.



CORPORATE GOVERNANCE FRAMEWORK

Amidst the challenging global business environment during the past few years, the Board strives to strengthen the Group’s corporate governance practices and processes to meet increasingly operational challenges. The Board is strongly committed to ensuring that the Group’s systems, procedures and practices reflect the highest standards of corporate governance.

To this end, the Board resolutely ensures that it demonstrates effective leadership and promotes unequivocally high ethical standards in its decision-making process.

The Board believes that sound and effective corporate governance practices are fundamental to the smooth, effective and transparent operation of Malakoff and its ability to reap investor confidence, protect the rights of shareholders and unleash the shareholders’ value.

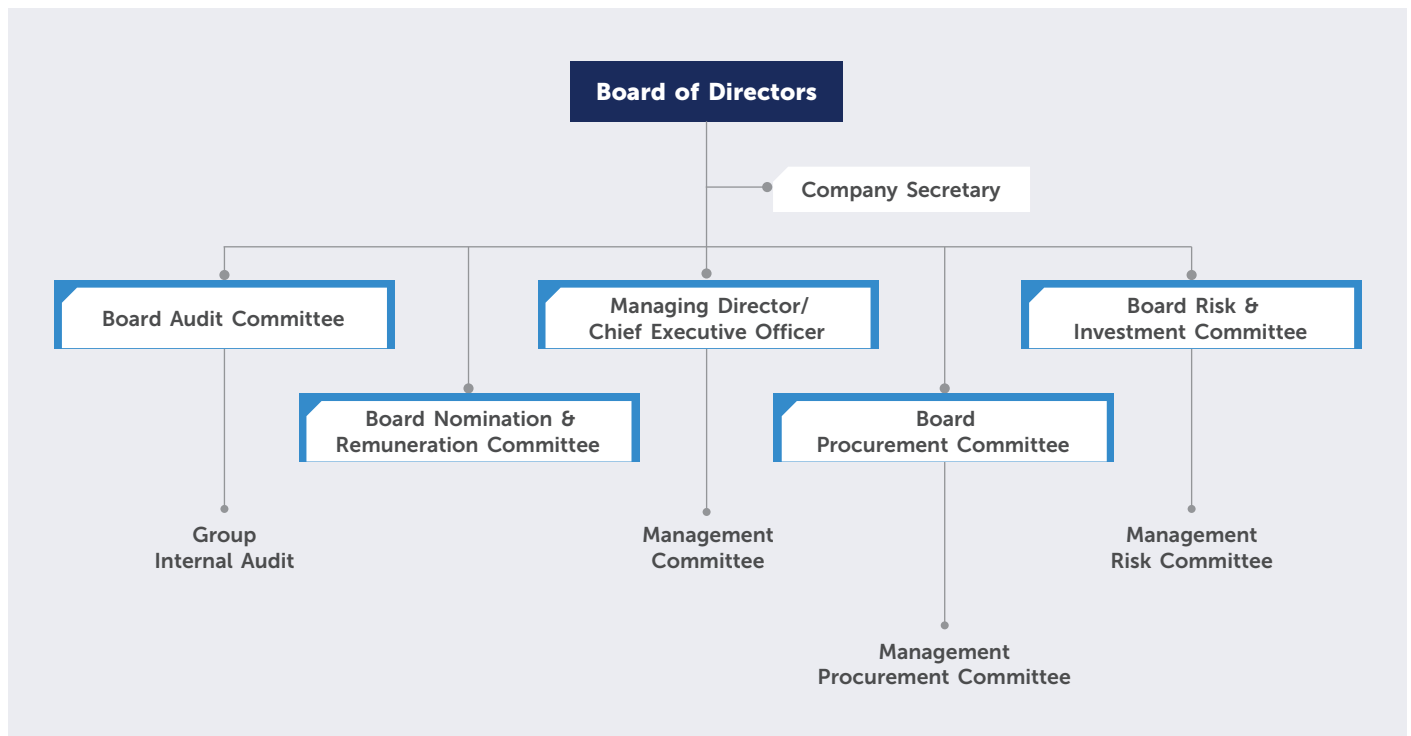
The Board embraces transparency and accountability in the boardroom and promotes these critical components of governance throughout Malakoff.

Malakoff has a well-defined and well-structured corporate governance framework in place to support the Board’s aim of achieving long-term and sustainable value, as well as fostering a culture that values ethical behaviour, integrity and accountability.

The Board discharges its responsibilities within a defined governance framework and robust mechanisms in place. The Board retains ultimate accountability and responsibility over the performance and affairs of the Company and ensures the Group adheres to the standards of ethical behaviour.

Accordingly, Malakoff’s governance structure ensures role clarity by demarcating roles and areas of accountability and recognises the independent roles and duties required to effectively govern the Company. The governance structure aims to promote strategic alignment across the Group whilst facilitating effective decision-making at all times. It shows the governance oversight role of the Board, the various components of governance that facilitate the interaction and flow between them.

The following describes Malakoff’s governance structure, an overview of the key committees of the Board and other management committees.



Corporate Governance Overview Statement

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities and Charter

The Board is entrusted with the responsibility to promote the success of the Group by directing and supervising the affairs of the Group in a responsible and effective manner. As the main role of the Board, it has always placed its focus on directing and overseeing the management of Malakoff's business and affairs with the goal of achieving long-term success and delivering sustainable value to its stakeholders. This includes setting the Company's strategic direction, monitoring Management's strategies execution and financial performance, and making major policy decisions.

The duties and responsibilities of the Board are as follows:

- review and adopt the overall strategic plans and programmes for the Company and the Group;
- oversee and evaluate the conduct of business of the Company and the Group;
- review and ensure that any transaction entered into with a related party is fair, reasonable and not to the detriment of minority shareholders;
- identify principal risks and ensure implementation of a proper risk management system to manage such risks;
- establish a succession plan;
- develop and implement shareholders communication policy for the Company;
- review the adequacy and the integrity of the management information and internal control system of the Company and the Group; and
- promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour.

Malakoff is led by a Board whose directors are collectively responsible for creating and delivering long-term sustainable value for the business. A pivotal responsibility of the Board is to balance the interests of the Group and its stakeholders including employees as well as communities it serves.

Good corporate governance is crucial to sustain the Group in the long-term through the changing regulatory and market environment. The Board views corporate governance as an integral part of the Group's business strategy. Through prudent and effective controls, the Board continuously assesses and manages emerging risks and opportunities in ensuring long-term sustainable development and growth.

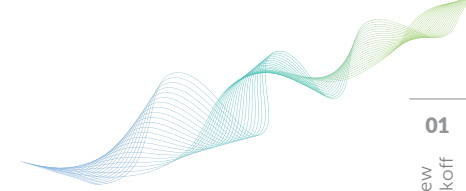
The Board members are aware of their collective and individual responsibilities to all shareholders for the manner in which the affairs of the Company are managed, controlled and operated. The Board is satisfied that it has fulfilled these duties and obligations during the year under review of which each Director has devoted sufficient time to effectively discharge his/her responsibilities.

The current composition of the Board has a blend of skills, experience and knowledge enabling them to provide effective oversight, strategic guidance and constructive challenge in examining, reviewing and deciding on Management's proposals. The Managing Director/Chief Executive Officer ("**MD/CEO**") of the Company is empowered to implement strategies approved by the Board.

The Board Charter defines the Board's roles and responsibilities, the principles for Board's operation, Board's evaluation and remuneration, code of conduct and ethics and matters reserved for the Board. During FY2022, the Board had adopted a Fit and Proper Policy to enhance Board quality in the appointment and re-election of Directors of the Company. The Board Charter and Fit and Proper Policy are accessible through the Company's website at <https://www.malakoff.com.my/corporate-governance>.

The Board reviews the Board Charter as required to ensure its relevance to the Company's operating environment and compliance with rules and regulations.

The Limits of Authority ("**LOA**") is a Group policy that specifies the authority limits for the Board, Board Committees, Management Committee, MD/CEO and Senior Management to facilitate compliance with good corporate governance principles. The Board retains the overall management and control of the Group's business and affairs. The Board may, if necessary, revise the LOA to reflect the changes in the Group's operating environment. The LOA had been reviewed a few times and the last update was in November 2018.



Code of Conduct and Ethics

The Board establishes a code of conduct and ethics for the Group, and together with Management implements its policies and procedures which include among others managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct of Malakoff is published on the Company's website at <https://www.malakoff.com.my/corporate-governance>.

Whistleblowing Policy

The Company's Whistleblowing Policy provides employees and third parties with proper avenue and procedures to disclose cases of improper conduct such as criminal offences, fraud, corruption, non-compliance to laws and regulations, breach of Group policies and Code of Conduct or other malpractices without fear of reprisal.

A whistle-blower is assured confidentiality of identity and this includes protecting the whistle-blowers from detrimental actions within the Company, to the extent that is reasonably practicable, that may result from the disclosure of improper conduct, provided that the disclosure is made in good faith. The Whistleblowing Policy is also to ensure that fair treatment is provided to both the whistle-blower and the alleged wrongdoer upon disclosure of improper conduct.

Disclosure of improper conduct can be made verbally or in writing to the Chairman of the Board Audit Committee and the Chief Internal Auditor via a letter or e-mail to whistleblowing@malakoff.com.my.

The salient terms of the Whistleblowing Policy are available on the Company's website at <https://www.malakoff.com.my/corporate-governance>.

Roles and Responsibilities between the Chairman and the MD/CEO

The roles and responsibilities of the Chairman and MD/CEO are separated and clearly defined in the Board Charter. The Chairman is in charge of the Board's leadership and is instrumental in creating the necessary conditions for open communication/discussion or information sharing both inside and outside the boardroom. The Chairman promotes and supervises the highest levels of corporate governance within the Board and the Company.

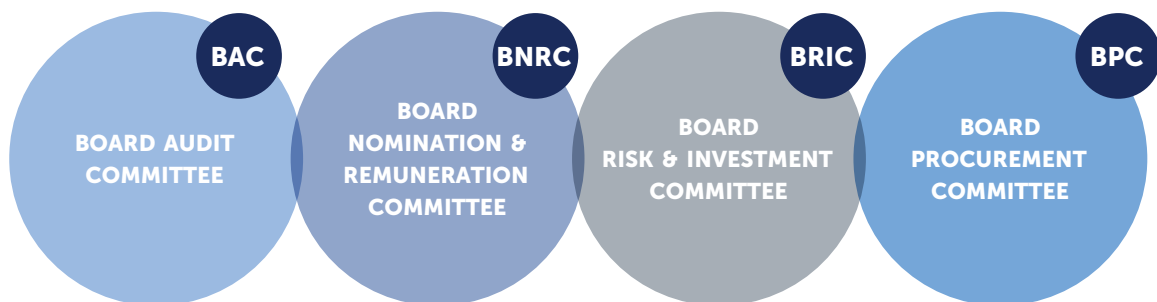
The MD/CEO is in charge of the day-to-day operations of the Company in line with the Board's approved strategies and objectives.

Board Committees

Board Committees are formed to oversee specific tasks for which the Board is responsible, within its defined terms of reference ("TOR"). This ensures that the Board members can spend time efficiently to deliberate specific issues after the Board Committees' review.

In delegating its authority to Board Committees, the Board does not abdicate its responsibility and has exercised collective oversight at all times. The Board further ensures that its delegation does not hinder or reduce its ability to discharge its functions.

The Chairman of each Board Committee reports to the Board on the deliberations, discussions and outcome of their respective committee meetings. There are four Board Committees established by the Board with its respective functions and authorities stated in the relevant TOR of the Board Committees that are available at www.malakoff.com.my.



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Board Audit Committee (“BAC”)

The BAC assists the Board in carrying out its statutory and fiduciary responsibilities with regards to the monitoring and management of financial risk processes, accounting practices, internal control system, and the Group’s management and financial reporting practices. To accomplish this, the BAC oversees the reports of external and internal auditors, protects the integrity of financial reporting and ensures a sound system of internal controls to protect and enhance the Company’s value.

Details of BAC activities are reported in the BAC Report on pages 160 to 164.

Board Nomination & Remuneration Committee (“BNRC”)

The BNRC is responsible for the following activities within its defined TOR:

- a) overseeing the nomination and selection of Board members and Senior Management;
- b) assessing and monitoring the Board’s composition and effectiveness;
- c) undertaking development needs and succession planning initiatives; and
- d) recommending and reviewing policies, remuneration structure for the Board and the Group as a whole.

The BNRC reviews the composition of the Board periodically especially on the application of best practices under MCCG 2021. The tenure of each director is reviewed by BNRC and annual re-election of director(s) is contingent upon satisfactory evaluation of the directors’ performance and contribution to the Board. As for the remuneration structure and review of the Board and Senior Management, a detailed description is provided in the “Remuneration Section” of this CG Overview Statement.

Board Risk & Investment Committee (“BRIC”)

The BRIC assists the Board in ensuring the implementation of effective risk management processes to manage the overall risk exposure for the Group. It is also responsible to review and recommend to the Board any major investments, which may include the acquisition and divestment of businesses, companies, land and buildings, bidding for binding

tenders and contracts for new power generation, water desalination and waste management services projects, and assessing the key associated risks. This includes funding options and costs as well as the investment returns to the Company/Group.

Board Procurement Committee (“BPC”)

The BPC functions within its delegated authority and TOR, assists the Board in reviewing the Group’s procurement proposals and tenders to ensure that due attention is given in screening through the procurement proposals and the processes/procedures before the award of contract is recommended or approved for the Management’s action.

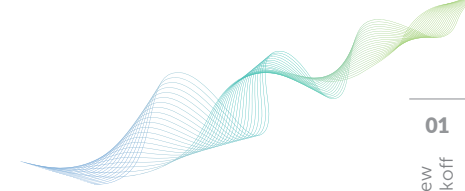
Company Secretaries

The Board is supported by the Company Secretaries who are qualified under the Act. The Company Secretaries’ advice and services are available to the Board at any time and without restriction. The Company Secretaries assist the Board in its leadership role, fiduciary duties and governance stewardship. The Company Secretaries advise the Board on corporate governance related matters, the Board’s policies and procedures and ensure the Board complies with the relevant rules and regulatory requirements as well as updates issued by the relevant regulatory authorities from time to time.

Board Meetings

The Board practices a culture of open debate and raises challenging questions at meetings. Directors are impartial in their views, with the Company’s and stakeholders’ best interests at the forefront of every major decision. The robust and vigorous deliberations at Board and Board Committee meetings provide opportunities to all Directors to participate and contribute to the decision-making process as well as to ensure that the process of constructive and healthy dialogue is achieved.

Directors are aware of their obligations to immediately declare their interests in any transaction to be entered directly or indirectly with the Company. They must disclose the extent and nature of their interests in the transaction(s) at a Board meeting or as soon as the Directors become aware of the conflict of interest. The interested Directors must abstain from participating in the deliberation and Board decision on the matter.



Meeting Attendance

The Directors' commitment in carrying out their duties and responsibilities is reflected by their attendance at the Board and Board Committee meetings held during the year under review. The Board is satisfied that each director has devoted sufficient time to effectively discharge his/her responsibilities.

During the financial year under review, the Board met twelve times, five of which are scheduled meetings and balance seven are on ad hoc basis to consider urgent matters or proposals. Details of the Board members' attendance are summarised below:

Directors	Designation	Total Meetings Attended
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali	Independent Non-Executive Chairman	12/12
Anwar Syahrin Abdul Ajib	Managing Director/Chief Executive Officer	12/12
Tan Sri Che Khalib Mohamad Noh	Non-Independent Non-Executive Director	12/12
Datuk Dr. Syed Muhamad Syed Abdul Kadir	Independent Non-Executive Director	12/12
Datuk Ooi Teik Huat	Non-Independent Non-Executive Director	12/12
Datuk Idris Abdullah	Independent Non-Executive Director	12/12
Datuk Rozimi Remeli	Independent Non-Executive Director	12/12
Dato' Mohd Naim Daruwish	Non-Independent Non-Executive Director	12/12
Dr. Norida Abdul Rahman (Appointed on 1 August 2022)	Independent Non-Executive Director	5/5

All Directors recorded full attendance to Board meetings held during the year and hence, complied with the minimum attendance requirement of at least 50% of the Board meetings pursuant to Paragraph 15.05(3)(c) of the MMLR of Bursa Malaysia.

The Board is committed to meet at least four times a year after the end of each financial quarter where the unaudited quarterly results would be reviewed and approved before being released to Bursa Malaysia. Meeting dates for the whole year are scheduled in advance and the calendar for the Board and Board Committees' meetings is circulated to the Directors before the commencement of each financial year to enable the Directors to plan their schedule in advance.

Supply and Access to Information

Board papers are circulated to all Directors via a collaborative meeting software which allows the Board to securely access, read and review the Board/Committees documents. In addition, the usage of software eases the process of distribution of Board papers physically and minimises leakage of sensitive information. Every effort is made to ensure timely circulation of notices, agenda and meeting materials to the Board to enable the Directors to have sufficient time

to prepare themselves for Board meetings and to facilitate effective Board discussion.

The Directors have direct access to the Management and unrestricted access to any information relating to the Group to enable them to discharge their duties. The Directors also have direct access to the advice and services of the Company Secretaries. The Directors, whether collectively as a Board or in their individual capacity, may seek independent professional advice at Malakoff's expense in the discharge of their duties.

Presentations to the Board are prepared and delivered in a manner that ensures clear and adequate understanding of the subject matter. If there is any urgent matter or additional document not delivered within the reasonable timeframe, Management will explain the subject matter at the meeting.

The minutes of meetings accurately reflect the deliberations and decisions of the Board, including any dissenting views and Directors' interests in any transaction with the Group who have abstained from deliberating and voting on a particular matter. The minutes of meetings are circulated to the Board for review before the same are confirmed at the next Board meeting.

Corporate Governance Overview Statement

The Board's 2022 Key Focus Areas and Priorities

The table below shows the key areas of focus for the Board which appear as items on the agenda of the Board meetings during the year under review.

STRATEGY

- attended the annual strategy engagement session with Management for the Group's 5-year business plan from 2023 to 2027.
- quarterly update on business development initiatives approved under the business plan, its progress and challenges.

FINANCIAL OVERSIGHT & REPORTING

- annual budget and capital/operation expenditure plan of the Group for financial year 2023.
- the Group's quarterly interim financial results.
- the Group's tenders and procurements in accordance with LOA and internal policies and procedures of the Group.

RISK, COMPLIANCE AND OVERSIGHT

Reviewed, deliberated and/or endorsed/approved the following reports and proposal papers:

- action plans to mitigate significant strategic and operational risks faced by the Group on quarterly basis;
- quarterly reports of the Group's safety performance for the Group's local operating assets;
- internal audit reports from the BAC;
- quarterly reports of the related party transactions and recurrent related party transactions ("RRPTs") to ensure that the transactions entered by Malakoff Group with related parties are fair, reasonable and not detrimental to the minority shareholders' interest;
- renewal of shareholders' mandate for RRPTs of a revenue or trading nature;
- the adequacy and the integrity of the Management information and internal control systems of the Company and the Group;
- the Group's compliance with the relevant laws and regulation as well as Malakoff's internal policies and procedures including the Companies' Constitution; and
- the revised Whistleblowing Policy to be consistent and aligned with the Anti-Bribery Management System and Anti-Bribery Policy of the Company.

BOARD PERFORMANCE AND COMPOSITION

- annual Board assessment to evaluate the performance of the Board, Board Committees and the individual directors.
- monitored the attendance of Directors for trainings, seminars and workshops to keep themselves abreast with recent development of laws, regulations and the industry.
- reviewed the composition of the Board and Board Committees and key subsidiaries.

LEADERSHIP EVALUATION & SELECTION

Reviewed, deliberated, oversaw and/or endorsed/approved the following activities:

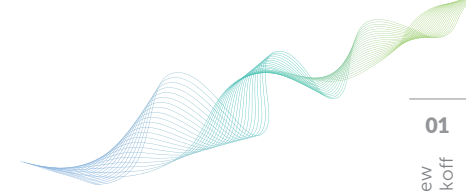
- setting of Corporate Key Performance Indicators ("KPIs") upon the approval of the business plan for 2023;
- achievement of the Corporate KPIs for the performance against KPIs for 2022; and
- determination of bonus and salary increment for the MD/CEO and Senior Management team.

SUCCESSION PLANNING

- succession planning for the MD/CEO, Senior Management team and other key positions of the Company and key subsidiaries.
- reviewed and evaluated the calibre and suitability of candidate(s) to be nominated to the Board of the Company, key subsidiaries and associate companies.
- reviewed Talent Management and Development initiatives.

SUSTAINABILITY AND ENVIRONMENTAL, SOCIAL & GOVERNANCE

- reviewed Environmental, Social and Governance matters.
- reviewed and monitored the Group's corporate social responsibilities ("CSR") and related activities to promote CSR.
- reviewed and considered the social and environmental impact of the Group's activities and operations and monitor the compliance with the Group's sustainability responsibilities and the relevant regulatory requirements.



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Sustainability

The Board together with Management are responsible for the governance of sustainability in the Company including setting the Company’s sustainability strategies, priorities and targets. The Board has considered sustainability matters when exercising its duties including, among others, the development and implementation of the Group’s strategies, business plans, major action plan and risk management.

Strategic management of material sustainability matters are being driven and managed on a day-to-day basis by the Senior Management.

The Board has established a plan in communicating the Group’s sustainability strategies, priorities and targets as well as performance against these targets to its internal and external stakeholders. This plan includes annual disclosures of material sustainability matters which is included in page 62 of this Integrated Annual Report.

The Board recognises the importance of sustainability and has taken action to improve its sustainability framework. At this point of time, the Board is initiating the following improvement plan for the following CG practices:

Practice No.	MCCG Practice Description	Malakoff Group’s Actions
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.	<p>To ensure the Board is equipped and ready to execute its role, the Board will identify the professional development needs concerning sustainability and ensure these are addressed.</p> <p>The Board is evaluating its composition and its skills matrix to strengthen board leadership and oversight of sustainability issues.</p>
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.	Malakoff’s Corporate KPIs include key Environmental, Social & Governance (“ESG”) metrics since 2022. We have further enhanced our ESG metrics to include emissions intensity reduction, recycling rate, Lost Time Injury Frequency Rate (“LTIFR”), statutory & regulatory compliance and anti-bribery awareness. The Group has established a Sustainability Framework and is currently evaluating key sustainability targets as part of the Company’s efforts to address sustainability risks and opportunities.

The Group’s business and sustainability goals are aligned through our Sustainability Framework for sharper focus to create value for critical areas involving our stakeholders and business. The sustainability goals will drive Malakoff’s sustainability performance throughout our business and strengthen the Group’s commitment to creating long-term value for our stakeholders.

We incorporate environmental considerations in the Group’s business strategy to maintain the Group’s long-term competitive performance while safeguarding the environment and related communities. Integrating these considerations implies the Group’s operation in an ethical and responsible manner that provides reasonable assurance of its long-term financial viability.

As a sustainably conscious organisation, Malakoff takes a three-pronged holistic approach towards sustainability. Our approach of embedding the triple bottom line into business operations, objectives and goals ensures that the Group will remain relevant in the longer term.

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The heightened materiality of sustainability to the business requires the Board to factor in sustainability components, risks and opportunities into its strategies at all times. The Board together with Management take responsibility in the establishment of the Company's sustainability agenda and road map. Robust processes, controls and governance are in place to ensure transparent disclosures. There is greater Board oversight of ESG issues and greater accountability on matters pertaining to ESG.

The strategy and long-term vision are underpinned by the Company's commitment to contribute to the greater good of our people and planet through responsible business practices and 13 out of 17 Sustainable Development Goals (SDGs) of the 2030 Agenda. As a leading player in the power and environmental services sector, the Group will continue to support the government's initiatives in achieving the Nationally Determined Contributions ("NDCs") submitted to the United Nations Framework Convention on Climate Change ("UNFCCC") and towards being a carbon neutral nation by 2050.

The Sustainability Framework defines primarily, the implementation of our sustainability strategy across the Group's business and our commitment to environmental responsibility with carefully considered goals, programmes and business partners. Integrating ESG impacts involve amongst others, mitigating climate change risks, managing our facilities and conducting our business activities to minimise environmental impact.

The Board acknowledges that the Company's financial outcomes are linked to our ability to manage ESG risks and opportunities as much as we recognise that an inclusive society build on human dignity and the responsible use of human capital is essential for all of us to thrive.

The well-being of customers, employees and other stakeholders as well as the environment is crucial to sustaining the Company's long-term performance and continued relevance. The Board considers the integration of ESG factors as a component of the Board's fiduciary responsibility, and accountable therefore to the oversight and management of sustainability.

The Sustainability Report for 2022 sets out Malakoff's commitment to improving the Group's sustainability practices so that we are more competitive, resilient and adaptable to change. The Report details the scope of our sustainability reporting and sustainability framework for the year under review.

II. Board Composition

Independent Non-Executive Directors ("INED")

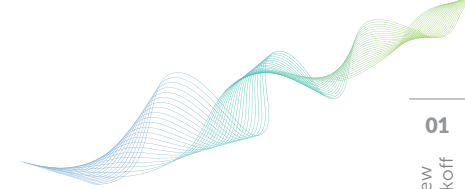
During the year under review, the Board comprises nine directors with eight non-executive directors ("NED") and an executive director who is the MD/CEO of the Company. Five out of the eight NEDs are INED and the remaining three are non-independent non-executive directors ("NINED"). One additional INED joined the Company on 1 March 2023. In this respect, the Company has fulfilled Practice 5.2 of MCGG 2021 for Large Companies to have a majority of independent directors ("ID"). With the current Board composition of more than 50% IDs on the Board, it has also met the MMLR of Bursa Malaysia.

The Board composition includes directors with various backgrounds, credentials, experience, knowledge and skills. This enables the Board to provide insights, perspectives and independent judgement to lead and steer the Group's business.

Whilst it is important to promote diversity, the normal selection criteria of a director based on an effective blend of competencies, skills, experience and knowledge in areas identified by the Board remain a priority. The Board is committed to ensure that its composition not only reflects diversity, but will also have the right mix of skills and balance to contribute to the achievement of the Company's goals and objectives. The Board believes that the Board size is optimal in terms of number, diversity and length of service/experience. This Board composition is able to support objective and independent deliberation, review and decision-making to allow for a more effective oversight of Management.

The Board acknowledges that NEDs may hold external directorships and other business interests. The Board reviews the declarations made by Directors on the number and nature of their external directorships. The Board has in place a set of procedures for Directors' compliance/declaration of their potential external Board appointment to ensure that there is no potential conflict in the pending appointment.

The Board recognises the important contributions that INEDs made to good corporate governance. Board decisions are made taking into account the views of the INEDs as they carry substantial weight in ensuring that strategies proposed by Management are deliberated and examined for the best interests of the shareholders and stakeholders.



The Board, save for the INEDs, has determined that the IDs have fulfilled the criteria under the definition of an ID as stated in the MMLR of Bursa Malaysia and are able to maintain their independent and objective judgements, and contribute positively to the business strategies, operations and corporate governance of the Company and the Group.

Tenure of Independent Directors ("ID")

Under the Company's Policy on INED Tenure, the tenure of IDs is limited to nine years with a provision for re-appointment subject to annual shareholders' approval up to twelve years of service. On the Board assessment carried out for 2022, the Board was satisfied that the length of service of IDs does not impair independent and objective judgement to be exercised by the IDs and for them to discharge their fiduciary duties in the best interests of the Company and the Group.

The cumulative term of service of each ID for FY2022 is summarised below:

Name of Independent Directors	Year(s) of Service (Approximate)
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali	1
Datuk Rozimi Remeli	6
Dr. Norida Abdul Rahman (appointed on 1 August 2022)	0.4
Datuk Dr. Syed Muhamad Syed Abdul Kadir*	10
Datuk Idris Abdullah*	10

* Two INEDs of the Company will retire in accordance with the Board's 9-year policy and will retain office until the conclusion of the 17th Annual General Meeting of the Company.

Boardroom Diversity

Malakoff recognises the importance of diverse background, experience, age, gender and race of its Directors that would reinforce the Company in maintaining a compelling competitive advantage. These divergences allow for difference in opinion and perspectives and offer all options to be deliberated before decisions are made. These distinctions are considered when deciding on the Board composition. The Company's Board Diversity Policy outlines the approach to diversity on the Board including gender, age and ethnic diversity.

The criteria, process and requirements to be observed by the BNRC and the Board in carrying out their responsibilities on nomination, assessment and re-election of Director(s) are outlined in the TOR of BNRC. During the year under review, the BNRC had identified and assessed the suitability of a woman candidate to be appointed on the Board. Upon the Board's deliberation, Dr. Norida Abdul Rahman was appointed as the INED of the Company on 1 August 2022. With the appointment of Dr. Norida Abdul Rahman on the Board, the Company complies with the MMLR of Bursa Malaysia which require at least one woman director to be appointed for the Company. As an continuous effort, the BNRC will source for additional woman directors to be appointed on the Board of Malakoff.

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A summary of Board composition by category, age, gender and race/ethnicity is provided below:

Gender



Age



Race/Ethnicity

Malay



Chinese



Indian



Others



Skills and Experience

Accounting



Business Administration/Economics

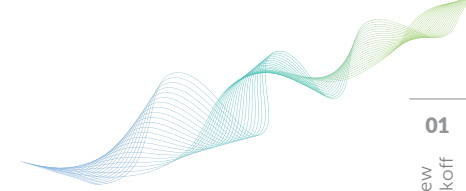


Legal



Energy/Technical





The Senior Management's gender, age and race/ethnicity statistic is also provided below:

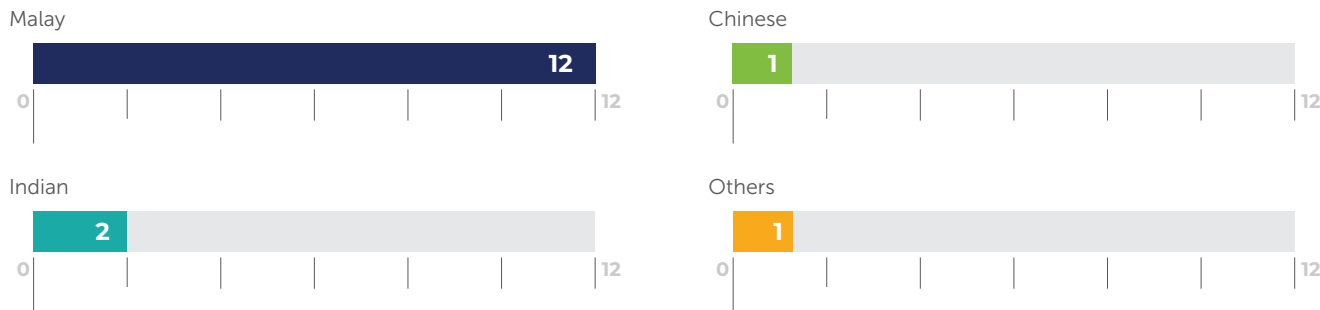
Gender



Age



Race/Ethnicity



The Board discloses in its Board Charter on gender diversity for the Board and gender diversity for Senior Management in this Integrated Annual Report.

The Board Diversity Policy of Malakoff is also made available at <https://www.malakoff.com.my/corporate-governance>.

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Appointment of Directors

Appointment of directors 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 board of non-listed companies.

In identifying candidates for appointment of directors, the Board does not solely rely on recommendations from existing directors, management or major shareholders. The Board will utilise independent sources to identify suitably qualified candidates as and when requires. If the selection of candidates is based on recommendations made by existing directors, management or major shareholders, the BNRC will assess and provide justification on the basis of the recommendation.

The Board ensures shareholders have the information they require to make an informed decision on the re-election and re-appointment of director(s). This includes details of any interest, position or relationship that might influence or reasonably be perceived to influence, in a material respect of their capacity to bring an independent judgement to bear on issues before the Board, and to act in the best interests of the Company as a whole.

Re-election and Re-appointment of Directors

In accordance with Article 105 of the Company's Constitution, one-third of the Directors for the time being shall retire by rotation at an annual general meeting ("AGM") of the Company provided always that all Directors shall retire from office at least once in every three years and be eligible for re-election at the AGM. A Director retiring at the AGM shall retain office until the close of the meeting whether adjourned or not.

In accordance with Article 111 of the Company's Constitution, Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office until the conclusion of the next AGM and be eligible for re-election.

The Board at its meeting held on 13 March 2023 endorsed the recommendation of the BNRC for the following Directors to be considered for re-election pursuant to the relevant Articles of the Constitution at the Company's forthcoming 17th AGM. All Directors named below have offered themselves for re-election at the said AGM:

Article 105

- a) Datuk Ooi Teik Huat
- b) Datuk Rozimi Remeli
- c) Anwar Syahrin Abdul Ajib

Article 111

- a) Dr. Norida Abdul Rahman
- b) Datuk Prakash Chandran Madhu Sudanan

In assessing Directors' eligibility for re-election and re-appointment, the BNRC considers their competencies, commitment, contribution and performance based on the Board's annual evaluation, fit and proper assessment on the directors within the scope of the Company's Fit and Proper Policy, and their ability to act in the best interest of Malakoff. The Directors' rotation list was presented to the BNRC for endorsement prior to its recommendation to the Board for approval.

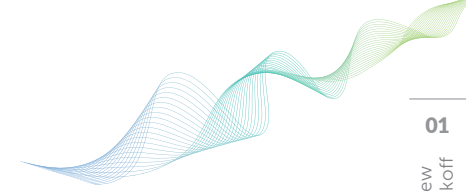
Fit and Proper Policy ("F&P Policy")

As part of the Company's efforts to enhance the process of appointment and re-election of directors in Malakoff and its subsidiaries, Malakoff had on 30 June 2022 adopted a Director's F&P Policy in compliance with Paragraph 15.01A of the MMLR of Bursa Malaysia and any other applicable rules and regulations.

The F&P Policy sets out the fit and proper criteria and due diligence process for appointment and re-election of directors. It serves as a guide for the BNRC and Board in evaluating the candidate(s) for new appointment or a retiring director for re-election to the Board.

During the year under review, the BNRC and the Board had considered various factors based on the following criteria in assessing the suitability of a candidate for new appointment to the Board:

- (i) Character and integrity
- (ii) Experience and competence
- (iii) Time and commitment



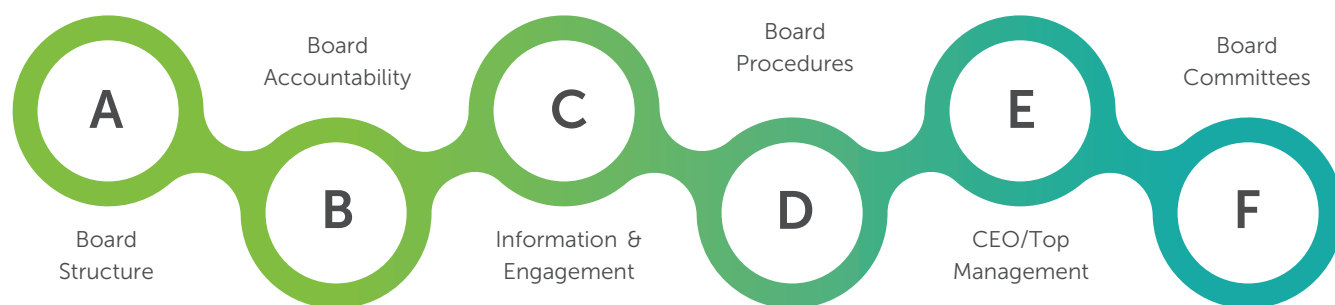
The new directors of the Company completed a Fit & Proper Declaration Form for review by the BNRC and Board on their appointments. In addition, the new directors were also required to disclose any business and/or other interest that may result in a conflict of interest with the Company or its subsidiaries.

Other than new appointment and re-election of directors, the fit and proper assessment on a director may also be conducted at any time the Company becomes aware of information that may materially compromise a director’s fitness and propriety.

Annual Evaluation

The Board conducts an evaluation on the effectiveness of the Board, Board Committees and each individual director annually. For the financial year under review, an independent adviser was appointed to conduct the Board and Directors’ evaluation with the coordination of Corporate Secretarial team.

The Board evaluation focuses on the following six key parameters:



The independent adviser circulated a set of questionnaires for the Board and Board Committees evaluation of Malakoff followed by interview with each individual director of the Company. The results of evaluations were summarised by the independent adviser and presented to the Board on 13 March 2023. As a whole, the evaluation results for the financial year under review demonstrated that the Board met the performance criteria required for an effective and committed Board.

Based on the results of the annual evaluation of the Board, Board Committees and individual Directors for the year under review, the Board is able to gauge and put in place appropriate actions to address areas for improvement. The evaluation confirmed the strength of the Board and the high performing boardroom culture. Priority areas and key findings have since been incorporated in the action plans that would further improve the Board performance in the new financial year.

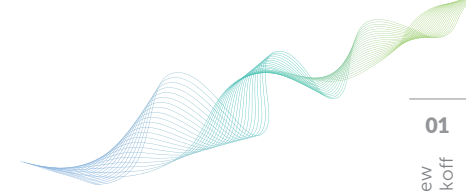
Directors’ Training

The Board recognises the importance of continuous training for Directors and encourages all Directors to attend appropriate programmes, courses and seminars to stay abreast on the relevant business development and industry outlook. This is to ensure Directors are equipped with the necessary skills and knowledge to perform their duties and responsibilities. In addition, the Company organises an induction programme and orientation for new Directors on board.

Corporate Governance Overview Statement

During the financial year under review, all Directors attended at least one training/seminar/workshop and the summary of which is provided in the table below:

Name	Trainings
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali	<ul style="list-style-type: none"> i. UTP Energising Future Webinar Series 2022: "Future Playbook of Complementary University – Industry Linkages" ii. Webinar: Part 1 of 2 – Task Force on Climate-related Financial Disclosures iii. Webinar: Part 1 of 2 – In-House Training on Corporate Governance & Environmental, Social & Governance ("ESG") iv. Webinar: Part 2 of 2 Task Force on Climate-related Financial Disclosures v. Webinar: Part 2 of 2 – In-House Training on Corporate Governance & ESG vi. Webinar: Cyber Security Awareness Training vii. Webinar: Innovation for Cool Earth Forum (ICEF) – First Asia Green Growth Partnership Ministerial Meeting viii. LUX Research Talk Session on Energy ix. Sesi Forum Liabiliti Korporat Seksyen 17A x. 5th International Empowering Energy Transition xi. Webinar: New Thinking About Data – The Future of Data Governance and the Need for Digital Leadership xii. International Studies Public Lecture: The Politics of biodiversity loss – International responses & Malaysia with Prof. Emeritus Tan Sri Dr Zakri Abdul Hamid xiii. Webinar: Future Competitiveness Summit xiv. Accelerating Business Transformation – Implementing Strategic Change by YBhg Datuk Dr Hamzah Kassim, Co-Founder & CEO of iA Group xv. Cities 4.0 2022 Conference & Exhibition xvi. Webinar: International Directors Summit 2022 xvii. Webinar: Learning to Navigate Crisis xviii. Khazanah Megatrends Forum xix. Webinar: Khazanah Megatrends Forum xx. Webinar: ESG & Sustainability xxi. Webinar: Future Competitiveness Summit xxii. Board of Engineers Malaysia (BEM) Convention Day 2022 "Engineering the Future" xxiii. Cambridge & Science Roundtable – to deliberate on the role of science and technology in advancing humanity and the world
Anwar Syahrin Abdul Ajib	<ul style="list-style-type: none"> i. TCFD Climate Disclosure Training Programme 102 ii. Cyber Security Awareness Training iii. ESG and Sustainability



Name	Trainings
Tan Sri Che Khalib Mohamad Noh	<ul style="list-style-type: none"> i. Sesi Perbincangan – Persepsi Terhadap Pelaburan Langsung Asing (FDI) ke Malaysia bersama YB Dato’ Sri Mustapa Mohamed, Menteri di Jabatan Perdana Menteri (Ekonomi) ii. Webinar: High-Income and Advanced Nation iii. Sesi Libat Urus – Pelan Air Negara iv. Shariah Non-Compliance Risk Management in Islamic Banking & Finance v. Invest ASEAN 2022 Malaysia – ASEAN Framing a Future vi. Conference Panellist: 2nd Annual Clean Power New Energy 2022 – Shaping the future of energy in Asia. Topic: Advanced Engineering in Renewables vii. BMMB Shariah Structured Training: Latest Product Development & New Offering to the Market viii. Khazanah Megatrends Forum 2022 – Development and its Complexities; Steering our Way Through a Perfect Storm ix. ESG and Sustainability x. Perdana Leadership Foundation CEO Forum 2022: Plenary Session “Malaysia’s Signposts and Hotspots: The Next Decade’s Trends and Growth Areas”. Panellist CEO Forum, themed “Major Trends Impacting the Malaysian Economy (and You)”
Datuk Dr. Syed Muhamad Syed Abdul Kadir	<ul style="list-style-type: none"> i. Corporate Strategic Plan FY2023/2024 – Board Challenge Session ii. ESG and Sustainability iii. Khazanah Megatrends Forum 2022 iv. Cyber Security Awareness Training v. Engagement with CEOs/Chairmen of Insurance Companies/Takaful Operators and Insurance/Takaful Associations on of BNM’s Annual Report 2021, Economic & Monetary Review 2021, and Financial Stability Review Second Half 2021 vi. BNM-FIDE FORUM Dialogue: on Licensing Framework for Digital Insurers and Takaful Operators
Datuk Ooi Teik Huat	<ul style="list-style-type: none"> i. TCFD Climate Disclosure Training Programme 102 ii. Cyber Security Awareness Training iii. Economic Outlook and Lookout by Maybank Investment Bank Dialing up the ESG Agenda – Doing More by AT Kearny Board Alignment Workshop on Culture by Cultures Partners iv. Operationalising ESG Priorities: Findings from WTW’s Global Research v. ESG and Sustainability
Datuk Idris Abdullah	<ul style="list-style-type: none"> i. Task Force on Climate related Financial Disclosure 102 ii. Cyber Security Awareness Training iii. ESG and Sustainability iv. Becoming a Future-Focused Risk Management Committee v. Corruption Offence of Commercial Organisations Section 17A MACC ACT vi. The Sustainable Development Goals – A global, transdisciplinary vision for the future

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Name	Trainings
Datuk Rozimi Remeli	<ul style="list-style-type: none"> i. Task Force on Climate related Financial Disclosure 102 ii. Cyber Security Awareness Training iii. ESG and Sustainability iv. Section 17A of Malaysian Anti-Corruption Commission ("MACC") Act and Adequate Procedures v. Audit Oversight Board Conversation with Audit Committee
Dato' Mohd Naim Daruwish	<ul style="list-style-type: none"> i. Sustainable Investment for Nominee Directors ii. Cyber Security Awareness Training iii. ESG and Sustainability
Dr. Norida Abdul Rahman	<ul style="list-style-type: none"> i. ESG and Sustainability ii. Mandatory Accreditation Programme

III. Board Remuneration

The Board remuneration has been designed to align with industry practices, taking into account the appropriate calibre of each Director whilst upholding the shareholders' interests. This is to ensure the remuneration package is able to attract, retain and motivate capable directors.

The Board remuneration will be reviewed by the BNRC before proposing to the Board for consideration. The BNRC is made up of the following NEDs:

Name of Directors	Designation
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali (Chairman)	Independent Non-Executive Chairman
Tan Sri Che Khalib Mohamad Noh	Non-Independent Non-Executive Director
Datuk Dr. Syed Muhamad Syed Abdul Kadir	Independent Non-Executive Director
Datuk Idris Abdullah	Independent Non-Executive Director

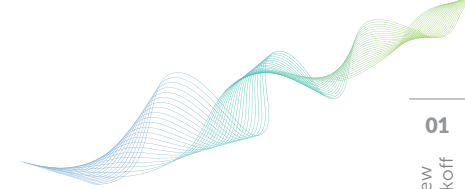
Remuneration Policy

The Board has remuneration policies and procedures to determine the remuneration of directors and senior management, considering the demands, complexities and performance of the Company as well as skills and experience required. The policies ensure remuneration level is sufficient to attract, retain and motivate high calibre individuals with the required credentials, skills, talent and experience in the Board and Board Committees.

The remuneration policies and practices reflect the different roles and responsibilities of NEDs, executive directors and senior management. These policies and procedures are periodically reviewed by the BNRC.

The remuneration recommendation to the Board for the Company's Directors and Senior Management shall be based on the following considerations:

- (i) levels of remuneration structure are sufficient to attract and retain the individuals needed to run the Company successfully at the Board as well as Senior Management level;
- (ii) links rewards to both the Company and individual performances, responsibilities, expertise and complexity of the Company's activities;
- (iii) aligns the interests of directors, senior management and our stakeholders with the business strategy and long-term objectives of our Company;
- (iv) information obtained from independent remuneration sources within similar industry.



Directors' Remuneration

(a) Remuneration of the Executive Director(s) and Chief Executive Officer ("CEO")

The remuneration package for the executive director and CEO is structured to link rewards with corporate and individual performance. The BNRC is responsible to review and recommend Remuneration Policy and Framework as well as the remuneration package for the Managing Director or CEO to the Board. The Board has overall responsibility to approve the remuneration for these positions.

(b) Remuneration of the NEDs

The remuneration package for NEDs reflects the individual's merits, valuable contribution and level of responsibilities. The fees payable to NEDs are reviewed and determined by the Board with the recommendation of the BNRC. Individual director(s) who have shareholding in the Company will abstain from voting on his/her own fees at the general meetings.

(c) Remuneration of the Group's Senior Management (excluding CEO)

The Company's remuneration policy takes into account the various levels of senior management based on job grade structure, roles and responsibilities and levels of accountability. This ensures that remuneration packages are just and fair. All bonuses are determined by the Board on the recommendation of the BNRC after reviewing the individual performance appraisals and achievements.

The details of the aggregate remuneration received by the MD/CEO and NEDs for the financial year ended 31 December 2022 are set out in the table below:

MD/CEO (Executive Director)									
Name of Director	Salary, Bonus and Defined Contribution* (RM)	Board Committee/ Subsidiary Monthly Allowances (RM)		Meeting Allowances of Board and Board Committees (RM)		Other Allowances/ Emoluments (RM)	Monetary Value of Benefits-in-Kind ("BIK")* (RM)	Total (RM)	
		Company	Subsidiaries	Company	Subsidiaries			Company	Subsidiaries
Anwar Syahrin Abdul Ajib	2,337,720.00	-	-	-	14,000.00**	-	86,747.65	2,424,467.65	14,000.00
Sub-total for ED	2,337,720.00	-	-	-	14,000.00	-	86,747.65	2,424,467.65	14,000.00

* The said amounts are paid to the MD/CEO as per his employment remuneration package.

** Meeting allowances for Board meetings payable by the subsidiaries of Malakoff, Malaysian Shoaiba Consortium Sdn Bhd ("MSCSB") and Alam Flora Sdn Bhd ("AFSB") are shared on an equal basis between Malakoff and the MD/CEO.

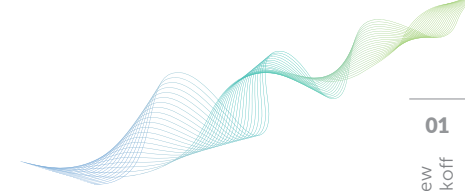
Corporate Governance Overview Statement

NED										
Name of Directors	Directors' fees (RM)	Board Committee/ Subsidiary Monthly Allowances (RM)		Meeting Allowances (RM)		Other Allowances ^(a) (RM)	Monetary Value of BIK ^(h) (RM)	Annual Leave Passage for FY2020 ^(g) (RM)	Total (RM)	
		Company	Subsidiaries	Company	Subsidiaries				Company	Subsidiaries
Tan Sri Datuk Dr. Ir. Ahmad Tajuddin Ali	360,000.00	36,000.00	-	43,000.00	12,000.00 ^(b)	25,000.00	34,722.14	-	498,722.14	12,000.00
Tan Sri Che Khalib Mohamad Noh ^(c)	108,000.00	24,000.00	60,000.00 ^(d)	43,000.00	2,500.00 ^(e)	36,816.29 ^(f)	-	-	211,816.29	62,500.00
Datuk Dr. Syed Muhamad Syed Abdul Kadir	108,000.00	96,000.00	-	63,500.00	-	10,000.00 ^(f)	-	20,000.00	297,500.00	-
Datuk Idris Abdullah	108,000.00	90,000.00	60,000.00 ^(d)	63,500.00	4,500.00 ^(e)	45,000.00 ^(f)	-	20,000.00	326,500.00	64,500.00
Datuk Ooi Teik Huat	108,000.00	30,000.00	-	65,500.00	-	45,000.00 ^(f)	-	20,000.00	268,500.00	-
Datuk Rozimi Remeli	108,000.00	54,000.00	-	82,500.00	-	45,000.00 ^(f)	-	20,000.00	309,500.00	-
Dato' Mohd Naim Daruwish	108,000.00	24,000.00	-	61,000.00	-	14,444.54 ^(f)	-	-	207,444.54	-
Dr. Norida Abdul Rahman	45,000.00	-	5,000.00 ^(d)	15,000.00	-	-	-	-	60,000.00	5,000.00
Sub-total for NED	1,053,000.00	354,000.00	125,000.00	437,000.00	19,000.00	221,260.83	34,722.14	80,000.00	2,179,982.97	144,000.00

Notes:

- Other allowances paid by Malakoff to the NEDs comprising annual leave passage and annual supplemental fees.
- Meeting allowances for Board meetings payable by the subsidiary of Malakoff, MSCSB.
- Directors' remuneration is shared on an equal basis between MMC Corporation Berhad ("MMC") and the NED who is nominated by MMC.
- Monthly allowances and meeting allowances payable by the subsidiary of Malakoff, AFSB.
- Annual leave passage & supplemental fees claimed for year 2021 and 2022.
- Annual supplemental fees claimed for year 2021 and 2022.
- Annual leave passage for year 2020 paid in year 2022.
- Benefits-in-kind paid to the Chairman of Malakoff comprising company car and reimbursement of petrol.

Total (ED & NEDs)	3,390,720.00	354,000.00	125,000.00	437,000.00	33,000.00	221,260.83	121,469.79	80,000.00	4,604,450.62	158,000.00
Total remuneration at Group level	3,390,720.00	479,000.00		470,000.00		221,260.83	121,469.79	80,000.00	4,762,450.62	



PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. BAC

The BAC assists the Board in carrying out its oversight responsibilities by reviewing financial information and providing an unbiased review on the effectiveness and efficiency of the Group's internal controls.

The BAC is made up of four members out of whom, three members are IDs. The BAC is chaired by an INED who does not hold chairmanship on the Board and other Board Committees. The BAC members possess extensive experience in finance, business administration, legal matters and energy industry who could effectively contribute to business strategy and corporate governance discussions with shrewd business acumen.

Name of BAC Members	Designation
Datuk Dr. Syed Muhamad Syed Abdul Kadir (Chairman)	Independent Non-Executive Director
Datuk Ooi Teik Huat	Non-Independent Non-Executive Director
Datuk Idris Abdullah	Independent Non-Executive Director
Datuk Rozimi Remeli	Independent Non-Executive Director

All BAC members are financially literate and have sufficient understanding of the Group's business. This enables them to continuously apply a critical and probing view on the Group's financial reporting process, transactions and other financial information, and effectively challenge Management's assertions on the Company's financials.

The roles and responsibilities of BAC are:

1. assist the Board in fulfilling its statutory and fiduciary responsibilities in examining and monitoring the Company and its subsidiaries' management of business, financial risk processes, accounting and financial reporting practices;
2. determine the adequacy and effectiveness of the administrative, operational and internal accounting controls of the Group and to ensure that the Group is operating in accordance with the prescribed procedures, code of conduct and applicable legal and regulatory requirements;
3. serve as an independent and objective party from management in the review of the financial information of the Company and Group presented by management for circulation to shareholders and the general public;
4. provide direction and oversight of the internal and external auditors of the Company to ensure their independence from management; and
5. evaluate the quality of audits conducted by the internal and external auditors on the Company and Group.

The Company has a policy that requires a former partner of Malakoff's external auditors to observe a cooling-off period of at least three years before his/her appointment as a member of the BAC. This requirement is included in the TOR of BAC. To date, none of the BAC members has been a former key audit partner of the Company.

The BAC report for the financial year 2022 has been reviewed by the BAC to ensure its compliance with the relevant regulatory requirements and guidelines.

Corporate Governance Overview Statement

Review of External Auditors

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

External audit firms are evaluated based on their experiences, capabilities, audit approach and independence prior to recommending their appointment or re-appointment to the shareholders for approval. The evaluation includes review on the auditors' service levels and any significant changes to their scope of work to address new business developments, for recommendation of their re-appointment to the BAC.

External auditors are evaluated on their objectivity and independence, technical competency and ability, understanding of the Group's businesses and industries, resources assigned and capability of the engagement team as well as making recommendations in areas in need of improvement.

The BAC considers the information presented in the Annual Transparency Report of the audit firm on matters covered therein including the audit firm's governance, leadership structure and measures undertaken by the audit firm to uphold audit quality and manage risks.

Policies are in place for any non-audit services proposal by external auditors to be presented to the BAC to ensure the auditors' independence is maintained.

For more detailed explanation on BAC, please refer to the BAC Report section in this Integrated Annual Report.

Internal Audit

The Group Internal Audit ("GIA") supports the Board through the BAC in discharging its duties and governance responsibilities of maintaining a sound internal control system within the organisation. The internal audit function is considered an integral part of the assurance framework and GIA's mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight. At the same time, GIA also assists the BAC and Management to achieve the Company's goals and objectives by bringing a systematic and disciplined approach in evaluating and improving the effectiveness of governance, risk management and control processes within the Group.

With its independent status within the Group, GIA reports directly and functionally to the BAC and administratively to the MD/CEO. GIA is also independent of the activities and functions that it audits and performs its duties in accordance with the Internal Audit Charter, as approved by the BAC, which establishes the framework for the effective and efficient functioning of GIA. The BAC also reviews and approves the appointment and removal of the Chief Internal Auditor, the Annual Internal Audit Plan, budget and organisation structure of GIA to ensure that it is adequately resourced with competent staff to perform its role and function effectively.

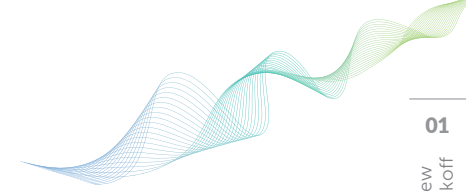
The standards and practices adopted by GIA are aligned with the International Professional Practices Framework issued by the Institute of Internal Auditors. As at 31 December 2022, the total number of personnel in GIA was eleven including the Chief Internal Auditor. The name, credential and work experience of the Chief Internal Auditor of GIA are disclosed on page 134 of this Integrated Annual Report.

Details of the internal audit function and activities are presented in the BAC Report on pages 160 to 164 of this Integrated Annual Report.

Financial Reporting

Financial procedures and standards have been put in place to assist the Board in discharging its duty of ensuring that Malakoff maintains adequate and accurate records for purposes of timely reporting of its financial statements. Ultimately, this results in better stakeholder communication enabling them to have informed assessment of Malakoff's performance and future prospects.

For the year under review, no accounting irregularities were reported by either internal or external auditors.



II. Risk Management and Internal Control

The Board has established BRIC to oversee the Group’s overall risk management policy and framework, and to assess major investments by the Group. The BRIC consists of four members with three members who are INED with diverse background. Each BRIC member has vast management experience, in-dept knowledge of the industry and integrity. The composition of BRIC is as follows:

Name Of Directors	Designation
Datuk Idris Abdullah (Chairman)	Independent Non-Executive Director
Datuk Dr. Syed Muhamad Syed Abdul Kadir	Independent Non-Executive Director
Datuk Rozimi Remeli	Independent Non-Executive Director
Dato’ Mohd Naim Daruwish	Non-Independent Non-Executive Director

In the discharge of its responsibility to effectively manage risks across Malakoff, the Board reviews its risk management processes and internal control procedures to ensure a sound risk management and internal control system to safeguard shareholders’ investments and the assets of Malakoff.

The Management is accountable to the Board to ensure effective implementation of risk management and internal control system. The Management formulates and endorses the risk management policy, frameworks and guidelines including their implementation across the Group. The risks are reviewed quarterly (or as required) and appropriate control measures are applied to mitigate the identified risks. The Management also assigns accountabilities and responsibilities at appropriate levels within Malakoff and ensures that all the necessary resources are efficiently allocated to manage risks.

Further details on the Group’s risk management and internal control frameworks are described and explained in the Statement of Risk Management and Internal Control section of this Integrated Annual Report.

Corporate Governance Overview Statement

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

The Group bears in mind the importance of timely and effective communication with stakeholders to keep them up to date on the Group's latest financial performance and business matters affecting the Group. Financials and non-financials information on the development of the Group has constantly been communicated to the stakeholders through various means including:

- Corporate Website – provides an essential platform for investors and other stakeholders to access information periodically through the Investor Relations section at www.malakoff.com.my;
- Annual/Extraordinary General Meetings – offer an opportunity to our shareholders to raise their questions and concerns on the Group's performance directly to our Board and Management;
- One-on-One and Group Meetings/Investor Conferences/Roadshows/Site Visits – throughout the year, we held meetings with key shareholders, major institutional investors, individual shareholder groups and financial analysts to share and discuss the Group's business performance and its strategic plan; and
- Annual Report – our Annual Report provides a comprehensive report on the Group's financial results, business operations and strategic direction.

Regular communication and engagement with stakeholders are critical for the sustainable growth of the Group's business as this gives stakeholders better insight of Malakoff and facilitates mutual understanding of each other's expectations. The Company deems that an open dialogue with relevant stakeholder groups such as regulatory agencies, employees, shareholders, investors and the general public as necessary.

Accordingly, the protection of shareholders' and stakeholders' interests both in the short and long-term is central to the way the Board operates. The Board acknowledges that effective engagement is crucial in understanding the views of the Company's stakeholders in order to make an informed decision.

The information published in the Investors Relations section at <https://ir2.chartnexus.com/malakoff/v2/index.php>.

Investor Relations Activities

During the year under review, we increased our engagements with the investment community and conducted more than 50 one-to-one and group meetings, both physically and virtually. During these engagements, the Group would address their concerns, where possible, to deliver sustainable value to its shareholders. In 2021, there were increased engagements with the Company's key shareholders and the ESG investors due to the higher focus on sustainability matters. Additionally, we have been actively engaged with other investor relations ("IR") stakeholders such as Bursa Malaysia, Malaysia Investor Relations Association ("MIRA") and other IR service providers to ensure the Group practices the highest standards of transparency and disclosure.

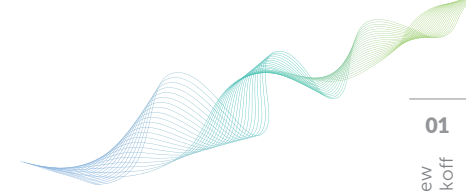
II. Conduct of General Meetings

The Board and Management implement several measures to ensure shareholders are able to participate, engage the Board and Senior Management effectively, and make an informed voting decisions at general meetings. The Board, with the assistance of the Company Secretary, has provided shareholders with sufficient notice and time to consider the resolutions that will be discussed and decided at the AGM by issuing the notice for AGM at least 28 days before the meeting.

Notice for the 16th AGM held on 28 April 2022 was sent to shareholders on 29 March 2022. The notice includes details of the resolutions to be tabled and explanations on the resolutions. Details of the resolutions proposed along with background information and reports or recommendations that are relevant were also provided in the Notice of AGM.

Having regard to the well-being and safety of the attendees to the AGM and as part of the Company's precautionary measures, the 16th AGM was held virtually through live streaming and using Remote Participation and Voting ("RPV") facilities. During the virtual AGM, shareholders and proxies were given opportunity to engage with the Board and Senior Management via RPV facilities which had enhanced the quality of engagement with shareholders and facilitate participation by shareholders at the AGM from remote locations. All resolutions were passed by the shareholders via RPV platform.

The minutes of meeting was made available on Malakoff's website at www.malakoff.com.my within 30 business days after the AGM.



Key Focus Areas and Future Priorities

Other than embracing the best practices in MCCG 2021, the Company has always looked into achieving higher corporate governance standards. To accomplish this goal, the Management provides its annual update and highlight to the Board on the Company’s journey of governance. With this continuous effort by the Board and Management, the Board has viewed the key focus areas and future priorities in corporate governance practices as described below:

1. The Board will look into the possibility to increase disclosure of sustainability targets, initiatives and performance through improved engagement with key sustainability bodies to encourage transparent reporting and tracking.
2. The Board remains committed to actively work towards having more women directors on the Board in 2023, depending on the availability of qualified candidates and the Board’s skill requirements.

On business strategies and plans for the Group, Malakoff continues to strive for growth in our key growth areas i.e. traditional power generation, renewable energy (“RE”), environmental solutions, water and strategic bets, underpinned by ESG, materiality and returns. Other than the expansion of the Group into the environmental solution sector, the Company has also engaged into various solar power generation projects including expansion of its services to residential rooftop solar installation in line with its objective of securing new growth businesses for the Group. Under the RE portfolio, the Group is also exploring opportunities in the biogas, biomass, mini-hydro and Waste-to-Energy segments. As part of its efforts to drive the transition towards low-carbon systems, the Group is exploring viability of green mobility infrastructure.

STATEMENT OF DIRECTORS’ RESPONSIBILITIES

(Pursuant to paragraph 15.26(a) of the MMLR of Bursa Malaysia)

The Board has given its assurance that the financial statements are prepared in accordance with the Act and the applicable approved accounting standards for each financial year which gives a true and fair view of the state of affairs of the Group and the Company in a transparent manner at the end of the financial year and of the results and cash flows for the financial year.

The Directors’ Report for the audited financial statements of the Company and the Group is outlined on pages 204 to 209 of this Integrated Annual Report together with the details of the Company and the Group financial statements for the financial year ended 31 December 2022 which are set out on pages 204 to 343 of this Integrated Annual Report.

COMPLIANCE STATEMENT BY THE BOARD ON THE CORPORATE GOVERNANCE OVERVIEW STATEMENT

This statement on the Company’s corporate governance practices is made in compliance with paragraphs 15.25 and 15.08A of the MMLR of Bursa Malaysia.

Having reviewed and deliberated this statement, the Board is satisfied that to the best of its knowledge, the Company is substantially in compliance with the principles and practices set out in the MCCG 2021 as well as the relevant paragraphs under the MMLR of Bursa Malaysia for the financial year under review. Any practices in the MCCG 2021 which have not been implemented during the financial year would be reviewed by the Board and be implemented where practical and relevant to the Group’s business.

This statement has been presented and approved by the Board at its meeting held on 13 March 2023.