

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Implementing robust corporate governance practices is essential for enhancing shareholders' value, fostering business integrity, building investors' confidence, and achieving the corporate objectives and vision of Malakoff Group.

The Board is fully committed to ensuring that the Group's Corporate Governance Framework aligns with the requirements and guidelines set forth in the Companies Act 2016 (Act), the Malaysian Code on Corporate Governance 2021 (MCCG 2021), and the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia).

With oversight over management's functions, the Board consistently strives to enhance the Group's long-term interests by upholding its four core corporate governance pillars: ethical behaviour, accountability, transparency and sustainability. This commitment reflects the Board's dedication to maintaining the highest standard of corporate governance.

The Board is pleased to present this Corporate Governance (CG) Overview Statement for the financial year ended 31 December 2025 based on the following principles of MCCG 2021:

PRINCIPLE A Board Leadership and Effectiveness

PRINCIPLE B Effective Audit and Risk Management

PRINCIPLE C Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This CG Overview Statement shall be read together with the CG Report 2025, which is available on the Company's website at www.malakoff.com.my.

CORPORATE GOVERNANCE FRAMEWORK

The Board is firmly committed to upholding the highest standards of corporate governance across the Group's systems, procedures and practices. Demonstrating effective leadership, the Board ensures adherence to elevated ethical standards in its decision-making processes.

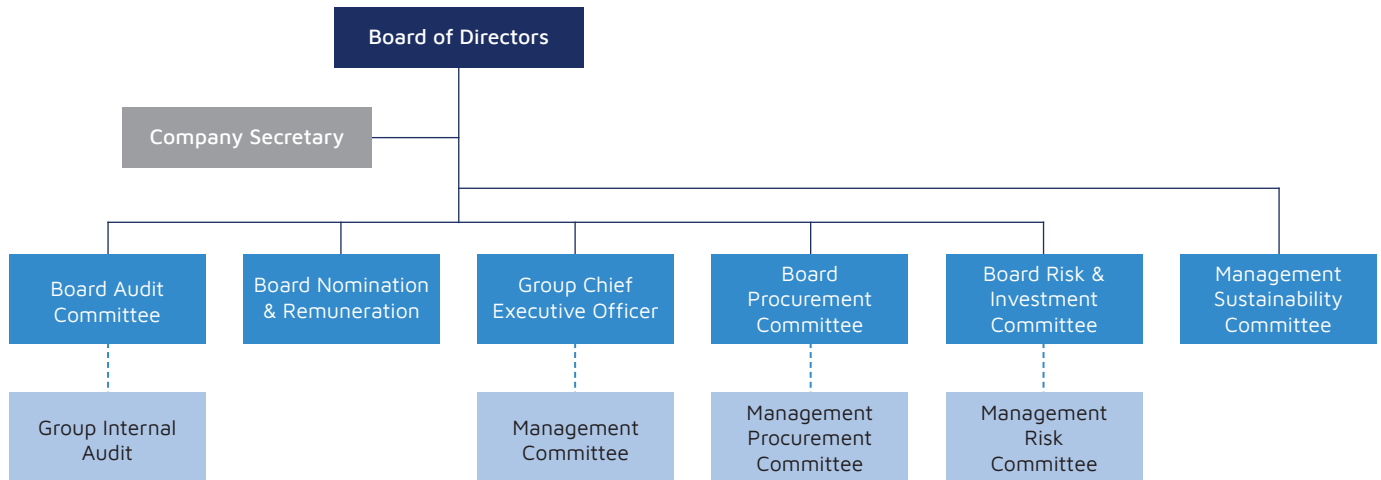
Recognising that sound corporate governance practices are pivotal for the smooth, effective, and transparent operation of Malakoff, the Board emphasises their role in garnering investor confidence, protecting shareholders' rights, and unlocking shareholder value. Transparency and accountability are championed in the boardroom and throughout the entirety of Malakoff.

Malakoff boasts a well-defined and meticulously structured corporate governance framework, aligning with the Board's overarching goal of achieving long-term and sustainable value. This framework fosters a corporate culture that places a premium on ethical behaviour, integrity and accountability.

The Board executes its responsibilities based on the governance framework, which is supported by robust mechanisms. Retaining ultimate accountability over the Company's performance and affairs, the Board ensures the Group's adherence to ethical standards. Malakoff's governance structure guarantees role clarity, delineating responsibilities and recognising the independent roles necessary for effective governance. This structure strives to promote strategic alignment across the Group and facilitate sound decision-making, showcasing the governance oversight role of the Board and the collaborative flow between various governance components.

The following describes Malakoff's governance structure, along with an overview of the key committees of the Board and Management Committees.

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PRINCIPLE A

Board Leadership and Effectiveness

I. Board Responsibilities and Charter

The Board assumes its responsibility to promote the success of the Group by directing and supervising the affairs of the Group in a responsible and effective manner. The Board's primary role 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, setting risk tolerance levels ensuring that Management implements effective risk management practices 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.

All 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 and the communities it serves. The Board also takes cognisance of sustainability best practices within which the Company's Environmental, Social and Governance (ESG) issues will be considered in making decisions aligned with Malakoff's Sustainability Targets which focus on carbon emissions, renewable energy and waste management.

Good corporate governance is crucial to keep the Group moving through the changing regulatory and market environment, which proved to be among the material matters raised by the stakeholders and maintaining sustainability in the long term. 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.

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The Directors 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 continuously 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 Group Chief Executive Officer (GCEO) of the Company is empowered to implement strategies approved by the Board.

The Board further strengthened its leadership structure with the appointment of Tan Sri Wan Zulkiflee Wan Ariffin as Independent Non-Executive Chairman and Dato' Mohd Nazrul Izam bin Mansor as Non-Independent Non-Executive Director, who joined the Board on 1 March 2026 and 12 March 2026, respectively.

These appointments formed part of the Company's orderly board renewal and succession planning process aimed at ensuring continuity in leadership, while reinforcing the Board's collective expertise, governance oversight and strategic guidance. Tan Sri Wan Zulkiflee's appointment as Chairman strengthened the Board's independence and leadership stewardship, bringing with him extensive experience in the energy industry and corporate governance. Meanwhile, the appointment of Dato' Mohd Nazrul Izam further strengthened the Board's capabilities with his broad leadership experience across multiple sectors.

The Board is governed by a Board Charter that defines its 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. The Board reviews the Board Charter as required to ensure its relevance to the Company's operating environment and compliance with prevailing rules and regulations.

In addition to the Board Charter, the Company had adopted a Fit and Proper Policy in 2022 which enhances 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>.

Being a key policy of the Group, Limits of Authority (LOA) specifies the authority limits for the Board, Board Committees, Management Committee, GCEO 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.

Code of Conduct and Ethics

The Board has formulated 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.

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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 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 GCEO

The Company maintains clear separation of roles and responsibilities of the Chairman and GCEO as 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 GCEO is in charge of the day-to-day operations of the Company in line with the Board's approved strategies and objectives.

Board Committees

Four Board Committees established by the Board worked within its respective functions and authorities as stated in the relevant terms of reference (TOR) of the Board Committees that are available at www.malakoff.com.my. All deliberations, discussions and outcome of the committee meetings are reported by the Chairman of the respective Board Committee to the Board at the next meeting.



This enables the Board members to spend time efficiently in deliberating 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.

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 fosters a sound system of internal controls to protect and enhance the Company's value.

The BAC role has been expanded to cover the review of conflict of interest (COI) situations (including those that arose or persist, in addition to those that may arise) involving Directors and key senior management, and the measures taken to resolve, eliminate, or mitigate the COI.

Details of BAC activities are reported in the BAC Report on pages 273 to 279.

Board Nomination & Remuneration Committee (BNRC)

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

- Overseeing the nomination and selection of Board members and Senior Management;
- Assessing and monitoring the Board's composition and effectiveness;
- Undertaking development needs and succession planning initiatives; and
- 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 description is provided in the "Remuneration Section" of this CG Overview Statement.

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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 oversee the implementation of effective anti-bribery & corruption management system in line with the requirements of Section 17A of MACC Act 2009. Apart from these roles, BRIC 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 qualified under the Act, whose advice and service 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. They 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 well aware of their obligations to immediately declare their interests in any transaction to be entered directly or indirectly with the Company. They 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 will abstain from participating in the deliberation and Board decision on the matter.

Meeting Attendance

The Board is satisfied that each director has devoted sufficient time to effectively discharge his/her responsibilities given their commitment to make themselves available at all Board and Board Committee meetings, barring any unavoidable circumstance or where directors are the interested parties to abstain from attending the meetings.

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During the financial year under review, the Board met nine times, comprising five scheduled meetings and four ad hoc meetings convened to consider urgent matters or proposals. Details of the Board members' attendance are summarised below:

Directors	Designation	Total Meetings Attended
Tan Sri Wan Zulkiflee Wan Ariffin (appointed on 1 March 2026)	Independent Non-Executive Chairman	-
Tan Sri Che Khalib Mohamad Noh (resigned on 1 March 2026)	Non-Independent Non-Executive Chairman	9/9
Anwar Syahrin Abdul Ajib (resigned on 1 September 2025)	Managing Director & Group Chief Executive Officer (MD&GCEO)	6/6
Datuk Rozimi Remeli	Independent Non-Executive Director	9/9
Dato' Mohd Naim Daruwish	Non-Independent Non-Executive Director	8/9
Dr. Norida Abdul Rahman	Independent Non-Executive Director	9/9
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director	8/9
Datuk Wira Roslan Ab Rahman	Independent Non-Executive Director	9/9
Puan Lim Tau Kien	Independent Non-Executive Director	9/9
Dato' Mohamad Razif Haji Abd Mubin (appointed on 11 March 2025)	Independent Non-Executive Director	8/8
Dato' Mohd Nazrul Izam Mansor (appointed on 12 March 2026)	Non-Independent Non-Executive Director	-

All Directors fulfilled 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 as well as Company Secretaries for their advice, and unrestricted access to any information relating to the Group to enable them to discharge their duties. 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.

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The Management ensures that the presentations of proposals or updates to the Board are delivered in a manner with 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.

All 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, are clearly recorded in the minutes of meeting. The minutes of meetings are circulated to the Board for review before the same are confirmed at the next Board meeting.

The Board's 2025 Key Focus Areas and Priorities

The key areas of focus for the Board which appear as items on the agenda of the Board meetings during the year under review are tabulated below:

Strategy

- Attended the annual strategy engagement session with Management for the Group's 5-year business plan from 2026 to 2030; and
- Quarterly update on business development initiatives approved under the business plan, its progress and challenges.

Financial Oversight and Reporting

- Annual budget and capital/operation expenditure plan of the Group for financial year 2026;
- The Group's quarterly interim financial results; and
- The Group's tenders and procurements in accordance with LOA and internal policies and procedures of the Group.

Risk, Compliance and Oversight

- 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; and

- The Group's compliance with the relevant laws and regulation as well as Malakoff's internal policies and procedures including the Companies' Constitution.

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; and
- Reviewed the composition of the Board and Board Committees and key subsidiaries.

Leadership Evaluation and Selection

- Setting of Corporate Key Performance Indicators (KPIs) upon the approval of the business plan for 2026;
- Achievement of the Corporate KPIs for the performance against KPIs for 2024; and
- Determination of bonus and salary increment for the GCEO and Senior Management team.

Succession planning

- Succession planning for the GCEO, 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; and
- Reviewed Talent Management and Development initiatives.

Sustainability and Environmental, Social & Governance

- Reviewed ESG-related matters; and
- Reviewed and monitored the Group's corporate social responsibilities (CSR) and related activities to promote CSR.

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- 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.

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 formulated 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 pages 144 to 227 of this Integrated Annual Report.

The Group has also established the Management Sustainability Committee (MSC) to oversee, review and implement matters in relation to the Company's ESG strategy and initiatives, as well as embedding sustainability practices into the Company and its subsidiaries. Established in 2022, the MSC is chaired by the GCEO, and reports directly to the Board. It supports the Board in fulfilling its statutory and fiduciary responsibilities in relation to sustainability matters based on regulatory requirements. The sustainability-related function is helmed by the Sustainability, Research and Investor Relations Department (SRIR)*. SRIR is at the forefront of executing sustainability strategies and projects. Serving as the core driver for sustainability efforts, the department oversees day-to-day operations and is committed to integrating sustainability principles into tangible initiatives. The department also ensures that the Company's actions are in line with ESG objectives, contributing to long-term sustainable success. In terms of operational updates and performance, SRIR provides regular information to the Management.

* SRIR is re-designated as Corporate Planning in January 2026. All sustainability-related matters are overseen by Corporate Planning.

The roles of the Board, MSC and SRIR are illustrated below:

Roles	Responsibilities
Board of Directors	<ul style="list-style-type: none"> Holds the collective responsibility for overseeing the governance of sustainability within the Company. This involves establishing the Company's sustainability strategies, priorities and targets Sustainability considerations are integrated into the Board's decision-making processes, informing its duties such as the formulation and execution of the Group's strategies, business plans, major action plans and risk management initiatives
MSC	<ul style="list-style-type: none"> Oversees, evaluates and resolves matters pertaining to the Group's sustainability strategy and initiatives, embracing ESG aspects while integrating sustainability practices throughout the Company and its subsidiaries Supports the Board in fulfilling its statutory and fiduciary duties concerning sustainability matters, in accordance with the MMLR Key sustainability areas under purview are: <ul style="list-style-type: none"> Climate change mitigation and adaptation Energy transition initiatives Sustainability-oriented research and innovation Resource use and efficiency, including energy and water Fair employment and labour rights Safety, health, employment practices and community relations Other areas deemed material from time to time

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Roles	Responsibilities
SRIR	<ul style="list-style-type: none"> • Develops and executes sustainability strategies, policies and roadmaps in line with the Group’s Sustainability Framework • Drives decarbonisation initiatives outlined in the ESG Roadmap, working with all departments within the Group to achieve net zero emissions by 2050 and monitor progress using performance indicators • Ensures compliance with ESG regulations, laws and international standards including climate, environmental, human rights, safety and supply chain matters • Engages in Sustainability Advocacy with shareholders and stakeholders on ESG issues • Manages sustainability reporting and disclosure requirements in accordance with IFRS S1 and IFRS S2 • Acts as custodian of Malakoff’s GHG inventory framework and carbon accounting methodology and administer strategic emissions management initiatives • Oversees the collection, consolidation and analysis of emissions data across the Group • Oversees processes for identifying and managing ESG risks and opportunities aligned with the Group’s commitment to sustainability and UN SDGs

The functions of the roles above reflect Malakoff’s sustainability governance structure.

In addition to the above, as the Board recognises the importance of sustainability, it has taken action to improve the Company’s sustainability framework. At this point of time, the Board is initiating the following improvement plan for the following CG practices:

Practice No. 4.3

MCCG Practice Description
 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.

Malakoff Group’s Actions
 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.

The Board is evaluating its composition and its skills matrix to strengthen board leadership and oversight of sustainability issues.

Practice No. 4.4

MCCG Practice Description
 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 Group’s Actions
 Malakoff’s Corporate KPIs include key ESG metrics since 2022. We have further enhanced our ESG metrics to include emissions intensity reduction, carbon avoidance, recycling rate, Lost Time Injury Frequency Rate (LTIFR), statutory & regulatory compliance and anti-bribery awareness. The Group has established a Sustainability Framework and frequently communicates on the progress of its ESG roadmap through sustainability advocacy. The Company also constantly monitor sustainability risks and opportunities, reporting to the Board on a quarterly basis.

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.

Malakoff incorporates 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 Statement for 2025 (refer to pages 127 to 249 of this Integrated Annual Report) sets out Malakoff's commitment to improving the Group's sustainability practices so that we are more competitive, resilient and adaptable to change. The Integrated Annual Report details the scope of our sustainability reporting and sustainability framework for the year under review.

II. Board Composition

Independent Non-Executive Directors (INED)

There are nine (9) directors on the Board comprising non-executive directors (NED), seven (7) are INED, of which one (1) is independent non-executive chairman (INEC) and two (2) non-independent non executive directors (NINED). In this respect, the Company fulfilled Practice 5.2 of MCCG 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 requirement of 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.

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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 also have adopted a Conflict of Interest Policy to manage any conflict of interest issue.

The Board recognises the important contributions of INEDs for 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 NINEDs, 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. Based on the Board assessment carried out for FY2025, 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 FY2025 is summarised below:

Name of Independent Directors	Year(s) of Service (Approximate)
Tan Sri Wan Zulkiflee bin Wan Ariffin* (appointed on 1 March 2026)	-
Datuk Rozimi Remeli	8 years, 2 months
Dr. Norida Abdul Rahman	3 years, 4 months
Datuk Prakash Chandran Madhu Sudanan	2 years, 9 months
Datuk Wira Roslan Ab Rahman	2 years, 6 months
Puan Lim Tau Kien	1 year, 7 months
Dato' Mohamad Razif Haji Abd Mubin* (appointed on 11 March 2025)	10 months

* Two Independent Directors of the Company were appointed during the period under review





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. The BNRC continues with its efforts to identify and assess suitable woman candidate to be appointed on the Board. Currently, there are two women directors on the Board and as such the Company had complied with the MMLR of Bursa Malaysia requiring at least one women director to be appointed for the Company.

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

Skill & Experience

 Energy/Technical	4
 Business Administration/ Economics	2
 Accounting	2
 Legal	1

Age

50-59 years old	2
60 years & above	7

Gender

Male	7
Female	2

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Race/Ethnicity

Malay	7
Chinese	1
Indian	1
Others	0

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

Age

30-39 years	0
40-49 years	3
50-59 years (including GCEO)	12

Gender

Male (including GCEO)	13
Female	2

Race/Ethnicity

Malay (including GCEO)	12
Chinese	2
Indian	1

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>.

Appointment of Directors

Appointment of directors and senior management is based on objective criteria, merit and with due regard for diversity in skills, experience, age, ethnicity and gender. Directors appointed should be able to devote the required time to serve the Board effectively.

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 required. If the selection of candidates is based on recommendations made by existing directors, management or major shareholders, the BNRC would 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.

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 16 March 2026 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 20th AGM. The Directors named below have offered themselves for re-election at the said AGM:

Article 105

- (a) Dato' Mohd Naim Daruwish

Article 111

- (a) Tan Sri Wan Zulkiflee Wan Ariffin
(b) Dato' Mohd Nazrul Izam Mansor

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Fit and Proper Policy (F&P Policy)

Pursuant to the F&P Policy adopted by Malakoff on 30 June 2022 that sets out the fit and proper criteria and due diligence process for appointment and re-election of directors, the directors standing for re-election at the forthcoming 20th AGM had completed the Fit & Proper Declaration Form for review by the BNRC and Board. It serves as a guide for the BNRC and Board in evaluating the director for re-election to the Board.

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, the Board and Directors' evaluation was conducted by the Corporate Secretarial team.

The Board evaluation focuses on the following six key parameters:

A Board Structure

D Board Procedures

B Board Accountability

E GCEO/Top Management

C Information & Engagement

F Board Committees

A set of questionnaires was circulated for the Board and Board Committees evaluation. The results of evaluations were summarised and presented to the Board on 16 March 2026. 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.

All Directors have completed the Mandatory Accreditation Programme (MAP) as prescribed by Bursa Malaysia Securities, comprising Part I (Director's Roles, Duties and Responsibilities) and Part II (Sustainability and Related Roles of a Director).

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 Wan Zulkiflee Wan Ariffin	<ol style="list-style-type: none"> 1. Global Perspectives on Access to Finances for the Future Gas Industry (including Cross-Borders Partnership for Resilient Gas Industry; Fuelling the Evolving Malaysian Gas Landscape) 2. Talk on "Imposition of US Tariff and impacts to the Group" 3. Nestlé S.A.'s Perspectives on Enterprise Risk Management 4. US Tariffs Update and Implications (Adaptability; Capturing Conglomerate Synergies) 5. AI for Leadership 6. The Geopolitical Business – Economist Impact and McKinsey & Company 7. MMC Directors e Invoicing Briefing; Practical ChatGPT Skills Training for Leaders 8. The Inaugural ASEAN Inclusive Growth Summit 2025 – ASEAN Business Advisory Council (ASEAN BAC) Malaysia 9. ASEAN Business & Investment Summit 2025 – ASEAN Business Advisory Council (ASEAN BAC) Malaysia 10. Artificial Intelligence (AI) Integration and Governance / Ethical Oversight 11. Navigating the Digital Frontier: Technology Risks and Boardroom Strategies 12. Closed-door Roundtable 2025 on Board Effectiveness and the Role of NEDs/INEDs – Institutional Investors Council Malaysia (IIC), Asian Corporate Governance Association (ACGA) & ICDM
Datuk Rozimi Remeli	<ol style="list-style-type: none"> 1. Energy Asia 2025 - Delivering Asia's Energy Transition 2. Practical ChatGPT Skills Training for Leaders 3. MMC Directors e-Invoicing Briefing 4. Leading with Integrity Forum 2025
Dato' Mohd Naim Daruwish	<ol style="list-style-type: none"> 1. Walking the Tightrope: The Dual Role of Nominee Directors 2. Portfolio Carbon Inventory Workshop 3. Boardroom Blind Spots: Navigating Grey Zone & Managing Conflict of Interest 4. A Boardroom Simulation: Experiencing it Live 5. Practical ChatGPT Skills Training for Leaders 6. MMC Directors e-Invoicing Briefing 7. Leading with Integrity Forum 2025
Dr. Norida Abdul Rahman	<ol style="list-style-type: none"> 1. Ecosperity Week 2025: Financing Asia's Transition (FAST) Conference 2025 2. Energy Asia 2025 - Delivering Asia's Energy Transition 3. Board Risk Oversight Best Practices: A Strategic Approach 4. The Directors Guide to Driving Corporate Culture and ERM 5. Risk Appetite, Risk Tolerance and Risk Maturity Frameworks 6. The Directors Guide to Strategic ERM 7. Directors Guide to ESG and ESG Risk Management 8. Directors Guide to Emerging Risk and Black Swans 9. The Directors Guide to Role of Boards in Fraud Risk Management 10. Directors Guide to Dealing with Opportunity in Risk 11. Leading with Integrity Forum 2025
Datuk Prakash Chandran Madhu Sudanan	<ol style="list-style-type: none"> 1. Audit Committee Conference 2025 2. Practical ChatGPT Skills Training for Leaders 3. MMC Directors e-Invoicing Briefing 4. Leading with Integrity Forum 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Name	Trainings
Datuk Wira Roslan Ab Rahman	<ol style="list-style-type: none"> 1. Energy Asia 2025 - Delivering Asia's Energy Transition 2. Practical ChatGPT Skills Training for Leaders 3. MMC Directors e-Invoicing Briefing 4. Leading with Integrity Forum 2025
Puan Lim Tau Kien	<ol style="list-style-type: none"> 1. Siemens Data Centre Conference 2025 2. Climate Governance Malaysia' 1st Masterclass 2025 – Carbon Pricing & Markets: EU Insights and Implications for Malaysia 3. Climate Governance Malaysia National Climate Governance Summit 2025 4. Cyber Security Posture of GuocoLand Limited Group including GuocoLand (Malaysia) Berhad (GLM) and GLM's subsidiaries 5. The Dewesternisation of Knowledge: A Civilisational Engagement 6. SPRM_Comply with the MACC Act – Avoid Bribery, Protect Your Job 7. Strategic Oversight in Strategy Implementation – Getting Execution Right at the Board Level 8. Property & Construction – Risk Agility for Tax & ESG 9. How Our Perceptions of Risk Influence our Boardroom Effectiveness 10. Climate First or Last? 11. Balancing Risks & Opportunity in Sustainability Leadership 12. Practical ChatGPT Skills Training for Leaders 13. MMC Directors e-Invoicing Briefing 14. The Chinese Emphasis on Culture: Manifestation of Nationalism or a Return to Basics? 15. Audit Oversight Board Conversation with Audit Committees
Dato' Mohamad Razif Haji Abd Mubin	<ol style="list-style-type: none"> 1. Mandatory Accreditation Programme Part I 2. Mandatory Accreditation Programme Part II 3. Energy Asia 2025 - Delivering Asia's Energy Transition 4. Practical ChatGPT Skills Training for Leaders 5. MMC Directors e-Invoicing Briefing 6. Leading with Integrity Forum 2025

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
Dr. Norida Abdul Rahman (Chairperson)	Independent Non-Executive Director
Datuk Wira Roslan Ab Rahman	Independent Non-Executive Director
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director
Puan Lim Tau Kien	Independent Non-Executive Director

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 Group Chief Executive Officer (GCEO)

The remuneration package for the executive directors and GCEO 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 GCEO 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 GCEO)

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.

During the financial year ended 31 December 2025, the Group underwent a leadership transition. Anwar Syahrin Abdul Ajib resigned from his role as MD&GCEO, and Syahrizam Samsudin was appointed as the GCEO. The Board ensured that the transition was conducted in an orderly manner to support continuity of leadership and business operations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The details of the aggregate remuneration disclosed reflects the respective tenures and roles held by each individual during the financial year ended 31 December 2025 are set out in the table below:

Executive Director (ED)									
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 (from 1 January 2025 to 1 September 2025)	1,900,578.00	-	-	-	8,500.00 **	41,645.00	-	1,942,223.00	8,500.00
Sub-total for ED	1,900,578.00	-	-	-	8,500.00	41,645.00	-	1,942,223.00	8,500.00

* The said amounts are paid to the Managing Director & Group Chief Executive Officer (MD&GCEO) as per his employment remuneration package.

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

NED									
Name of Director	Directors' fees (RM)	Board Committee/Subsidiary Monthly Allowances (RM)		Meeting Allowances (RM)		Other Allowances ^(a) (RM)	Monetary Value of BIK (RM)	Total (RM)	
		Company	Subsidiaries	Company	Subsidiaries			Company	Subsidiaries
Tan Sri Che Khalib Mohamad Noh	360,000.00	-	60,000.00 ^(b)	27,500.00	3,500.00 ^(b)	25,525.57 ^(c)	120,000.00 ^(e)	533,025.57	63,500.00
Datuk Rozimi Remeli	108,000.00	69,709.67	-	73,000.00	-	25,000.00	-	275,709.67	-
Dato' Mohd Naim Daruwish	108,000.00	48,000.00	-	63,000.00	-	44,417.36 ^(d)	-	263,417.36	-
Dr. Norida Abdul Rahman	108,000.00	60,000.00	60,000.00 ^(b)	63,500.00	6,500.00 ^(b)	25,000.00	-	256,500.00	66,500.00
Datuk Prakash Chandan Madhu Sudanan	108,000.00	78,000.00	-	53,500.00	-	25,000.00	-	264,500.00	-
Datuk Wira Roslan Ab Rahman	108,000.00	89,516.13	-	56,000.00	-	25,000.00	-	278,516.13	-
Puan Lim Tau Kien	108,000.00	71,274.20	-	43,500.00	-	22,245.01 ^(c)	-	245,019.21	-
Dato' Mohamad Razif Hj Abd Mubin	87,096.77	38,709.68	-	57,000.00	-	25,000.00	-	207,806.45	-
Sub-total for NED	1,095,096.77	455,209.68	120,000.00	437,000.00	10,000.00	217,187.94	120,000.00	2,324,494.39	130,000.00
Total (ED & NEDs)	2,995,674.77	455,209.68	120,000.00	437,000.00	18,500.00	258,832.94	120,000.00	4,266,717.39	138,500.00
Total remuneration at Group level	2,995,674.77	575,209.68		455,500.00		258,832.94	120,000.00	4,405,217.39	

Notes:

- Other allowances paid by Malakoff to the NEDs comprising annual leave passage and annual supplemental fees.
- Monthly allowances and meeting allowances payable by the subsidiary of Malakoff, Alam Flora.
- Annual leave passage & supplemental fees claimed for year 2024 and 2025.
- Annual leave passage & supplemental fees claimed for year 2023, 2024 and 2025.
- Benefits-in-kind paid to the Chairman of Malakoff comprising car maintenance allowance of RM10,000 per month.

PRINCIPLE B**Effective Audit and Risk Management****I. Board Audit Committee (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, all of whom are IDs. The BAC is chaired by an INED who does not hold chairmanship on the Board. The BAC members possess extensive experience in finance and energy industry who could effectively contribute to business strategy and corporate governance discussions with shrewd business acumen.

Name of Directors	Designation
Puan Lim Tau Kien (Chairperson) (Redesignated as Chair on 15 January 2025)	Independent Non-Executive Director
Datuk Rozimi Remeli (Redesignated as Member on 15 January 2025)	Independent Non-Executive Director
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director
Datuk Wira Roslan Ab Rahman	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 as follows:

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.

With the enhancements to conflict of interest (COI) disclosure for listed companies as mandated by Bursa Malaysia, the role of BAC is expanded to review and report to the Board, any COI situation together with the measures taken to resolve, eliminate or mitigate such conflicts.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 2025 has been reviewed by the BAC to ensure its compliance with the relevant regulatory requirements and guidelines.

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.

Evaluation of the external auditors is conducted annually 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 purpose is to strengthen the Company's ability to create, protect and sustain value by providing the Board, BAC and Management with independent, risk based and objective assurance, advice, insight, and foresight. 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 internal control processes within the Group.

With its independent status within the Group, GIA reports directly and functionally to the BAC and administratively to the GCEO. 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 Board, 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, performance evaluation, 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 and independently.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 2025, the total number of personnel in GIA was eight including the Chief Internal Auditor. The name, credential and work experience of the Chief Internal Auditor of GIA are disclosed on page 43 of this Integrated Annual Report.

Details of the internal audit function and activities are presented in the BAC Report section on pages 273 to 279 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 and integrity policies and frameworks, 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 Wira Roslan Ab Rahman (Chairman) (Redesignated as Chairman on 10 February 2025)	Independent Non-Executive Director
Dato' Mohd Naim Daruwish	Non-Independent Non-Executive Director
Datuk Prakash Chandran Madhu Sudanan	Independent Non-Executive Director
Datuk Rozimi Remeli (Resigned on 10 February 2025)	Independent Non-Executive Director
Dato' Mohamad Razif Haji Abd Mubin (Appointed on 11 March 2025)	Independent Non-Executive Director

In the discharge of its responsibility to effectively manage enterprise and integrity 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 and integrity management and internal control system. The Management formulates and endorses the risk and integrity management policies, frameworks and guidelines including their implementation across the Group. The identified 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 these 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

Malakoff recognises the importance of understanding the expectations of stakeholders and to effectively communicate the Company's strategies, plans and actions, keeping them up to date on the Group's latest financial performance and business matters affecting the Group. To that end, we have regularly engaged with our respective stakeholders on various platforms to gauge their perspectives and insights on emerging issues that are important and impactful to both the stakeholders and the Company's business as well as operations. Among the platforms utilised are:

- Corporate Website - provides an essential platform for investors and other stakeholders to access information periodically;
- Quarterly Newsletter - a comprehensive summary of significant developments, milestones and key events across the Malakoff Group, communicated to our stakeholders each quarter;
- 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/analysts' briefings - throughout the year, meetings held with key shareholders, institutional investors, potential investors, and analysts (sell-side, buy-side, equity and fixed income) to share, discuss and update the Group's business and financial performance in addition to our strategic plan;
- Integrated Annual Report - our report provides a comprehensive report on the Group's financial performance operations, strategic direction and sustainability performance; and
- Sustainability Advocacy - engage with a broad range of stakeholders and participate in discussions with the Government and other relevant parties to keep stakeholders informed of the Company's sustainability and ESG initiatives and performance.

The summary of their expectations and the ways Malakoff engages in response to their expectations are provided under the Stakeholder Engagement section on pages 136 to 143 in this Annual Integrated Report.

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 to make an informed decision.

For further information on Malakoff's financial reports, financial information, shareholders' information, AGM details and announcements uploaded to Bursa Malaysia, refer to the Investor Relations webpage at www.malakoff.com.my/investor-relations/.

Investor Relations Activities

The Company continues to be transparent and accountable to the investment community including our shareholders and investors recognising the importance of timely dissemination of information to shareholders and other stakeholders. The Board is also committed to ensure that the shareholders and other stakeholders are well informed of major developments of the Group with information communicated through various channels including the Integrated Annual Report, disclosures and announcements to Bursa Malaysia, press releases, dialogues, discussions, presentations at general meetings and briefings, conferences as well as the Investor Relations' webpage.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the year under review, we increased our engagements with the investment community and conducted as well as participated in approximately 32 one-on-one and group meetings, conferences and analysts' briefings, both physically and virtually, garnering strong participation from close to 200 attendees. During these engagements, the Group would address the investment community's concerns, where possible, to deliver sustainable value to its shareholders. Engagement with the investment community intensified in 2025, with investors seeking detailed insights into the Company's financial performance to enable informed earnings forecasts and investment assessments. Operational matters were also featured prominently in discussions as investors sought clarity and response from the Company on matters related to the Group as a whole. Alongside these, investors continued to express strong interest in the Group's ESG agenda, including our sustainability strategy and commitment to responsible business practices. Additionally, we have been actively engaged with Bursa Malaysia, to ensure that the Group practices the highest standards of transparency and disclosure.

Refer to pages 90 to 93 of the Integrated Annual Report for further reference.

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 19th AGM was sent to shareholders on 28 March 2025. The notice included 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.

The 19th AGM of the Company was held physically on Tuesday, 29 April 2025 at 10.00 a.m. at the Glenmarie Ballroom, Glenmarie Hotel & Golf Resort, Jalan Usahawan U1/8, Glenmarie Golf & Country Club, 40250 Shah Alam, Selangor Darul Ehsan. Shareholders and proxies were present in person and were provided with the opportunity to engage directly with the Board and Senior Management during the AGM. All resolutions tabled at the AGM were duly passed by the shareholders.

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

The investment landscape is evolving with the growth of ethical and responsible investing, supported by established standards used to assess how companies operate in relation to the environment, their stakeholders and governance practices. There is a growing perception within the investment community that companies meeting ESG criteria are better positioned to manage risks and operate sustainably over the long term.

Hence, the Company always bears this in mind in achieving higher corporate governance standards. In accomplishing 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, depending on the availability of qualified candidates and the Board's skill requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Building on the strategic foundations established through Malakoff Transformation 2.0 in 2021 and the Sustainability Framework introduced in 2022, the Group reorganised its businesses in the fourth quarter of 2025 to sharpen strategic clarity and execution. While these initiatives had already anchored the Group around its three business pillars, Energy, Green Solutions and Environmental Solutions, the accelerating pace of climate, regulatory and market developments indicate that maintaining a 'business-as-usual mindset' was no longer viable.

As climate imperatives intensify alongside regulatory and market shifts, to remain competitive in supporting the nation's transition agenda, the Company has strategically reset its focus through Strategic Plan 2026 - 2030: Setting the Baseline, anchoring the next phase of growth by sharpening priorities within the Energy and Environmental Solutions businesses. The Energy segment now provides a cohesive growth platform, combining diversified thermal operations with renewable development to support reliability and Malakoff's lower carbon transition, while Environmental Solutions supports circularity and sustainable urban development through waste management, WTE ventures and facilities management.

The Company continues to play a critical role in ensuring grid reliability, supported by a total capacity of 6,953 MW in Malaysia, maintaining its position as the largest IPP. The Group's RE footprint in Malaysia expanded to 766 MW following the award of the nation's largest LSS project in Perak. Continued investment in new thermal capacity through gas turbine reservations indicate the Group's system critical role, using gas to balance decarbonisation objectives with supply reliability.

Aligned with the NETR, Environmental Solutions supports Malaysia's lower carbon transition, with WTE recognised under the bioenergy lever, under Malaysia's circular economy agenda. The WTE in Sungai Udang, Melaka is expected to generate 22 MW of RE, diverts over 300,000 tonnes of waste annually, and avoids an estimated 75,000 tonnes of carbon emissions. The Johor Port Reception Facilities together with expansion into new waste segments, enhances the Group's exposure to scheduled waste management opportunities. In the meantime, the Group continues to expand its concession and non-concession businesses to other areas in Malaysia.

In view of reducing carbon emission at the Company's coal plants and ensuring availability and stability of energy into the grid, Malakoff has secured a flagship project under the NETR to champion an initiative to biomass co-firing at the Company's Tanjung Bin Power Plant with a targeted 15% biomass capacity by 2027.

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 291 to 296 of this Integrated Annual Report together with the details of the Company and the Group financial statements for the financial year ended 31 December 2025 which are set out on pages 291 to 426 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 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 16 March 2026.