

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0163
COMPANY NAME : Careplus Group Berhad (“Careplus” or “the Company”)
FINANCIAL YEAR : June 30, 2025

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors ("the Board") is collectively responsible to oversee and ensure that the conducts of the businesses of Careplus and its subsidiaries ("the Group") comply with relevant laws, policies, standards and guidelines applicable to the Group. The Board sets the strategic direction and ensures that the necessary resources are in place for the Group to meet its objectives. Further details on the role and responsibilities of the Board are set out in the Corporate Governance Overview Statement ("CG Overview Statement") in the Company's Annual Report for the financial year ended 30 June 2025 ("FYE 2025") ("AR 2025"). The Board's role, responsibilities, governance and effectiveness are also as set out in the Board Charter. In discharging its fiduciary duties, the Board has also delegated specific tasks to the Board Committees, all of which operate within respective defined terms of reference. The Board assumes, amongst others, the following responsibilities:- (i) Reviewing and adopting the overall strategic direction, business plans of the Group, including major capital commitments. (ii) Overseeing and evaluating the conduct, governance and sustainability of the businesses of the Group. (iii) Reviewing and approving of new ventures, major acquisitions and disposal of undertakings and properties. (iv) Identifying principal risks and ensuring the implementation of appropriate systems to manage and monitor significant financial and non-financial risks.

	(v) Reviewing the adequacy and integrity of the Group's internal control systems, risk management and management information systems. (vi) Establishing key performance indicators and to ensure that senior management has the necessary skills and experience for the orderly succession of the board and senior management. (vii) Overseeing the development and implementation of the shareholder communications policy for the Company. The Board Charter serves as a reference point for Board activities. It is designed to provide guidance and clarity for the Directors and Management with regard to the roles of the Board and its Committees, the role of the Executive Director/Group Chief Executive Officer ("ED/GCEO"), the requirements of Directors in carrying out their roles and in discharging their duties towards the Company as well as the Board's operating practices. The Board has also adopted a Code of Ethics and Conduct which is incorporated in the Board Charter of the Company. The Board Charter is available on the Company's website at www.careplus.com. In discharging its responsibilities, the Board is guided by the Code of Ethics and the principles contained in the Malaysian Code on Corporate Governance ("MCCG"). The Directors of the Company have a duty to declare immediately to the Board should they be interested in any transaction to be entered into directly or indirectly within the Group.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board is being appointed to ensure the orderly conduct and performance of the Board while the ED/GCEO is responsible for the implementation of the Board's decisions and the day-to-day running of the business in line with the Company's goals and policies and approved by the Board. The role of Chairman of the Board is stated clearly on the Board Charter, which is available on the Company's website at www.careplus.com. The responsibilities of the Chairman, amongst others, are as follows: (i) To provide leadership to the Board (ii) To oversee the effective discharge of the Board's supervisory role. (iii) To facilitate the effective contribution of all Directors. (iv) To conduct and chair Board Meetings and General Meetings of the Company. (v) To ensure adequate time is allocated during Board Meetings for discussion of issues tabled to the Board for deliberation. (vi) To brief all the Directors in relation to issues arising at Meetings. (vii) To manage Board communications and Board effectiveness and effective supervision over Management. (viii) To ensure that quality information to facilitate decision-making is delivered to the Board on timely manner. (ix) To ensure Board Meetings and General Meetings are in compliance with good conduct and best practices. (x) To promote constructive and respectful relations among Board members and between the Board and the Management. (xi) Together with the ED/GCEO, represents the Company and/or Group to external groups such as shareholders, creditors, consumer groups, local communities and federal, state, and local governments.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	Chairman – Mr. Foong Kuan Ming ED/GCEO – Mr. Lim Kwee Shyan There is a proper balance of power and authority on the Board, with a clear division of responsibility between the Chairman and the ED/GCEO. This delineation provides a good check and balance. The Chairman is responsible for the leadership of the Board, whereas the ED/GCEO leads the management of the Group and has overall responsibility for the operating units and the implementation of the Board's policies and decisions. The distinct and separate roles and responsibilities of the Chairman and ED/GCEO are clearly stated on the Board Charter, which is available on the Company's website at www.careplus.com.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

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>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	Mr. Foong Kuan Ming ("Mr. Foong"), the Chairman of the Board is a member of Audit Committee ("AC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). With 3 Non-Executive Board members in the committees and taking into account the fact that matters within the committees' purview are matters reserved for the unanimous decision of the Board, the NC is of the view that there are adequate check and balance despite having the Board Chairman as a member of the committees during the year in review. The Board Chairman did not dominate any of the discussions at the Board or committee level. Decisions made by these committees are tabled as recommendations to the Board and such matters are further discussed at the Board level before decisions are made.
		The NC will continue to monitor and evaluate the need to increase the Board size.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	The Group is currently outsourcing the corporate secretarial function to Cospec Management Services Sdn. Bhd. ("CMS"). The Board is supported by two (2) qualified and competent Company Secretary nominated by CMS, who are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016 ("Act") and also are registered holders of the Practising Certificate issued by the Companies Commission of Malaysia. The Board acknowledges that the Company Secretaries play an important role and will ensure that the Company Secretaries fulfil the functions for which she has been appointed. The Company Secretaries play an important role in facilitating the overall compliance with the Act, Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant laws and regulations. The Company Secretaries also assist the Board and Board Committees to function effectively and in accordance with their Terms of Reference and best practices and ensure adherence to the existing Board policies and procedures. In order to discharge the roles effectively, the Company Secretaries have been continuously attending the necessary training programmes, conferences, seminars and/or forums so as to keep themselves abreast with the latest developments in the corporate governance realm and changes in regulatory requirements that are relevant to their profession and enable them to provide the necessary advisory role to the Board. The Board has direct access to the professional advice and services of the Company Secretaries and their team when performing their duties and discharging their responsibilities. During the FYE 2025, the Company Secretaries briefed the Board on the Beneficial Ownership Reporting and Key Amendments to the Listing Requirements of Bursa Securities to keep the Board abreast of the latest developments on the governance matters and provisions under the Listing Requirements of Bursa Securities.

	During the FYE 2025, all Board and Board Committees' meetings were properly convened, and accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company. Overall, the Board is satisfied with the service and support rendered by our Company Secretary to the Board in the discharge of her functions.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	To facilitate the Directors' time planning, the annual Board and Board Committees' meetings calendar was prepared in advance for each new calendar year by the Company Secretary. The calendar provides the Directors with scheduled dates for meetings of the Board and Board Committees as well as the Annual General Meeting ("AGM"). The closed periods for dealings in securities by Directors and principal officers based on the scheduled dates of meetings for making announcements of the Group's quarterly results were also provided therein. The notice and meeting papers are generally circulated to the Board members at least five (5) working days prior to the dates of meetings. This is to ensure sufficient time for all Board members to review and deliberate on such matters accordingly and, where required, to obtain further information and clarification to facilitate well-informed decision-making during the meeting. The deliberations and conclusions of matters discussed in the Board or Board Committees meetings are duly recorded in the minutes of meetings. The draft minutes of which are circulated for the Board and/or Committee Chairman's review within a reasonable timeframe after the meeting. The meeting minutes accurately captured the deliberations and decisions of the Board and/or the Board Committees, including whether any Director abstains from voting or deliberating on a particular matter. All the records of proceedings and resolutions passed are kept at the registered office of the Company.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has formalised and adopted a Board Charter which sets out the composition and balance, roles and responsibilities, operations and processes of the Board. The Board Charter serves as a primary reference point on governance matters for Directors and to ensure that all Board members are aware of their duties and responsibilities. The Board Charter entrusts Board members and employees to apply the principles and practices of good Corporate Governance in all their dealings in respect of and on behalf of the Company; to help foster a culture of honesty and accountability and uphold the core values of integrity when dealing with ethical issues. The Board Charter will be reviewed and updated as and when necessary to ensure it remains consistent with the Board's objectives and responsibilities and reflects the latest compliance requirements as a result of changes in the regulatory framework. The Board Charter is available at the Company's website at www.careplus.com.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Code of Ethics and Conduct which forms part of the Board Charter is observed by all Directors, management and employees of the Group and is available on the Company’s website at www.careplus.com. All Directors and employees of the Group must endeavor to observe the Code of Ethics and Conduct which provides guidance as to the ethical conduct to be complied with to uphold the principles of honesty and integrity as well as to ensure a high standard of ethical and professional conduct is upheld in the performance of their duties and responsibilities. The Board will review the Code of Ethics and Conduct from time to time to ensure that it continues to remain relevant and appropriate.	
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

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	The Group has in place a formalised Whistle Blowing Policy which is available at the Company's website at www.careplus.com to provide a platform for employees and the public to raise concerns or disclose any improper conduct committed or about to be committed by any employees through the channels provided. The Whistle Blowing Policy was reviewed and revised by the Board to include the relevant amendments in relation to anti-corruption measures. This policy aims to achieve the following: (i) To provide avenues for employees to raise genuine concerns or allegations through the appropriate channels upon discovery of possible misconduct. (ii) To encourage and develop a culture of openness, accountability and integrity. (iii) To enable Management to be informed at an early stage about acts of misconduct. (iv) To ensure the protection to the individual who reports the concern or allegation in good faith in accordance with the procedures.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board together with the Management takes responsibility for the governance of sustainability in the Company, including setting the Company's sustainability strategies, priorities and targets. Performance against these clearly set targets are communicated to the Company's internal and external stakeholders. In line with the recommendation of the MCCG, the Board takes into consideration the Company's performance in managing material sustainability risks and opportunities when determining the appropriate level of remuneration for Directors and Senior Management. To further strengthen the sustainability initiatives, the Senior Management communicates the Company's sustainability direction to Operational Management ("OM"). OM comprises appointed representatives of various divisions/departments, who are responsible to identify, manage and analyse sustainability categories. The OM executes and implements the initiatives and reports their operational activities in a variety of ways, including monthly reports, project progress reports, safety and health reports and etc.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Board is cognisant of the fact that the Company's internal and external stakeholders should receive an unfiltered and complete view of the Company's sustainability strategies, priorities, targets and overall performance. This information should be comprehensive and include information on which stakeholders would be able to assess the Company's sustainability risks and opportunities. As with preceding years, the Company has produced a Sustainability Statement that forms part of the Annual Report, pursuant to the Global Reporting Initiative (GRI) Standards: Core Option, Listing Requirements and the accompanying Sustainability Reporting Guide as well as Toolkits by Bursa Securities. The report aims to provide stakeholders with a tangible appreciation of the economic, environmental and social determinants that are being embedded within the Company's operations. Whilst the Company currently does not obtain external assurance specific on its Sustainability Statement, regular audits and/or verifications are conducted by external parties on its operating sites, various policies, processes, and programmes as mentioned in the Sustainability Statement. In addition, in the preparation of this Statement, the Management has undertaken a validation process to verify the accuracy and integrity of the data reported.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Board, through the NC, assesses the training programmes attended by each of the Directors during the financial year to ensure that they keep abreast with the relevant developments in the business environment as well as the relevant regulatory requirements. The training programmes attended by each of the Directors during the FYE 2025, including training relating to sustainability, are set out in the Corporate Governance Overview Statements of the AR 2025. The Company Secretaries regularly update the Board on the changes of the Listing Requirements of Bursa Securities and/or other regulatory requirements upon receiving the circulars from Bursa Securities and/or other regulators, which are relevant to the Company and provide advice on corporate disclosures and compliance issues.	
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

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	:	Applied	
Explanation on application of the practice	:	The Board and the Senior Management have performed their respective roles in addressing material sustainability risks and opportunities. The performance evaluation of the Board in addressing the Group’s strategic and business plans which promote sustainability materials matters was evaluated through the annual Board’s effectiveness evaluation for the FYE 2025. Whereas for the Senior Management team, it is part of their key performance indicators which are reviewed annually.	
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

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

Practice 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board acknowledges the importance of reviewing its composition periodically to ensure that the Board comprises the right talent in terms of skills and experience to effectively discharge the Board's roles and responsibilities. The NC annually reviews the performance of all Directors, including those seeking re-election, based on competency, commitment, contribution, performance, independence (for Independent Directors) and their ability to act in the best interest of the Company as a whole. The annual re-election of retiring Directors has been contingent on a satisfactory evaluation of the retiring Directors' performance and contribution to the Board. In addition, the Directors' Fit and Proper Policy serves as a guide to NC and the Board for the appointment and re-election of Directors of the Group. The Directors' Fit and Proper Policy is published on the Company's website at www.careplus.com.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Board currently consists of six (6) Directors as follows:- • one (1) Non-Independent Non-Executive Chairman; • one (1) ED/GCEO; • one (1) Executive Director; • two (2) Independent Non-Executive Directors; and • one (1) Non-Independent Non-Executive Director. The current Board composition complies with Paragraph 15.02 of the Listing Requirements to have at least two (2) directors or one-third (1/3) of the Board, whichever is higher, are independent. The Board feels that the current composition has the necessary knowledge, experience, requisite range of skills and competence to enable them to discharge their duties and responsibilities effectively. The Board and the NC will continue to identify suitable candidates for appointment to the Board as Independent Directors based on merit, competence and contribution that each potential candidate can bring to further strengthen the Board.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	There are no Independent Directors serving the Board beyond nine (9) years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	The Group is an equal opportunity employer and does not practice discrimination of any form, whether based on age, gender or ethnicity throughout the organisation. The NC will continue to identify suitable candidates for appointment to the Board based on merit, competence and contribution that each potential candidate can bring to further strengthen the Board. The evaluation of the suitability of candidates as Board members is solely based on the candidates' competency, character, time commitment, knowledge and experience in meeting the needs of the Group. In this respect, the role of the NC is detailed in its Terms of Reference, which is accessible on the Company's website at www.careplus.com. Currently, our Board consists of one (1) female Director out of six (6) Directors and the Directors are varied from different backgrounds and experiences.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	The NC will perform an annual review of the required mix of skills and experience and other qualities including core competencies which Directors should bring to the Board and assess the effectiveness of the Board as a whole, as well as, look into succession planning, boardroom and gender diversity to ensure the effectiveness of the Board. The policies and procedures for recruitment and appointment of Directors are guided by the Terms of Reference of the NC. In searching for suitable candidates, the NC may leverages on various sources and gains access to a wider pool of potential candidates. Besides the recommendation from the existing Board members, management and/or major shareholders, the NC also refers to the potential candidate from the industry taking into consideration his/her education, skills and experience. There was no new Director being appointed to the Board for FYE 2025.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	The performance of retiring Directors recommended for re-election at the 14th AGM has been assessed through the NC annual evaluation and recommended to the Board for approval. The profiles of the Directors who were due for retirement and offered themselves for re-election, which included the nature of interest with the Company, whichever applicable, were set out in the Annual Report 2024 of the Company. Whilst for the retiring Directors for the forthcoming 15th AGM, a statement by the Board and NC being satisfied with the performance and effectiveness of the retiring Directors who offered themselves for re-election at the forthcoming 15th AGM was provided in the notes accompanying the Notice of 15th AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the NC is Dr. Yee Chow Boi, the Independent Non-Executive Director. The details/profile of the NC Chairman is disclosed in the Profile of the Board of Directors of the AR 2025.	
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 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Board currently has one (1) female Director out of six (6) Directors, representing 16.7% female representation at the Board level. The Board recognises that this diversity acts as a source for fresh perspectives which ultimately benefits the overall deliberations taking place in the boardroom. Although the Company has not reached the 30% women representation target at the Board level, the Board decisions are made objectively in the best interests of the Group taking into account diverse perspectives and insights. The Board is of the view that it is important to recruit and retain the best available talent regardless of gender, ethnicity and age to maximize the effectiveness of the Board. The Board will take into consideration of more female Directors within the Board as a long-term goal to which incremental steps shall be taken to ensure it is adopted within the reasonable timeframe stipulated. As stipulated in the MCCG, the Board is also encouraged to review the gender diversity at the Senior Management level. To this end, the Company's Senior Management team is comprised of females in crucial positions such as the Group Financial Controller.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	The Board recognises the value of developing and increasing the number of women on the Board and Senior Management roles in the Company. Hence, the Company had adopted Gender Diversity Policy to improve its gender diversity at the Board and Senior Management level. The Company will continue to promote diversity in its widest possible sense and the Board and NC remain committed to ensuring that the Company's policies and practices support this approach with a view to harnessing the potential of its workforce and driving the success of the business.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

<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>						
Application	:	Applied				
Explanation on application of the practice	:	The Company has in place a formal process for assessment of the effectiveness of the Board and the Board Committees as a whole and the contribution by each Director, including the independence of the Independent Non-Executive Directors to the effectiveness of the Board and Committees, making reference to the guides available and the good corporate governance compliance. The assessment of the Board and Board Committees is performed on Board review whilst the assessment of the individual Directors is performed on a peer review basis. Each Director is provided with the assessment forms for their completion prior to the meeting. The results of all assessments and comments by the Directors are summarised and deliberated at the NC meeting and thereafter the NC’s Chairman will report the results and deliberation to the Board. The annual assessment criteria of the Board and Board Committees and individual Directors are aligned with the best practices recommended under the MCCG. The areas covered in the aforesaid annual assessment criteria are as follows:- <table><tr><th>Evaluation</th><th>Assessment Criteria</th></tr><tr><td>Board and Board Committees as a whole</td><td> • Role of the Chairman and GCEO • Board balance, size and composition • Board structure and procedures • Relationship of the Board to Management • Quality and supply of information to the Board/Board’s Committees • Access to information & advice </td></tr></table>	Evaluation	Assessment Criteria	Board and Board Committees as a whole	• Role of the Chairman and GCEO • Board balance, size and composition • Board structure and procedures • Relationship of the Board to Management • Quality and supply of information to the Board/Board’s Committees • Access to information & advice
Evaluation	Assessment Criteria					
Board and Board Committees as a whole	• Role of the Chairman and GCEO • Board balance, size and composition • Board structure and procedures • Relationship of the Board to Management • Quality and supply of information to the Board/Board’s Committees • Access to information & advice					

		• Accountability for financial reporting, internal control and sustainability risk and opportunities • Relation with Auditors / Shareholders / Investors • Use of Board Committees • Directors' training
	AC	• Composition and quality • Oversight of the financial reporting process, including internal controls • Understanding the business, including risk and control environment • Access to information & advice • Oversight of audit functions • Compliance with corporate governance • External Auditors • Staying abreast on issues • Report and recommendations
	Executive Directors	• Financial • Strategic and sustainability • Conformance & compliance • Business acumen/ increasing shareholders' wealth • Succession planning • Personal input to the role
	Non-Executive Director/ Chairman	• Attendance at Board and Board Committees' meetings • Adequate preparation for Board and/or Board Committees' meetings/Key responsibilities of the Chairman • Regular contribution to Board/Board Committee meetings • Personal input to the role
In respect of the annual performance evaluation for the FYE 2025, it was concluded that:- (a) the Board and Board Committees discharged their duties and responsibilities effectively; and (b) each Director continued to perform effectively and demonstrated commitment to his/her role. The Board is satisfied with the current evaluation process. The Board will continue to review the Board's evaluation process as and when necessary to ensure it remains a valuable feedback mechanism for improving the Board's effectiveness.		

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

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board had, through the RC, established formal and transparent remuneration policies and procedures to attract and retain Directors and Senior Management of the Company. The Remuneration Policy is available on the Company's website at www.careplus.com. The Board will determine the level of remuneration of Board Members, taking into consideration the recommendations of the RC for executive Board Members and/or the ED/GCEO. The remuneration of the ED/GCEO and Executive Directors are rewarded on performance based. Non-Executive Directors of the Company will be paid a basic fee as ordinary remuneration based on their responsibilities in Committees and the Board, their attendance and/or special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by a commission on or percentage of profits or turnover. Each Director shall abstain from the deliberation and voting on matters pertaining to their own remuneration.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied								
Explanation on application of the practice	:	The RC comprises only Independent Non-Executive Directors and its composition is outlined below: -								
		<table><tr><td><u>Name</u></td><td><u>Designation</u></td></tr><tr><td>Dr. Yee Chow Boi (Chairman)</td><td>Independent Non-Executive Director</td></tr><tr><td>Foong Kuan Ming (Member)</td><td>Non-Independent Non-Executive Chairman</td></tr><tr><td>Ooi Leng Chooi (Member)</td><td>Independent Non-Executive Director</td></tr></table>	<u>Name</u>	<u>Designation</u>	Dr. Yee Chow Boi (Chairman)	Independent Non-Executive Director	Foong Kuan Ming (Member)	Non-Independent Non-Executive Chairman	Ooi Leng Chooi (Member)	Independent Non-Executive Director
	<u>Name</u>	<u>Designation</u>								
	Dr. Yee Chow Boi (Chairman)	Independent Non-Executive Director								
	Foong Kuan Ming (Member)	Non-Independent Non-Executive Chairman								
Ooi Leng Chooi (Member)	Independent Non-Executive Director									
		The RC assists the Board in reviewing the remuneration packages for its Executive Directors, Senior Management and thereafter, makes a recommendation to the Board. The RC will also review the ED/GCEO's performance to discuss and indicate if the goals and objectives are being met. The results of the review of the ED/GCEO which includes the recommended reward are presented to the Board.								
		The Terms of Reference of the RC is available on the Company's website at www.careplus.com .								
Explanation for departure	:									
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.										
Measure	:									

Timeframe	:		
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Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The detailed disclosure of the Directors' remuneration received during the FYE 2025 on a named basis is as follows:

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	Lim Kwee Shyan	Executive Director	-	-	-	-	-	-	-	-	-	534	-	-	47.2	581.2
2	Loo Teck Looi	Executive Director	-	-	-	-	-	-	-	-	-	348	-	-	66.1	414.1
3	Foong Kuan Ming	Non-Executive Non-Independent Director	96	2.5	-	-	-	-	98.5	96	2.5	-	-	-	-	98.5
4	Ooi Leng Chooi	Independent Director	48	2.5	-	-	-	-	50.5	48	2.5	-	-	-	-	50.5
5	Dr. Yee Chow Boi	Independent Director	48	2.5	-	-	-	-	50.5	48	2.5	-	-	-	-	50.5
6	Hazrena binti Yahaya	Non-Executive Non-Independent Director	36	2	-	-	-	-	38	36	2	-	-	-	-	38
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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Due to confidentiality and sensitivity of the remuneration package of Senior Management as well as security concerns, the Company opts not to disclose the Senior Management’s remuneration components on a named basis in the bands of RM50,000.	
		The Board is of the view that the disclosure of the Senior Management’s remuneration components would not be in the best interest of the Company given the competitive human resources environment as such disclosure may give rise to recruitment and talent retention issues.	
		As an alternative, the Board is of the view that the disclosure of Senior Management’s aggregated remuneration on an unnamed basis in the bands of RM50,000 is adequate.	
		Range of Remuneration	Group
			No. of Senior Management
		RM150,001 to RM200,000	1
		RM200,001 to RM250,000	1
RM250,001 to RM300,000	1		
RM300,001 to RM350,000	1		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	The AC comprises three (3) members who are exclusively Independent Non-Executive Directors. Chairman of the AC - Mr. Ooi Leng Chooi, Independent Non-Executive Director Chairman of the Board - Mr. Foong Kuan Ming, Non-Independent Non-Executive Chairman The positions of Board Chairman and AC Chairman are assumed by different individuals, which allow the Board and the AC to objectively review their findings and recommendations. The Terms of Reference of the AC is available at the Company's website at www.careplus.com.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Group recognises the importance of the independence of its External Auditors and that no possible conflict of interest whatsoever should arise. The Terms of Reference of the AC was updated to require a former partner of the external audit firm of the Company to observe a cooling-off period of at least (3) years before being appointed as a member of the AC. Currently, the AC comprises three (3) members and none of the members were former partners of the Company’s external audit firm.	
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 an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	The Board had established the External Auditors Assessment Policy ("EA Assessment Policy") together with an annual performance evaluation form. The EA Assessment Policy outlines the guidelines and procedures for the AC to review, assess and monitor the performance, suitability and independence of the External Auditors. The External Auditors are precluded from providing any services that may impair their independence or conflict with their role as External Auditors. The AC had obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The AC had carried out an annual performance assessment of the External Auditors and requested the Executive Directors and the Group Financial Controller to join the assessment. The annual evaluation form provides a checklist for the AC to carry out a formal review of the independence, effectiveness and efficiency of the External Auditors of the Company that consider, among others, the following criteria:- • Adequacy of resources and experience of the audit firm; • Quality processes of the audit firm; • Competency of audit engagement team; • Audit governance and independence; • Audit fee, scope and planning; and • Audit communications.
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 an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	All members of the AC have the necessary skills and knowledge to discharge their duties in accordance with the Terms of Reference of AC. The AC Chairman and a majority of the AC members are financially literate and they are able to understand matters under the purview of the AC including the financial reporting process. The profiles of the members are provided in the AR 2025. They are expected to devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes, so as to enable them to sustain their active participation during deliberations. During the FYE 2025, all members of the AC have undertaken continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules. Details of their training are as set out in the Corporate Governance Overview Statement of the AR 2025. The AC Chairman, Mr. Ooi Leng Chooi, is a member of the Malaysian Institute of Accountants and a Certified Finance Planner. He has more than 25 years of working experience in handling corporate finance and general management with two (2) listed companies prior to joining Fajarbaru Builder Group Bhd., hence has sufficient knowledge in overseeing the financial reporting process of the Company.
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board acknowledges its responsibility for maintaining a sound system of risk management and internal controls in the Company and the Group. These controls provide reasonable but not absolute assurance against material misstatement, loss or fraud. The Directors are responsible for the Group’s system of internal controls. The internal control covers the financial and non-financial aspects including risk assessment. It also encompasses compliance and operational controls, as well as risk management matters. The Group has formalised Standard Operating Procedures which take into consideration the adequacy and integrity of the system of internal control.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has an ongoing process of identifying, assessing and evaluating and managing significant risks to achieve the objectives and strategies of the Group. The Board and management practice proactive significant risks identification, evaluation and management in the processes and activities of the Group, particularly any major proposed transactions, changes in nature of activities and/or operating environment or venturing into a new operating environment which may entail different risks and put in place the appropriate risk response strategies and controls until those risks are managed to and maintained at a level acceptable to the Board. In addition, the process of identifying, evaluating, monitoring and managing significant risks is embedded in the various work processes and procedures of the respective operational functions and management team. Any significant risk issues and action plans were reviewed and discussed at management meetings and quarterly Audit Committee meetings. Details of the Group's risk management and internal control framework are set out in the Statement of Risk Management and Internal Control of the AR 2025.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board had established the Internal Auditors Assessment Policy ("IA Assessment Policy") together with an annual performance evaluation form. The IA Assessment Policy is to outline the guidelines and procedures for the AC to review, assess and monitor the performance, suitability and independence of the Internal Auditors. The Internal Auditors are precluded from providing any services that may impair their independence or conflict with their role as Internal Auditors. The AC obtained assurance from the Internal Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The AC carried out an annual performance assessment of the Internal Auditors and requested the Executive Directors and the Group Financial Controller to join the assessment. The annual evaluation form provides a checklist for the AC to carry out a formal review of the independence, effectiveness and efficiency of the Internal Auditors of the Company, among others, the following were some of the criteria reviewed by the AC:- • Adequacy of resources and experience of the internal audit firm; • Quality processes of the internal audit firm; • Competency of the engagement team; • Governance and independence; • Internal audit fee, scope and planning; and • Internal audit reports and communications. The internal audit functions and activities carried out during the FYE 2025 are as disclosed in the AC Report in the AR 2025.
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

Companies 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	:	The internal audit function is currently outsourced to Sterling Business Alignment Consulting Sdn. Bhd. (“Sterling” or “Internal Auditors”), an independent professional consulting firm. The internal audit functions are conducted in accordance with the Internal Audit Plan approved by the AC. The Internal Auditors use the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control – Integrated Framework as a basis for evaluating the effectiveness of the internal control system. Besides, the internal audit functions also adopt accepted auditing practices in addition to an independent and objective reporting on the state of the Group’s internal control system. Sterling is free from any relationship or conflict of interest, which could impair their objectivity and independence. Sterling is a corporate member of the Institute of Internal Auditors Malaysia (IIAM). The number of staff deployed for each internal audit review ranging from 2 to 3 per visit. The lead internal audit team performing audit for the group for the year under review consists of: (a) Dr. So Hsien Ying, a Certified Internal Control Professional (US), Doctor in Business Administration (Wales), Master in Business Administration (Finance) (Hull), BSc Economics (Hons) (London), permanent member of The Internal Control Institute (US), Member of Malaysian Alliance of Corporate Directors and Associate, Member of IIAM with 30 years of experience in business process improvement, internal control review, internal audit and risk management. (b) Cheng Chean, a Chartered Member of the Institute of Internal Auditors Malaysia (“CMIIA”) and a Fellow Member of the Chartered Certified Accountant (“FCCA”). Mr Cheng has 22 years of hands-on experience in the fields of External Audit, Internal Audit and Internal Control Review.

	The internal audit team deploys the International Professional Practices Framework in the conduct of the internal audit assessments as well as in the observance of the attributes by team members, like adhering to the definition of internal auditing, core principles and the code of conduct, which covers, interalia, the need to be independent of relationship which may impair objectivity and professional independence of team members. Besides, the Internal Auditor team also applied the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control – Integrated Framework as a basis for evaluating the effectiveness of the internal control systems. During the FYE 2025, the Board was satisfied that there were continuous efforts made by the Management to address the internal control gaps highlighted by the Internal Auditors, and that the control procedures were in place and were being followed. The AC was satisfied with the competency, experience and resources of the Internal Auditors in discharging their roles and responsibilities.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	The Group recognises the importance of being transparent and accountable to its stakeholders and as such, maintains an active and constructive communication policy that enables the Board to communicate effectively with investors, financial community and the public. The Company's website at www.careplus.com provides easy access to corporate and financial information of the Group. The Company's Investor Relations updates and information on financial results are uploaded on the website immediately once the announcements made to Bursa Securities where shareholders and the public can access the latest corporate information of the Group including annual reports, quarterly reports, corporate governance information, such as Board Charter, Whistle Blowing Policy, Remuneration Policy, Terms of Reference of AC, NC & RC. Another key avenue of communication with its shareholders is the Company's Annual Report to shareholders. The Annual Report, which is prepared in accordance with the requirements of the Listing Requirements, communicates comprehensive information of the financial results and activities undertaken by the Company. All information to shareholders is available electronically as soon as it is announced or published. Besides, the AGM also serves as the principal forum for direct interaction and dialogue between the shareholders, the Board and the management. The AGM provides an opportunity for the shareholders to seek and clarify any issues and to have a better understanding of the Group's performance and other matters of concern. Shareholders are encouraged to actively participate in the question-and-answer session. The Board, Senior Management and the External Auditors will be present to answer and provide appropriate clarifications at the meeting.

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

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The notice for convening the Fourteenth (14 th) AGM of the Company held on 4 December 2024 was issued to the shareholders on 30 October 2024, which is more than 28 days before the date of the 14 th AGM.	
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 13.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	All Directors attended the 14 th AGM held on 4 Dec 2024, save for Datin Seri Hazrena Binti Yahaya who was absent due to health issue. The Senior Management and External Auditors also attended the 14 th AGM physically.	
		During the proceedings of the 14 th AGM, the Chairman invited shareholders to raise questions pertaining to the Company’s audited financial statements and the other agenda items tabled for approval at the meetings. All questions raised by the shareholders were answered and addressed accordingly.	
		The ED/GCEO presented and briefed his report on the progress and performance of the Group during the 14 th AGM. Following his presentation, the shareholders were invited to participate in a question-and-answer session.	
		All the Directors of the Company will always endeavour to attend all general meetings and the Chairman of the Board Committees will provide a meaningful response to questions addressed to them.	
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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The 14 th AGM was held physically at Careplus Mall, Lot PT 3962 & 3963, Jalan Haruan 2, Pusat Komersial Oakland, 70300 Seremban, Negeri Sembilan, Malaysia. Where possible, the Company will make an effort to conduct its general meetings at a venue that is easily accessible for the convenience of the shareholders.	
		Alternatively, the shareholders who are not able to attend the physical general meetings, are encouraged to appoint the Chairman or any person(s) as their proxy(ies) to attend, participate, speak and vote at the meetings on their behalf.	
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 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Chairman ensures that the general meetings cater an important opportunity for effective communication with, and constructive feedback from the shareholders. Shareholders were encouraged to post their questions to the Board using the query box facility throughout the 14th AGM. The Company facilitates and encourages shareholder participation at its 14th AGM. The meeting provides an update for shareholders on its performance and offer an opportunity for shareholders to ask questions and vote. The ED/GCEO read out and answered the relevant questions received during the meeting. The Directors, Senior Management and External Auditors also attended the 14th AGM to respond to questions posted by shareholders.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

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

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The minutes of the 14 th AGM were not circulated to the shareholders, however, the Summary of Key Matters Discussed at the 14 th AGM is made available to the shareholders on the Company's website at www.careplus.com .
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

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