

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 9679  
**COMPANY NAME** : WCT HOLDINGS BERHAD  
**FINANCIAL YEAR** : December 31, 2022

## 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>	:	<ul style="list-style-type: none"><li>• The Board of Directors ("the Board") of WCT Holdings Berhad ("WCT" or "the Company") plays an important role in the stewardship of its direction and operations which focuses mainly on strategies, financial performance and critical business issues to ensure that the governance of the Group is consistently maintained.</li><li>• The roles and responsibilities of the Board and the matters reserved for the Board's approval are set out in the Board Charter.</li><li>• The Board reviewed and adopted the strategic business plan and the budget of the Company and its subsidiaries ("the Group") at the beginning of the financial year and to ensure that the necessary resources are in place to meet the objectives as well as overseeing the conduct of WCT's businesses and to evaluate whether the businesses are being properly managed.</li><li>• The Board is supported by the Executive Directors and the Management, whose responsibilities are to implement the Group's strategies and manage the operation of the Group, subject to certain prescribed authority limit.</li><li>• The Board has oversight on matters delegated to the Management whereby updates are reported on quarterly basis or as and when required.</li><li>• The Board has been reviewing and closely monitoring together with the Management on the Group's operation and financial position during the challenging time. Various cost cutting initiatives and financing proposals were implemented to mitigate the subsequent impact of the decline in revenue and profits due to Covid-19 pandemic.</li><li>• Relevant reports and details on any corporate proposals which require Board's approval would be tabled before the Board for consideration and approval prior to the same being implemented.</li><li>• The Board has in place the Code of Conduct and Ethics for the Directors, a standard Code of Conduct and Ethics relating to its business operations for all its employees, the Policy &amp; Procedures</li></ul>

	<p>on Anti-Bribery and Anti-Corruption, Whistleblowing Policy &amp; Procedures as well as Corporate policies which promotes a good corporate governance culture within the Group.</p> <ul style="list-style-type: none"> <li>• As a commitment to continuously enhancing the corporate integrity management, a Group Integrity Unit was formed in September 2022 to oversee 4 core activities, namely Governance, Complaint Management, Detection and Verification, and Integrity Enhancement.</li> <li>• Where appropriate, matters have been delegated to the following Board Committees, all of which have written terms of reference to assist the Board in discharging its duties and responsibilities. The Board receives the reports of their proceedings and deliberations at its scheduled Board Committees meetings: <ul style="list-style-type: none"> <li>(1) Audit Committee</li> <li>(2) Board Risk &amp; Sustainability Committee ("BRSC")</li> <li>(3) Nomination &amp; Remuneration Committee ("NRC")</li> <li>(4) Options Committee</li> </ul> </li> <li>• The Audit Committee has been entrusted by the Board to ensure the Group's financial and non-financial reporting present a true and fair view of its state of affairs and all the applicable approved accounting standards in Malaysia have been adopted.</li> <li>• The BRSC is to assist the Board in overseeing the risk management activities of the Group and approving appropriate risk management procedures and methodologies across the Group. In addition, BRSC is also responsible for overseeing sustainability-related risks and ensuring that sustainability considerations are incorporated into the Group's businesses and strategies so as to create value for its businesses and stakeholders as well as to support business continuity and competitiveness in the longer term.</li> <li>• As a reflection of the Board's effort and commitment to incorporate sustainability considerations into the Group's businesses and strategies, the Board had in February 2022 adopted a refined Corporate Vision and Mission and established the Sustainability Frameworks which encompasses the targets and tangible actions set towards year 2030.</li> </ul> <p>Besides, the following policies and code of conduct were established in October 2022 to direct WCT Group working towards a sustainable supply chain and to engage its supply chain partners to improve the sustainability performance of the Group:</p> <ul style="list-style-type: none"> <li>➤ Responsible Supply Chain Policy</li> <li>➤ Sustainable Procurement Policy</li> <li>➤ Supplier Code of Conduct</li> <li>➤ WCT Material Use Policy</li> </ul> <p>The details of sustainable business practices covering economic, environmental and social aspect are disclosed in the Sustainability Statement of the Company's Annual Report 2022.</p> <ul style="list-style-type: none"> <li>• The Board through NRC to oversees the selection and assessment of the Directors and Board Committees including the review of the Directors' remuneration and fees.</li> </ul> <p>During the year under review, the Board had engaged an independent expert to conduct the annual evaluation on Board</p>
--	--

	<p>members, the Board as a whole and the Board Committees as well as the independence assessment of Independent Directors. Besides, the Board had, upon reviewed by NRC, approved/endorsed the followings:</p> <ul style="list-style-type: none"> <li>(i) the change of the composition of Option Committee following the resignation of Mr. Goh Chin Liong;</li> <li>(ii) the Directors' Fit &amp; Proper Policy in June 2022 which serve as a guide for the Board and the NRC in their review and assessment of candidates that are to be appointed as well as Directors who are seeking for re-election; and</li> <li>(iii) appointment of Ir. Dr. Chan Tuck Leong as the Chief Executive Officer of Engineering &amp; Construction Division.</li> </ul> <p><i>Note: The Board Charter and the Terms of Reference for all the Board Committees are available for reference at the Company's website (<a href="http://www.wct.com.my">www.wct.com.my</a>)</i></p>	
<b>Explanation for departure</b>	:	
<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

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>Tan Sri Lim Siew Choon, the Executive Chairman of the Company, is primarily responsible for ensuring the Board's effectiveness and conduct as well as facilitating constructive deliberation of all matters presented.</p> <p>The responsibilities of the Chairman include, amongst others, the following:</p> <ul style="list-style-type: none"><li>• As a leader of the Board and is responsible for the development needs of the Board.</li><li>• To maintain constructive and respectful relationships between the Directors and between the Board and the Management.</li><li>• Setting the board agenda and ensuring the Board receive complete and accurate information in a timely manner.</li><li>• Leading the Board in establishing and monitoring good corporate governance practices in the Group.</li><li>• To represent the Company at shareholders' meetings and to ensure an effective communication between the Company and the shareholders and stakeholders.</li><li>• To manage the boardroom dynamics by promoting a culture of openness and debate.</li><li>• To oversee the annual evaluation of performance of the Board, Board Committees and individual directors as well as to discuss the performance and assessment with the individual director concerned and the chairman of the respective Board Committees.</li><li>• To facilitate the constructive and effective contributions from all the Directors at the Board meetings.</li></ul>
<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>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The position of Chairman and CEO are held by two (2) different individuals. Tan Sri Lim Siew Choon is the Executive Chairman of the Board and Dato' Lee Tuck Fook is the Group Managing Director of the Company.</p> <p>The Company ensures that there is a clear and proper balance of power and authority between the two (2) positions.</p> <p>The responsibilities of the Executive Chairman are disclosed in Practice 1.2 above, whilst the Group Managing Director has an overall responsibility for the business and operation units, organisational effectiveness and implementation of the Board's policies, strategic plans and decisions.</p> <p>The responsibilities of the Group Managing Director include, amongst others, the following:</p> <ul style="list-style-type: none"><li>• To develop and implement the policies and strategic action plans for the Group.</li><li>• To develop and implement long term and short-term business plans to achieve the Group's objectives in terms of growth and profitability aimed at building sustainable value for shareholders and stakeholders.</li><li>• To co-ordinate the business plans and strategies with the respective heads of business and operation units and divisions to ensure the same are implemented effectively.</li><li>• To communicate effectively the Company's vision, mission, core value as well as management philosophy and strategic action plans to the employees.</li><li>• To assess any business opportunities and investments with potential benefits and within the Group's objectives.</li><li>• To keep the Board informed of important and material developments/matters relating to the Group's business operations on an accurate and timely basis.</li><li>• To maintain good relationship with employees and to provide a healthy and safe working environment for the employees.</li><li>• To ensure the Group complies with relevant laws and regulations.</li></ul> <p>The Group Managing Director may delegate specific functions to the Deputy Managing Director, an Executive Director and any member of the Management to assist him in discharging his duties and responsibilities.</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 1.4

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

<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>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Executive Chairman of the Board, Tan Sri Lim Siew Choon is not a member of the Audit Committee and Nomination & Remuneration Committee of the Company and he does not participate in any of these committees' meeting.
<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 1.5

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>	:	<p>The Board is supported by two suitably qualified and competent Company Secretaries, namely:</p> <p>(1) Ms Loh Chee Mun, a Chartered Secretary and Associate member of The Malaysian Institute of Chartered Secretaries and Administrators; and</p> <p>(2) Mr Chong Kian Fah, a member of the Malaysian Institute of Accountants.</p> <p>Ms Loh Chee Mun is also the Secretary for all the Board Committees of the Company. She attends all Board and Board Committee meetings.</p> <p>The Board and Board Committees have unrestricted access to the advice and services of the Company Secretaries relating to the Group policies and procedures, regulatory requirements such as companies and securities laws, corporate governance matters, Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Code.</p> <p>The Company Secretaries keep themselves abreast with the regulatory changes and development in corporate governance, rules and regulations through continuing education and professional training.</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 1.6

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>	:	The Company Secretary ensures that all meeting materials are generally sent to the Board members five (5) business days before the meeting to allow them to have sufficient time to go through papers and make informed decisions.  The Board's deliberation and decision are properly recorded in the minutes of the Board meetings and distributed to the Directors in a timely manner for review and thereafter for confirmation at the next meeting.	
<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 Company's Board Charter sets out the roles and responsibilities of the Board, the Board Committees, Directors and the Management as well as the issues and decisions reserved for the Board.</p> <p>The Board Charter is periodically reviewed to ensure its compliance and relevance to the prevailing laws, rules, regulations and to be consistent with the Board's objective.</p> <p>The Board Charter is made available for reference on the Company's website at (<a href="http://www.wct.com.my">www.wct.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>	:	

### 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 Code of Conduct and Ethics for Company Directors adopted by the Company provides the ground rules and guidance for the proper standard of conduct and ethical behaviour for the Board and its members, based on the principles of sincerity, integrity, responsibility and corporate social responsibility and the Group has adopted a standard Code of Conduct and Ethics ("WCT Code of Ethics") relating to its business operations for all its employees.</p> <p>As part of the Company's commitment against all forms of bribery and corruption, the Company has put in place the Anti-Bribery and Anti-Corruption ("ABAC") Policy and Standard Operating Procedures ("SOP") to prohibit the giving or receiving of bribes and to prohibit corrupt acts by any director, employee or persons performing services for the Group.</p> <p>During the year under review, a Group Integrity Unit ("GIU"), which is guided by an Integrity Management Framework ("IMF") and developed based on the following, was formed to oversee four core activities, namely Governance, Complaint Management, Detection and Verification and Integrity Enhancement:</p> <ul style="list-style-type: none"><li>(i) Guide adherence to the mandatory elements of the Guidelines on Adequate Procedures issued by Prime Minister's Department (pursuant to subsection (5) of Section 17A).</li><li>(ii) Provide a standard for performing an integrity management activity.</li><li>(iii) Establish the basis for the evaluation of integrity management performance.</li><li>(iv) Foster improved organisational awareness and adherence to relevant bribery and corruption laws and regulations.</li></ul> <p>The GIU monitors and tracks the number of reported corruption incidents and the number of anti-corruption training conducted for employees and the Board.</p>

	<p>The Company's Whistleblowing Policy and Whistleblowing Procedures serve to provide an avenue and mechanism for any individual to report any concerns they may have on any suspected and/or known improper conducts, wrongdoings, corruption, fraud and/or abuse in accordance with the procedures as provided therein.</p> <p>The Code of Conduct and Ethics for Company Directors and employees, ABAC Policy and the Whistleblowing Policy are made available for reference on the Company's website at (<a href="http://www.wct.com.my">www.wct.com.my</a>).</p>	
<b>Explanation for departure</b>	:	
<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

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>	:	<p>An improper conduct is any act, omission or conduct that is unlawful, illegal, immoral, unethical, dishonest, improper or wrong, and may include but is not limited to the following:</p> <ul style="list-style-type: none"><li>(a) a criminal offence;</li><li>(b) failure to comply with any law or regulation;</li><li>(c) failure to comply with any policy, guideline, procedure, advisory, directive and/or instructions issued by the Group;</li><li>(d) misuse of the Group's funds or assets;</li><li>(e) an act or omission which creates a substantial and specific danger to the lives, health or safety of the employees or the public or the environment;</li><li>(f) unsafe work practices or substantial wasting of Group's resources;</li><li>(g) abuse of power by an officer of the Group;</li><li>(h) fraud, corruption, bribery, blackmail, money laundering;</li><li>(i) sexual harassment; and</li><li>(j) concealment/cover up of any of the above.</li></ul> <p>The Board has in place Whistleblowing Policy and Whistleblowing Procedures for any individual to report any concerns they may have on any suspected and/or known improper conducts, wrongdoings, corruption, fraud and/or abuse in accordance with the procedures as provided under the Policy. The Whistleblowing Policy is made available on the Company's website at (<a href="http://www.wct.com.my">www.wct.com.my</a>), as reference and for ease of access for reporting by the employees and associates of the Group.</p> <p>The Whistleblower may report any suspected or known instances of improper conduct which is committed by any employee, Director or service provider of the Group directly to the AC - Chairman via any of the following channels:</p> <ul style="list-style-type: none"><li>(i) By post in a sealed envelope, indicated "Strictly Private and Confidential – to be opened by Addressee Only" to the attention of:</li></ul>

	<p><b>Audit Committee Chairman</b>  WCT Holdings Berhad  B-30-01, The Ascent, Paradigm  No. 1 Jalan SS7/26A, Kelana Jaya,  47301 Petaling Jaya,  Selangor Darul Ehsan, Malaysia</p> <p>(ii) Via electronic mail (e-mail) to <a href="mailto:whistleblower@wct.my">whistleblower@wct.my</a></p> <p>(iii) Via online submission using this link  <a href="https://www.wct.com.my/whistleblowingform/">https://www.wct.com.my/whistleblowingform/</a></p> <p>For every whistleblowing report received, the Audit Committee (“AC”) Chairman will appoint an investigator to perform a preliminary assessment on the credibility of the report and adequacy of evidence on the reported improper conduct. Based on the result from the preliminary assessment, the AC Chairman shall decide or to discuss with the AC members on the next course of action (i.e. whether a full investigation is warranted). The AC will review the investigation report, and should the allegation is substantiated, the AC will identify and recommend the corrective action to be taken and recommend if disciplinary action is to be taken against the wrongdoer.</p> <p>During the year under review, a full investigation was conducted for one (1) suspected case of bribery.</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 4.1

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>The Board had taken a more holistic approach of the business with proactive and effective measures to anticipate and address material ESG risks and opportunities. WCT took cognisance of the 17 Sustainable Development Goals ("SDGs") of United Nation and assessed each of them to determine to what extent WCT as an economic entity is contributing towards achieving these goals. To-date, WCT has contributed positively to some of these goal at varying degree and as a going-concern entity, WCT continues to strive onwards towards achieving these sustainability goals.</p> <p>The Board has delegated the responsibility of risk management oversight and control to the Board Risk &amp; Sustainability Committee ("BRSC") comprising four (4) Independent Non-Executive Directors of the Company.</p> <p>The duties and responsibilities of the BRSC are to support and provide oversight the implementation of the Company's and the Group's sustainability strategy, initiatives, policies and practices as approved by the Board including setting and assessing of targets and measuring the performance against targets and to report to the Board on the same regularly.</p> <p>Further, WCT has established a Group Sustainability Committee ("GSC") to assist the BRSC in discharging its duties and responsibilities. The GSC is made of leadership from each division to ensure consistent implementation of its sustainability goals and strategies.</p> <p>In 2021, WCT reviewed and undertook a sustainability materiality assessment in order to develop strategies for its engineering &amp; construction, property development, retail malls, hotels and business aviation divisions. The assessment was carried out based on a set of established methodology via an internal assessment and stakeholder engagement survey where 19 materiality matters were identified.</p>

	<p>The sustainability material matters form the foundation for WCT's aspirations to deliver on the SDGs which will be supported by the following sustainability pillars:</p> <ul style="list-style-type: none"> <li>i. promote sustainable development goals in all economic endeavours</li> <li>ii. deliver shared value to stakeholders</li> <li>iii. Uphold environmental and social stewardship</li> <li>iv. Balance private wealth to public good</li> </ul> <p>The allocation of scarce resources on the material matters to achieve targets based on the respective indicators will ensure that WCT is gradually delivering on the goals and together building a sustainable going concern moving forward.</p> <p>With sustainability being a standing quarterly agenda in the BRSC meetings, the updates on the Group's sustainability flagship programmes and the performance of the key material matters will be reported and monitored on a quarterly basis.</p>			
<b>Explanation for departure</b>	:			
<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>	:	<table border="1" style="width: 100%;"> <tr> <td></td><td></td></tr> </table>		

**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's sustainability strategy, initiatives, policies and practices as approved by the Board including targets and sustainability performance measurements will be communicated internally via the Group Sustainability Committee ("GSC") and to all employees, where appropriate and externally via WCT's Sustainability Statement and corporate website at <a href="https://www.wct.com.my/sustainability/">https://www.wct.com.my/sustainability/</a>.</p> <p>In addition, the related policies and initiatives will be embedded into daily business operations and socialised with internal stakeholders by respective business divisions and departments through inclusion in procedures or training.</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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board leadership and oversight are working towards integrating sustainability considerations encompassing environmental, social and governance (ESG) to corporate strategy, governance and decision-making as the underlying issues related to ESG are material to the ability of WCT to create long term durable value and maintain confidence of stakeholders.</p> <p>The Board aims to focus on competency training and capacity building in equipping the Board and senior management to continuously address sustainability risks and extract the benefits from the opportunities.</p> <p>In 2020, a sustainability awareness briefing was conducted for the Board to raise awareness on sustainability and what is required for the institutionalisation of sustainability into WCT's overall business strategy. In 2021, the Board was involved in reviewing and approving the Group's prioritised material matters and corresponding strategies.</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>	:	<p>i) FTSE4GOOD indicators used for each of the material matter; ii) GRI disclosure requirement for reporting on these material matters; and iii) Climate-related disclosures in line with TCFD Recommendations</p> <p>The sustainability competence requirements for the Board will be determined and subsequently relevant training will be provided and when selecting future board member, these skills matrix and competencies will be considered. Examples of sustainability competence includes knowledge and understanding in sustainable construction, circular economy and climate change mitigation and adaptation.</p>

<b>Timeframe</b>	:	Within 2 years	
------------------	---	----------------	--

### Intended Outcome

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

### Practice 4.4

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	A study is required for developing the criteria for the performance evaluations of the Board and the Management to address the Company’s material sustainability risk and opportunities.	
		Currently, the Company does not have any alternative practice.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	A study will be carried out to review and develop the criteria for the performance evaluations of the Board and the Management in addressing the Company’s material sustainability risk and opportunities.	
Timeframe	:	Within 3 years	

### 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>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The WCT's Group Sustainability Committee ("GSC") was established in 2018 to oversee WCT's sustainability plan and strategies. The GSC is currently headed by a Chairperson, Dr Goh Teck Shang, Head of Technical Department from the Engineering and Construction Division.</p> <p>The Chairperson oversees the following responsibilities of the Committee:</p> <ul style="list-style-type: none"><li>a) Review and recommending to the Board the Group sustainability plans, strategies and performance.</li><li>b) Oversee WCT Group's management of sustainability objectives and strategies to ensure alignment with Group's commitment towards sustainability.</li><li>c) Review and assess overall sustainability strategies and sustainability performance management, and update the Board Risk and Sustainability Committee.</li><li>d) To review and advise on the Sustainability Statement prior to the Board's review.</li></ul>

## 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 &amp; remuneration Committee (“NRC”) reviews the size and composition of the Board based on objective, merit and with due regards on the diverse set of skills, knowledge, professional/industry experience, gender, age, cultural and educational backgrounds, ethnicity including the tenure of Directors through annual review to assess the requirements to ensure the Board’s composition is refreshed periodically.</p> <p>The NRC reviews and evaluates the performance and effectiveness of the Board and individual directors including those directors who are seeking re-election through annual directors’ evaluation and fit and proper assessment. Only those directors with satisfactory evaluation and continues to perform effectively and to demonstrate commitment to his/her role are recommended to the Board for re-election.</p> <p>As at 31 December 2022, the tenure of service of the Board of the Company are as follows:</p> <table><tr><th>No.</th><th>Director</th><th>Appointment date</th><th>Length as Director (from appointment date to 31.12.2022)</th></tr><tr><td>1.</td><td>Tan Sri Lim Siew Choon</td><td>02.11.2016</td><td>6 years, 2 months</td></tr><tr><td>2.</td><td>Dato’ Lee Tuck Fook</td><td>02.11.2016</td><td>6 years, 2 months</td></tr><tr><td>3.</td><td>Mr. Chow Ying Choon</td><td>19.08.2020</td><td>2 years, 5 months</td></tr><tr><td>4.</td><td>Tan Sri Marzuki Bin Mohd Noor</td><td>02.11.2016</td><td>6 years, 2 months</td></tr><tr><td>5.</td><td>Datuk Ab Wahab Bin Khalil</td><td>02.11.2016</td><td>6 years, 2 months</td></tr><tr><td>6.</td><td>Dato’ Ng Sooi Lin</td><td>03.04.2017</td><td>5 years, 9 months</td></tr><tr><td>7.</td><td>Mr. Ng Soon Lai @ Ng Siek Chuan</td><td>01.02.2017</td><td>5 years, 11 months</td></tr><tr><td>8.</td><td>Puan Rahana Binti Abdul Rashid</td><td>01.01.2019</td><td>4 years</td></tr></table>	No.	Director	Appointment date	Length as Director (from appointment date to 31.12.2022)	1.	Tan Sri Lim Siew Choon	02.11.2016	6 years, 2 months	2.	Dato’ Lee Tuck Fook	02.11.2016	6 years, 2 months	3.	Mr. Chow Ying Choon	19.08.2020	2 years, 5 months	4.	Tan Sri Marzuki Bin Mohd Noor	02.11.2016	6 years, 2 months	5.	Datuk Ab Wahab Bin Khalil	02.11.2016	6 years, 2 months	6.	Dato’ Ng Sooi Lin	03.04.2017	5 years, 9 months	7.	Mr. Ng Soon Lai @ Ng Siek Chuan	01.02.2017	5 years, 11 months	8.	Puan Rahana Binti Abdul Rashid	01.01.2019	4 years
No.	Director	Appointment date	Length as Director (from appointment date to 31.12.2022)																																			
1.	Tan Sri Lim Siew Choon	02.11.2016	6 years, 2 months																																			
2.	Dato’ Lee Tuck Fook	02.11.2016	6 years, 2 months																																			
3.	Mr. Chow Ying Choon	19.08.2020	2 years, 5 months																																			
4.	Tan Sri Marzuki Bin Mohd Noor	02.11.2016	6 years, 2 months																																			
5.	Datuk Ab Wahab Bin Khalil	02.11.2016	6 years, 2 months																																			
6.	Dato’ Ng Sooi Lin	03.04.2017	5 years, 9 months																																			
7.	Mr. Ng Soon Lai @ Ng Siek Chuan	01.02.2017	5 years, 11 months																																			
8.	Puan Rahana Binti Abdul Rashid	01.01.2019	4 years																																			

<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.

Application	:	Applied	
Explanation on application of the practice	:	The Board comprises eight (8) Directors, five (5) (or 62.5%) of whom are Independent Directors.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 5.3**

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	There are no Independent Directors serving the Board beyond nine (9) years and the tenure of the longest serving Independent Directors is slightly more than six (6) years as at the end of the financial year 31 December 2022.	
<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 NRC is responsible for assessing and making recommendations on any new appointments including the re-election of retiring Directors to the Board. In making these recommendations, the NRC considers and assesses the diverse set of skills, knowledge, professional/industry experience, gender, age, cultural and educational backgrounds, ethnicity and length of services of the proposed candidate in accordance with the Board and Senior Management Diversity Policy ("Diversity Policy"), when determine the Board's composition.</p> <p>The NRC will take into consideration the time commitment, number of directorships and other obligations when considering the potential candidates.</p> <p>In order to ensure that each of the Directors possesses the necessary character, integrity, competence, relevant range of skills, knowledge, experience and time commitment, the Board had in June 2022 adopted a Directors' Fit and Proper policy, which serves as a guide for the NRC and the Board in their review and assessment of candidates that are to be appointed as Director as well as Directors who are seeking re-election.</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 5.6

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>	:	The NRC will consider multiple channels such as recommendations from the Board, management or independent sources to identify suitably qualified candidates should there be any new appointment of Directors.  No recommendation was made for appointment of new director during the year 2022.	
<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 5.7

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>	:	<p>The Directors who are seeking re-election at the forthcoming 12<sup>th</sup> AGM are as follows:</p> <ul style="list-style-type: none"><li>(i) Tan Sri Lim Siew Choon</li><li>(ii) Dato' Ng Sooi Lin</li><li>(iii) Ng Soon Lai @ Ng Siek Chuan</li></ul> <p>As disclosed in the Corporate Governance Overview Statements, the NRC has assessed the performance of these Directors through the annual evaluation and fit and proper assessment and accordingly recommended to the Board for their re-election to be tabled for shareholders' approval at the forthcoming 12<sup>th</sup> AGM.</p> <p>The Board supports the re-appointment of the Directors who are seeking re-election at the forthcoming 12<sup>th</sup> AGM as they meet the criteria of character, experience, integrity, competence and time required to discharge their duty and have continued to perform effectively and demonstrated commitment to their respective roles as a Director. In addition, the Independent Directors who are seeking re-election at the forthcoming 12<sup>th</sup> AGM do not have any position or relationship that might influence, in a material respect, their capacity to bring an independent judgement on issues before the Board and to act in the best interest of the Group.</p> <p>To assist the shareholders in their decision, information such as the personal profile (Profile of Directors) and shareholdings in the Group (Analysis of Shareholdings) of each Director standing for re-election are furnished in the Company's Annual Report 2022.</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 5.8**

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>	:	The Nomination & Remuneration Committee is chaired by Datuk Ab Wahab Bin Khalil, an Independent Non-Executive Director.	
<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>	:	As at 31 December 2022, Puan Rahana Binti Abdul Rashid is the only woman director sitting on the Board, which represent 12.5% of the Board Composition.	
		The Board recognised the importance of promoting gender diversity in the Board. Even though the Company has not reached the 30% women representation at Board level, the Board discharge its duties objectively and effectively in the best interest of the Group taking into account the diverse perspectives and insights.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Where new appointments are to be made to the Board or on replacement of a Director on the Board, priority will be given to suitable women director candidates to achieve at least 30% women directors on the Board.	
<b>Timeframe</b>	:	Others	By year 2026

**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 Board is committed to greater diversity in terms of a number of aspects, including but not limited to skills, knowledge, professional/industry experiences, gender, age, cultural and educational background, ethnicity and length of service ("Diversity Perspectives"). While the ultimate decision will be based on merit and potential contribution that the selected candidate will bring to the Board and the Group to achieve its corporate and commercial goals and to maintain sustainable growth through a healthy, harmonious and professional workplace, the Board ensures that the selection of candidates will be based on a range of Diversity Perspectives without discrimination on gender, age, religion and ethnic group when considering any director/senior management appointment.</p> <p>The Board supports the Government's aspiration to achieve at least 30% women directors on the board of public listed companies. Where new appointments are to be made to the Board or on replacement of a Director on the Board, priority will be given to suitable women candidates to achieve at least 30% women directors on the Board.</p> <p>The Board and Senior Management Diversity Policy is made available for reference at (<a href="http://www.wct.com.my">www.wct.com.my</a>).</p>	
<b>Explanation for departure</b>	:		
<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>	:		Please specify number of years.

## 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>	: During the year under review, Boardroom Corporate Services Sdn Bhd ("Boardroom"), an independent expert, was engaged to assess the performance and effectiveness of each member of the Board, Board as a whole, Board Committees as well as the independence level of the Independent Directors ("Assessment 2022").  The assessment criteria for the following 7 main assessment areas are set out below: <table><tr><th>Category of Assessment</th><th>Criteria</th></tr><tr><td>(1) Board of Directors</td><td><ul style="list-style-type: none"><li>• Board mix &amp; composition</li><li>• Board effectiveness /Board Function</li><li>• Access to information</li><li>• Board operation and issues on Board agenda</li><li>• Relationship with Management, Shareholders/stakeholders</li><li>• Environmental, Social and Governance (ESG)</li></ul></td></tr><tr><td>(2) Individual Director (Self)</td><td></td></tr><tr><td>- Board Assessment</td><td><ul style="list-style-type: none"><li>• Calibre, integrity and ethic</li><li>• Understanding of role and time commitment</li><li>• Experience, knowledge, judgment and decision making</li><li>• Teamwork and character</li><li>• Leadership and competence</li></ul></td></tr><tr><td>- Mix of Skills and Experience</td><td><ul style="list-style-type: none"><li>• Collective skills of the Board</li></ul></td></tr><tr><td>(3) Level of Independence of Independent Director</td><td><ul style="list-style-type: none"><li>• Criteria of Independence based on MMLR of Bursa Securities</li><li>• Tenure of Independent Directors</li><li>• Other criteria i.e. ability to exert considerable influence, ability to advise on related party/conflict of interest transactions, etc</li></ul></td></tr></table>	Category of Assessment	Criteria	(1) Board of Directors	<ul style="list-style-type: none"><li>• Board mix &amp; composition</li><li>• Board effectiveness /Board Function</li><li>• Access to information</li><li>• Board operation and issues on Board agenda</li><li>• Relationship with Management, Shareholders/stakeholders</li><li>• Environmental, Social and Governance (ESG)</li></ul>	(2) Individual Director (Self)		- Board Assessment	<ul style="list-style-type: none"><li>• Calibre, integrity and ethic</li><li>• Understanding of role and time commitment</li><li>• Experience, knowledge, judgment and decision making</li><li>• Teamwork and character</li><li>• Leadership and competence</li></ul>	- Mix of Skills and Experience	<ul style="list-style-type: none"><li>• Collective skills of the Board</li></ul>	(3) Level of Independence of Independent Director	<ul style="list-style-type: none"><li>• Criteria of Independence based on MMLR of Bursa Securities</li><li>• Tenure of Independent Directors</li><li>• Other criteria i.e. ability to exert considerable influence, ability to advise on related party/conflict of interest transactions, etc</li></ul>
Category of Assessment	Criteria												
(1) Board of Directors	<ul style="list-style-type: none"><li>• Board mix &amp; composition</li><li>• Board effectiveness /Board Function</li><li>• Access to information</li><li>• Board operation and issues on Board agenda</li><li>• Relationship with Management, Shareholders/stakeholders</li><li>• Environmental, Social and Governance (ESG)</li></ul>												
(2) Individual Director (Self)													
- Board Assessment	<ul style="list-style-type: none"><li>• Calibre, integrity and ethic</li><li>• Understanding of role and time commitment</li><li>• Experience, knowledge, judgment and decision making</li><li>• Teamwork and character</li><li>• Leadership and competence</li></ul>												
- Mix of Skills and Experience	<ul style="list-style-type: none"><li>• Collective skills of the Board</li></ul>												
(3) Level of Independence of Independent Director	<ul style="list-style-type: none"><li>• Criteria of Independence based on MMLR of Bursa Securities</li><li>• Tenure of Independent Directors</li><li>• Other criteria i.e. ability to exert considerable influence, ability to advise on related party/conflict of interest transactions, etc</li></ul>												

	<div data-bbox="560 192 916 427"> <div data-bbox="560 192 916 226">(4) Audit Committee (AC)</div> <div data-bbox="560 226 916 293">(5) Board Risk and Sustainability Committee</div> <div data-bbox="560 293 916 394">(6) Nomination and Remuneration Committee (NRC)</div> <div data-bbox="560 394 916 427">(7) Options Committee</div> </div>	<div data-bbox="948 192 1396 651"> <u>Review of the Committee as a whole</u> <ul style="list-style-type: none"> <li>• Quality, skills and competencies</li> <li>• Meeting administration and conduct</li> <li>• Effectiveness and Function</li> <li>• Relationship with Internal Auditors/ Internal control and External Auditors/Audit Function (for AC)</li> <li>• Oversight of financial reporting process/disclosures of related party transactions (for AC)</li> <li>• Board performance evaluation, succession planning, selection and appointment of new directors and Directors' training (for NRC)</li> </ul> </div> <div data-bbox="948 685 1396 920"> <u>Committee members' self-evaluation</u> <ul style="list-style-type: none"> <li>• Calibre, integrity and ethic</li> <li>• Understanding of role and time commitment</li> <li>• Skills and competencies</li> <li>• Board communication</li> <li>• Relationship with Management</li> </ul> </div>
	<p>The process for the Assessment 2022 was as follows:</p> <ol style="list-style-type: none"> <li>The customised assessment forms and questionnaires ("Assessment Tool") were forwarded to each member of the Board for their completion by Boardroom.</li> <li>Boardroom, upon receipt of the duly completed Assessment Tool on a confidential basis, had collated and compiled results from the assessment carried out.</li> <li>Boardroom had call for interview with each Directors for feedback or clarification on the feedback received in the Assessment Tool (if any) and compile the findings.</li> <li>A summary of the assessment found on items (ii) and (iii) above was tabled to the NRC for review and to identify areas for improvement and/or action plans as deemed necessary or desirable.</li> <li>Summary of the evaluation results together with the areas for improvement and/or action plans was reported to the Board by the Chairman of the NRC.</li> <li>Board to decide and agree on the steps to address the areas for improvement and/or action plans.</li> <li>Implementation of the action plans.</li> </ol> <p>Based on the outcome of the Assessment 2022, the NRC and the Board were satisfied with the performance of the Board and the Board Committees as they have contributed positively and continued to operate effectively towards fulfilling their duties and responsibilities as members of the Board and Board Committees.</p> <p>Some of the positive highlights from the Assessment 2022 were as follows:</p> <ul style="list-style-type: none"> <li>The Board has the right group of people, with an appropriate diversity in terms of skills, knowledge, experience and independence elements</li> </ul>	

	<p>that fit the Company's objectives and ensure an objective decision-making process.</p> <ul style="list-style-type: none"> <li>• Directors devoted sufficient time to boardroom activities to deal with issues heads-on.</li> <li>• The Board and Board Committee have open and productive deliberations.</li> <li>• The Board is able to conduct its proceedings in a fair and orderly manner with clear governance procedures to govern its affairs.</li> <li>• Members of the Audit Committee are able to continuously apply a critical and probing view of the Company's transactions and effectively challenge Management's assertions on the Company's financials.</li> </ul> <p>The following areas were some of the improvements identified for the Board to further enhance its effectiveness:</p> <ul style="list-style-type: none"> <li>• No formal succession plans.</li> <li>• To strengthen the Board's role in relation to strategy setting.</li> <li>• To have sufficient understanding and knowledge of sustainability issues that are relevant to the Group and its businesses, so as to discharge their role in ESG oversight effectively, including climate-related risk and opportunities.</li> <li>• To enhance the Board's composition by giving additional consideration to the facets of diversity in gender, age etc.</li> <li>• To enhance the skill and experience needed on the Board with strategic planning and IT backgrounds.</li> </ul> <p>Based on the Assessment 2022, the NRC and the Board are satisfied with the level of independence of all the Independent Directors and are satisfied that they have fulfilled all the requirements under the MMLR of Bursa Securities and other assessment criteria of independence, and the Independent Directors have continued to demonstrate their independence through their robust discussion, engagement and bringing an independent judgment to decisions.</p> <p>The results from the Assessment 2022 form the basis of the NRC's recommendation to the Board on the re-election of Directors at the forthcoming 12<sup>th</sup> Annual General Meeting as well as for the Directors' further enhancement.</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 objective of the Group's Remuneration Policy is to attract and retain the Directors and Senior Management who play an important role in leading and controlling the Group's operation effectively. Generally, the remuneration of each Director and Senior Management are determined based on their roles and responsibilities having regard to their merits, qualifications and competence as well as the Group's operating results, individual performance and comparable market statistics.</p> <p>The Policy on Remuneration of Directors and Senior Management of the Group, which set out the details on the procedures involved to determine the remuneration of the Directors and senior management, is in line with the best practices recommended by the Code and MMLR of Bursa Securities and make available for reference on the Company's website at (<a href="http://www.wct.com.my">www.wct.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>	:	

### 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 NRC is to assist the Board in identifying and to recommend for the Board's approval new appointments and/or re-elections of Directors, review the terms of employment and propose remuneration for Directors and Senior Management as well as the diverse set of skills, knowledge, professional/industry experiences, gender, age, cultural and educational backgrounds, ethnicity and length of service of the Directors</p> <p>The Terms of Reference of NRC is available on the Company's website at (<a href="http://www.wct.com.my">www.wct.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>	:		

**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>	:	Please refer to the disclosure for the financial year ended 31 December 2022 as per attached.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Lim Siew Choon	Executive Director	12,000	-	3,105,000	-	37,275	8,490	3,162,765	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Dato' Lee Tuck Fook	Executive Director	12,000	-	2,700,000	-	-	4,861	2,716,861	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Chow Ying Choon	Executive Director	12,000	-	2,025,000	-	31,150	2,676	2,070,826	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Tans Sri Marzuki Bin Mohd Noor	Independent Director	84,000	26,000	-	-	-	700	110,700	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Datuk Ab Wahab Bin Khalil	Independent Director	84,000	25,000	-	-	-	700	109,700	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
6	Dato' Ng Sooi Lin	Independent Director	84,000	27,000	-	-	-	3,130	114,130	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	Ng Soon Lai @ Ng Siek Chuan	Independent Director	84,000	16,700	-	-	-	3,130	103,830	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Rahana Binti Abdul Rashid	Independent Director	84,000	17,000	-	-	-	3,130	104,130	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

### Intended Outcome

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

### Practice 8.2

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

<b>Application</b>	:	Departure																
<b>Explanation on application of the practice</b>	:																	
<b>Explanation for departure</b>	:	<p>Generally, the remuneration of each senior management is determined in accordance with each senior management’s level of responsibility, expertise and experience, having taken into account the remuneration and employment conditions within the construction and property industries to ensure the remuneration package are competitive and sufficient to attract and retain talents. Long-term incentives are also introduced through share-based scheme under the Company’s Employees Share Options Scheme (2013/2023) to align the senior managements’ interest more closely to that of the shareholders.</p> <p>The Company has opted not to disclose on a named basis the top 5 senior management’s remuneration in bands width of RM50,000 due to confidentiality and sensitivity of each remuneration package as well as the competitive conditions for talent in the industry.</p> <p>As an alternative, the Company disclose the remuneration on an aggregate and no name basis paid to the top 5 senior management (excluding the Directors of the Company) as follows:</p> <table><tr><td></td><td><b>RM</b></td></tr><tr><td>Salaries</td><td>4,133,523</td></tr><tr><td>Other emoluments</td><td>76,657</td></tr><tr><td>Fees</td><td>29,000</td></tr><tr><td>Bonus</td><td>223,000</td></tr><tr><td>EPF</td><td>312,036</td></tr><tr><td>Benefit-in-kind</td><td>134,555</td></tr><tr><td>Total:</td><td>4,908,771</td></tr></table>		<b>RM</b>	Salaries	4,133,523	Other emoluments	76,657	Fees	29,000	Bonus	223,000	EPF	312,036	Benefit-in-kind	134,555	Total:	4,908,771
	<b>RM</b>																	
Salaries	4,133,523																	
Other emoluments	76,657																	
Fees	29,000																	
Bonus	223,000																	
EPF	312,036																	
Benefit-in-kind	134,555																	
Total:	4,908,771																	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																		

<b>Measure</b>	:	The Company has no immediate plan to comply with this disclosure.	
<b>Timeframe</b>	:	Others	

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>	:	The Chairman of the Audit Committee, Tan Sri Marzuki Bin Mohd Noor, is not the Chairman of the Board.	
<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>	:	The Audit Committee’s Terms of Reference provides for a person who is a former audit partner in charge of the external audit of the Company is required to observe a cooling-off period of at least five (5) years before he/she can be considered to be appointed as a director or a member of the Audit Committee or senior management team of the Company.	
<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 Company has in place a Policy on Assessment of External Auditors which contain the policies and procedures to assess the suitability, objectivity and independence of the Company's external auditor upon reviews being conducted on the same.</p> <p>The Audit Committee ("AC") shall carry out an annual assessment via assessment forms, which covers the following criteria, together with the Director of Finance and Accounts prior to recommending the re-appointment of the external auditors to the Board for shareholders' approval:</p> <ul style="list-style-type: none"> <li>(a) quality of services rendered over the past financial year;</li> <li>(b) sufficiency of resources extended to the Company;</li> <li>(c) communication and interaction with the Board, Audit Committee and management; and</li> <li>(d) independence, objectivity and professional scepticism exhibited.</li> </ul> <p>Based on the review of the performance and the independence of Messrs Ernst &amp; Young PLT ("EY"), the AC was satisfied with the suitability of EY based on the above criteria. In addition, the AC also took into account the openness in communication and interaction with the partner and the audit engagement team through the private session, which demonstrated their independence, objectivity and professionalism.</p> <p>The AC had also obtained confirmation from EY that they are and have been independent throughout the conduct of the audit engagement in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Code of Ethics for Professional Accountants (including International Independence Standards).</p>
<b>Explanation for departure</b>	:	

*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**

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>	:	<p>The Audit Committee comprises the following members, who are all Independent Non-Executive Directors:</p> <ul style="list-style-type: none"><li>(1) Tan Sri Marzuki Bin Mohd Noor (Chairman)</li><li>(2) Datuk Ab Wahab Bin Khalil</li><li>(3) Dato' Ng Sooi Lin</li><li>(4) Ng Soon Lai @ Ng Siek Chuan</li><li>(5) Rahana Binti Abdul Rashid</li></ul>

### 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 Audit Committee possesses a wide range of necessary skill and experience to discharge its duties. The qualification and experience of individual member of the Audit Committee are disclosed in the Profile of Directors in the Company's Annual Report 2022.</p> <p>The members of the Audit Committee continuously to keep themselves abreast of relevant developments in accounting and auditing standards, new rules and regulations etc. During the financial year 2022, the members of the Audit Committee had attended the following seminar/training programmes:</p> <p><b>Tan Sri Marzuki Bin Mohd Noor</b></p> <ul style="list-style-type: none"><li>• Governance, Risk and Controls ("GRC") – The importance of the GRC system in business sustainability &amp; how they are intertwined to provide reasonable assurance to the Audit Committee &amp; Board (28 September 2022)</li><li>• In-house Awareness Training on Anti-Bribery and Anti-Corruption (10 November 2022)</li></ul> <p><b>Datuk Ab Wahab Bin Khalil</b></p> <ul style="list-style-type: none"><li>• Board Assessment – A key cog in an effective governance structure (29 March 2022)</li><li>• The updated Malaysian Code on Corporate Governance (4 April 2022)</li><li>• In-house Awareness Training on Anti-Bribery and Anti-Corruption (10 November 2022)</li></ul> <p><b>Dato' Ng Sooi Lin</b></p> <ul style="list-style-type: none"><li>• Governance, Risk and Controls ("GRC") – The importance of the GRC system in business sustainability &amp; how they are intertwined to provide reasonable assurance to the Audit Committee &amp; Board (28 September 2022)</li></ul>

	<ul style="list-style-type: none"> <li>• In-house Awareness Training on Anti-Bribery and Anti-Corruption (10 November 2022)</li> </ul> <p><b>Ng Soon Lai @ Ng Siek Chuan</b></p> <ul style="list-style-type: none"> <li>• BNM-FIDE Forum Dialogue: Climate Risk Management &amp; Scenario Analysis (8 March 2022)</li> <li>• Climate Risk Framework (21 March 2022)</li> <li>• In-house Awareness Training on Anti-Bribery &amp; Anti-Corruption (10 November 2022)</li> <li>• Securities Commission's Audit Oversight Board conversation with Audit Committee – (i) Inspection Results – How Audit Committee makes use of it and (ii) Survey with Audit Committee on Transparency Reporting by Audit Committee (6 December 2022)</li> </ul> <p><b>Puan Rahana Binti Abdul Rashid</b></p> <ul style="list-style-type: none"> <li>• Women of Substance Symposium 2021 (20 January 2022)</li> <li>• The updated Malaysian Code on Corporate Governance (4 April 2022)</li> <li>• In-house Awareness Training on Anti-Bribery and Anti-Corruption (15 November 2022)</li> </ul>	
<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>	:	<p>The Board affirms its responsibility for maintaining a sound risk management framework and internal control system to safeguard shareholders' investment and the Group's assets, as well as to discharge its stewardship responsibility in identifying principal risks and ensuring the implementation of an appropriate risk action plan and internal control system to manage those risks.</p> <p>In this respect, the Board has established a governance structure to ensure effective oversight of risks and control in the Group. It is assisted by Board Risk &amp; Sustainability Committee ("BRSC") and Risk Management Committee ("RMC"). Risk Management Policy ("RMP") and Risk Management Framework ("RMF") were reviewed, proposed, and approved by the BRSC to guide the effective implementation of risks mitigation in the Group. The latest revision of RMP and RMF were approved on 26 January 2022.</p> <p>BRSC is responsible for providing an independent oversight of the implementation and operation of the Group's enterprise-wide risk management framework. It reviews the Group's enterprise-wide risk management framework and ensures that an effective process to identify, evaluate, control, report and manage risks is created, implemented and maintained by the Group.</p> <p>RMC is responsible for developing, executing and maintaining an effective risk management system, including the continual review process of identified risks and the effectiveness of mitigation strategies and controls.</p> <p>At operating unit level, risk owners are responsible for identifying risks that may have an impact on achieving their operational/financial and other business objectives.</p> <p>Information on the Group's risk management and internal control system implemented during the year is presented in the Statement on Risk Management and Internal Control set out in the Company's Annual Report 2022.</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 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 Group adopts an enterprise wide risk management framework, which identifies potential major risks to the Group. The identified risks are assessed using qualitative and quantitative aspects against their likelihood (<i>based on risk appetite approved by the Board</i>) and their impact thereof. Details of risk information are recorded in the Risk Register for quarterly risk assessment with the Risk Owner. Gross risks are ranked accordingly, after taking into consideration of gross likelihood and gross impact should the risks occur, before they are ranked according to the residual risks, after taking into consideration the effectiveness of controls and action plans taken or proposed to be taken to mitigate such identified risks.</p> <p>RMC reviews, appraises and assess the risks identified by the respective risk owners of the Group together with the controls and action plans undertaken or proposed to be undertaken to mitigate and manage the identified risk exposure. The RMC then reported key risks together with mitigation action to BRSC on quarterly basis. After due deliberation, the BRSC would then present a summary of the key risks and mitigations actions and its recommendation to the Board for final endorsement.</p> <p>The Board has received assurance from the Group Managing Director and Director of Finance &amp; Accounts that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.</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 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>The Company has established Board Risk and Sustainability Committee, which comprises the following members who are all Independent Non-Executive Directors, to oversee the Company's risk management framework and policies including sustainability risks and efforts:</p> <ul style="list-style-type: none"><li>(1) Dato' Ng Sooi Lin (Chairman)</li><li>(2) Tan Sri Marzuki Bin Mohd Noor</li><li>(3) Datuk Ab Wahab Bin Khalil</li><li>(4) Rahana Binti Abdul Rashid</li></ul>

### 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 internal audit function of the Group is performed by the in-house Group Internal Audit Department ("GIAD") that provides independent and reasonable assurance on the adequacy and effectiveness risk management, control and governance processes within the Group.</p> <p>Head of GIAD functionally reports to AC who reviews, deliberate and endorsed the audit plan and resources required by GIAD. GIAD focused on timely and complete execution of audit plan, finalisation of audit reports, and implementation of agreed action plan ("AAP") which are encompasses in internal audit report.</p> <p>Results from audit engagements together with those from implementation of AAP are presented and deliberated during quarterly AC meeting.</p> <p>To ensure that GIAD function effectively, the resources required by GIAD is periodically reviewed according to the needs e.g., business expansion and diversification of the Group.</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.

Application	:	Applied																						
Explanation on application of the practice	:	All members of GIAD signed an annual declaration to declare that they were and has been independent, objective, and free from any family relationship with Directors and/or major shareholders of WCT and its subsidiaries.																						
		The GIAD, led by Halmiaskandar Kasmiri, a Chartered Accountant (“CA”) and a member of Institute of Internal Auditors (“IIA”) Malaysia, has a total of nine (9) members as at 31 December 2022. Summary of education and qualification of the members of GIAD is as follow: -																						
		<table><tr><th colspan="2">Education</th><th></th><th></th></tr><tr><th>Type</th><th>Number</th><th>CA</th><th>Member of IIA Malaysia</th></tr><tr><td>ACCA</td><td>1</td><td>-</td><td>1</td></tr><tr><td>Bachelor Degree</td><td>8</td><td>3</td><td>5</td></tr><tr><td>Total</td><td>9</td><td></td><td></td></tr></table>			Education				Type	Number	CA	Member of IIA Malaysia	ACCA	1	-	1	Bachelor Degree	8	3	5	Total	9		
		Education																						
		Type	Number	CA	Member of IIA Malaysia																			
ACCA	1	-	1																					
Bachelor Degree	8	3	5																					
Total	9																							
The activities and functions of GIAD is independent of the activities related to business of the Group and it perform its duties in accordance with standards and guidance issued by The IIA Global.																								
Explanation for departure	:																							
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.																								
Measure	:																							
Timeframe	:																							

### Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has in place procedures to enable effective communication with stakeholders. This includes announcements to Bursa Malaysia Securities Berhad, media releases, Annual General Meeting ("AGM"), the Investor Relations Programme which reaches out to the investors and other stakeholders through engagement such as quarterly briefing with analysts, road shows etc as well as the Company's websites (<a href="http://www.wct.com.my">www.wct.com.my</a>) which provides relevant information for investors and other stakeholders.</p> <p>The detailed on the effective, transparent and regular communication with the stakeholders of the Company is as follows:</p> <p><b><u>EFFECTIVE COMMUNICATION AND PROACTIVE ENGAGEMENTS WITH SHAREHOLDERS</u></b></p> <p>The Group values and strongly believes in the importance of effective communication with shareholders, potential investors and the public. This is to ensure that all shareholders, both institutional and individual investors, have full access to the relevant information disclosed by the Company. It does this through the Company's Annual Report, AGM, the Company's website (<a href="http://www.wct.com.my">www.wct.com.my</a>) and the timely release of all corporate announcements and quarterly interim financial results, thus providing shareholders and the investing public with an overview of the Group's performance and operations. All enquiries made are dealt with as promptly as practicable.</p> <p>The Annual Report remains the Company's main source of information to the shareholders and investors while the Company's website, which has a dedicated investor relations section, is intended to provide relevant information about the Group to a wider segment of the investing public.</p> <p>Any shareholder and/or stakeholder of the Group who may have concerns relating to the Group may directly convey the same to Tan Sri Marzuki Bin Mohd Noor, the Company's Senior Independent Non-Executive Director, who serves as a point of contact for shareholders and other stakeholders.</p>

## **ENSURE TIMELY AND HIGH-QUALITY DISCLOSURE**

The Board recognises the importance of prompt and timely dissemination of accurate and sufficient information concerning the Company and its Group to the shareholders, investors and other stakeholders to enable them to make informed decisions.

The Company maintains the practice of releasing all requisite announcements as well as material and price-sensitive information in a timely manner to Bursa Securities in compliance with the disclosure requirements as set out in the MMLR of Bursa Securities. The Company also releases timely updates to the market and community through the Company's websites, media releases and other appropriate channels. Price-sensitive information and information that may be regarded as undisclosed material information about the Group is, however, not disclosed until after the requisite announcement to Bursa Securities has been made.

## **THE AGM**

The AGM of the Company is used as a forum for communication with its shareholders. All shareholders are encouraged to attend the AGM which is usually held within the Klang Valley and is easily accessible by the shareholders. In light of the COVID-19 pandemic, the Company conducted a fully virtual 11<sup>th</sup> AGM on 15 June 2022 as a precautionary measure to curb the spread of COVID-19. During the 11<sup>th</sup> AGM, a presentation was given by the Senior Management to the shareholders on the Group's strategies, performance and latest developments including the Company's responses to the questions raised by the Minority Shareholders Watch Group (MSWG), on behalf of the minority shareholders of the Company. The Board encourages participation from shareholders by having a question and answer session during the AGM whereby the shareholders may channel their queries relating to the audited financial statements of the Group and the Company to the Company's External Auditors and may discuss the Group's performance and its business activities with the Directors and the Management of the Company. Each item of special business included in the notice of the general meeting is accompanied by an explanation of the effects of a proposed resolution. Separate resolutions are proposed for substantially separate issues at the general meeting and the Chairman would declare the number of proxy votes received, both for and against each separate resolution where appropriate.

Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, any resolution set out in the notice of any general meeting shall be voted by poll. As such, all resolutions proposed at the forthcoming 12<sup>th</sup> AGM of the Company scheduled to be held on 15 June 2023 will be voted by poll. An Independent Scrutineer will be appointed by the Company to verify the results of the poll at the AGM.

## **INVESTOR RELATIONS**

Another important channel of communication with shareholders, investors and the general investment community, both locally and internationally, is the Group's investor relations activities. The Company conducts regular

	<p>briefings with financial analysts and fund managers from time to time as a means of maintaining and improving investor relationships. At least four (4) analyst briefings are held each year, usually to coincide with the release of the Group's quarterly interim financial results. Additional engagements with any individual or group of analysts and fund managers may be held on an ad hoc basis as and when requested. A press conference is normally held after the AGM or any Extraordinary General Meeting of the Company.</p> <p>Below is a summary of the investor relations activities undertaken during the financial year ended 31 December 2022:</p> <table border="1" data-bbox="571 566 1334 757"> <tr> <th></th> <th>Total</th> </tr> <tr> <td>Meetings/Conference calls with investors, analysts and fund managers</td> <td>2</td> </tr> <tr> <td>Investors briefings</td> <td>4</td> </tr> </table> <p>The Group's website (<a href="http://www.wct.com.my">www.wct.com.my</a>) has a section dedicated to investor relations and provides up-to-date information on the Group's businesses and operations. Presentations made to analysts and fund managers are also posted on this section of the Company's website. Further enquiries on all investor related matters may be directed to the following person:</p> <p style="text-align: center;">Ms Lo Wei Teing Assistant General Manager Corporate Affairs and Sustainability Tel: +603 7806 6608 Email: <a href="mailto:wei-teing.lo@wct.my">wei-teing.lo@wct.my</a></p>			Total	Meetings/Conference calls with investors, analysts and fund managers	2	Investors briefings	4
	Total							
Meetings/Conference calls with investors, analysts and fund managers	2							
Investors briefings	4							
<b>Explanation for departure</b>	<div style="border: 1px solid black; height: 40px; width: 100%;"></div>							
<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>	<div style="border: 1px solid black; height: 40px; width: 100%;"></div>							
<b>Timeframe</b>	<div style="border: 1px solid black; height: 40px; width: 100%;"></div>	<div style="border: 1px solid black; height: 40px; width: 100%;"></div>						

### 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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company's Annual Report 2022 is currently not fully aligned to the Integrated Reporting framework recommended by the International Integrated Reporting Council.</p> <p>In the Annual Report 2022, the Company reports on the Group's strategy, governance, performance and prospects for the benefit of all its stakeholders vide the following reports:</p> <ul style="list-style-type: none"><li>• Chairman's Statement;</li><li>• Financial Statements and the Management Discussion &amp; Analysis;</li><li>• Sustainability Statement;</li><li>• Corporate Governance Overview Statement and Corporate Governance Report;</li><li>• Statement on Risk Management and Internal Control; and</li><li>• Audit Committee Report.</li></ul>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	The Company will continue to enhance on its reporting on the Group's strategy, governance, performance and prospects as well as the risks and opportunities by progressively adopt the principles recommended by the International Integrated Reporting Council in order to provide a comprehensive report on the Group initiatives to create greater value to its stakeholders.
<b>Timeframe</b>	:	Others

**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>	:	During the financial year 2022, the Notice of Eleventh Annual General Meeting (“11 <sup>th</sup> AGM”) of the Company was issued on 27 April 2022, which had more than 28 days’ notice prior to the 11 <sup>th</sup> AGM held on 15 June 2022.	
<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.

Application	:	Applied	
Explanation on application of the practice	:	<p>All the Directors, including the chair of the Board Committees, had attended and participated the fully virtual 11<sup>th</sup> AGM of the Company held on 15 June 2022 via the Remote Participation and Electronic Voting Facility and had provided response to questions addressed to them.</p> <p>Despite the 11<sup>th</sup> AGM of the Company was a fully virtual meeting, the shareholders were given opportunities to raise questions before and during the meeting.</p> <p>The Company’s responses to the questions raised by Minority Shareholders Watch Group (MSWG) prior to the 11<sup>th</sup> AGM were also shared with the shareholders at the meeting for the benefit of the shareholders.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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 Company had leveraged on technology to facilitate remote shareholders' participation and voting in absentia at its fully virtual 11<sup>th</sup> AGM held on 15 June 2022.</p> <p>The 11<sup>th</sup> AGM was held through Remote Participation and Electronic Voting ("RPEV") facilities provided by the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd ("Boardroom") via the meeting platform at <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a> (Domain Registration No. with MYNIC – D6A357657) which facilitate shareholders' remote participation and voting in absentia as well as to allow the shareholders to pose question to the Board and Chairman of the meeting via typed text in the query box during the live streaming of the 11<sup>th</sup> AGM.</p> <p>The meeting platform provided by Boardroom is regularly and extensively penetration tested using independent, accredited third-party experts. Besides, all LumiAGM systems and suppliers' services are certified to the ISO/IEC 27001:2013 international standard. This provides a robust, auditable and externally verified framework of controls designed to maintain the confidentiality, integrity, and availability of customer information and the personal data Lumi processes on their behalf. Lumi uses strong, industry best-practice encryption techniques to ensure customer data is protected from unauthorized access. All data is encrypted, with all keys managed directly by Lumi. There is also audit trail on respective LUMI system.</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 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Company had on 27 April 2022 published on the Company's website (<a href="http://www.wct.com.my">www.wct.com.my</a>) the Annual Report 2021 together with the Administrative Details which encompassed the guidance on the conduct of the 11<sup>th</sup> AGM, including the electronic voting for the conduct of poll on the resolutions.</p> <p>During the 11<sup>th</sup> AGM, a presentation was given by the Senior Management to the shareholders on the Group's strategies, performance and latest developments including the Company's responses to the questions raised by the Minority Shareholders Watch Group (MSWG) on behalf of the minority shareholders of the Company, for the benefit of the shareholders.</p> <p>The shareholders were allowed to submit their questions related to the resolutions tabled at the 11<sup>th</sup> AGM and the financial performance/development of the Group via email to <a href="mailto:enquiries@wct.my">enquiries@wct.my</a> prior to the 11<sup>th</sup> AGM or use the query box to transmit questions to the Board and the Chairman of the AGM via RPEV Facilities provided by Boardroom during the live streaming of the 11<sup>th</sup> AGM.</p> <p>The Chairman had ensured that sufficient time was allocated for discussion and addressed the questions raised by the shareholders before the commencement of the poll voting.</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 13.5

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 Company conducted a fully virtual 11<sup>th</sup> AGM on 15 June 2022. The RPEV Facilities provided by Boardroom, the Company's Share Registrar, via the meeting platform at <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a> facilitated shareholders' remote participation and voting in absentia as well as to allow the shareholders to pose question to the Board and Chairman of the meeting via typed text in the query box. The shareholders are also allowed to submit their questions via email to <a href="mailto:enquiries@wct.my">enquiries@wct.my</a> prior to the 11<sup>th</sup> AGM.</p> <p>The meeting platform provided by Boardroom allows the shareholders to participate the meeting online using smartphone, tablet or computer and to view live webcast of the meeting.</p> <p>Questions posed by the shareholders during the meeting and the responses to the questions raised by the Minority Shareholders Watch Group (MSWG) prior to the meeting were made visible to all participants during the 11<sup>th</sup> 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>	:	The minutes of 11 <sup>th</sup> AGM had been made available to the shareholders on the Company's website at <a href="http://www.wct.com.my">www.wct.com.my</a> no later than 30 business days after the 11 <sup>th</sup> AGM.
<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.*

Click or tap here to enter text.