

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 7090 AHEALTH  
**COMPANY NAME** : APEX HEALTHCARE BERHAD  
**FINANCIAL YEAR** : December 31, 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors ('Board') is the highest decision-making body of Apex Healthcare Berhad ('AHB' or 'the Company'). The Board of Directors is responsible for providing stewardship and oversight of management and operations of the Company. As enshrined in the Board Charter, the roles of the Chairman include ensuring that the Board and its Committees are fully supplied with the information and resources necessary to discharge its duties effectively. The key roles of the Board are set out in the Board Charter, which is available at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>The Board is responsible for providing leadership and setting the strategic aims of the Company that will ensure long-term sustainability. The Board considers, reviews, challenges and approves the strategic multi-year plan proposed by Management. Specifically, the Board reviews and challenges Management's proposal on strategic business plans for each business unit annually or more frequently should the need arise. The AHB Group ('Group')'s strategic plan encompassing a long-term vision for the Group in the context of the operating environment and industry dynamics was presented by the Management for review by the Board in April 2024. A Board Strategy Forum was held in September 2024 for the Board to review, challenge and approve Management's proposal on the Group's Budget 2025 and the strategic plans for the businesses for 2025 and beyond.</p> <p>The Board meets quarterly and tracks targets in the furtherance of strategic and other plans to ensure that they align with the long-term objectives of the Company. During the financial year ended 31st December 2024, in addition to the Group's long-term plan presentation and Board Strategy Forum which were dedicated exclusively for review of Management's strategic plans for the Company, the Board met on 21st February, 15th May, 21st August and 27th November to review quarterly performance to ensure that the</p>

	<p>strategic direction of the Company continues to support long term value creation and interests of its shareholders and other stakeholders. For the perusal of Board members, Monthly Management Reports are made available upon request.</p> <p>The Board ensures that the Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of the Board and Senior Management. In 2016, the Board of Directors approved a Board Succession Planning Policy which addresses various pertinent matters including board size, number of Independent Directors and their tenure and terms of appointment and diversity policy. Updates to the Board Succession Planning Policy were conducted in 2018 and 2022. From 2022 onwards, the Board Succession Planning Policy has been subjected to annual review by the Nomination Committee. For Financial Year 2024, the review was conducted by the Nomination Committee on 21st February 2024.</p> <p>For the Senior Management, the AHB Group Succession Plan for the Chief Executive Officer ('CEO') and members of the Executive Committee ('EXCO') has been instituted. In 2021, the Nomination Committee was updated on the structured Leadership Management Programs for CEO, Senior Management and Business Heads comprising talent development and succession planning conducted in the previous year. Management succession plans are drawn up in all the AHB Group's operating subsidiaries and are reviewed periodically to enhance leadership and effectiveness of the Board and Management. At the Nomination Committee Meeting in February 2024, the updated Group Succession Plan for Senior Management encompassing the CEO and members of the EXCO was reviewed.</p> <p>The Core Tenets of the AHB Group (or 'the Group') namely "Service, Quality and Integrity" form the bedrock upon which the Group functions. These Core Tenets were instituted by the Founder of the Company and remain true to this day. The Board sets the "tone from the top" and together with Senior Management, promotes a culture of corporate governance that reinforces ethical and professional behaviour premised on the Company's Core Tenets. The Board ensures that the Core Tenets are upheld at all times by the Company in its business dealings and in its relationship with shareholders and other stakeholders.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>

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

<b>Measure</b> :		
<b>Timeframe</b> :		

## 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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The roles of the Chairman as enshrined in the Board Charter include the following:</p> <ul style="list-style-type: none"><li>a) Provides leadership for the Board so that the Board can perform its responsibilities effectively;</li><li>b) Chairs general meetings of shareholders;</li><li>c) Represents the Board to shareholders and communicates the Board's position and ensures appropriate steps are taken to provide effective communication with shareholders and other stakeholders;</li><li>d) Leads the Board and facilitates and encourages constructive discussion and debate during Board meetings;</li><li>e) Promotes constructive and respectful relations and manages the interface between the Board and management;</li><li>f) Determines, in consultation with management, the agenda for the Board's deliberations;</li><li>g) Ensures that the Board and its committees are fully supplied with the information and resources necessary to discharge its duties effectively; and</li><li>h) Leads the Board in the adoption and implementation of good corporate governance practices in the Company.</li></ul> <p>The review of Board responsibilities and effectiveness is conducted by the Board periodically. The Board Charter is also subjected to a close review to ensure that it aligns with the provisions of all applicable laws and regulations. In line with the adoption of the AHB Group's Conflict of Interest Policy in February 2024, the Board Charter was updated accordingly. Recognizing the critical importance of climate management and reporting, it is essential to incorporate oversight of climate related matters in the Risk and Sustainability Committee ('RSC')'s Terms of Reference as a key component of its sustainability responsibilities. Accordingly, one of the RSC's duties and functions has been expanded to include oversight of climate-related matters. Consequently, the Terms of Reference of the RSC as well as the Board Charter were updated in August 2024 to reflect this change. The Board Charter is found on the Company's website: <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>As the Chairman is also the Chief Executive Officer, the Non-Executive Directors are encouraged to discuss among themselves at least annually the relevant strategic, governance and operational issues. To</p>

	<p>facilitate this discussion, the Board structures a time to provide for deliberation exclusively among Non-Executive Directors on matters relating to strategic, governance and operational issues without the participation of CEO and other members of Management. Only Non-Executive Directors attend.</p> <p>A Board Discussion Session consisting of Non-Executive Directors was conducted in May 2024 for discourse on strategic, governance and operations issues which are relevant to the Group. The Board Discussion Session was chaired by a Non-Executive Director. The Chairman of the Board by virtue of his executive role as CEO did not participate in this session.</p> <p>Pursuant to the recommendations of the Malaysian Code on Corporate Governance 2021, the Board has adopted the Practice of restricting the Chairman of the Board from being a member of the Audit Committee, Nomination Committee or Remuneration Committee.</p>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### 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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board acknowledges that the CEO, being also the representative of the largest shareholder, confers the advantage of shareholder leadership and enjoys the support and cooperation of the Directors. The Independent Directors are of the opinion that he is well qualified and best positioned to align all interests to create a high functioning Board in the additional capacity as Chairman of the Board.</p> <p>Although the functions of Chairman and CEO are currently combined, the Board is of the opinion that no single person has excessive powers of decision as:</p> <ul style="list-style-type: none"><li>• the Board is collectively responsible and accountable for meeting the objectives and goals of the Company;</li><li>• Board decisions are dependent on the consensus of the Directors, who take an active interest in all major and strategic decisions of the Group;</li><li>• four of the seven Board members are independent, and supply a strong independent element to the decision-making process;</li><li>• the Senior Independent Director avails himself to address shareholders' concerns and is a useful counterbalance in decision-making; and</li><li>• no single shareholder controls an absolute majority of the voting shares, and while Non-Independent Directors enjoy a good degree of consensus as to the best interests of the Company, agreement is not regarded as a foregone conclusion.</li></ul> <p><u>Alternative Practice:</u></p> <p>For the reasons stated above, the Board is satisfied that the alternative practice of combining the functions of Chairman and CEO meets the Intended Outcome as the Board assumes responsibility for the Company's leadership and is collectively responsible and accountable for meeting the objectives and goals of the company. Further, at all meetings of the Board of Directors, the Board elects one of its members, other than the Chairman, to be the Chairman of the meeting, thus avoiding any unfettered power of decision-making in any one individual. Directors are able to engage in open and</p>

	constructive debate at Board meetings, ensuring that the Board's decision-making process is robust.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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>	
<p><b>Application</b> :</p>	<p>Departure</p>
<p><b>Explanation on application of the practice</b> :</p>	
<p><b>Explanation for departure</b> :</p>	<p>The Chairman of the Board is not a member of the Audit Committee, Nomination Committee or Remuneration Committee. The Board upholds the Practice of restricting the Chairman of the Board from being a member of the Audit Committee, Nomination Committee or Remuneration Committee.</p> <p>The Chairman of the Board by virtue of his concurrent appointment as Chief Executive Officer ('CEO'), may be required to attend the meetings of the Board Committees in his capacity as the CEO by way of invitation from the Chairman of the respective Board Committees.</p> <p>The Board is of the view that participation of the Chairman of the Board in meetings of the Board Committees by way of invitation does not impair the objectivity and quality of decisions as all matters are discussed and deliberated with the active participation of other Board Committee members. The Chairman of the Board also abstains from deliberation on his own remuneration.</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><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	It is the Board's responsibility to appoint and retain the services of a suitably qualified and competent Company Secretary to advise and support the Board in carrying out its roles and responsibilities. In addition to the internal Company Secretary, currently the Group's Chief Financial Officer, the Board has also appointed an external Joint Company Secretary in order to deepen availability of resources and experience. The Company Secretaries are qualified by virtue of Section 235(2) of Companies Act 2016 and information about their membership with relevant professional bodies can be found in the Corporate Information section of the Annual Report. The Company Secretaries advise and support the Board on governance matters and ensure that there is an effective system of corporate governance in place. The Company Secretaries also assure compliance with filing and administrative requirements and assume an important role in guiding the Board on statutory compliance. On a regular basis, they attend training and seminars conducted by the Companies Commission of Malaysia, the Malaysian Institute of Chartered Secretaries and Administrators and Bursa Malaysia Securities Berhad and other relevant regulatory bodies to keep abreast with the relevant updates on statutory and regulatory requirements.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Directors have comprehensive and timely access to information concerning the Company and the Group. Notice of Board meetings and Board papers with supporting documents, presentations and materials detailing Group performance and operational, financial and corporate matters are circulated to Directors at least five business days in advance of Board meetings to ensure that Directors have sufficient time to study them and be prepared for discussion. Comprehensive minutes of Board meetings which accurately reflect the deliberations and decisions of the Board are maintained and circulated to the Directors in a timely manner. Formal channels are usefully augmented and supplemented by regular informal dialogue between non- executive members of the Board and Management on matters relating to the Company's business. Directors are entitled to request and receive supplementary information in order to be fully briefed before the meeting.</p> <p>Directors have access to the advice and services of the Company Secretaries and the Senior Management staff in the Group and are entitled to seek independent professional advice at the Company's expense through an agreed procedure in the proper discharge of their duties as spelt out in the Board Charter.</p> <p>To enable objective and independent discussions, Board Committee meetings are not combined with the Board meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established a Board Charter, which is designed to provide guidance and clarity for Directors and Management with regards to the role of the Board, Chairman, Senior Independent Director, CEO and Board Committees. The requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as the Board's operating practices are set out. The Board Charter serves as a reference point for Board activities and promotes high standards of corporate governance, and is published at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>Among the matters set out in the Board Charter are the role and responsibilities of the Board, Directors, Chairman, Senior Independent Director, CEO and Board Committees. The Board Charter explicitly specifies that the Board's role includes oversight and appraisal of the Company's strategies and policies and monitoring Management's implementation of them. The Board Charter also specifies matters reserved exclusively for Board's approval.</p> <p>The Board reviews its Board Charter periodically and updates the Board Charter in line with the changes in regulations and best practices of the Group that may impact the Board in the discharge of its responsibilities. In line with the adoption of the AHB Group's Conflict of Interest Policy in February 2024, the Board Charter was updated accordingly. Recognizing the critical importance of climate management and reporting, it is essential to incorporate oversight of climate related matters in the Risk and Sustainability Committee ('RSC')'s Terms of Reference as a key component of its sustainability responsibilities. Accordingly, one of the RSC's duties and functions has been expanded to include oversight of climate-related matters. Consequently, the Terms of Reference of the RSC as well as the Board Charter were updated in August 2024 to reflect this change.</p>

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Core Tenets of the Apex Healthcare Group namely "Service, Quality and Integrity" have been enshrined in the Group's Code of Conduct. Individual operating subsidiaries have more detailed Employee Handbooks which specify detailed obligations of employees. These are contractual obligations and are drawn up to meet the specific needs of the businesses and the legal requirements of the countries in which the businesses are based. The Code of Conduct is available on the Company's website : <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>The Group values integrity in its dealings and observes zero tolerance towards malpractice, impropriety, statutory non-compliance or wrongdoing by its staff in the course of their work. Employees and outside parties such as suppliers, customers, contractors and other stakeholders may use the procedures set out in Apex Healthcare Group's Whistleblowing Policy &amp; Procedure to report any concern or complaint regarding questionable accounting or auditing matters, internal controls, disclosure matters, conflict of interest, insider trading, collusion with competitors, serious breaches of Group policy, unsafe work practices or any other matters involving fraud, corruption and employee improper conduct or misconduct, including breaches of the Malaysian Anti-Corruption Commission Act 2009 ('MACC Act 2009'). The Whistleblowing Policy &amp; Procedure is available on the Company's website: <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>Pursuant to Section 9 of the Capital Markets and Services Act 2007, Bursa Malaysia Securities Berhad ('Bursa Malaysia') has made Anti-Corruption Amendments to the Main Market Listing Requirements in relation to anti-corruption measures which took effect from 1st June 2020. In this regard, Apex Healthcare Berhad has enhanced its anti-corruption framework taking into account the nature of the Group's businesses, size, organizational structure and risks. These efforts support the priorities of the Malaysian government in eradicating</p>

	<p>corruption and improving governance and integrity, particularly in relation to Section 17A of MACC Act 2009 on corporate liability. The policies and procedures on anti-corruption which are guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of MACC Act 2009 have been established and the policy on anti-corruption is published on the Company's website : <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>. In 2022, the Group's Anti-Corruption Policy and the Whistleblowing Policy and Procedures were reviewed in compliance with Paragraph 15.29 of Bursa Malaysia Main Market Listing Requirements which requires listed issuers and their subsidiaries to assess the effectiveness of these policies and procedures periodically and in any event at least once every 3 years. Corruption risks are also included in the annual risk assessment of the Group.</p> <p>In line with the adoption of the Group's Conflict of Interest Policy in February 2024, the Board Charter and Code of Conduct as well as relevant policies namely the Whistleblowing Policy &amp; Procedure, Anti-Corruption Policy and Directors' Fit and Proper were updated accordingly. In addition, the Code of Ethics for Directors was instituted upon review and adoption by the Board of Directors on 21st February 2024, setting out the general principles and standards of ethical behaviour for the Directors in the performance and exercise of their responsibilities as directors of the Group or when representing the Group and includes the expectation of professionalism and trustworthiness from the Directors. The Code of Ethics for Directors is available on the Company's website: <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Whistleblowing Policy & Procedure of the Company provides the framework to promote responsible and secure whistleblowing. As part of the whistleblowing reporting mechanism, the Audit Committee and/or any representative appointed by the Audit Committee assumes the position of Receiving Officer. The Whistleblowing Policy & Procedure has been further reviewed in 2022 taking into consideration the provision of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ('MACC Act 2009'). The Whistleblowing Policy & Procedure of the Company is available on the Company's website: <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a> .
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p><b><u>Board of Directors</u></b></p> <p>The approach to sustainability governance is crafted in alignment with the distinctive characteristics of the Group, ensuring the efforts are focused on matters material to its operational activities, geographical presence and industry landscape. The Board of Directors ('the Board') plays a pivotal role as the highest governing body, actively working to integrate sustainability into the core of the Group's business strategy. This involves establishing a comprehensive review and approval process for sustainability strategies, ensuring the allocation of sufficient resources and implementing robust systems and processes for effective sustainability management.</p> <p>In driving the strategic alignment of the overall sustainability approach, the Board takes into account the dynamic landscape of sustainability risks and opportunities present across the industry and operational environment, while also considering the culture and specific needs of the organization and its stakeholders. This includes a thoughtful evaluation of the Company's sustainability mindset and readiness to address emerging challenges.</p> <p>Responsibility for the integration of sustainability into the Group is squarely placed on the shoulders of the Board. Beyond strategy approval, the Board takes a leadership role in setting the tone for sustainability efforts within AHB. This extends to defining the Group's purpose, values and strategies, with a deliberate incorporation of sustainability considerations into these foundational elements.</p> <p><b><u>Risk and Sustainability Committee</u></b></p> <p>To strengthen risk oversight, including those related to sustainability, the Board has established a dedicated Board Committee, namely the</p>

Risk and Sustainability Committee ('RSC'), which came into effect from 1st January 2022. The role of the RSC is critical in integrating sustainability risks and opportunities into the Group's risk management framework. The RSC comprises exclusively of Non-Executive Directors, the majority of whom are independent, with their respective duties specified within the committee's Terms of Reference.

The Terms of Reference of the RSC are available on the Company's website [www.apexhealthcare.com.my](http://www.apexhealthcare.com.my). Recognizing the critical importance of climate management and reporting, it is essential to incorporate oversight of climate related matters in the RSC's Terms of Reference as a key component of its sustainability responsibilities. Accordingly, one of the RSC's duties and functions has been expanded to include oversight of climate-related matters. Consequently, the Terms of Reference of the RSC as well as the Board Charter were updated in August 2024 to reflect this change. The key duties and functions of the RSC pertaining to oversight of sustainability matters are summarized as follows:

1. Alignment of Sustainability Efforts: Ensure that the Group's sustainability efforts are aligned with the long-term business strategy, taking into account the business environment within which AHB operates and the interests of its stakeholders.
2. Oversight of Material Matters: Oversee, review and make recommendations to the Board regarding the material economic, environmental, climate related and social matters impacting AHB's principal businesses.
3. Annual Review and Recommendations: Annually review and present AHB's Sustainability Statement to the Board for approval and subsequent inclusion in its Annual Report.
4. Adaptable Responsibilities: Undertake any other duties assigned by the Board from time to time concerning sustainability matters, showcasing the committee's adaptability to evolving needs.

It is noteworthy that the ultimate responsibility for decisions and recommendations made by the RSC rests collectively with the Board. This ensures a cohesive and unified governance approach, reinforcing the integral role of the committee in fortifying sustainability practices within the organization.

#### **Group Sustainability Management Committee**

At the Management level, a Group Sustainability Management Committee ('GSMC') has been established since 2018. The GSMC is entrusted with the pivotal role of identifying, evaluating, monitoring and managing Economic, Environmental, and Social ('EES') risks and opportunities under the vigilant oversight of RSC. Guided by insights gained from stakeholder engagements and materiality assessments, the GSMC ensures that all significant sustainability matters are

	<p>thoroughly considered and managed by the Group through its business operations.</p> <p>In line with legal requirements and regulations, the GSMC takes charge of preparing sustainability disclosures, including the Sustainability Statement. This process is crucial for compliance and transparency. The Sustainability Statement undergoes a comprehensive review by the RSC, which provides recommendations to the Board for approval and ensures that the approved Sustainability Statement is disclosed accordingly in the Company's Annual Report.</p> <p><b><u>Group Sustainability Technical Committee</u></b></p> <p>To further strengthen the implementation of sustainability initiatives, conduct technical studies and assessments, as well as propose pertinent sustainability projects for the business, a Group Sustainability Technical Committee ('GSTC') was established in April 2022. Comprising key managers from the main subsidiaries, the GSTC operates at the Management level and reports directly to the GSMC. This strategic addition enhances the sustainability governance structure of the Group by providing specialized technical expertise to support sustainability endeavors. This integrated approach ensures that the GSMC, supported by the GSTC, remains at the forefront of sustainability management, aligns with best practices and fosters a proactive and comprehensive strategy for the Group.</p>	
<p><b>Explanation for departure</b></p>	<p>:</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><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group acknowledges the crucial role of engaging with its diverse range of stakeholders to discern, prioritize and address significant sustainability concerns. These interactions are conducted regularly and form an integral part of both business development and the Group's commitment to advancing sustainability. In the pursuit of effective stakeholder engagement, various platforms tailored to the respective needs of each stakeholder group are employed. The stakeholder groups, issues of interest and platforms of engagement are outlined in the Sustainability Statement.</p> <p>Recognizing that addressing all issues and concerns expressed by every stakeholder group can be resource-intensive and inefficient, the Board identifies and prioritizes issues that are most relevant to each stakeholder group. An internal survey was circulated to the business divisions and subsidiaries for the purpose of shortlisting and prioritizing the AHB’s key stakeholder groups and material matters. This strategic approach ensures that resources are directed towards addressing the most impactful stakeholder concerns. Each stakeholder group is weighed by the GSMC based on its influence on the Company’s achievement of strategic objectives, as well as its dependence on the Company’s operations. While, the material matters are prioritized based on AHB’s sustainability impacts and each matter’s level of influence on the assessments and decisions of stakeholders.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The long-term corporate strategic plan of the Group has been initiated with iterations as needed in response to the evolving circumstances. This strategic plan is not limited to sustainable financial growth but considers a holistic sustainability framework where economic, environmental and social considerations underpinned by governance principles are integrated into the business plans. This makes it exigent for the Board to have sufficient understanding and knowledge of sustainability issues to deliberate and make informed decisions on the matter. The emphasis on professional development concerning sustainability is underscored by the Board. Relevant training and development programs on sustainability issues particularly those which are material to the Group are accorded priority. All Directors of the Company have attended sustainability-related training in 2024. Further details of Directors' training can be found under Practice 9.5 of this Corporate Governance Report and Report of the Nomination Committee in Annual Report 2024 of the Company.</p> <p>All Directors of the Company have completed the Mandatory Accreditation Programme Part II: Leading for Impact (LIP), an initiative under the Securities Commission Malaysia's Corporate Governance Strategic Priorities 2021-2023, which aims to provide Directors with the foundation to address sustainability risks and opportunities effectively, and have better oversight over their companies' material sustainability matters.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>To assess how well the Board and Senior Management are performing with respect to their roles in addressing the Company’s material sustainability issues, their performance evaluations include a review of their progress in this regard.</p> <p>For the Board, the relevant questions on its performance with respect to sustainability are included in its annual performance evaluations to assess whether the Board ensures that the strategic plan of the Company supports long-term value creation including strategies on economic, environmental and social considerations guided by governance principles. The performance evaluation also aims to assess whether the Board oversees the integration of sustainability considerations in the day-to-day operations of the Company and ensuring the effective implementation of the Company’s sustainability strategies and plans.</p> <p>Meanwhile for the Senior Management comprising the Chief Executive Officer, Chief Operating Officers and Chief Financial Officer who are members of the Group Sustainability Management Committee, they are responsible for supporting the Board and the Risk and Sustainability Committee in management of sustainability matters. The Senior Management is assessed by their progress in driving strategic management of material sustainability matters and by what the business groups under their charge have done to support sustainability initiatives. The sustainability key performance indicators of the Senior Management have been mapped out and included as part of their annual performance evaluation.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nomination Committee of the Company is tasked with the duties and functions of ensuring that the composition of the Board is refreshed periodically. It also assesses annually the effectiveness of the Board as a whole, the Committees of the Board, individual Directors including Independent Non-Executive Directors, as well as the Chief Executive Officer and Chief Financial Officer through a process implemented by the Board. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions are properly documented. The annual assessment takes the form of self-assessment questionnaires and the results are circulated and deliberated at meeting(s) of the Nomination Committee and the outcome duly recorded in the minutes of the meeting(s) of the Nomination Committee. The comments, recommendations and/or action plans for enhancements based on the evaluation results are tabled to the Board.</p> <p>The Board's required mix of skills and experience and other qualities, including core competencies which the Non-Executive Directors bring to the Board are reviewed annually by the Nomination Committee. The Nomination Committee considers and recommends the Directors for annual re-election and retention via two-tier voting (in the case of any Independent Director who has served in that capacity for more than nine years) at each Annual General Meeting taking into consideration the Director's performance and contributions to the Board.</p> <p>The Nomination Committee takes guidance from the Directors' Fit and Proper Policy of the Company in its review and assessment of candidates that are to be appointed onto the Board of the Company and its subsidiaries as well as Directors who are seeking for re-election. In line with the adoption of the AHB Group's Conflict of Interest Policy in February 2024, the Directors' Fit and Proper Policy of the Company was updated accordingly. The Directors' Fit and Proper Policy is published on the Company's website : <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>The Nomination Committee seeks recommendations and referrals from shareholders, Directors, Senior Management and external</p>

independent sources where practicable in identifying appropriate candidates. Evaluation of candidates include the review of resumes, reference checks and interviews based on criteria established in the Directors' Fit and Proper Policy for compliance with Para 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Nomination Committee will then recommend chosen candidates to the Board for consideration.

The Nomination Committee proposed and recommended the re-election of the Directors set to retire at the Company's 25th Annual General Meeting (AGM) on 15th May 2024 based on the criteria established in the Directors' Fit and Proper Policy. Additionally, the Nomination Committee also recommended the retention of an Independent Director who will reach nine years of service to be put forth for shareholders' approval through a two-tier voting process at the same AGM.

Datuk Noharuddin Bin Nordin @ Harun ('Datuk Noharuddin'), the Senior Independent Non-Executive Director ('Senior INED') of the Company and also the Chairman of the Nomination Committee and a member of the Remuneration Committee, resigned from the Board on 17th July 2024 due to health reasons. Consequently, on the same day, the composition of the Board Committees was refreshed to enhance board effectiveness and uphold high standards of governance.

To replace the position of Senior INED vacated by Datuk Noharuddin, Mr Leong Khai Cheong ('Mr Leong') was appointed on 17th July 2024 with the following mandate of a Senior INED as enshrined in the Board Charter, namely:

- Assumes the role of Chairman when the Chairman is unable to act in that capacity as a result of his lack of independence in the spirit of good corporate governance practices;
- Provides a sounding board for the Chairman to discuss confidential issues related to governance, Board performance and effectiveness, and concerns raised by Directors, shareholders and other stakeholders;
- Provides a point of contact for shareholders and other stakeholders to raise issues and concerns which they feel have not been resolved through normal channels; and
- Serves as an intermediary for other Directors when necessary.

Mr Leong was first appointed an INED of the AHB Board on 18th February 2000 and assumed the position of Senior INED on 24th August 2005. He did not offer himself for reappointment in 2019 as a testament of his commitment to good governance. After serving the requisite cooling-off period mandated by Bursa MMLR, he was reappointed as an INED of the Company on 2nd August 2021. By virtue of Mr Leong's leadership qualities, expertise and industry and board experience, he meets the criteria of a Senior INED and was appointed

	by the Board to the position of Senior INED of the AHB Board, replacing Datuk Noharuddin.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Due to health reasons, Datuk Noharuddin Bin Nordin @ Harun ('Datuk Noharuddin'), the Senior Independent Non-Executive Director of the Company and also the Chairman of the Nomination Committee and a member of the Remuneration Committee, resigned from the Board on 17th July 2024.</p> <p>With the resignation of Datuk Noharuddin, the AHB Board comprises the CEO/Chairman, two Non-Independent Non-Executive Directors and four Independent Non-Executive Directors, where 57% of the Board comprises Independent Directors. Datuk Noharuddin's resignation maintains compliance with Paragraph 15.02 of Main Market Listing Requirements ('MMLR') of Bursa Malaysia Securities Berhad ('Bursa Malaysia') which requires inter alia at least two Directors or one third of the Board, whichever is higher, to consist of Independent Directors and the Malaysian Code on Corporate Governance 2021 Practice 5.2 which advocates that at least half of the Board comprises Independent Directors.</p> <p>The higher proportion of Independent Directors fosters Board independence, providing the necessary checks and balances to reduce boardroom dominance, stereotypical discussions and complacency. The Board Committees benefit from enhanced checks and balances and deliberations will be enriched by the contributions of Independent Directors with diverse backgrounds.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

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### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All Independent Directors who have served the Company beyond nine years will submit themselves for annual shareholders' approval through a two-tier voting process at the Annual General Meeting ('AGM') to be retained as Independent Directors. The recommendation by the Board for retaining such Independent Directors is based on their independence, incumbent knowledge and contributions to the strategic objectives and stewardship of the Company. The two-tier voting process to retain any Independent Director beyond nine years, as prescribed in the Malaysian Code on Corporate Governance 2021 will be employed at the AGM whenever such a situation arises. In such instances, the justifications for retention will be provided in the Notes to the Notice of AGM for shareholders' consideration.</p> <p>At the 25th AGM of the Company held on 15th May 2024, Datuk Noharuddin Bin Nordin @ Harun ('Datuk Noharuddin') who had served as an Independent Director beyond a cumulative term limit of nine years submitted himself for shareholders' approval through a two-tier voting process. Both Tier 1 and Tier 2 shareholders supported the resolution for Datuk Noharuddin to be retained as an Independent Director. However, due to health reasons, Datuk Noharuddin resigned from the Board on 17th July 2024.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board embraces diversity amongst its members and has ensured a good representation of the relevant skills and experience for the discharge of its duties. Its policy towards boardroom diversity is above all, to be non-discriminatory with regards to gender, race or religion, and only considering relevant qualifications, ability and commitment when proposing candidates for shareholders' approval.</p> <p>The Board desires that each of its Directors, Chief Executive Officer, Chief Operating Officers and Chief Financial Officer be of appropriate character, experience, integrity and competence so as to carry out their duties in the best interest of the Company. In addition, each of the Non-Executive Directors must be able to devote time to discharge their responsibilities in their respective roles and Board Committees.</p> <p>Pursuant to the amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad which were announced on 19th January 2022, a Directors' Fit and Proper Policy that addresses board quality and integrity for the appointment and re-election of Directors of the Company and its subsidiaries has been put in place. The Nomination Committee takes guidance from the Directors' Fit and Proper Policy published on the Company's website at <a href="http://www.apexpharmacy.com.my">www.apexpharmacy.com.my</a> in its review and assessment of candidates that are to be appointed onto the Board of the Company and its subsidiaries as well as Directors who are seeking for re-election. In line with the adoption of the AHB Group's Conflict of Interest Policy in February 2024, the Board Charter was updated accordingly.</p> <p>The Nomination Committee was established in 2001 and comprises Non-Executive Directors, a majority of whom are Independent Directors. Due to health reasons, Datuk Noharuddin Bin Nordin @ Harun ('Datuk Noharuddin'), the Senior Independent Non-Executive Director of the Company and also the Chairman of the Nomination Committee and a member of the Remuneration Committee, resigned from the Board on 17th July 2024. With the resignation of Datuk</p>



Noharuddin, the Board has refreshed the composition of Board Committees including the Nomination Committee to promote board effectiveness.

The members of the Nomination Committee with effect from 17th July 2024 are as follows:

1. Mr Leong Khai Cheong, Chairman (Senior Independent Non-Executive Director)
2. Mr Robert Dobson Millner AO, Member (Non-Independent Non-Executive Director)
3. Ms Le Wat Su, Member (Independent Non-Executive Director)

The Terms of Reference of the Nomination Committee which is published on the Company's website at [www.apexhealthcare.com.my](http://www.apexhealthcare.com.my) is as follows :

Terms of Reference of the Nomination Committee

### **1. Constitution**

The Board has established a Committee of the Board to be known as the Nomination Committee (hereinafter referred to as the "NC") with authority and duties as specified in these Terms of Reference.

### **2. Membership of the Committee**

2.1 The NC shall be appointed by the Board from amongst themselves, comprising exclusively of Non-Executive Directors, the majority of whom shall be independent. The appointment of a Committee member terminates when the member ceases to be a Director, or as determined by the Board.

2.2 The Chairman of the NC shall be a Senior Independent Non-Executive Director appointed by the Board. In the absence of the Chairman, the members present shall elect a Chairman from among themselves.

2.3 The Company Secretary shall be the Secretary of the NC.

### **3. Meetings**

3.1 The Committee shall meet at least once a year. More meetings may be conducted if the need arises. The quorum for a meeting of the NC shall be two (2) members, a majority of whom must be Independent Directors.

3.2 A resolution in writing, signed by all the members of the Committee, shall be valid and effectual as if it has been passed at a meeting of the Committee duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Committee members. Any such documents may be

accepted as sufficiently signed by a member if transmitted to the Company by any technology purporting to include a signature and/or electronic or digital signature of the member.

3.3 The Company Secretary or his/her representative or other appropriate senior officer shall act as secretary of the Committee and shall be responsible in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to Committee members prior to each meeting.

#### **4. Principles**

4.1 The ultimate decision on the appointment of Directors to the Board is the responsibility of the Board of Directors after due consideration of the recommendations of the NC.

4.2 The Board embraces diversity amongst its members and has ensured a good representation of the relevant skills and experience for the discharge of its duties. Its policy towards boardroom diversity is above all, to be non-discriminatory with regards to gender, race or religion, and only considering relevant qualifications, ability and commitment when proposing candidates for shareholders' approval. This emphasis on diversity extends to the Senior Management.

4.3 The Board desires that each of its Directors, Chief Executive Officer, Chief Operating Officers and Chief Financial Officer be of appropriate character, experience, integrity and competence so as to carry out their duties in the best interest of the Company. In addition, each of the Non-Executive Directors must be able to devote time to discharge their responsibilities in their respective roles and Board Committees.

4.4 The NC shall take into cognizance in its deliberations the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad and the principles of the Malaysia Code on Corporate Governance, and any other pertinent regulations and laws, as well as revisions which may come into force thereafter.

#### **5. Duties and Functions of the Nomination Committee**

The NC shall:-

5.1 Assess and recommend to the Board, suitably qualified candidates for all directorships to be filled including new Directors and Directors to be re-elected or re-appointed or retained, taking into consideration candidates'

- skills, knowledge, expertise and experience;
- commitment (including time commitment) to effectively discharge his/her role as a Director (including, amongst others, attendance at Board or Committee meetings, major company

events, briefings or site visitations, participation in continuing training programmes; after consideration of the candidate's directorships in other listed issuers, public companies and corporations incorporated and listed outside Malaysia and other commitments or positions and the time commitment involved);

- professionalism;
- gender, age and ethnicity and their pertinence to boardroom diversity;
- background, character, integrity and competence;
- any business interests that may result in a conflict of interest arose, persist or may arise within the Company or the Group; and
- in the case of candidates for the position of Independent Non-Executive Directors, ability to discharge the responsibilities and functions expected of Independent Non-Executive Directors.

The NC takes guidance from the Directors' Fit and Proper Policy published on the Company's website in its review and assessment of candidates that are to be appointed onto the Board of the Company and its subsidiaries as well as Directors who are seeking for re-election.

5.2 Seek, evaluate and recommend candidates for directorship as and when required. The NC should seek recommendations and referrals from shareholders, Directors, Senior Management and external independent sources where practicable in identifying appropriate candidates. Evaluation of candidates include the review of resumes, reference checks and interviews based on criteria established in the Directors' Fit and Proper Policy for compliance with Para 2.20A of the MMLR of Bursa Malaysia Securities Berhad. The NC will then recommend chosen candidates to the Board for consideration.

5.3 Assess annually the effectiveness of the Board as a whole, the Committees of the Board, individual Directors including Independent Non-Executive Directors, as well as the Chief Executive Officer and Chief Financial Officer through a process implemented by the Board. All assessments and evaluations carried out by the NC in the discharge of all its functions should be properly documented. The annual assessment takes the form of self-assessment questionnaires and the results are circulated and deliberated at meeting(s) of the NC and the outcome duly recorded in the minutes of the meeting(s) of the NC. The comments, recommendations and/or action plans for enhancements based on the evaluation results are tabled to the Board.

5.4 Assess the independence of the Independent Directors upon admission, annually and when any new interest or relationship develops and confirm the conduct of this assessment in the annual report of the Company and in any notice convening a general meeting seeking approval for the appointment and re-appointment of Independent Directors.

	<p>5.5 Recommend to the Board, Directors to fill the seats on other Board Committees.</p> <p>5.6 Review annually the Board’s required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors bring to the Board.</p> <p>5.7 Determine appropriate training for Directors, review the fulfilment of such training, and disclose details in the annual report as appropriate, in accordance with Bursa Malaysia Securities Berhad’s guidelines on Directors’ Training.</p> <p>5.8 Consider and recommend the Directors for re-election at each Annual General Meeting.</p> <p>5.9 Consider and recommend the retention of each Independent Director who has served in that capacity for more than nine years at each Annual General Meeting.</p> <p>5.10 Review the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and its members have carried out their duties in accordance with its Terms of Reference.</p> <p>5.11 Consider the succession planning of members of the Board and Senior Management through a formalized Succession Planning policy to ensure sustainable and effective performance of the Board and Senior Management through planned succession and compliance with good governance practices.</p> <p>5.12 Ensure that the composition of the Board is refreshed periodically.</p> <p>5.13 Undertake any other duties as may be assigned by the Board of Directors from time to time.</p>
<p><b>Explanation for departure</b> :</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><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board appreciates the importance of using a variety of approaches and sources to ensure that it is able to identify the most suitable candidates. In this regard, the Nomination Committee is charged with the responsibility of identifying, selecting and recommending to the Board suitable candidates based on criteria established in the Directors' Fit and Proper Policy for compliance with Para 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>As there is no "one size fits all" and taking into account the business environment that the Company operates in, the Board authorises the Nomination Committee the option of using external independent sources, if required, in the recruitment of candidates for directorship above and beyond referrals from shareholders, Directors and Senior Management. Evaluation of candidates include the review of resumes, reference checks and interviews based on criteria established in the Directors' Fit and Proper Policy for compliance with Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Nomination Committee will then recommend chosen candidates to the Board for consideration. This Practice is specified in the Terms of Reference of the Nomination Committee which can be found on the Company's website <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Details of any individual standing for election as a Director as outlined in Paragraph 1, Appendix 8A of Bursa Securities Main Market Listing are disclosed by the Company so that shareholders have the information they require to make an informed decision on such matters. The disclosure include the name, age, gender, nationality, qualification, and whether the position is an Executive or Non-Executive and whether such Director is an Independent Director; working experience and occupation; any other directorships in public companies and listed issuers; details of any interest in the securities of the listed issuer and its subsidiaries; family relationship with any Director and/or major shareholder of the listed issuer; and any conflict of interest that they have with the listed issuer.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nomination Committee ('NC') is appointed by the Board from amongst themselves, comprising exclusively of Non-Executive Directors, the majority of whom are independent. The appointment of a Committee member terminates when the member ceases to be a Director, or as determined by the Board.</p> <p>The Chairman of the NC shall be a Senior Independent Non-Executive Director appointed by the Board. In the absence of the Chairman, the members present will elect a Chairman from among themselves. The Company Secretary is the Secretary of the NC.</p> <p>Since August 2015, the Senior Independent Director has assumed the chairmanship of the NC thus providing effective leadership to the NC in the discharge of its duties. On 23rd May 2019, Datuk Noharuddin Bin Nordin @ Harun ('Datuk Noharuddin') was appointed Senior Independent Director to assume the chairmanship of the NC with a refreshment of its composition. Due to health reasons, Datuk Noharuddin resigned from the Board on 17th July 2024.</p> <p>To replace the position of Senior Independent Director vacated by Datuk Noharuddin, Mr Leong Khai Cheong ('Mr Leong') was appointed on the same day. Additionally, Mr Leong was appointed Chairman of the NC. The composition of the Board Committees, including the Nomination Committee was also refreshed to enhance board effectiveness and uphold high standards of governance.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board is composed of a combination of Directors with a mix of skills appropriate to providing the necessary breadth and depth of knowledge and experience to serve the Company's best interests. The Board embraces diversity amongst its members and has ensured a good representation of the relevant skills and experience for the discharge of its duties. Its policy towards boardroom diversity is above all, to be non-discriminatory with regards to gender, race or religion, and only considering relevant qualifications, ability and commitment when proposing candidates for shareholders' approval.</p> <p>While boardroom diversity remains a main criterion for Board composition, no regard shall be paid to gender, race or religion when considering specific candidates for appointment to the Board. Suitability of qualifications, experience and synergy with the overall composition of the Board are factors which the Company values and will take into account.</p> <p>The Board considers its current size and composition as ideal. Further changes to the gender ratio of the Directors will be guided by the policy stated above.</p> <p>In its measure towards meeting its gender diversity policy, the Board takes cognizance of the importance of considering candidates for appointment from a wider pool.</p> <p>The Board acknowledges the benefits of having participation of women on the Board in terms of providing different perspectives and insights for effective decision making and targets to ensure that there is women representation on the Board at any one time.</p> <p>This policy is in line with the amendments to the Main Market Listing Requirements ('MMLR') of Bursa Malaysia Securities Berhad ('Bursa Malaysia') which mandates a listed company to have at least one woman director on its board with effect from 1st June 2023 for listed companies with market capitalization of less than RM 2 billion. The Company is in compliance with this requirement.</p>

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The activities of the Nomination Committee during the financial year are disclosed in the Report of the Nomination Committee in the Annual Report. Its activities include the review of the composition of the Board and Board Committees with regards to the mix of skills, independence and diversity and the annual assessment of effectiveness of the Board as a whole, the Committees of the Board, individual Directors including Independent Non-Executive Directors, as well as the Chief Executive Officer and Chief Financial Officer through a process implemented by the Board. The Terms of Reference of the Nomination Committee is available on the Company's website : <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>The Board embraces diversity amongst its members and has ensured a good representation of the relevant skills and experience for the discharge of its duties. Its policy towards boardroom diversity is above all, to be non-discriminatory with regards to gender, race or religion, and only considering relevant qualifications, ability and commitment when proposing candidates for shareholders' approval. This emphasis on diversity extends to the Senior Management.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Nomination Committee assesses annually the effectiveness of the Board as a whole, the Committees of the Board, individual Directors including Independent Non-Executive Directors, as well as the Chief Executive Officer and Chief Financial Officer through a process implemented by the Board. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions are properly documented. The annual assessment takes the form of self-assessment questionnaires and the results are circulated and deliberated at meeting(s) of the Nomination Committee and the outcome duly recorded in the minutes of the meeting(s) of the Nomination Committee. The comments, recommendations and/or action plans for enhancements based on the evaluation results are tabled to the Board. The disclosure of this process is made in the Terms of Reference of the Nomination Committee (which is published on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>) and Report of the Nomination Committee of the Company (which is found in the Annual Report of the Company).</p> <p>The Nomination Committee reviews annually the Board's required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors bring to the Board. It also considers the succession planning of the Board and Senior Management through a formalised succession planning policy to ensure sustainable and effective performance of the Board and Senior Management through planned succession and compliance with good governance practices. In this regard, at the Nomination Committee Meeting in February 2024, the Board Succession Planning Policy and the Group Succession Plan for Senior Management comprising the Chief Executive Officer and members of the Executive Committee ('EXCO') were reviewed by the Nomination Committee.</p>

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

### 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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The policies and procedures to determine the remuneration of Directors and Senior Management, namely the scope of coverage of the policy and the criteria for determining remuneration are prescribed in the Terms of Reference of the Remuneration Committee which is published on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>The Terms of Reference of the Remuneration Committee is as follows:</p> <p><b>1. Constitution</b></p> <p>The Board has established a Committee of the Board to be known as the Remuneration Committee (hereinafter referred to as the 'RC') with authority and duties as specified in these Terms of Reference.</p> <p><b>2. Membership of the Committee</b></p> <p>2.1 The RC shall be appointed by the Board from amongst themselves and shall comprise exclusively of Non-Executive Directors, the majority of whom shall be independent. The appointment of a Committee member terminates when the member ceases to be a Director, or as determined by the Board.</p> <p>2.2 The members of the RC shall elect a Chairman from among their members.</p> <p>2.3 The Company Secretary shall be the Secretary of the RC.</p>

### **3. Meetings**

3.1 The Committee shall meet at least once a year. More meetings may be conducted if the need arises. The quorum for a meeting of the RC shall be two (2) members.

3.2 A resolution in writing, signed by all the members of the Committee, shall be valid and effectual as if it has been passed at a meeting of the members duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more members. Any such documents may be accepted as sufficiently signed by a member if transmitted to the Company by any technology purporting to include a signature and/or electronic or digital signature of the member.

3.3 The Company Secretary or his/her representative or other appropriate senior officer shall act as secretary of the Committee and shall be responsible in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to Committee members prior to each meeting.

### **4. Guiding Principles**

4.1 The levels of remuneration should be sufficient to attract and retain the Directors and Senior Management needed to run the company successfully. The component parts of remuneration should be structured so as to link rewards to corporate and individual performance, in the case of Executive Directors and Senior Management. In the case of Non-Executive Directors, the level of remuneration should reflect the experience and level of responsibilities undertaken by the particular non-executive concerned, taking into account any additional responsibilities undertaken such as chairmanship of a Board Committee or as the Senior Independent Director. The fees payable to Non-Executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or revenue.

There should be a formal and transparent procedure for developing remuneration policy on remuneration and for fixing the remuneration packages of individual Directors. The remuneration policy, which is applicable to Executive Director and Non-Executive Directors and Senior Management of the Group, is adopted by the Board based on the recommendations of the RC.

4.2 The Committee shall take into cognizance in its deliberations the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the principles in the Malaysia Code on Corporate Governance, and any other pertinent regulations and laws, as well as revisions which may come into force thereafter.

	<p><b>5. Duties and Functions of the Remuneration Committee</b></p> <p>As provided in the remuneration policy, the RC is authorised by the Board to:-</p> <p>5.1 Review and determine, at least once annually, adjustments to the remuneration package, including benefits in kind, of each Executive Director and Senior Management of the Group, taking into account the corporate and individual performance, level of responsibility and complexity of the role, the inflation price index, and where necessary, information from independent sources on remuneration packages for equivalent jobs in the industry.</p> <p>5.2 Review and determine the quantum of performance-related bonuses, benefits-in kind and Employee Share Options (or Executive Share Options), if available, to be given to the Executive Directors are linked to corporate and individual performance.</p> <p>5.3 Review annually and recommend to the Board the level of fees paid to Non-Executive Directors, taking into consideration the fee levels and trends for similar positions in the market, time commitment required from the Director (estimated number of days per year). The review also takes into consideration any additional responsibilities undertaken by the Director acting as Chairman of a Board Committee or as Senior Independent Director.</p> <p>5.4 Consider and execute the renewal of the service contracts of Senior Management of the Group, as and when due, as well as the service contracts and remuneration package for newly appointed Executive Director(s) prior to their appointment.</p> <p>5.5 Execute any other duties as may be assigned by the Board of Directors from time to time.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>		
<p><b>Timeframe</b></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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Remuneration Committee of the Company was established in 2001. The Terms of Reference of the Remuneration Committee is published on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>. The details are as follows:</p> <p><b>1. Constitution</b></p> <p>The Board has established a Committee of the Board to be known as the Remuneration Committee (hereinafter referred to as the "RC") with authority and duties as specified in these Terms of Reference.</p> <p><b>2. Membership of the Committee</b></p> <p>2.1 The RC shall be appointed by the Board from amongst themselves and shall comprise exclusively of Non-Executive Directors, the majority of whom shall be independent. The appointment of a Committee member terminates when the member ceases to be a Director, or as determined by the Board.</p> <p>2.2 The members of the RC shall elect a Chairman from among their members.</p> <p>2.3 The Company Secretary shall be the Secretary of the RC.</p> <p><b>3. Meetings</b></p> <p>3.1 The Committee shall meet at least once a year. More meetings may be conducted if the need arises. The quorum for a meeting of the RC shall be two (2) members.</p>

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3.3 The Company Secretary or his/her representative or other appropriate senior officer shall act as secretary of the Committee and shall be responsible in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to Committee members prior to each meeting.

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	<p>corporate and individual performance, level of responsibility and complexity of the role, the inflation price index, and where necessary, information from independent sources on remuneration packages for equivalent jobs in the industry.</p> <p>5.2 Review and determine the quantum of performance-related bonuses, benefits-in kind and Employee Share Options (or Executive Share Options), if available, to be given to the Executive Directors are linked to corporate and individual performance.</p> <p>5.3 Review annually and recommend to the Board the level of fees paid to Non-Executive Directors, taking into consideration the fee levels and trends for similar positions in the market, time commitment required from the Director (estimated number of days per year). The review also takes into consideration any additional responsibilities undertaken by the Director acting as Chairman of a Board Committee or as Senior Independent Director.</p> <p>5.4 Consider and execute the renewal of the service contracts of Senior Management of the Group, as and when due, as well as the service contracts and remuneration package for newly appointed Executive Director(s) prior to their appointment.</p> <p>5.5 Execute any other duties as may be assigned by the Board of Directors from time to time.</p> <p>Datuk Noharuddin Bin Nordin @ Harun ('Datuk Noharuddin'), the Senior Independent Non-Executive Director of the Company and also the Chairman of the Nomination Committee and a member of the Remuneration Committee, resigned from the Board on 17th July 2024. With the resignation of Datuk Noharuddin, the Board has refreshed the composition of Board Committees including the Remuneration Committee to promote board effectiveness.</p> <p>The members of the Remuneration Committee with effect from 17th July 2024 are as follows:</p> <ol style="list-style-type: none"> <li>1. Datuk Phang Ah Tong, Chairman (Independent Non-Executive Director)</li> <li>2. Mr Robert Dobson Millner AO, Member (Non-Independent Non-Executive Director)</li> <li>3. Mr Leong Khai Cheong, Member (Senior Independent Non-Executive Director)</li> </ol>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The disclosure on named basis for the remuneration of individual Directors is set out in the following table.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Pension cost and Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Pension cost and Other emoluments	Total
1	Dr Kee Kirk Chin	Executive Director	85	-	52	74	159	24	394	85	-	1,628	2,586	159	97	4,555
2	Robert Dobson Millner AO	Non-Executive Non-Independent Director						73	73						73	73
3	Leong Khai Cheong	Senior Independent Director	119						119	119						119
4	Datuk Phang Ah Tong	Independent Director	115						115	115						115
5	Yap Seng Chong	Independent Director	125						125	125						125
6	Kee Kirk Chuen	Non-Executive Non-Independent Director	95						95	95						95
7	Le Wat Su	Independent Director	108						108	108						108
8	Datuk Noharuddin bin Nordin @ Harun (resigned on 17th July 2024)	Senior Independent Director	63						63	63						63

## 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.

<b>Application</b>	:	Departure																								
<b>Explanation on application of the practice</b>	:																									
<b>Explanation for departure</b>	:	<p>This Practice will not be fully adopted due to reasons of confidentiality and risk of talent attrition attributed to the highly competitive environment for scarce human resources in the pharmaceutical industry. Senior Management jobs differ, depending on job scope, geographical location and business activity. In this regard, disclosure purely on a named basis will not equitably establish a clear linkage between Group performance and individual remuneration, without further detailed disclosure and discussion on the individual's job scope within the Group, annual performance appraisal findings and attainment of key performance indicators.</p> <p><b>Alternative Disclosure</b></p> <table border="1"> <thead> <tr> <th>Senior Management Remuneration</th> <th>Salaries &amp; other emoluments</th> <th>Bonus</th> <th>Pension Costs</th> <th>Non-Monetary Benefits</th> <th>Directors Fees</th> <th>Others</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Remuneration in RM</td> <td>1,233,924</td> <td>1,638,350</td> <td>556,039</td> <td>288,161</td> <td>-</td> <td>23,412</td> <td>3,739,886</td> </tr> <tr> <td>Remuneration as a %</td> <td>32.99%</td> <td>43.81%</td> <td>14.87%</td> <td>7.70%</td> <td>-</td> <td>0.63%</td> <td>100%</td> </tr> </tbody> </table> <p>Senior Management is defined as the four members of the Executive Committee ('EXCO') of the Company, comprising the Chief Executive Officer ('CEO'), Chief Operating Officers ('COOs'), and Chief Financial Officer ('CFO'). As the CEO's remuneration is already furnished with the disclosure for Directors, Senior Management remuneration is disclosed as an aggregate of the other three members of the EXCO. Instead of bands, actual remuneration data is provided in the specified categories. This alternative practice affords a degree of confidentiality, yet provides shareholders relevant information to assess the linkage of Senior Management remuneration as a group to performance.</p> <p>The Board by virtue of Section 211(2) of Companies Act 2016 has all the powers necessary for managing, directing and supervising the management of the business and affairs of the company and will at all</p>	Senior Management Remuneration	Salaries & other emoluments	Bonus	Pension Costs	Non-Monetary Benefits	Directors Fees	Others	Total	Remuneration in RM	1,233,924	1,638,350	556,039	288,161	-	23,412	3,739,886	Remuneration as a %	32.99%	43.81%	14.87%	7.70%	-	0.63%	100%
Senior Management Remuneration	Salaries & other emoluments	Bonus	Pension Costs	Non-Monetary Benefits	Directors Fees	Others	Total																			
Remuneration in RM	1,233,924	1,638,350	556,039	288,161	-	23,412	3,739,886																			
Remuneration as a %	32.99%	43.81%	14.87%	7.70%	-	0.63%	100%																			

	<p>times exercise its powers in the best interest of the company. This includes being accountable for the appointment of the Senior Management team, their performance and remuneration. The remuneration of all Senior Management of the Group is performance linked, closely reviewed and carefully determined by the Remuneration Committee annually and reported to the Board.</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><b>Measure</b> :</p>		
<p><b>Timeframe</b> :</p>		



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.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	This Practice has been in force by the Company as the Board is of the view that having the same Director to assume the position of Chairman of the Audit Committee and Chairman of the Board may impair objectivity and potentially lead to concentration of power in a single Director. This Practice which has always been adopted by the Company is formalised by incorporating the policy in the Terms of Reference of the Audit Committee available on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a> .	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	This policy which aids in safeguarding the auditors' independence and objectivity specifically stating that no former partner of the external audit firm of the Company shall be appointed as a member of the Audit Committee unless a cooling-off period of at least three years have lapsed has been adopted by the Audit Committee and included in its Terms of Reference available on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a> .	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Audit Committee ('AC') is delegated the task of assessing whether the External Auditors are suitable for reappointment, of which competence and independence are key considerations. This is spelt out in the Terms of Reference of the AC which is also published on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>The Terms of Reference of the AC are as follows :</p> <p><b>1. Constitution</b></p> <p>The Board has established a Committee of the Board to be known as the Audit Committee (hereinafter known as the "AC") with authority and duties as specified in these Terms of Reference.</p> <p><b>2. Membership of the Committee</b></p> <p>2.1 The AC shall be appointed by the Board from amongst the Directors of the Company and shall consist of at least 3 members, comprising exclusively of Non-Executive Directors, a majority of whom shall be Independent Non-Executive Directors. A quorum requires the majority of members present to be Independent Directors.</p> <p>2.2 At least one member of the AC must be a member of the Malaysian Institute of Accountants. If there is none, one member must either have at least 3 years' working experience and (a) have passed the examinations specified in Part 1 of the First Schedule of the Accountants Act 1967, or (b) be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or have the following qualifications:-</p> <p>i. a degree/masters/doctorate in accounting or finance or a member of any professional accountancy organisation which has been admitted as a full member of the International Federation of</p>

	<p>Accountants and at least 3 years' post qualification experience in accounting or finance; or</p> <p>ii. at least 7 years' experience being a chief financial officer of a corporation or having a function of being primarily responsible for the management of the financial affairs of a corporation.</p> <p>2.3 No alternate Director shall be appointed as a member of the AC.</p> <p>2.4 The Board of Directors must via the Nomination Committee review the composition, term of office and performance of the AC and its members annually to determine whether the AC and its members have carried out their duties in accordance with its Terms of Reference.</p> <p>2.5 The members of the AC shall elect a Chairman from among their number who shall be an Independent Non-Executive Director. The Chairman of the AC shall not be the Chairman of the Board.</p> <p>2.6 If a member of the AC resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below 3, the Board of Directors shall, within 3 months of that event, appoint such number of new members as may be required to make up the minimum number of 3 members.</p> <p>2.7 The Company Secretary shall be the Secretary of the AC.</p> <p>2.8 No former partner of the external audit firm of the Company shall be appointed as a member of the AC unless a cooling-off period of at least three years have lapsed.</p> <p><b>3. Rights of the Audit Committee</b></p> <p>3.1 The AC shall, wherever necessary and reasonable for the performance of its duties, in accordance with procedures stipulated by the Board of Directors and at the cost of the Company;</p> <p>i. have authority to investigate any matter within its Terms of Reference;</p> <p>ii. have the resources that are required to perform its duties;</p> <p>iii. have full and unrestricted access to any information pertaining to the Company and the Group;</p> <p>iv. have direct communication channels with the External Auditors and person(s) carrying out the internal audit function or activity;</p>
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- v. be able to obtain independent professional or other advice and to invite outsiders to attend AC meetings where necessary;
- vi. be able to convene meetings with the External Auditors and Internal Auditors, without the presence of any employees, at least twice a year and whenever deemed necessary;
- vii. have authority to assign and adequately resource a function (which may be external to the organisation) to be responsible for the Group's anti-corruption framework as well as anti-corruption compliance matters, including provision of advice and guidance to personnel and business associates in relation to the corruption programme;
- viii. have authority to direct efforts to improve upon the effectiveness of its corruption risks management framework; and
- ix. have authority to investigate matter related to anti-corruption and other matters within its terms of reference.

3.2 The AC shall take into cognizance in its deliberations the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, the Malaysian Code on Corporate Governance, Malaysian Anti-Corruption Commission Act 2009 (Act 694) and any other pertinent regulations and laws, as well as revisions which may come into force thereafter.

3.3 Where the AC is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the MMLR of Bursa Malaysia Securities Berhad, the AC shall report such matter to Bursa Malaysia Securities Berhad.

#### **4. Duties and Functions of the Audit Committee**

4.1 The AC shall review the following and report the same to the Board of Directors:-

- i. with the External Auditors, the nature and scope of the audit before commencement;
- ii. with the internal audit function or external consultants, their evaluation of the system of risk management, including business risk management, corruption risk management and internal controls assisted and supported by the Risk and Sustainability Committee;



	<p>iii. with the External Auditors, the audit reports, management letters and management response;</p> <p>iv. the assistance given by the Company's employees and officers to the External Auditors;</p> <p>v. the adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;</p> <p>vi. the internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and whether or not appropriate action is taken on the recommendations;</p> <p>vii. any appraisal or assessment of the performance of members of the internal audit function;</p> <p>viii. the financial reports at the end of each quarter and year end, prior to approval by the Board of Directors, focusing particularly on:-</p> <ul style="list-style-type: none"> <li>• changes in or implementation of major accounting policy changes;</li> <li>• significant matters highlighted including financial reporting issues, significant judgements made by management;</li> <li>• significant and unusual events or transactions and how these matters are being addressed; and</li> <li>• compliance with accounting standards and other legal requirements.</li> </ul> <p>ix. any related party transaction and conflict of interest situation that arose, persist or may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts, and in particular ensuring that any related party transactions to be entered into are:-</p> <ul style="list-style-type: none"> <li>• at arm's length;</li> <li>• on normal commercial terms;</li> <li>• on terms not more favourable to the related party than those generally available to the public;</li> <li>• not detrimental to the minority shareholders; and</li> <li>• in the best interest of the Company or Group.</li> </ul> <p>x. any recurrent related party transactions entered into by the Company or Group to ensure that:-</p> <ul style="list-style-type: none"> <li>• all transactions are fair, reasonable and undertaken on the Group's normal commercial terms;</li> <li>• internal control procedures with regard to such transactions are sufficient and have been complied with; and</li> </ul>
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	<ul style="list-style-type: none"> <li>• compliance with the relevant provisions of the Bursa Malaysia Securities Berhad's MMLR.</li> </ul> <p>xi. any letter of resignation from the External Auditors;</p> <p>xii. whether there is reason (supported by grounds) to believe that the External Auditors is not suitable for re-appointment;</p> <p>xiii. the Group's exposure to corruption risk and to make recommendations on anti-corruption management and corruption risk mitigation;</p> <p>xiv. the design and effectiveness of the Group's anti-corruption framework;</p> <p>xv. the implementation of the Group's anti-corruption monitoring program in relation to the Group's exposure to corruption risks;</p> <p>xvi. the implementation of the Group anti-corruption compliance programmes and to review its effectiveness thereof;</p> <p>xvii. the resources and effectiveness of the Anti-Corruption Function of the Group and to determine the adequacy of corruption risk reporting;</p> <p>xviii. the knowledge sharing on anti-corruption initiatives throughout the Group;</p> <p>xix. the awareness of employees, contractors, agents and suppliers regarding the Group's anti-corruption policies and stand;</p> <p>xx. the Company's website contains information that is up-to-date and coherently reflective of the Group's anti-corruption approaches, policies, procedures, systems and activities, which is updated on a periodic basis;</p> <p>xxi. any corruption related matters within its terms of reference (and shall have the resources which it needs to do so) and to seek any information it requires from any officers or employee of the Group and such officers or employees shall respond to such enquiries on a timely manner and to co-operate with the Committee;</p> <p>xxii. engagement of independent professional advice (including legal advice), where necessary, and to secure the attendance of outsiders with relevant expertise or experience as it considers necessary to assist in any anti-corruption matters; and</p>
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	<p>xxiii. Statement on Risk Management and Internal Control with support by the Risk and Sustainability Committee for approval by the Board for inclusion in the Annual Report of the Company.</p> <p>4.2 The AC shall review any matters concerning the appointment/re-appointment and dismissal of both the Internal and External Auditors, their audit fees and render its recommendations accordingly to the Board of Directors. In considering the appointment/re-appointment and dismissal of the External Auditors, to consider among others:-</p> <ul style="list-style-type: none"><li>i. the adequacy of the experience and resources of the accounting firm;</li><li>ii. the persons assigned to the audit;</li><li>iii. the accounting firm's audit engagements;</li><li>iv. the size and complexity of the listed issuer's group being audited; and</li><li>v. the number and experience of supervisory and professional staff assigned to the particular audit.</li></ul> <p>4.3 The AC shall evaluate and assess the performance of External Auditors, in terms of the following:-</p> <ul style="list-style-type: none"><li>i. the suitability, objectivity and independence of the External Auditors;</li><li>ii. the External Auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;</li><li>iii. the nature of the non-audit services provided by the External Auditors and fees paid for such services relative to the audit fee; and</li><li>iv. whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the External Auditors.</li></ul> <p>4.4 The AC shall discuss the contracts and nature for the provision of non-audit services which can be entered into by the Group with the External Auditors or its affiliates and procedures that must be followed. The contracts to be entered into shall not include:-</p> <ul style="list-style-type: none"><li>i. Management consulting;</li></ul>
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- ii. Strategic decision;
- iii. Internal audit; and
- iv. Policy and standard operating procedures documentation.

In the event that the non-audit fees paid to the Company's External Auditors, or a firm or corporation affiliated to the External Auditors' firm are significant (e.g. constitute 50% of the total amount of audit fees paid to the Company's External Auditors) the Company is required to state the details on the nature of non-audit services rendered in the Report of the Audit Committee.

The AC shall approve any appointment or termination of senior staff members of the internal audit function; take cognizance of resignations of internal audit staff and provide resigning staff member an opportunity to submit reasons for resigning or if the internal audit function is outsourced, then the AC shall evaluate and assess the performance of outsourced Internal Auditors, including their independence, competency, experience and resources to carry out the function effectively. The AC shall consider the major findings of internal investigations and management's response.

4.5 The AC shall verify that the allocation of options pursuant to the Apex Healthcare Berhad Employee Share Option Scheme, where any such Scheme is in operation, is in compliance with criteria that have been disclosed to employees as required under the MMLR of Bursa Malaysia Securities Berhad.

4.6 The AC is assisted and supported by the Risk and Sustainability Committee to oversee the company's risk management framework and policies. The head of Internal Audit reports directly to the AC. The head of Internal Audit should have the relevant qualifications and responsibilities for providing assurance to the AC that the internal controls are operating effectively. For administrative and operational matters, the Internal Auditors will liaise with either the Chief Executive Officer ("CEO") or Chief Financial Officer ("CFO").

4.7 The AC shall function as the Anti-Corruption Oversight Committee as well. Therefore, the head of Anti-Corruption Function of the Group reports directly to the AC. The head of Anti-Corruption Function is responsible for the anti-corruption compliances of the Group and for ensuring that the anti-corruption monitoring programme are being implemented on a timely basis. The Anti-Corruption Function is also responsible to assist the AC in any investigation and also to ensure that the Group's anti-corruption policies and procedures are being complied with. For administrative and operational matters, the Anti-

Corruption Function will liaise with either the CEO or CFO on a day to day basis.

4.8 The Chairman of the AC should engage on a continuous basis with Senior Management in order to be kept informed of matters affecting the Company or Group.

4.9 The AC shall conduct meetings independently and separately from time to time with Internal and External Auditors; and

4.10 The AC shall conduct any other duties as may be assigned by the Board of Directors from time to time.

#### **5. Attendance at Meetings**

5.1 The CEO, CFO, the key representatives of the External and Internal Auditors shall normally attend meetings.

5.2 Other Board members and employees may also attend AC meetings only at the AC's invitation, specific to the relevant meeting.

#### **6. Procedure of Audit Committee**

6.1 The AC shall regulate its own procedure, in particular:-

- the calling of meetings;
- the notice to be given of such meetings;
- the voting and proceedings of such meetings;
- the keeping of minutes; and
- the custody, production and inspection of such minutes.

6.2 The AC shall meet at least four (4) times a year. The AC shall meet with the External Auditors and Internal Auditors, without the presence of any employee, at least twice a year. The External Auditors may request a meeting if they consider that one is necessary.

6.3 The Secretary shall circulate the minutes of meetings of the AC to all members of the Board of Directors.

6.4 The AC shall prepare a report to the Board that provides details of the activities of the AC, number of AC meetings held in a year, details of attendance of Directors at such meetings and details of relevant training attended by each Director for inclusion in the Company's Annual Report.

6.5 A resolution in writing signed by all the members of the AC shall be valid and effectual as if it had been passed at a meeting of the members duly convened and held. Any such resolution may consist of

several documents in like form, each signed by one or more members. Any such documents may be accepted as sufficiently signed by a member if transmitted to the Company by any technology purporting to include a signature and/or electronic or digital signature of the member.

All members of the AC are Independent Non-Executive Directors.

The members of the Audit Committee are as follows:

1. Mr Yap Seng Chong, Chairman (Independent Non-Executive Director)
2. Datuk Phang Ah Tong, Member (Independent Non-Executive Director)
3. Ms Le Wat Su, Member (Independent Non-Executive Director)

The appointment of External Auditors is made upon satisfactory evaluation by the AC on their suitability and independence in respect of quality control, adequacy of resources, involvement of the audit partner and exercise of professional skepticism throughout the conduct of the audit engagement. On an annual basis, the AC will evaluate the performance and quality of work conducted by the External Auditors as part of good Corporate Governance. At the end of each presentation by the External Auditors, the AC undertakes a private session to assess the quality of work performed by the External Auditors and to review the assistance provided by the Management to the External Auditors. As an added measure of assurance of independence, the External Auditors are encouraged to communicate at regular intervals with the AC regarding all relationships and other matters which may reasonably be thought to bear on their independence, in line with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.

The AC employs a questionnaire extracted from the Malaysian Corporate Governance Guide 4th Edition Appendix II: External Auditor Evaluation Form which assesses the calibre of the external audit firm, its quality processes or performance, the independence, objectivity, skills and expertise of the audit team, audit scope and planning, audit fees and audit communication. The assessment also considers information presented in the Annual Transparency Report of the current External Auditors, namely Ernst & Young PLT ('EY'). The 2024 Transparency Report of EY has been prepared in accordance with the requirements set out by the Securities Commission's Audit Oversight Board and includes additional voluntary information about EY and its practices.

Assurance is provided by the External Auditors to the AC that, in accordance with the terms of all relevant professional and regulatory requirements, the External Auditors had been independent throughout the audit engagement for 2024.

	<p>Having regard to the governance process in upholding integrity in financial reporting, the Board after due consideration of the External Auditors' suitability and independence upon recommendation by the AC and having been satisfied with the recommendation, puts forth for shareholders' approval the reappointment of External Auditors, and the fixation of their remuneration at the Annual General Meeting of the Company.</p> <p>EY has been appointed as the Company's External Auditors since 2003. To mitigate the risk of over- familiarity and promotes objectivity while maintaining historical and institutional knowledge of the Company, rotation of audit partner of EY is practised. The last rotation of audit partner took place for the audit of financial year ended 31<sup>st</sup> December 2023. There are neither family nor business relationships other than audit engagements between the members of the EY engagement team and Apex Healthcare Berhad Board and Management that will place in question the independence of EY.</p>	
<p><b>Explanation for departure</b></p>	<p>:</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><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

**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.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Audit Committee as of financial year 2024 comprised solely of Independent Directors. This Step Up Practice has not been formalised as a corporate governance practice of Apex Healthcare Berhad.



## 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.

<b>Application</b>	: Applied										
<b>Explanation on application of the practice</b>	<p>The requirement to undertake continuing education by the Directors is built into the Board Charter and the training undertaken by the Directors are formally reviewed and assessed by the Nomination Committee annually. The Nomination Committee on behalf of the Board, assesses, evaluates and determines the training needs of each Director, reviews the fulfilment of such training, and discloses details in the Annual Report as appropriate, in accordance with Paragraph 15.08 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>All Directors including members of the Audit Committee participate in continuing education to keep themselves abreast of developments in their fields of interest. Specifically with regards to the Audit Committee, all the members have an understanding of the implications of financial and accounting decisions and are able to ask pertinent questions of Management and auditors and meet the financial expertise requisite of Paragraph 15.09 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>The training programmes/seminars attended by the Directors during the financial year ended 31st December 2024 are as follows: -</p> <table border="1"><thead><tr><th>Director</th><th>Date</th><th>Subject</th></tr></thead><tbody><tr><td rowspan="3">Dr Kee Kirk Chin</td><td>9th January 2024</td><td>2024 National Budget Highlights</td></tr><tr><td>26th June 2024</td><td>Introduction to Climate Reporting Workshop</td></tr><tr><td>5th August 2024</td><td>Materiality Refreshment Workshop</td></tr></tbody></table>	Director	Date	Subject	Dr Kee Kirk Chin	9th January 2024	2024 National Budget Highlights	26th June 2024	Introduction to Climate Reporting Workshop	5th August 2024	Materiality Refreshment Workshop
Director	Date	Subject									
Dr Kee Kirk Chin	9th January 2024	2024 National Budget Highlights									
	26th June 2024	Introduction to Climate Reporting Workshop									
	5th August 2024	Materiality Refreshment Workshop									

		3rd September 2024	Knowledge Sharing Session on Climate Reporting
		12th September 2024	Data Collection Workshop: Economic, Social, Governance and Environmental
		24th September 2024	GHG Target Setting Workshop
		24th October 2024	Climate Risks & Opportunities Assessment Workshop
		8th November 2024	Awareness Briefing on Corruption Offence of Commercial Organization (Section 17A)
	Robert Dobson Millner AO	6th March - 7th March 2024	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
		3rd September 2024	Knowledge Sharing Session on Climate Reporting
	Leong Khai Cheong	28th June 2024	Introduction to Climate Reporting Workshop
		3rd September 2024	Knowledge Sharing Session on Climate Reporting
	Datuk Phang Ah Tong	6th March - 7th March 2024	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
		3rd September 2024	Knowledge Sharing Session on Climate Reporting
	Yap Seng Chong	12th January 2024	PwC Global - 2023 year end audit committee webcast
		26th January 2024	PwC Global - 2023 IFRS year end accounting webcast
		29th February 2024	PwC Global - Risk & Responsible Artificial Intelligence Webcast
		19th March 2024	KPMG Global - Navigating the ESG reporting requirements in Asia Pacific
		4th April 2024	PwC Global- Finance transformation-powered by generative Artificial Intelligence
		1st May 2024	PwC Global-2024 Q1 PwC quarterly accounting webcast
		16th May 2024	PwC Global-Talking ESG: Building effective sustainability reporting governance

		10th Jun 2024	Managing non-financial risks as driver for organisational Performance - by Institute of Enterprise Risk practitioners
		2nd July 2024	Recent Developments with the Listing Requirements, including Conflict of Interest Amendments
		10th July 2024	Bursa Academy on Conflict of Interest ("COI") and Governance of COI
		17th July 2024	KPMG Malaysia -Navigating capital gains tax
		3rd September 2024	Knowledge Sharing Session on Climate Reporting
		18th October 2024	Geopolitical Economy Report-Goodbye, Dollar dominance: BRICS plans on 'Multi-currency' system to transform global financial order- sponsored by ACCA Global
		7th November 2024	MICPA-Leveraging AI for audit efficiency and quality
		6th December 2024	PwC 2024 Global Q3 Quarterly accounting webcast
	Kee Kirk Chuen	3rd September 2024	Knowledge Sharing Session on Climate Reporting
	Le Wat Su	29th April 2024	The Extra - Territorial Effect of ESG Legislation from the EU: What Malaysian Lawyers Should Know
		26th August 2024	Corporate Liability for Corruption Offences - A Game Changer
		3rd September 2024	Knowledge Sharing Session on Climate Reporting
	Datuk Noharuddin bin Nordin @ Harun (resigned on 17 July 2024)	28th June 2024	Introduction to Climate Reporting Workshop

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board acknowledges the importance of establishing an effective risk management and internal control framework. This provides reasonable assurance in ensuring the effectiveness and efficiency of operations and safeguards the assets and interests in compliance with laws and regulations as well as with internal financial administrative procedures and guidelines. The internal control framework comprising financial, organisational, operational and compliance controls are devised to safeguard shareholders' investment and the Group's assets. The Board recognises that such systems can provide only a reasonable level of, rather than absolute assurance against misstatement or loss within the practical constraints of operating a going concern. Improvement and refinement of the risk management and internal control framework, and their adaptation to changing requirements, is an ongoing process. Pursuant to the Bursa Malaysia's Anti-Corruption Amendments, corruption risks are included in the annual risk assessment of the Group as part of the Group's initiative to enhance its anti-corruption framework with effect from 1st June 2020. To strengthen risk oversight including sustainability risks, the Board has established the Risk and Sustainability Committee from 1st January 2022. Further information may be found in the Statement on Risk Management and Internal Control published annually in the Group's Annual Report.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The identification and monitoring of risks is carried out by Management at their respective monthly management meetings. Any variation and developments are reported to the Chief Executive Officer and Chief Financial Officer and subsequently to the Audit Committee on a periodic basis.</p> <p>On an annual basis, risk assessment is carried out by the Senior Management in consultation with the Internal Auditors to identify key risks and devise measures to address these risks. Pursuant to the Bursa Malaysia's Anti-Corruption Amendments, corruption risks are included in the annual risk assessment of the Group as part of the Group's initiative to enhance its anti-corruption framework with effect from 1st June 2020.</p> <p>With effect from 1st January 2022, a dedicated Board Committee, namely the Risk and Sustainability Management Committee has been established for the purpose of strengthening risk oversight including sustainability risks. The Terms of Reference of the Risk and Sustainability Committee is available on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>. The Board is ultimately responsible for the Group's risk management, and for reviewing the adequacy and integrity of the Group's risk management framework which encompasses all subsidiaries of the Group before adoption.</p> <p>The risk management framework adopted by the Group is guided by internationally recognised risk management framework. The risk management framework and process, the key anticipated and known risks that the Group is exposed to which may have a material effect on the Group's operations, performance, financial condition and liquidity and the internal control systems of the Group are found in the Statement on Risk Management and Internal Control ('SORMIC'). The Risk and Sustainability Committee assists and supports the Audit Committee in the preparation of the SORMIC for inclusion in the Company's Annual Report.</p> <p>In respect of internal control, the Group has an established internal audit program. As outlined in the Report of the Audit Committee</p>

	published in the Annual Report 2024, the internal audit reports have been reviewed by the Audit Committee. Practice 11.1 of this Corporate Governance Report sheds more light on the internal audit function.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>For the purpose of strengthening risk oversight including sustainability risks, the Board has established a dedicated Board Committee, namely the Risk and Sustainability Committee with effect from 1st January 2022.</p> <p>Recognizing the critical importance of climate management and reporting, it is essential to incorporate oversight of climate related matters in the Risk and Sustainability Committee's Terms of Reference as a key component of its sustainability responsibilities. Accordingly, one of the Risk and Sustainability Committee's duties and functions has been expanded to include oversight of climate-related matters. Consequently, the Terms of Reference of the Risk and Sustainability Committee as well as the Board Charter were updated in August 2024 to reflect this change.</p> <p>The Terms of Reference of the Risk and Sustainability Committee is published on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p> <p>The Terms of Reference of the Risk and Sustainability Committee is as follows:</p> <p><b>1. Constitution</b></p> <p>The Board has established a Committee of the Board to be known as the Risk and Sustainability Committee (hereinafter known as the "RSC" or "Committee") with authority and duties as specified in these Terms of Reference.</p> <p><b>2. Membership of the Committee</b></p> <p>2.1 The RSC shall be appointed by the Board from amongst themselves, comprising exclusively of Non-Executive Directors, the majority of whom shall be independent. The appointment of a Committee member terminates when the member ceases to be a Director, or as determined by the Board.</p>



2.2 The Chairman of the RSC shall be an Independent Non-Executive Director appointed by the Board. In the absence of the Chairman, the members present shall elect a Chairman from among themselves.

2.3 The Company Secretary shall be the Secretary of the RSC.

2.4 A current member of the Audit Committee shall be a member of the RSC at any one time.

### **3. Meetings**

3.1 The Committee shall meet at least once a year, or as often as required for the RSC to effectively discharge its role and responsibilities. The quorum for a meeting of the RSC shall be two (2) members.

3.2 A resolution in writing, signed by all the members of the Committee, shall be valid and effectual as if it has been passed at a meeting of the members duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more members. Any such documents may be accepted as sufficiently signed by a member if transmitted to the Company by any technology purporting to include a signature and/or electronic or digital signature of the member.

3.3 The Company Secretary or his/her representative or other appropriate senior officer shall act as secretary of the Committee and shall be responsible in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to Committee members prior to each meeting.

3.4 The Chairman of the Audit Committee shall be invited to all RSC meetings.

### **4. Principles**

4.1 The RSC is mandated by the Board to oversee the Company's Risk Management and Sustainability framework and policies and to be responsible for the Company's overall implementation of sustainability strategies.

4.2 The Committee shall make recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

4.3 The Board as a whole is ultimately responsible for all the actions of the Committee with regard to the execution of the delegated role and this includes the outcome of the review and disclosure on key risks and internal control in the Statement on Risk Management and Internal Control and sustainability report in the Sustainability Statement of the Company's Annual Report.

4.4 The RSC shall take into cognizance in its deliberations the Listing Requirements of Bursa Malaysia Securities Berhad and the principles of the Malaysia Code on Corporate Governance, and any other pertinent regulations and laws, as well as revisions which may come into force thereafter.

## **5. Duties and Functions of the Risk and Sustainability Committee**

### **5.1 Risk Management**

5.1.1 Ensure that the strategic context of the risk management strategy is aligned with the long-term business strategy taking into account the business environment within which the Company operates and the interests of its stakeholders.

5.1.2 Oversee, review and make recommendations to the Board regarding the Company's risk management framework and assess its adequacy and effectiveness.

5.1.3 Profile the risks of the Company including analysing the Company's business units and the various categories of risks faced by the Company and oversee management's recommended action plans for managing risk.

5.1.4 Review with the internal auditors the Company's annual Risk Assessment Report relating to material risks of the Company.

5.1.5 Review annually the adequacy of the Group's insurance coverage.

5.1.6 Assess the structure and adequacy of the Company's Business Continuity Plans.

5.1.7 Assist and support the Audit Committee in the preparation of the Statement on Risk Management and Internal Control for the Audit Committee's recommendation to the Board for inclusion in the Company's Annual Report.

5.1.8 Undertake any other duties as may be assigned by the Board of Directors from time to time in relation to risk management matters.

### **5.2 Sustainability**

5.2.1 Ensure that the Group's sustainability efforts are aligned with the long-term business strategy taking into account the business environment within which the Company operates and the interests of its stakeholders.

5.2.2 Oversee, review and make recommendations to the Board regarding the Company's material economic, environmental, climate related and social matters impacting the principal businesses of the Company.

	<p>5.2.3 Annually review and present to the Board for approval of the Company's Sustainability Statement for inclusion in the Company's Annual Report.</p> <p>5.2.4 Undertake any other duties as may be assigned by the Board of Directors from time to time in relation to sustainability matters.</p> <p>The members of the RSC are as follows:</p> <ol style="list-style-type: none"><li>1. Mr Leong Khai Cheong, Chairman (Senior Independent Non-Executive Director)</li><li>2. Mr Yap Seng Chong Member (Independent Non-Executive Director)</li><li>3. Mr Kee Kirk Chuen, Member (Non-Independent Non-Executive Director)</li></ol>
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## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company outsources the internal audit function as being currently the most cost-effective means of implementing an internal audit function. The duties and functions of the Audit Committee in relation to the governance of internal audit function of the Company are specified in the Terms and Reference of the Audit Committee. The Audit Committee assumes a pivotal role in the oversight of internal audit function, and in this regard reviews and reports to the Board the adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work. The Audit Committee also reviews the internal audit plan processes, the results of the internal audit assessments, investigation undertaken and whether or not appropriate action is taken on the recommendations. The head of Internal Audit reports directly to the Audit Committee and therefore is accountable to the Audit Committee on the quality and effectiveness of internal audit and its role in the overall context of the Company's risk management system.</p> <p>For financial year ended 31<sup>st</sup> December 2024, the Internal Auditors attended and reported to the Audit Committee at three Audit Committee meetings. The Internal and External Auditors are unrelated parties. Further information is found in the Statement on Risk Management and Internal Control published annually in the Company's Annual Report.</p> <p>The rotation of internal auditors is practised by the Group to mitigate the risk of over familiarity and promotes objectivity of the internal audit functions. In this regard, with effect from 1st January 2021, Resolve IR Sdn Bhd ('Resolve') was appointed as the provider of the outsourced Internal Audit function. As a response to border restrictions arising from the COVID-19 pandemic, the Group has appointed BDO Advisory Pte Ltd ('BDO'), a Singapore-based outsourced internal auditor to conduct physical audit for the Group's key subsidiary in Singapore namely Apex Pharma Marketing Pte Ltd ('APS'), with effect from 1st January 2021. BDO complements Resolve in the discharge of their professional functions as outsourced internal auditors of the Group. With the lifting of travel restrictions, Resolve assumed the responsibility for the Internal audit scope of APS, with effect from 1st January 2024.</p>

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

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Prior to the appointment of the outsourced Internal Auditors, the Audit Committee reviews the relevant matters in connection with their appointment before rendering its recommendation to the Board, to ensure the Internal Auditors are free from any relationships or conflicts of interest, which could impair their objectivity and independence. The engagement letter, constituting the entire agreement between the Company and the outsourced Internal Auditors, duly specifying the appointment and termination, the scope of audit coverage, scope of services, Management’s responsibilities, access of working papers and reports, confidentiality, release and indemnification, deliverables of internal audit outcome, fees and other services, is entered into between the parties concerned. The adequacy of the scope, competency and resources of the internal audit function and that it has the necessary authority to carry out its work are reviewed by the Board through the Audit Committee.</p> <p>The Group’s independent internal audit function is outsourced to professional service firms to assist the Board and the Audit Committee in providing an independent assessment of the adequacy, efficiency and effectiveness of the Group’s system of internal control.</p> <p>With effect from 1st January 2021, Resolve IR Sdn Bhd (‘Resolve’) was engaged as the provider of outsourced Internal Audit function. The rotation of internal auditors is practised by the Group to mitigate the risk of over familiarity and promotes objectivity of the internal audit functions. Resolve is a member of the Institute of Internal Auditors, Malaysia (‘IIAM’) (Membership Number: C0477) and its personnel are individual members of IIAM or Malaysian Institute of Accountants or both. Resolve is headed by Mr Choo Seng Choon, a Fellow of the Association of Chartered Certified Accountants of UK (ACCA), Chartered Accountant of Malaysian Institute of Accountants (MIA) and Chartered Member of The Institute of Internal Auditors Malaysia. Mr Choo has over 25 years of professional experience in internal audit,</p>

	<p>risk management, corporate governance, performance &amp; business management, IPOs, taxation, due diligence and corporate finance. Resolve is staffed by 18 team members comprising directors, managers and consultants with adequate resources in the internal audit function.</p> <p>As a response to border restrictions arising from the COVID-19 pandemic, the Group has appointed BDO Advisory Pte Ltd ('BDO'), a Singapore-based outsourced internal auditor to conduct physical audit for the Group's key subsidiary in Singapore namely Apex Pharma Marketing Pte Ltd ('APS') with effect from 1st January 2021. BDO Risk Advisory Services practice is headed by Mr Willy Leow, who has more than 17 years of internal audit experience and manages a portfolio of outsourced internal audits for listed, government linked and private companies. Mr Leow is a Chartered Accountant (Singapore), Certified Internal Auditor and Certified Information System Auditor. He is also a Practising Management Consultant and has a certification in Risk Management Assurance. The engagement team is led by Ms Khong Choon Meng with adequate and dedicated internal audit resources. BDO Risk Advisory Services practice is supported by a team of more than 30 staff comprising partners, managers and consultants BDO complements Resolve in the discharge of their professional functions as outsourced internal auditors of the Group. With the lifting of travel restrictions, Resolve assumed the responsibility for the Internal audit scope of APS, with effect from 1st January 2024.</p> <p>Internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence. The internal audit function has adopted the International Professional Practices Framework set by the Institute of Internal Auditors ('IIA') and ensures that staff are professionally guided and trained to develop the appropriate competencies to perform their duties during the internal audit review.</p>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board values dialogue with both institutional and individual shareholders, and has made it a Company policy to recognise that timely and equal dissemination of relevant information should be made to all shareholders and stakeholders without favouring one group over another. The Senior Management engages with investment analysts and fund managers every financial quarter and with shareholders and the media from time to time to explain the Group's strategy, performance and major developments, and to receive feedback. In all the communications with stakeholders, the Board ensures that the Company complies with all applicable corporate disclosure laws and regulations. Shareholders' concerns may be directed to the Senior Independent Non-Executive Director, via the Company Secretaries.</p> <p>The Board welcomes shareholders' participation at the Annual General Meeting, which is the principal forum for dialogue with the shareholders, and is an opportunity for the Board to respond directly to shareholders queries and to undertake to provide sufficient clarification on issues and concerns raised by shareholders.</p> <p>The Board supports the use of information technology for the effective dissemination of information. The Company makes use of its website (<a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>) as a communication channel to disseminate information regarding the Company. The website contains contact details for shareholders' enquiries and/or comments, which are reviewed by the CEO. The website also serves as a useful reference source of information to many shareholders, investment analysts, business partners and other stakeholders. In addition to publishing financial results, annual reports and business information, the website has dedicated sections pertaining to governance which include the Board Charter, Code of Conduct, Whistleblowing Policy &amp; Procedure, Anti-Corruption Policy, Privacy Policy, Directors' Fit and Proper Policy, Code of Ethics for Directors, Corporate Governance Report and Sustainability Statement.</p>



	<p>Pursuant to Paragraph 9.21(2)(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Summary of Key Matters Discussed at the Annual General Meeting ('AGM') is published on the Company's website, as soon as practicable after the conclusion of every Annual General Meeting. In this regard, the Company publishes the Minutes of the AGM on its website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a> accordingly and for the AGM in 2024, the minutes of the meeting was published on the Company's website not later than 30 business days after the said AGM.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

**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.

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

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the significance of the Annual General Meeting as a platform for direct and meaningful communication between the Board and the Company's shareholders. As such, the Board strives to ensure that shareholders are accorded with sufficient time to consider the resolutions that will be discussed and decided upon at the Annual General Meeting.</p> <p>In this regard, the Company applied the practice of providing the Notice to the Annual General Meeting at least 28 days prior to the Annual General Meeting in 2024 going above and beyond Section 316(2) of Companies Act 2016 and Paragraph 7.15 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad which call for a 21 days' notice period.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board ensures that the full complement of Directors attend every General Meeting and all Chairmen of Board Committees are required to be prepared to answer all questions addressed to them. The Board including the Chairmen of the Board Committees are pleased to address questions received remotely from shareholders.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Annual General Meeting ('AGM') in 2024 was conducted on a virtual basis. The Company leverages technology to facilitate communication and engagements with shareholders while enabling voting in absentia and shareholders' participation.</p> <p>Boardroom Share Registrars Sdn Bhd ('Boardroom') was appointed as the service provider for the conduct of the AGM including registration and electronic polling services. Boardroom has been in the business of providing corporate services for over 50 years with a diversified portfolio of clients including multinationals from the United States of America, Japan and the Asia Pacific as well as public companies listed on Bursa Malaysia Securities Berhad and small and medium-sized businesses in a wide spectrum of industries. Boardroom has furnished confirmation to the Company that Boardroom is in compliance with good cyber hygiene practices including data privacy and security to prevent cyber threats. In addition, prior to the AGM, rehearsal was held to test the technology to be employed with involvement of the Directors at the broadcast venue to ascertain that the system and facilities function satisfactorily. The salient information on Personal Data Policy is provided in the Administrative Guide for the AGM for shareholders' reference.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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## Intended Outcome

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

## Practice 13.4

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

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Annual General Meeting ('AGM') in 2024 was conducted on a virtual basis at the Broadcast Venue at Level 12, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 15th May 2024 at 9.30 a.m. using technology or method that allows remote participation of Directors and shareholders and their appointed proxies. The virtual AGM engenders greater shareholder participation as it facilitates electronic voting and remote shareholders' participation including the right to pose questions to the Board of Directors and/or Management of the Company and vote at the AGM. Boardroom Share Registrars Sdn Bhd ('Boardroom') was appointed as the service provider for the conduct of the AGM including registration and electronic polling services.</p> <p>As set out in the Board Charter of the Company, the Chairman of the Board chairs general meeting of shareholders, represents the Board to shareholders and communicates the Board's position and ensures appropriate steps are taken to provide effective communication with shareholders and other stakeholders. The Chairman of the Board (Dr Kee Kirk Chin) and all Chairmen of Board Committees were physically present at the Broadcast Venue.</p> <p>The Chairman provided a summary of the financial and non-financial performance of the Company at the outset of the AGM. As spelt out in the Administrative Guide for the AGM available on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>, the Chairman and the Board of Directors endeavour to respond to the questions submitted by the shareholders which are related to the resolutions to be tabled at the AGM. Shareholders were encouraged to submit questions not later than 48 hours before the commencement of the AGM in order to enhance the efficiency of the proceedings of the meeting. Priority was given to questions submitted before the AGM as stated in the</p>

	<p>Administrative Guide. Shareholders may also select the messaging icon in the online meeting platform to transmit questions via real time submission of typed text during live streaming of the AGM.</p> <p>The questions received by the Company from the Minority Shareholders Watch Group ('MSWG') before the AGM and their replies were presented by the Chairman for the interest of the shareholders. Questions which were received during the AGM were also addressed by the Chairman at the AGM within the time allotted for the Questions and Answers session. Any questions that were received during the AGM and not taken up during the AGM would be addressed by the Company via email correspondence to the shareholders concerned. Answers to questions received are published as part of the Minutes or Summary of Key Matters Discussed at the AGM on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>		
<p><b>Timeframe</b></p>		



## Intended Outcome

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

## Practice 13.5

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

*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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Annual General Meeting ('AGM') in 2024 was conducted on a virtual basis at the Broadcast Venue at Level 12, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 15th May 2024 at 9.30 a.m. using technology or method that allows remote participation of Directors and shareholders and their appointed proxies. The conduct of a virtual AGM supports meaningful engagement between the Board, Senior Management and shareholders, increasing accessibility and participation</p> <p>Boardroom Share Registrars Sdn Bhd ('Boardroom') was appointed as the service provider for the conduct of the AGM including registration and electronic polling services. The information on the meeting platform employed namely : <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a> was included in the Administrative Guide for the AGM published on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a>. Details are also provided in the Administrative Guide to delineate the procedure for remote participation and e-voting.</p> <p>In order to enhance the efficiency of the proceedings of the AGM, the shareholders were encouraged to submit questions not later than 48 hours before the commencement of the AGM. Priority would be given to questions submitted before the AGM as stated in the Administrative Guide. Shareholders may also select the messaging icon in the online meeting platform to transmit questions via real time submission of typed text during the live streaming of the AGM.</p> <p>The questions received by the Company from the Minority Shareholders Watch Group ('MSWG') before the AGM and their replies were presented by the Chairman for the interest of the shareholders. Questions which were received during the AGM were moderated and also addressed by the Chairman of the Board at the</p>

	<p>AGM within the time allotted for the Questions and Answers session. Any questions that were received during the live streaming of the AGM and not taken up during the AGM would be addressed by the Company via email correspondence to the shareholders concerned. Answers to questions received are published as part of the Minutes or Summary of Key Matters Discussed at the AGM on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a> no later than 30 business days after the AGM. This allows all shareholders of the Company to be apprised of the questions posed by shareholders and the corresponding responses by the Company.</p> <p>Transparency of the AGM is assured through the publication of all questions and answers received before and during the AGM as part of the Minutes or Summary of Key Matters Discussed at the AGM on the Company's website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a> no later than 30 business days after the AGM.</p>	
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>		
<b>Timeframe</b>		

### 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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: As clarified in the Frequently Asked Questions on the Malaysian Code on Corporate Governance (Revised 30 April 2021) pursuant to the release of the revised Malaysian Code on Corporate Governance 2021 in April 2021, a company is deemed to have circulated the minutes of the general meeting to its shareholders if the company publishes the minutes of meeting on its website. In this regard, the Company has published the minutes of the Annual General Meeting in 2024 on its website at <a href="http://www.apexhealthcare.com.my">www.apexhealthcare.com.my</a> no later than 30 business days after the said Annual General Meeting. Questions received by the Company before and during the Annual General Meeting in 2024 and the responses by the Company are also published on the Company's website.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**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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