

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5078
COMPANY NAME : MARINE & GENERAL BERHAD
FINANCIAL YEAR : April 30, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	: Applied
Explanation on application of the practice	<p>Setting out broad strategic aims to support long-term value creation</p> <p>The Company's Board of Directors ("Board") is responsible for the overall strategic direction and governance of the Group. It does so while exercising reasonable care of the Company as well as the Group's resources.</p> <p>The Company's Board sets out the broad strategic aims for the Company. With respect to the general strategic direction of the Company, the Board set out the Company's entry into the upstream marine logistics/offshore support services industry back in 2009. The Board later set out its intent to exit the infrastructure sector to focus on marine logistics culminating in the disposal of the Company's infrastructure asset in 2017. The Board also subsequently made the decision to venture into the downstream marine logistics business to complement the push towards making the Company a more integrated marine logistics company in the long run.</p> <p>Promote good corporate governance culture within the Group which reinforce ethical, prudent and professional behaviour</p> <p>The Board also takes an active role in setting policies and procedures that promote good corporate governance within the Company. Some of the policies set in the past few years include Whistle Blowing Policy, Corporate Disclosure Policy, Corporate Diversity Policy, External Auditor Independence Policy, Employee Code of Conduct, Anti-Bribery and Corruption Policy, Fit and Proper Policy etc.</p> <p>Given the Group's zero-tolerance of bribery and corruption, the Board takes active steps towards ensuring the Group's business remains free from bribery and corruption. Apart from setting and periodically reviewing the Company's Anti-Bribery and Corruption Policy, the Board together with the appropriate Board Committee also provide oversight to this effort through the Company's annual review of its corruption risks.</p>

	<p>Oversight over sustainability</p> <p>Sustainability has become an increasingly important factor in the Group's business. As such, the Board has also begun to take an active role in providing oversight as well as guidance over sustainability matters affecting the Group's business.</p> <p>Review and approve Management's proposals and monitor its implementation</p> <p>On a more routine level, the Board also sets the annual business targets and budgets for the coming year based on recommendation from Management. The resources required by Management to meet their targets are considered and approved by the Board at the same time it considers and sets targets for the coming year.</p> <p>In terms of oversight, the Board also sets clear, pre-defined Financial Authority Limits on Management to ensure major decisions, specifically with respect to investments or capital expenditures, are only undertaken after careful consideration by the Board and its various Board Committees, where appropriate. In essence, decisions affecting key business considerations or where they involve a value higher than what has been approved for Management, are all reserved for the Board.</p> <p>The Board relies on Management to manage the business of the Group on a day-to-day basis. The Board may also from time to time engage external consultants to assist and provide advice relating to specific issues relating to the Group.</p> <p>Ensure a sound framework for internal controls and risk management</p> <p>The Board acknowledges its responsibility towards maintaining an effective risk management and internal control system to safeguard shareholders' investments and the Group's assets. The Board, through the appropriate Board Committee, reviews the adequacy and effectiveness of the Group's current risk management and internal control system to ensure that the system remains relevant and applicable for the Group.</p> <p>Ensure integrity of the Company's financial and non-financial reporting</p> <p>The Board constantly ensures that there is a sound framework with respect to the Company's corporate reporting, including financial and non-financial reporting, disclosures on corporate governance, sustainability and other non-financial aspects.</p>
:	

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

Intended Outcome

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

Practice 1.2

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

Application	: Applied
Explanation on application of the practice	<p>Tan Sri Mohammed Azlan bin Hashim was appointed to the role of Executive Chairman on 24 June 2008.</p> <p>As Chairman of the Board of Directors, Tan Sri Mohammed Azlan carries out a leadership role in guiding the conduct of the Board and its relations with shareholders and other stakeholders. He maintains a close professional relationship with his management team. In addition, he chairs Board meetings, as well as general meetings of shareholders, and concerns himself with the good order and effectiveness of the Board and its processes. Some of the functions performed by Tan Sri Mohammed Azlan as Chairman of the Board of Directors include the following: -</p> <ul style="list-style-type: none">• Ensuring that there is a balanced board, comprising Executive, Non-Executive and Independent Directors;• Ensuring full participation of the Directors in the Board's decision-making processes and activities;• Ensuring that the whole Board plays a full and constructive part in developing and determining the Company's and/or Group's strategy and overall business and commercial objectives;• Ensuring that all relevant, material and timely information is made available to the Board for Board meetings;• Effectively leading the Board as a whole and in particular during Board meetings and general meetings;• Setting the agenda to be tabled for discussion, in consultation with the management team and the Company Secretary, taking into consideration the important issues facing the Company and/or Group with emphasis to strategic, rather than routine issues;• Ensuring that there are sufficient channels for effective communication between the Board and the shareholders at general meetings;• Ensuring that complete, timely and clear information on the Company and/or Group affairs are provided to the Board;• Ensuring that the advice of the Company Secretary on compliance, procedures and rules is considered and acted upon; and• Ensuring effective communication between the Company and/or Group and its shareholders, management and other stakeholders. <p>In addition to the above, as the Executive Chairman, Tan Sri Mohammed Azlan also performs several other day-to-day functions. These include:</p>

	<ul style="list-style-type: none"> • Ensuring that the Company's strategies and corporate policies are effectively implemented; • Ensuring that Board decisions are implemented, and Board directions are responded to; • Providing directions in the implementation of short and long-term business plans; • Providing strong leadership; i.e. effectively communicating the vision, management philosophy and business strategy to the employees; • Keeping the Board fully informed of all important aspects of the Company's operations and ensuring that sufficient information is distributed to Board members; and • Ensuring the day-to-day business affairs of the Company is effectively managed by the various Heads of Department. 	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.3

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

Application :	Departure
Explanation on application of the practice :	
Explanation for departure :	<p>The Board is headed by the Executive Chairman, Tan Sri Mohammed Azlan bin Hashim.</p> <p>Given Tan Sri Mohammed Azlan's strong leadership, business acumen and wide experience, the Board continues to maintain this arrangement which it feels is in the best interest of the Company.</p> <p>Decisions by the Board are only made after the issues have been deliberated at length by the Board, wherein the views of each Board member are sought.</p> <p>The Executive Chairman's role in the day-to-day operations of the Company is explained in the Board Charter. The Executive Chairman is tasked with providing leadership, high-level business judgment and wisdom, to meet immediate performance targets without neglecting longer-term growth opportunities of the Company. These include:</p> <ul style="list-style-type: none">• Ensuring that the Company's strategies and corporate policies are effectively implemented;• Ensuring that Board decisions are implemented and Board directions are responded to;• Providing directions in the implementation of short and long-term business plans;• Providing strong leadership; i.e. effectively communicating the vision, management philosophy and business strategy to the employees;• Keeping the Board fully informed of all important aspects of the Company's operations and ensuring that sufficient information is distributed to Board members; and• Ensuring the day-to-day business affairs of the Company is effectively managed by the various Heads of Department. <p>In addition, the day-to-day operations of the operating subsidiaries within the Group are carried out by the various members of Senior Management reporting directly to the respective Boards. The Executive Chairman does not sit on the Boards of the operating subsidiaries and is therefore not a party to decisions made at the operating subsidiary level.</p>

	<p>The Executive Chairman is also subject to the Financial Authority Limits which sets pre-defined limits on his authority. For example, under the current limits, the Executive Chairman is only allowed to approve unbudgeted transactions up to RM500,000. Meanwhile, key investment and disposal decisions of the holding company, i.e. those with a value of RM500,000 or more, are only considered by the Board of Directors after a recommendation from the Risk Management Committee. Collectively, these safeguards ensure that no one individual can influence key decisions of the Company.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 1.4

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

<p><i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i></p>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: <p>The Executive Chairman is not a member of the Audit Committee or the Nomination & Remuneration Committee. He does not attend any of the Audit Committee meetings.</p> <p>He does however attend the Nomination & Remuneration Committee Meetings by invitation.</p> <p>Whenever issues relating to the Executive Chairman's performance or remuneration are discussed, the Executive Chairman will excuse himself from the meeting to ensure the members are able to discuss the issues freely in the best interest of the Company.</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.5

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

Application :	Applied
Explanation on application of the practice :	<p>In order to assist the Board with its functions, the Company has appointed two (2) qualified Company Secretaries:</p> <ol style="list-style-type: none">1. Ms Lim Hui Ming; and2. Ms Chia Poh Tin. <p>Both are suitably qualified and competent Company Secretaries with valid practising certificate approved by the Companies Commission of Malaysia ("CCM") and are supported by appropriately qualified secretarial staff to ensure they are able to discharge their duties effectively and efficiently.</p> <p>At least one of the Company Secretaries will attend the Company's Board or Committee meetings and ensure accurate and proper records of the proceedings and resolutions passed were properly maintained. The Company Secretary in attendance acts as a reference point on matters relating to procedures, governance as well as regulatory requirements.</p> <p>The Company Secretaries also provide updates and assist the Board with interpreting regulatory and listing requirements related to Company.</p> <p>Outside of scheduled meetings, the Company Secretaries also play a key role in advising and guiding Management with respect to compliance matters.</p> <p>From time to time, the Company Secretaries also update the Board in relation to relevant training courses available for their consideration and assist in registration of the training seminars/workshops attended by the Directors, if any.</p> <p>During the annual general meetings of the Company, the Company Secretaries will also coordinate with the Share Registrar, Independent Scrutineer, Shareholders, Board of Directors, the Management, etc. to ensure smooth running of the meetings.</p> <p>The Company Secretaries constantly keep themselves abreast of the evolving environment, regulatory changes and developments in Corporate Governance through attendance at relevant conferences and training programmes. They have also attended continuous professional development programme as</p>

	required by the CCM, The Malaysian Institute of Chartered Secretaries and Administrators and other professional bodies.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.6

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

Application	: Applied
Explanation on application of the practice	<p>: To facilitate the Directors' time planning, the annual meeting calendar is prepared and circulated in advance for each new calendar year. The calendar provides directors with scheduled dates for meetings of the Board, Board Committees and the Annual General Meeting to all Directors.</p> <p>Reading materials for Board/Committee meetings are usually circulated prior to the meetings. In some instances, additional papers may be submitted during the meeting itself. Management is always present during the meetings to brief the Board on the papers being tabled and remain available to answer any queries raised by the Board/Committee.</p> <p>The minutes of the meetings record the decisions, including key deliberations, rationale for decisions made, and any significant concerns or dissenting views.</p> <p>The final minutes of the prior meetings are always circulated beforehand together with the notice of meeting, prior to the Board/Committee meetings.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

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

Practice 2.1

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

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

Application :	Applied
Explanation on application of the practice :	<p>The Board has formally adopted its Board Charter which will be periodically reviewed and kept up-to-date with changes in regulations and best practices to ensure its effectiveness and relevance to the Board objectives. The Board Charter was last reviewed in September 2022 and adopted with effect from 28 October 2022.</p> <p>The Board Charter for the Company sets out the role of the Board and it also lists the broad powers of the Board. It clearly lists down the various Board committees formed to oversee and address matters which requires detailed review or in-depth consideration. In detail, the Board Charter covers the following:-</p> <ul style="list-style-type: none">• Composition<ul style="list-style-type: none">✓ Composition of the Board;✓ Executive Chairman's role;✓ Executive Chairman's day-to-day management role; and✓ Non-Executive Directors' roles;• Board structure and procedures<ul style="list-style-type: none">✓ Board's role;✓ Board's power;✓ Board's performance;✓ Board's committees; and✓ Board meetings;• Access• Independent Professional Advice• Remuneration• Indemnification and Directors and Officers insurance <p>The Directors' Code of Ethics, which forms part of the Board Charter governs the following:</p> <ul style="list-style-type: none">• General

	<ul style="list-style-type: none"> • Declaration of interests; • Register of related parties; • Conduct in meetings; • Membership of committees; and • Guidelines on acceptance of gifts. <p>The Board Charter is available for viewing on the Company’s website (www.marine-general.com.my).</p> <p>The respective Board Committees’ roles and responsibilities are described in their respective terms of reference (“TOR”). The TORs are available for viewing on the Company’s website.</p>
Explanation for departure :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
Measure :	
Timeframe :	

Intended Outcome

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

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

Practice 3.1

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

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

Application	: Applied
Explanation on application of the practice	<p>The Company has an Employee Code of Conduct to guide employees on the Company's expectations as well as set parameters for acceptable professional behaviour.</p> <p>The Code of Conduct for the Company was originally part of the Staff Handbook made available to employees of the Company. It has, since November 2017, been adopted separately to provide more prominence to the provisions therein. It has also been revised and expanded to add provisions on anti-bribery, corruption, insider trading and money laundering as a means to further strengthen the Employee Code of Conduct and bring it more in-line with the requirements of the Malaysian Code of Corporate Governance.</p> <p>The Employee Code of Conduct was reviewed and amended on 19 May 2020. Revisions were made to reduce ambiguities with respect to the terminology used, improve the connectivity of the Employee Code of Conduct with other relevant corporate policies and enhance the existing section on anti-bribery and corruption, etc.</p> <p>The latest Employee Code of Conduct is also published on the Company's website (www.marine-general.com.my) for reference.</p> <p>In addition to the above, the Board also observes the Directors' Code of Ethics, which is part of the Board Charter.</p> <p>Apart from prescribing a Code of Conduct for employees, the Company is also cognisant of the various laws that prohibit bribery and corruption. In response to the latest Malaysian regulatory development pertaining to anti-corruption, M&G established a stand-alone Anti-Bribery and Corruption Policy ("ABAC Policy") that is applicable to all its Group Directors and employees. The ABAC Policy was recently reviewed on 27 March 2023 and adopted on 1 June 2023.</p>

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

Intended Outcome

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

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

Practice 3.2

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

Application :	Applied	
Explanation on application of the practice :	The Company adopted a Whistle-Blowing Policy back in 2012 to introduce a safe and acceptable platform for employees to channel concerns about illegal, unethical or improper business conduct affecting the Company and about business improvement opportunities as to ensure that no member of staff should feel at a disadvantage in raising legitimate concerns. It was last reviewed and updated on 15 December 2023. The updated Whistle-Blowing Policy has kept the safeguards put in place by the original policy but takes into account recent changes to the organisational structure of the Company and its subsidiaries. The latest Whistle-Blowing Policy is published on the Company's website (www.marine-general.com.my) for reference.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The M&G Board together with Management takes responsibility for the governance of sustainability matters throughout the Group. It has not however set the Group's sustainability strategies, priorities and targets. Despite this, the Board has been providing oversight and guidance over various sustainability related issues affecting the Group's business.</p> <p>The oversight over sustainability issues, particularly those associated with governance is driven by the M&G Board. Over the last few financial years, the M&G Board has overseen the adoption of governance policies relating to the Whistle-blower, Employees Code of Conduct as well as Anti-Bribery and Corruption.</p> <p>The M&G Board also plays an important role in providing oversight over sustainability issues associated with environment, health and safety. Actual implementation is primarily carried out by the Management of the main operating subsidiaries i.e. Jasa Merin (Malaysia) Sdn Bhd ("JMM") and Jasa Merin (Labuan) Plc ("JML").</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Health and safety related sustainability performance indicators are periodically reported internally. These are also reported to the M&G Board during its quarterly meetings.	
		Some of the key information relating to the above are also disclosed to external stakeholders through the Sustainability Statement that forms part of the Annual Report. However, these are not benchmarked against targets.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>It is noted that three (3) of the Company’s Board members have attended training related to sustainability and/or climate related risk and opportunities in the last financial year.</p> <p>Going forward, Management will update the Board on relevant training relating to sustainability and/or climate related risk and opportunities for their consideration.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The current performance review of the Board and Senior Management does not address the Company’s material sustainability risks and opportunities. The Board will consider incorporating such matters in its performance review in the future.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Board has identified a designated person to manage the overall sustainability programmes carried out by the various operating subsidiaries since late 2022.

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The composition of the Board was last refreshed in late April 2023 with the addition of two (2) new Independent Directors. The Nomination and Remuneration Committee ("NRC") played an integral role in assessing the appropriateness of the appointment before making their recommendation to the Board.</p> <p>The NRC also undertakes an annual assessment on the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director annually, including those directors seeking for re-election in the annual general meeting of the Company.</p> <p>For the financial year ended 30 April 2024, the NRC concluded, amongst others, that the skills and experience mix and composition of the Company's Board of Directors and all Board Committees reporting to it, are generally suitable for the Company, given its size, complexity and the industry it operates in.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	At the end of the financial year 30 April 2024, M&G's Board consists of five (5) Independent Non-Executive Directors and four (4) non-independent directors. More than half (1/2) of the total number of Directors on the Board are therefore independent.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's Board Charter states that the tenure of an Independent Director shall be up to the maximum period of nine (9) years. At any stage up to the completion of nine (9) years, an independent director may be re-designated to be a Non-Independent Director if the Nomination and Remuneration Committee ("NRC") so finds that the Director no longer qualifies to be an Independent Director. An Independent Director so re-designated, may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director.</p> <p>During the financial year under review, the NRC has evaluated the independence of the Independent Directors, where focus goes beyond the Independent Director's background, economic, family and work relationships. Due considerations were also made as to whether an Independent Director can continue to bring independent and objective judgement to the Board.</p> <p>There is no Independent Director serving the Board for a tenure approaching or past nine (9) years presently.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	M&G does not generally maintain Directors as Independent Non-Executive Directors past 9 years, but this is not explicitly part of its written policy. The Company will consider incorporating it formally.

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination and Remuneration Committee reviews the Board's composition annually to ensure it achieves a diverse board which is able to bring in different skillsets, experiences and perspectives.</p> <p>All the directors of the Company do not hold more than five (5) directorships in the listed issuers. This is to ensure that competing time commitment can be managed so as to not impair their ability to discharge their duties effectively.</p> <p>The appointment of senior management is also based on the predetermined criteria of skills sets and leadership qualities, driven by their respective job descriptions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Company engaged an external consultant to assist in identifying suitable female candidates to the Board back in 2019. Where appropriate and subject to costs, the Company will consider using similar services in the future.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The profile for each director is set out in the Company's Annual Report, Details provided in the directors' profiles include directors' shareholding in the Company, current and past directorships, working experience, academic qualifications etc.</p> <p>Explanatory notes under the Notice of the Annual General Meeting further provides the relevant information of the Directors standing for re-election including the Board's statement on its recommendation to support the re-election of Directors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination and Remuneration Committee (“NRC”) is chaired by Shariffuddin bin Khalid during the financial year under review.</p> <p>En Shariffuddin is an Independent Director of the Company. As the Chairman of the NRC, he oversees the evaluation process for new appointments to the Board, annual review of the Board and Board Committees effectiveness, independently assesses the performance of each individual director and lead the succession planning initiative of the Group.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board recognises the recommendation of the Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia to have at least 30% women Directors on the Board. The Board currently has one (1) female member on its Board.	
		Moving forward M&G will seek to improve on the gender diversity of its Board as and when the opportunity arises.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining a competitive advantage.</p> <p>A truly diversified Board and senior management will include and make good use of differences in the skills, regional origins, industry experience, background, gender, age, ethnicity and other qualities of Directors.</p> <p>With this in mind, the Board adopted a Corporate Diversity Policy in November 2017 to serve as a guide for it, moving forward. This policy is disclosed on the Company’s website and annual report for reference.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's Board has delegated the task of the preliminary annual evaluation of the Board, the Board Committees and their respective members to the Nomination and Remuneration Committee ("NRC").</p> <p>To facilitate this assessment, a set of evaluation questionnaires seeking feedback on how each Board member views the performance of the Board as a whole and the respective Board Committees reporting to it are circulated. These questionnaires, derived and enhanced from the Exhibits of Corporate Governance Guide (4th Edition) of Bursa Malaysia Berhad, are not meant to be exhaustive. They do however, provide a basis from which the key factors/criteria to determine effectiveness, may be inferred.</p> <p>Upon receipt of the responses from all individual Directors, Management will compile and summarize the responses for ease of reference as well as to maintain the privacy of the individual responses provided. The raw responses from each member remain available to the NRC.</p> <p>The Board subsequently considers the findings and recommendations (if any) of the NRC based on the feedback gathered from the evaluation questionnaires.</p> <p>For the financial year ended 30 April 2024, the NRC concluded, amongst others, that the skills and experience mix and composition of the Company's Board of Directors and all Board Committees reporting to it, are generally suitable for the Company, given its size, complexity and</p>

	the industry it operates in. The Board subsequently considered and endorsed the findings and conclusion of the NRC.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.1

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

Application	: Applied
Explanation on application of the practice	<p>The Board adopted a Board Remuneration Policy applicable for its Directors in November 2017. This Policy was reviewed and updated in January 2023. The Board Remuneration Policy adopted sets out to attract and retain Directors of such calibre to provide necessary skills and experience as required and commensurate the Board's responsibilities, expertise and complexity of the Company activities for the effective management and operations of its businesses.</p> <p>The Company practices a competitive remuneration policy. It applies a simple and straightforward approach to remuneration, while bearing in mind key business strategies, long term goals and building a culture of high performance.</p> <p>The Company maintains two (2) core elements to the remuneration packages; Fixed components being Base Salary, Fixed Allowance and Employee Provident Fund and the Variable component being Performance Bonus for Executive Directors.</p> <p>Fixed components, where appropriate, will be determined by benchmarking exercises while Variable components will be determined by company performance and individual performance. Where applicable, the approval of the Nomination and Remuneration Committee and the Board will need to be obtained.</p> <p>Executive Directors are remunerated by both a fixed and variable component while Non-Executive Directors will only be remunerated through a fixed component.</p>

	<p>The Board Remuneration Policy also explicitly prohibits remuneration to Directors via commission on or percentage of turnover in line with the Main Market Listing Requirements and Constitution of the Company.</p> <p>The Board Remuneration Policy is available for viewing on the Company's website (www.marine-general.com.my).</p>	
<p>Explanation for departure :</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure :</p>		
<p>Timeframe :</p>		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company’s Nomination and Remuneration Committee (“NRC”) is guided by a clear Terms of Reference, which is also made available on the Company’s website (www.marine-general.com.my).</p> <p>The NRC consists exclusively of Non-Executive Directors with majority Independent Directors. The NRC is also chaired by an Independent Non-Executive Director. The Executive Directors are not involved in the deliberations to decide on their remuneration.</p> <p>During the NRC Meetings held in the financial year under review, the NRC reviewed the Executive Chairman’s and Executive Directors’ emoluments inclusive of benefits and bonus. Such review was to ensure that the remuneration package of the Executive Chairman remains competitive after taking into account the Group’s performance. The NRC consequently recommended the same to the Board for consideration and approval.</p> <p>The remuneration of the non-executive directors is determined based on the level of expertise, experience, responsibilities, undertaken and time commitment required. The remuneration of the non-executive directors was last reviewed in December 2023.</p>
	:	

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

Intended Outcome

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

Practice 8.1

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

Application :	Applied	
Explanation on application of the practice :	A detailed breakdown for our individual Directors' remuneration paid in financial year ended 30 April 2024 is disclosed in the 2024 Annual Report and a summary is set out below:	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Mohammed Azlan bin Hashim,	Executive Director	-	72.0	1,114.0	317.8	164.5	142.3	1,810.6	-	72.0	1,114.0	317.8	164.5	142.3	1,810.6
2	Tai Keat Chai	Non-Executive Non-Independent Director	88.7	17.0	-	-	-	-	105.7	88.7	17.0	-	-	-	-	105.7
3	Nik Abdul Malik bin Nik Mohd Amin	Non-Executive Non-Independent Director	65.0	11.0	-	-	-	-	76.0	77.0	16.0	-	-	-	-	93.0
4	Shariffuddin bin Khalid	Independent Director	75.7	12.0	-	-	-	-	87.7	75.7	12.0	-	-	-	-	87.7
5	Shelina binti Razaly Wahi	Independent Director	75.7	15.0	-	-	-	-	90.7	75.7	15.0	-	-	-	-	90.7
6	Abdul Rahman bin Ali	Executive Director	-	-	-	-	-	-	-	-	171.6	1,073.1	278.9	55.1	182.8	1,761.5
7	Kamarul Ariffin bin Mohd Jamil	Independent Director	78.0	16.0	-	-	-	-	94.0	92.0	21.0	-	-	-	-	113.0
8	Megat Joha bin Megat Abdul Rahman	Independent Director	78.0	15.0	-	-	-	-	93.0	78.0	15.0	-	-	-	-	93.0
9	Rozhan Anwar bin Abdul Halim	Independent Director	78.0	18.0	-	-	-	-	96.0	85.0	20.0	-	-	-	-	105.0
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application :	Departure	
Explanation on application of the practice :		
Explanation for departure :	<p>The Board views that the disclosure of detailed remuneration information relating to Senior Management, which include their salary, bonus, benefits in-kind and other emoluments is not appropriate considering the sensitivities associated with such disclosures.</p> <p>The Company has already identified the Top 5 Senior Management for the Group in the Profiles of Key Senior Management section of the Annual Report. The remuneration of the two (2) most senior executives, namely Tan Sri Mohammed Azlan Hashim (Executive Chairman) and Abdul Rahman bin Ali (Non-Independent Executive Director) are disclosed in the Corporate Governance Overview Statement section of the Annual Report and Practice 8.1 of this Corporate Governance Report.</p> <p>The Board ensures that the remuneration of Senior Management is commensurate with the performance of the Company, with due consideration to attracting, retaining and motivating Senior Management to lead and run the Company successfully. Excessive remuneration pay-outs are not made to Senior Management personnel in any instance.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

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

Intended Outcome

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

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application :	Not Adopted
Explanation on adoption of the practice :	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application :	Applied	
Explanation on application of the practice :	Datin Shelina binti Razaly Wahi, the Chairperson of the Audit Committee, does not also hold the position of Chairman of the Board.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board adopted the External Auditor Independence Policy on 23 August 2018 and updated it on 30 March 2022.</p> <p>One of the requirements set out in the External Auditor Independence Policy requires the lead and concurring audit partners hired from the External Auditors to be assigned in the financial reporting oversight role or who is able to exercise influence over the content of the financial statements to be subject to a three (3) years cooling off period, i.e. the person must not be an employee of the External Auditor for three (3) years before the person is hired by the Group.</p> <p>Currently, none of the members of the Audit Committee is a former key audit partner of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application :	Applied
Explanation on application of the practice :	<p>The Board adopted the External Auditor Independence Policy on 23 August 2018 and updated it on 30 March 2022.</p> <p>The policy sets out the selection and appointment, independent requirements, approvals for services to be rendered by the external auditor, monitoring and reporting requirements, independence statements by directors, external audit performance review, consequences breach, hiring personnel of the external auditor and performance measures & non-conformance criteria.</p> <p>Prior to making a recommendation on the continuation of the incumbent auditors, the Audit Committee performs an annual assessment on the objectivity, qualifications, expertise, resources, effectiveness and performance of the auditors and considered information presented in the Annual Transparency Report of the audit firm.</p> <p>Provisions of non-audit services by the external auditors were reviewed and the disclosure on the nature and extent of the non-audit services are made in the Annual Report of the Company.</p> <p>In addition, a written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements has been obtained by the Company.</p>
Explanation for departure :	Please provide an explanation for the departure.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	Please explain the measure(s) the company has taken or intend to take to adopt the practice.

Timeframe	:	Choose an item.	
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Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The four (4) members of the Company's Audit Committee for the financial year ended 30 April 2024 were made up of Independent Directors.</p> <p>The composition of the Company's Audit Committee during the financial year ended 30 April 2024 were as follows:</p> <ol style="list-style-type: none">1. Datin Shelina binti Razaly Wahi (Chairperson of the Audit Committee, Independent Non-Executive Director);2. Kamarul Ariffin bin Mohd Jamil (Independent Non-Executive Director);3. Megat Joha bin Megat Abdul Rahman (Independent Non-Executive Director); and4. Rozhan Anwar bin Abdul Halim (Independent Non-Executive Director).

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The members of the Audit Committee during the financial year are financially literate and are able to understand matters being discussed during meetings.</p> <p>The Chairperson of the Audit Committee, Datin Shelina binti Razaly Wahi, a legal practitioner, lends legal acumen to the Audit Committee.</p> <p>In terms of originating from a financial or accounting background, En Kamarul Ariffin bin Mohd Jamil is a former banker. En Megat Joha bin Megat Abdul Rahman and En Rozhan Anwar bin Abdul Halim both have trained or have held senior roles in accounting or finance related positions and responsible for the management of financial affairs.</p> <p>The diverse background of the four (4) members ensures that the Audit Committee is able to discuss issues presented to it from various perspectives.</p> <p>At the Audit Committee meetings held during the financial year under review, the Audit Committee reviewed and resolved issues, arising from the interim and final audits and any matter the external auditors wish to discuss (in the absence of the Management, where necessary).</p> <p>In addition, the Audit Committee is kept up-to-date with the relevant developments on accounting standards, practices and rules by the external auditors.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee is tasked by the Board with the duty of reviewing and monitoring the effectiveness of the Company's system of internal controls. Additionally, Tricor Axcelasia Sdn Bhd, has also been appointed to carry out internal audits based on risk-based audit plans approved by the Audit Committee.</p> <p>In addition to this, the Board has also approved pre-defined Financial Authority Limits on Management to ensure major decisions, specifically with respect to investments or capital expenditures, are only undertaken after careful consideration by the Board and its various Board Committees, where appropriate.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application :	Applied	
Explanation on application of the practice :	<p>The Audit Committee is tasked by the Board with the duty of reviewing and monitoring the effectiveness of the Company's system of internal controls. Additionally, Tricor Axcelasia Sdn Bhd, has also been appointed to carry out internal audits based on risk-based audit plans approved by the Audit Committee.</p> <p>The features of the Company's risk management and internal control framework, and the adequacy and effectiveness of this framework is disclosed in the Statement on Risk Management and Internal Control of the Annual Report.</p> <p>The risk management framework is based on the internationally recognized ISO31000 risk management standard. The Audit Committee and the Board reviews its internal control and risk management framework annually. No significant changes were made to the internal control and risk management framework arising from the review.</p>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application :	Not Adopted
Explanation on adoption of the practice :	<p>The Board has set up a Risk Management Committee, however the composition of the Risk Management Committee does not comprise a majority of independent directors.</p> <p>For the financial year ended 30 April 2024, the Company's Risk Management Committee primarily oversees the investment activities and cash flow position of the Group. During this period, the Company's risk management framework and policies are actually reviewed and monitored by the Company's Audit Committee.</p>

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company engaged an external consultant, Tricor Axcelasia Sdn Bhd (“Tricor”) to assist the Company by bringing an objective and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance process. Tricor’s function is independent of the activities or operations of other operating units.</p> <p>Tricor’s reporting lines are independent from the Management as it reports its findings directly to the Audit Committee.</p> <p>Their key Engagement Partner is invited to attend the Audit Committee meetings to facilitate the deliberation of internal audit reports.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The internal audit function is delegated to the Tricor Axcelasia Sdn Bhd (“Tricor”) and the internal audit staff on the Engagement Team are free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p> <p>The number of staff deployed for the internal audit reviews ranges from 2 to 5 staff per visit including the Engagement Partner. The staff involved in the internal audit reviews possess professional qualifications and/or a university degree. Most of them are members of the Institute of Internal Auditors Malaysia.</p> <p>The Engagement Partner, Cik Noor Lilah Wati Abdul Majid, has diverse professional experience in internal audit. She is an Associate Member of the Institute of Internal Auditors Malaysia, and Certified Business Continuity from Business Continuity Institute, United Kingdom.</p> <p>The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework (IPPF).</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	: Applied
Explanation on application of the practice	<p>The Board values constant dialogue and is committed to have effective and transparent communication with its stakeholders. While it endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information. As such, the Company's General Meetings serve as the platform by which the Board maintains its communication with shareholders. During such meetings, shareholders in attendance freely interact with the Board members as well as Management, using this opportunity to seek clarification or voice their opinions regarding the business of the Company.</p> <p>The Company has also established a website at http://www.marine-general.com.my from which investors and shareholders can access information relating to the Company, its businesses and periodic performance reports. The website is updated periodically to reflect key changes to the Company.</p> <p>In addition, a designated person has also been assigned to address any queries from the stakeholders and public. This person's contact details and e-mail address can be found on the website as well.</p> <p>In so far as communication with staff, this is done via the quarterly Board meetings and various Committee meetings attended by both Board members and Management. On a less formal level, the Board will engage with the Management as and when the need arises throughout the year.</p> <p>In addition to the above, the Company, via its Management, also conduct periodic meetings with its bankers/financiers to ensure they are apprised of the important business developments at the Company.</p>

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

Intended Outcome

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

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

Practice 12.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>This requirement is not applicable as the Company is not a Large Company.</p> <p>M&G's annual report to the shareholders is the main medium used to communicate with shareholders with respect to the Company's activities, operations and performance for the financial year under review.</p> <p>In addition to this, M&G's website (www.marine-general.com.my) publishes all material information regarding M&G for its shareholders. The Company discloses via its website all the announcements made to Bursa Malaysia Securities Berhad. The Company also discloses, via its website, all official press release issued to the market within a reasonable timeframe after such information is released.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company plans to send out the Notice for the Company's 27th Annual General Meeting ("AGM") by 30 August 2024, more than 28 days prior to the AGM scheduled to be held on 11 October 2024.</p> <p>The notice of the AGM outlines the resolutions to be tabled during the AGM and is accompanied with explanatory notes and background information to shed clarity on the matters that will be decided at the AGM.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Based on record, eight (8) out of the nine (9) members of the Board attended the Company’s 26th Annual General Meeting (‘AGM’). All relevant members of senior management were also in attendance with the Chief Financial Officer (“CFO”) providing a briefing on the financial performance of the Group for the financial year ended 30 April 2023. Shareholders were also invited to ask questions which were addressed by the Directors and management.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure	
Explanation on application of the practice	:	Please provide an explanation for the departure.	
Explanation for departure	:	M&G’s annual general meetings tend to be done physically to provide better interaction between the Directors, Management and shareholders.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: The Company's Annual General Meetings ("AGM") provides an open platform for shareholders to raise questions on the Group’s performance. The Chief Financial Officer will present an overview of the Company's financial performance to the shareholders during the AGM. Shareholders will then have the opportunity to raise questions which are addressed by either the Executive Chairman, Chairs of the various Board Committees or members of Senior Management. Minutes of the AGM as well as questions posted by the shareholders together with their respective answers are published on the Company’s website.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice	:
Explanation for departure	: M&G’s annual general meetings tend to be done physically to provide better interaction between the Directors, Management and shareholders.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	Minutes of the Meeting for the 26 th Annual General Meeting (“AGM”) of the Company were uploaded onto the Company’s website in early-November 2023, less than 30 business days after the 26 th AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

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