

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of WCT Holdings Berhad (“WCT” or “the Company”) recognises the importance of practising good corporate governance and is committed to applying applicable principles and recommendations as set out in the Malaysian Code on Corporate Governance 2021 (“the Code”) and the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) throughout the operations and management of WCT and its subsidiaries (“the Group”) so as to enhance the value to our shareholders and other stakeholders as well as to generate long term sustainability and growth.

This statement is made pursuant to the MMLR of Bursa Securities and is to be read together with the Corporate Governance (“CG”) Report for the application of three key principles set out in the Code and good corporate governance practices by the Company during the financial year ended 31 December 2021 and up to the date of the statement. The CG Report is available on the website of Bursa Securities together with the Company’s Annual Report 2021 and is also posted on the Company’s website ([www.wct.com.my](http://www.wct.com.my)).

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### ➤ **ROLES AND RESPONSIBILITIES**

The Group is led by a sound and experienced Board which plays an important role in the stewardship of its direction and operations. It focuses mainly on strategies, financial performance and critical business issues, including the following specific areas to ensure that the governance of the Group is consistently maintained:

- Reviewing business plans and direction of the Group
- Overseeing the Group’s strategic action plans
- Identifying principal risks and implementing appropriate internal control system
- Approving acquisition and divestment policy and major investment decisions
- Monitoring the performance of the Management and the Group’s principal businesses
- Upholding high standards of conduct or ethics and promote good corporate governance culture within the Group

The Board also adopts a well-defined framework on the various categories of matters that require the Board’s approval, endorsement or notation, as the case may be. The Board is supported by the Group Managing Director, Executive Directors and the Management, whose responsibilities are to implement the Group’s strategies and manage the operations of the Group, subject to certain prescribed authority limits.

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:

- (1) Audit Committee
- (2) Board Risk & Sustainability Committee
- (3) Nomination & Remuneration Committee
- (4) Options Committee

The Board Charter, which is made available for reference on the Company’s website at ([www.wct.com.my](http://www.wct.com.my)), sets out the roles, responsibilities, functions, compositions, processes and operations of the Board as well as those functions delegated to the Board Committees and the Management of the Group and has been adopted to guide the Board to discharge its roles and responsibilities effectively.

### ➤ **CODE OF CONDUCT**

In addition to the Board Charter, the Board also observes the Code of Ethics for Company Directors and employees. The Code of Ethics for Company Directors provides the ground rules and guidance for 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 whilst a standard Code of Conduct and Ethics relating to its business operations has been adopted by the Group for all its employees. New employees are briefed on the said Code of Ethics upon joining and are required to acknowledge in writing their acceptance and understanding thereof.

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 bribery or corrupt acts by any director, employee or persons performing services for the Group.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### ➤ **CODE OF CONDUCT** *cont'd*

The Company's Whistleblowing Policy and 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.

The Code of Ethics for Company Directors and employees, ABAC Policy and the Whistleblowing Policy are made available for reference on the Company's website at ([www.wct.com.my](http://www.wct.com.my)).

### ➤ **BOARD COMPOSITION AND BALANCE**

Currently, the Board comprises ten (10) members, made up of five (5) Executive Directors including the Executive Chairman, the Group Managing Director, two (2) Deputy Managing Directors, an Executive Director, and five (5) Independent Non-Executive Directors.

Each of the Director's profile is presented under the section titled "Profile of Directors" in the Company's Annual Report 2021.

The current Board composition, half of which consists of Independent Directors, fully complies with the MMLR of Bursa Securities which requires at least two (2) directors or one-thirds (1/3) of the Board members (whichever is the higher) to be Independent Directors.

In addition to the Executive Directors who have day-to-day responsibilities for the Group's operations, the Independent Non-Executive Directors also play an important role in ensuring corporate governance and accountability are being upheld, as they provide unbiased and independent views, advice, opinions and judgments as well as provide effective check and balance in the functioning of the Board to safeguard the interests, not only of the Group but also that of the minority shareholders, employees, customers, suppliers and the communities in which the Group conducts its businesses. The Board is satisfied that the current Board composition adequately reflects the interests of the minority shareholders of the Company.

The Independent Non-Executive Directors are also actively involved in the various Board Committees. They provide broader views, independent assessments and opinions on management proposals, including any related party transactions entered into by the Group.

The role of the Chairman and the Group Managing Director of the Company are held by different individuals and their respective duties are set out in the Board Charter of the Company.

To commit in encouraging diversity, including gender diversity, and to align with the updated practices under the Code, the Board had on 12 October 2021 adopted the Board and Senior Management Diversity Policy ("Diversity Policy"). 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. Currently, Puan Rahana Binti Abdul Rashid is the only woman director sitting on the Board.

The Diversity Policy which is embedded in the Board Charter is made available for reference at ([www.wct.com.my](http://www.wct.com.my)).

The Board has reviewed and is satisfied that its current size and composition provide an effective blend of entrepreneurship, business and professional expertise in general management, finance and technical areas of the industries in which the Group is involved. The mixture of skills and experience is vital to the continued success and future direction of the Group.

### ➤ **SUPPLY OF AND ACCESS TO INFORMATION**

All scheduled Board and Board Committee meetings held during the financial year were preceded by a formal agenda issued by the Company Secretary in consultation with the Chairman of the meetings. The agenda for each of the meetings are accompanied by the minutes of preceding meetings of the Board and Board Committees and may include reports on group financial performance, operational performance of its business units including overall quality and delivery of products and services, market analysis, quarterly results for announcements, internal audit and risk management reports, updates on the Group's sustainability programmes and initiatives, updates on material litigations and other relevant information. The Board papers/meeting materials, which are generally shared with and uploaded electronically five (5) business days before the meetings for timely and easy access by the Board and Board Committee members, are comprehensive and encompass all aspects of the matters being considered, enabling the Board to look at both quantitative and qualitative factors so that informed decisions may be made.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### ➤ **SUPPLY OF AND ACCESS TO INFORMATION** *cont'd*

The Company Secretaries would also brief the Board on the proposed contents and timing of any material announcements by the Company before the same are released to Bursa Securities for public dissemination. The Board always has access to the advice and services of the Company Secretaries especially relating to the procedural and regulatory requirements such as companies and securities laws, corporate governance matters and the MMLR of Bursa Securities.

In addition to the above, the Board has full and unrestricted access to the advice and services of the Management and to obtain all necessary external and independent professional advice, when required, at the Company's expense.

### ➤ **COMMITMENT OF THE BOARD**

The Board is satisfied with the level of time committed by the Board in discharging their respective duties and roles as Directors of the Company. The time commitment of the Directors was demonstrated by the attendance of the Board and Board Committees meeting during the financial year 2021. All the Directors of the Company have complied with the MMLR of Bursa Securities on the maximum number of directorships which they can hold in public listed companies.

An annual corporate meetings calendar is prepared in advance and sent to the Board before the beginning of every year which provides the scheduled meeting dates for the Board, Board Committees, the annual general meeting ("AGM") and trainings/seminars to be organised by the Company.

The Board meets at least four (4) times a year, with additional meetings to be convened as and when necessary. Issues deliberated at such meetings and the relevant decisions made are duly minuted by the Company Secretary. During the financial year ended 31 December 2021, a total of five (5) Board meetings were held where details of the attendance of the Directors at the Board Meetings are as follows:

Directors	Number of Board meetings attended in 2021
Tan Sri Lim Siew Choon	5/5
Dato' Lee Tuck Fook	5/5
Chow Ying Choon	5/5
Goh Chin Liong	5/5
Liang Kai Chong	5/5
Tan Sri Marzuki Bin Mohd Noor	5/5
Datuk Ab Wahab Bin Khalil	5/5
Dato' Ng Sooi Lin	5/5
Ng Soon Lai @ Ng Siek Chuan	5/5
Rahana Binti Abdul Rashid	5/5

In the intervals between scheduled Board meetings, for any exceptional matters requiring urgent Board decisions, Board approvals may be sought either via circular resolutions which are attached with sufficient and relevant information required for an informed decision to be made or via ad-hoc Board meetings to be convened. Where a potential conflict of interests arises in the Group's investments, projects or any transactions involving any of the Directors or persons deemed connected to him/her, such Director is required to declare his/her interest and abstain from further deliberation and the decision-making process.

### ➤ **DIRECTORS' TRAINING**

All the Directors have attended the Mandatory Accreditation Programme organised by Bursa Securities. The Directors will continue to undergo other appropriate training programmes to further enhance their knowledge and skills and to keep abreast with new developments within the industry.

Aside from the annual assessment conducted to assess the training needs of the Directors, each Director may also identify any appropriate training that enhances their effectiveness in discharging their duties as directors. The Company Secretary facilitates the organisation of in-house training programmes as well as registration for external training programmes and seminars, if needed.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### ➤ **DIRECTORS' TRAINING** *cont'd*

During the financial year ended 31 December 2021, the Directors of the Company have attended the following training programmes:

#### **Tan Sri Lim Siew Choon**

- Corporate Directors Summit 2021 - Governance 4.0 (17 August 2021)

#### **Dato' Lee Tuck Fook**

- WIEF-SIDC PowerTalk Webinar 2021 - Post Pandemic Economic Landscape: Building Resilient Industries (7 April 2021)
- Digital Acceleration & Innovation for Business Recovery & Growth (14 April 2021)
- Board & Audit Committee Priorities 2021 (7 May 2021)
- Directors' Training - Malaysian Code on Corporate Governance 2021 (6 August 2021)

#### **Chow Ying Choon**

- Corporate Directors Summit 2021 - Governance 4.0 (17 August 2021)

#### **Goh Chin Liang**

- Corporate Directors Summit 2021 - Governance 4.0 (17 August 2021)

#### **Liang Kai Chong**

- Webinar on Securities Commission Guidelines on the conduct of Directors of listed corporations and their subsidiaries (28 September 2021)

#### **Tan Sri Marzuki Bin Mohd Noor\***

- Corporate Directors Summit 2021 - Governance 4.0 (17 August 2021)
- Webinar on Securities Commission Guidelines on the conduct of Directors of listed corporations and their subsidiaries (28 September 2021)
- Securities Commission's Audit Oversight Board Conversation with Audit Committees (6 December 2021)

#### **Datuk Ab Wahab Bin Khalil\***

- Corporate Directors Summit 2021 - Governance 4.0 (17 August 2021)
- Webinar on Securities Commission Guidelines on the conduct of Directors of listed corporations and their subsidiaries (28 September 2021)
- The Asset and Facility Management Conference (AFMC 2021) (9 & 10 November 2021)
- Securities Commission's Audit Oversight Board Conversation with Audit Committees (6 December 2021)

#### **Dato' Ng Sooi Lin\***

- Webinar on Securities Commission Guidelines on the conduct of Directors of listed corporations and their subsidiaries (28 September 2021)
- Securities Commission's Audit Oversight Board Conversation with Audit Committees (6 December 2021)

#### **Ng Soon Lai @ Ng Siek Chuan\***

- BNM-FIDE Forum Dialogue: The Future of Malaysia's Financial Sector (9 June 2021)
- BNM-FIDE Forum Dialogue on RMIIT Implementation (8 July 2021)
- Webinar on MFRS 17 (10 September 2021)
- Sustainability Training by Climate Governance Malaysia (8 November 2021)

#### **Puan Rahana Binti Abdul Rashid\***

- Corporate Directors Summit 2021 - Governance 4.0 (17 August 2021)
- Webinar on Securities Commission Guidelines on the conduct of Directors of listed corporations and their subsidiaries (28 September 2021)
- Securities Commission's Audit Oversight Board Conversation with Audit Committees (6 December 2021)

\* Denotes a Director who is a member of the Audit Committee

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### ➤ **BOARD COMMITTEES**

#### **(A) AUDIT COMMITTEE**

The composition of the Audit Committee complies with the MMLR of Bursa Securities, including the requirement that all its members are non-executive directors, with independent non-executive directors forming the majority and one of the members being a qualified accountant.

The primary objective of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities relating to the Group's financial reporting and internal control systems. The Audit Committee's terms of reference are available at ([www.wct.com.my](http://www.wct.com.my)) and activities during the financial year are disclosed in the Audit Committee Report found in the Company's Annual Report 2021.

The Audit Committee is able to obtain external professional advice and where necessary, invite external auditors/advisers/consultants with relevant experience to attend its meeting to provide opinions, viewpoints and clarifications.

#### **(B) BOARD RISK & SUSTAINABILITY COMMITTEE**

The Board Risk & Sustainability Committee ("BRSC") is to assist the Board in overseeing the risk management activities of the Group and approving appropriate risk management policies and risk appetite.

In addition, BRSC is also responsible for overseeing sustainability-related risks and ensuring 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.

The BRSC comprises no fewer than three (3) members with a majority of them being independent directors of the Company. The current members of the BRSC are as follows:-

- (i) Dato' Ng Sooi Lin  
Chairman/Independent Non-Executive Director
- (ii) Tan Sri Marzuki Bin Mohd Noor  
Member/Independent Non-Executive Director
- (iii) Datuk Ab Wahab Bin Khalil  
Member/Independent Non-Executive Director
- (iv) Rahana Binti Abdul Rashid  
Member/Independent Non-Executive Director

The terms of reference, duties and responsibilities of the BRSC are available on the Company's website ([www.wct.com.my](http://www.wct.com.my)).

The BRSC meets not less than four (4) times a year. In 2021, a total of five (5) meetings were held and details of the attendance of the BRSC members are as follows:

Name	Number of BRSC meetings attended in 2021
Dato' Ng Sooi Lin	5/5
Tan Sri Marzuki Bin Mohd Noor	5/5
Datuk Ab Wahab Bin Khalil	5/5
Rahana Binti Abdul Rashid	5/5

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### ➤ **BOARD COMMITTEES** *cont'd*

#### **(B) BOARD RISK & SUSTAINABILITY COMMITTEE** *cont'd*

During the year under review, the BRSC reviewed and discussed the following:

- (i) Risk Reports and Risk Registers of the Group's business operations;
- (ii) the report on the Anti-Bribery and Anti-Corruption risk assessments;
- (iii) a proposal on fund-raising exercise of the Company;
- (iv) the assessment on the termination of the existing hotel management agreement and the proposed new franchise agreement for the New World Petaling Jaya Hotel;
- (v) the risk exposures and assessment on the acquisition of 2 parcel of lands located in Inanam, Kota Kinabalu, Sabah and the acquisition of option to acquire the developments rights over parcels of land located in Lok Kawi, Sabah;
- (vi) the proposed risk appetite for integration of Economic, Environmental and Social (EES) into the Risk Management Policy and Risk Management Framework;
- (vii) the Group's sustainability initiatives and flagship programmes;
- (viii) the programmes in embedding the sustainability into the WCT Group which include the materiality assessment on EES of WCT Group and the review of the Group's prioritised material matters;
- (ix) the Statement on Risk Management and Internal Control and the Sustainability Statement for inclusion in the Annual Report 2020; and
- (x) the appointment of the external consultant to advise on sustainability matters.

#### **(C) NOMINATION & REMUNERATION COMMITTEE**

The current members of the Nomination & Remuneration Committee ("NRC") consists entirely of Independent Non-Executive Directors, as follows:

- (i) Datuk Ab Wahab Bin Khalil  
Chairman/Independent Non-Executive Director
- (ii) Tan Sri Marzuki Bin Mohd Noor  
Member/Independent Non-Executive Director
- (iii) Dato' Ng Sooi Lin  
Member/Independent Non-Executive Director

The terms of reference, duties and responsibilities of the NRC are available on the Company's website ([www.wct.com.my](http://www.wct.com.my)).

The NRC meets at least once a year and whenever required. In 2021, three (3) meetings were held and details of the attendance of the NRC members are as follows:

Name	Number of NRC meetings attended in 2021
Datuk Ab Wahab Bin Khalil	3/3
Tan Sri Marzuki Bin Mohd Noor	3/3
Dato' Ng Sooi Lin	3/3

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### ➤ **BOARD COMMITTEES** *cont'd*

#### **(C) NOMINATION & REMUNERATION COMMITTEE** *cont'd*

During the financial year ended 31 December 2021, the NRC carried out the following activities:

- (i) Reviewed the annual increment and bonuses of the employees of the Group;
- (ii) Reviewed the annual increment and bonuses of all executive directors;
- (iii) Conducted the annual assessment and evaluation of the Board as a whole, committees of the Board, the individual directors and the independence of the Independent Directors;
- (iv) Conducted the annual review of the Board in respect of its size and the required mix of skills and experience;
- (v) Reviewed and recommended the re-appointment of four (4) directors who are retiring by rotation and seeking for re-election at the 10<sup>th</sup> AGM;
- (vi) Reviewed the re-employment of an Executive Director of the Company who will be reaching the age of 60 in year 2022 and his re-employment contract as well as the payment of his retirement benefit;
- (vii) The termination of Policy on the retirement benefit for executive directors; and
- (viii) Reviewed the salary adjustment for a Deputy Managing Director of the Company.

All recommendations of the NRC are subject to endorsements by the Board.

#### APPOINTMENTS AND RE-ELECTIONS TO THE BOARD

The NRC is responsible for assessing and making recommendations on any new appointments to the Board. Selection of new candidates to be considered for new appointment as director is facilitated through recommendations from the Board members, the Management and/or through independent sources. Prior to recommending the proposed candidate to the Board for its consideration, the NRC considers and assess 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 Diversity Policy. As part of the process of appointing new Directors, the new Directors are provided an orientation programme in order to be familiar with the operations and organisational structure of the Group.

The Company's Constitution provides that the number of directors of the Company shall not be less than two (2) and not more than twenty (20). The Board has the power under the Company's Constitution to appoint a director from time to time either to fill a casual vacancy or as an additional director. Article 87 of the Company's Constitution provides that any director so appointed shall hold office only until the next following AGM and shall then be eligible for re-election at the said AGM.

For the re-election of Directors, Article 82 of the Company's Constitution requires that the number of Directors nearest to, but not greater than one-third retire by rotation each year and being eligible, may offer themselves for re-election at the AGM. The Directors who are required to retire are those who have been longest in office since their last election. In addition, all the directors are required to retire from office once at least every three (3) years but shall be eligible for re-election. This provides an opportunity for the shareholders to renew their mandates for the said Directors to continue to serve on the Board.

The Directors who are seeking re-election at the forthcoming 11<sup>th</sup> AGM are stated in the notice of the 11<sup>th</sup> AGM. The NRC has assessed the performance of these Directors and accordingly recommended to the Board for their re-election to be tabled for shareholders' approval at the forthcoming 11<sup>th</sup> AGM. The Board supported the re-appointment of the Directors who are seeking for re-election at the coming 11<sup>th</sup> AGM as they have provided their full contribution, commitment and participation towards the Group, their confidence to stand up for a point of view and always act in the best interest of the Group as a whole. In addition, the Independent Director who is seeking for re-election at the coming 11<sup>th</sup> AGM, do not have any position or relationship that might influence in a material respect his capacity to bring an independent judgement on issues before the Board and to act in the best interest of the Group.

The re-election of each director will be voted by way of separate shareholders' resolutions. To assist the shareholders in their decision, information such as the personal profile and shareholdings in the Group of each director standing for re-election are furnished in the Company's Annual Report 2021.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### ➤ **BOARD COMMITTEES** *cont'd*

#### **(C) NOMINATION & REMUNERATION COMMITTEE** *cont'd*

##### BOARD EVALUATION

The NRC has reviewed and adopted the criteria used for the annual assessment and evaluation of each individual Director, the Board as a whole and the Board Committees as well as the independence assessment of the Independent Directors.

Each Director is required to review and appraise himself/herself and the Board and/or the respective Committees of which he/she is a member based on the criteria as set out in the evaluation form. From the results, the NRC will draw conclusions on the Board's and Committees' effectiveness in discharging their duties and responsibilities. The results and conclusions will be escalated to the Board.

The annual review and evaluation of the Board as a whole, the Board Committees and the individual Directors which were conducted for the financial year ended 31 December 2021 concluded that the Board and the Board Committees had continued to operate effectively towards fulfilling their duties and responsibilities as the members of the Board and Board Committees throughout the year under review.

##### ASSESSMENT OF INDEPENDENT DIRECTORS

The Board acknowledges the importance of having independence and objectivity in decision-making by the Independent Directors of the Company. Assessment on the independence of the Company's Independent Directors is undertaken annually, prior to any new appointment and when any new interest or relationship develops between the Independent Director and the Company.

The NRC reviews the independence of the Independent Directors in accordance with the criteria on independence as stipulated in the MMLR and Practice Notes of Bursa Securities as well as the Code. The Independent Directors are also assessed on their ability and commitment to continue to bring independence and objective judgement to the deliberation and decision making of the Board and Board Committees.

The Board and the NRC are, based on the annual assessment made for the financial year ended 31 December 2021, satisfied with the level of independence demonstrated by all the five (5) Independent Directors of the Company and that they fulfil the definition of "Independent Director" under the MMLR of Bursa Securities.

#### **(D) OPTIONS COMMITTEE**

The Options Committee had also been established by the Board to administer the Company's Employees Share Options Scheme 2013/2023 ("ESOS"), in accordance with the By-Laws of the ESOS as approved by the shareholders of the Company, amongst others, to determine participation eligibility, terms of the offers and share option allocations and to attend to such other matters as may be required subject to the ESOS's By-Laws. The current members of the Options Committee are as follows:

- (i) Ng Soon Lai @ Ng Siek Chuan  
Chairman/Independent Non-Executive Director
- (ii) Dato' Lee Tuck Fook  
Member/Group Managing Director
- (iii) Goh Chin Liong  
Member/Deputy Managing Director

The Options Committee meet as and when required and no meeting was held during the financial year ended 31 December 2021.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

### ➤ **TENURE OF INDEPENDENT DIRECTORS**

The Board notes and supports the recommendation of the Code that the tenure of an Independent Director should not exceed a term of nine (9) years. In the event the Board intends to retain any Director as an Independent Director who has served beyond a term of nine (9) years, approval from the shareholders through a two-tier voting process will be sought at the Company's general meeting.

Currently, none of the Independent Directors has served for more than nine (9) years on the Board and the tenure of the longest serving Independent Directors is slightly more than five (5) years as at the end of the financial year ended 31 December 2021.

### ➤ **DIRECTORS' REMUNERATION**

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 operations 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.

The Policy on Remuneration of Directors and Senior Management of the Group, which sets out the policy statements and guiding principles to determine the remuneration of the Directors and senior management, is in line with the best practices recommended by the Code and as prescribed under the MMLR of Bursa Securities. The said policy is available for reference on the Company's website at ([www.wct.com.my](http://www.wct.com.my)).

The aggregate fees, remuneration and other emoluments received by the Directors of the Company for the financial year ended 31 December 2021 are as follows:

The Company	Salary (RM)	Fees (RM)	Bonus (RM)	Allowance (RM)	Benefits-in-kind (RM)	Other emoluments (RM)	Total (RM)
<b>Executive Directors</b>							
Tan Sri Lim Siew Choon	3,105,000	12,000	115,000	-	15,321	7,195	3,254,516
Dato' Lee Tuck Fook	2,700,000	12,000	100,000	-	-	3,566	2,815,566
Chow Ying Choon	1,745,000	12,000	75,000	-	31,150	1,381	1,864,531
Goh Chin Liong	2,227,500	12,000	82,500	-	38,800	7,456	2,368,256
Liang Kai Chong	1,485,000	12,000	55,000	-	23,300	11,241	1,586,541
<b>Non-Executive Directors</b>							
Tan Sri Marzuki Bin Mohd Noor	-	84,000	-	21,000	-	700	105,700
Datuk Ab Wahab Bin Khalil	-	84,000	-	20,000	-	700	104,700
Dato' Ng Sooi Lin	-	84,000	-	22,000	-	3,130	109,130
Ng Soon Lai @ Ng Siek Chuan	-	84,000	-	7,000	-	3,130	94,130
Rahana Binti Abdul Rashid	-	84,000	-	14,000	-	3,130	101,130
Total (RM)	11,262,500	480,000	427,500	84,000	108,571	41,629	12,404,200

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### ➤ **FINANCIAL REPORTING**

The Board continually strives to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects, primarily through the annual financial statements and quarterly interim financial results to shareholders as well as the Chairman's Statement and Management Discussion and Analysis in the Company's Annual Report 2021.

In preparing the financial statements, the Group has adopted the applicable accounting policies which have been consistently applied and are supported by reasonable and prudent judgements and estimates by the Board. All accounting standards that the Board considers to be applicable have been adopted.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

### ➤ **FINANCIAL REPORTING** *cont'd*

The Board is also assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS**

The Directors are required to present a set of financial statements for the Group and the Company which give a true and fair view of the state of affairs of the Group and the Company at the end of each financial year as well as the financial results and their cash flows for that financial year.

The Directors consider that in preparing the financial statements:

- the Group and the Company have used the appropriate accounting policies and such policies were consistently applied;
- reasonable and prudent judgements and estimates have been made;
- all applicable approved accounting standards in Malaysia have been adopted; and
- the financial statements have been prepared on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue to be in operations for the foreseeable future.

The Directors are responsible for ensuring that the Group and the Company keeps proper accounting records that disclose with reasonable accuracy the financial position of the Group and of the Company and which will enable them to ensure that the Financial Statements comply with the relevant provisions of the Companies Act, 2016.

The Directors also have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities, where possible.

### ➤ **SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS**

Through the Audit Committee, the Group has established a transparent and appropriate relationship with the Group's external Auditors in seeking professional assurance and ensuring compliance with the accounting standards in Malaysia.

The role of the Audit Committee in relation to the external Auditors can be found in the Audit Committee Report as set out in the Company's Annual Report 2021.

The Audit Committee has obtained confirmation from the external Auditors that they are and have been independent throughout the conduct of their audit engagement in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants' independence requirements.

### ➤ **SOUND FRAMEWORK TO MANAGE RISKS**

The Board acknowledges its responsibility for maintaining a sound system of internal controls to safeguard the shareholders' investment and the Group's assets. Due to limitations that are inherent in any system of internal controls, the system adopted by the Group is designed to identify, mitigate and manage rather than to fully eliminate such risks that may potentially impede the attainment of the Group's objectives.

Information on the Group's 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 2021.

### ➤ **INTERNAL AUDIT FUNCTION**

The internal audit function of the Group is carried out by the Group Internal Audit Department ("GIA") which reports directly to the Audit Committee. The role of the GIA is to provide independent and objective reports on the effectiveness of the system of internal controls within the business units and projects of the Group to the Audit Committee. Further details of the internal audit function and the activities are set out in the Audit Committee Report of the Company's Annual Report 2021.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

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

### ➤ **EFFECTIVE COMMUNICATION AND PROACTIVE ENGAGEMENTS WITH SHAREHOLDERS**

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 ([www.wct.com.my](http://www.wct.com.my)) 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.

The Annual Report remains as 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.

Any shareholders and/or stakeholders 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.

### ➤ **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 release 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 of 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 10<sup>th</sup> AGM on 22 June 2021 as a precautionary measure to curb the spread of COVID-19. During the 10<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 and Permodalan Nasional Malaysia, a substantial shareholder 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 11<sup>th</sup> AGM of the Company scheduled to be held on 15 June 2022 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 briefings with financial analysts and fund managers from time to time as a means of maintaining and improving investor relationship. 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 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.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *cont'd*

### ➤ **INVESTOR RELATIONS** *cont'd*

Below is a summary of the investor relations activities undertaken during the financial year ended 31 December 2021:

	<b>Total</b>
Meetings/Conference calls with investors, analysts and fund managers	3
Investors briefings	4

The Group's website ([www.wct.com.my](http://www.wct.com.my)) has a section dedicated to investor relations and provides up-to-date information on the Group's business 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:

Ms Lo Wei Teing  
 Senior Manager - Corporate Affairs and Sustainability  
 Tel : +603 7806 6608  
 Email : [wei-teing.lo@wct.my](mailto:wei-teing.lo@wct.my)

The Board is fully committed to complying with the principles, recommendations and best practices set out in the Code and the MMLR of Bursa Securities, where applicable. Following the updated Code issued by Securities Commission of Malaysia, the Board will continue to enhance the corporate governance practices applied throughout the operations and management of the Group in particular in the areas where those principles which have not yet been adopted by the Company as disclosed in the CG Report 2021.

(This Statement on Corporate Governance has been approved by the Board of Directors on 18 April 2022).