

CORPORATE GOVERNANCE REPORT

STOCK CODE : 3336
COMPANY NAME : IJM Corporation Berhad
FINANCIAL YEAR : March 31, 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	:	<p>The Board is responsible for the long-term success of the Group and the delivery of sustainable value to stakeholders. The Board assumes, <i>inter alia</i>, the following duties and responsibilities:-</p> <p>(a) <i>Together with Senior Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour</i></p> <ul style="list-style-type: none">the Board together with Senior Management are committed to upholding the highest standards of corporate governance throughout the Group; andto embed this culture throughout the organisation, the Board has established a comprehensive framework of governance policies and procedures. These include the Board Diversity Policy, Corporate Disclosure Policy, Anti-Bribery and Corruption Policy, Code of Conduct and Ethics for Employees, Code of Business Conduct for Third Parties, Whistleblowing Policy, and External Auditors Policy. These instruments serve as guiding principles to ensure integrity, transparency, and accountability in all business dealings and stakeholder engagements. <p>(b) <i>Review and adopt the overall strategic plans and programmes for the Group; and ensure that the strategic plan supports long term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability</i></p> <ul style="list-style-type: none">the Board evaluates and endorses the Group's strategic and capital plans, ensuring that the necessary financial and operational resources are allocated to support sustainable growth;the Board monitors Management's performance against agreed strategic objectives and provides guidance on addressing emerging risks and opportunities;

	<ul style="list-style-type: none"> • the Board scrutinises and challenges proposed strategies to ensure robustness, resilience, and relevance in a dynamic market environment; and • the Board ensures that the strategic plan integrates economic, environmental, and social considerations, and it oversees initiatives that embed sustainability into the Group’s core strategy and operations. <p>The Board remains committed to advancing the Group’s international expansion strategy as a key pillar of long-term value creation. In FY2025, the Group undertook two (2) significant strategic investments in the United Kingdom (“UK”): the acquisition of a 50% equity stake in JRL Group Holdings Limited and the purchase of the Finsbury Circus property in Central London. These initiatives aimed to diversify the Group’s revenue streams, create synergistic opportunities, and broaden the Group’s presence in mature, resilient markets, thereby strengthening its foundations for sustained growth.</p> <p>In alignment with the Group’s sustainability agenda, the Board will undertake a sustainability-led refurbishment and reconfiguration of the Finsbury Circus property. The objective is to transform the asset into a commercial building that meets leading environmental standards, thereby supporting both long-term value creation while contributing to responsible urban regeneration.</p> <p><i>(c) Oversee and evaluate the conduct of business of the Group which includes supervision and assessment of Management’s performance to determine whether the business is being properly managed</i></p> <ul style="list-style-type: none"> • the Board devotes sufficient time to understand the Group’s diverse operations businesses to provide effective oversight and strategic guidance. Where possible and when the opportunity arises, Board meetings will be held at locations within the Group’s operating businesses to gain first-hand insight into the Group’s businesses, challenges, and growth potential. This approach enables the Board to better steward long-term performance and ensure strategic alignment; and • the Board also conducts an annual review of the Group’s overall performance against a Balanced Scorecard framework, which incorporates both quantitative and qualitative KPIs across four (4) key dimensions: Commercial, Stakeholders, People, and Organisational Excellence. This holistic performance evaluation enables the Board to assess how well the Group is delivering value across financial and non-financial areas. The weightage of these dimensions may be adjusted from time to time to reflect the Group’s evolving strategic priorities and stakeholder expectations. <p>In financial year (“FY”)2025, the Board remained actively engaged in strategic oversight, receiving regular updates and presentations from Management on financial performance, operational</p>
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	<p>milestones, and governance matters. At its February 2025 meeting, the Board reviewed and approved the FY2026 annual budget and capital expenditure proposals, following detailed discussions with Management on divisional plans and underlying assumptions.</p> <p>As part of its usual practice in the first quarter of FY2025, the Board reviewed the Balanced Scorecards of the Group for FY2024, which comprised of the KPI results for the Group and its business divisions, namely Construction, Property, Industry and Infrastructure. In guiding future performance, the Board further reviewed and endorsed the FY2025 financial targets and strategic-focused Balanced Scorecards, ensuring alignment with the Group's long-term strategic priorities and performance objectives.</p> <p>Following the Group's expansion into the UK construction and property markets, site visits were conducted to the Group's operations in the UK in November 2024. The visits included key property development and infrastructure projects such as The Royal Mint Gardens in Central London, The Wheat Quarter in Welwyn Garden City, and railway infrastructure sites associated with the Group's partnership with Network Rail, namely Marylebone Station, Liverpool Street Station, and Waterloo Station. The Directors also visited the head office of JRL Group Holdings Limited. These engagements provided valuable insights into the Group's international operations, allowed the Directors to assess on-the-ground progress, and facilitated direct interactions with local teams on critical issues and opportunities. In addition, the Directors were briefed by the UK Investment Minister on the country's investment landscape and outlook.</p> <p><i>(d) Ensure there is a sound framework for internal controls and risk management</i></p> <ul style="list-style-type: none"> the Board is responsible for maintaining a sound risk management framework and internal control system to safeguard shareholders' investments and the Group's assets. In fulfilling its stewardship role, the Board identifies and monitors principal risks and ensures that effective risk mitigation strategies and internal control mechanisms are implemented across the Group; and the Board continuously reviews the adequacy and effectiveness of the Group's risk management and internal control system which is embedded into all key processes and operations. <p><i>(e) Understand the principal risks of the Group, set the risk appetite within which Management is expected to operate and ensure there is an appropriate risk management framework to identify, analyse, manage and monitor significant financial and non-financial risks</i></p> <ul style="list-style-type: none"> the Board ensures that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks that
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	<p>may impact the achievement of the Group's strategic objectives;</p> <ul style="list-style-type: none"> the Board sets and reviews the risk appetite within which the Board expects Management to operate; reviews the processes as well as responsibilities and seeks reasonable assurance that risks have been managed within the Group's risk appetite and tolerable ranges; and the Board, through the Audit Committee and Risk Management & Sustainability Committee, develops, executes and maintains the risk management system to ensure it remains aligned with the Group's evolving strategies. The details of the Risk Management system are set out in the Statement on Risk Management and Internal Control. <p><i>(f) Oversee and evaluate the implementation and effectiveness of the anti-bribery and corruption system of internal control to ensure that bribery and corruption risk is properly managed</i></p> <ul style="list-style-type: none"> the Board ensures the Company implements an Anti-Bribery and Corruption System ("ABCS") which seeks to uphold and promote integrity, honesty and compliance in the Group's business practices; and the Board has established the ABCS and adopted the Anti-Bribery and Corruption Policy which aims to set out the parameters, including the main principles, policies and guidelines in relation to anti-bribery and corruption. <p><i>(g) Ensure the senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of the Board and senior management</i></p> <ul style="list-style-type: none"> the Board places strong emphasis on leadership succession to ensure continuity in executing the Group's long-term strategy. Through the Nomination & Remuneration Committee ("NRC"), the Board assesses the strength and readiness of the Group's key senior management, reviewing appointments, performance and remuneration to ensure leadership continuity and alignment with the Group's strategic direction; and the NRC is responsible for making recommendations for the appointment of Directors to the Board. In making these recommendations, the NRC considers a balanced mix of skills, experience, and knowledge required to support effective governance, provide strategic oversight, foster conducive board dynamics, and drive sustainable value creation. <p><i>(h) Ensure the Company has in place procedures to enable effective communication with stakeholders</i></p> <ul style="list-style-type: none"> the Board ensures highest standards of transparency and accountability in the disclosure of pertinent information to its shareholders as well as to potential investors, analysts and the public;
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	<ul style="list-style-type: none"> the Group uses various channels for effective communication with the stakeholders including releasing timely announcements and disclosures to Bursa Malaysia Securities Berhad, conducting regular dialogues with financial analysts, participating in institutional investor forums and using the corporate website at www.ijm.com; and the Board, Management and employees of the Group comply with the Corporate Disclosure Policy of the Group which has set out the guidance and procedures for disclosure and dissemination of information of the Group. <p>(i) <i>Review the adequacy and integrity of the financial and non-financial reporting of the Group</i></p> <ul style="list-style-type: none"> the Board through the Audit Committee (“AC”) reviews the adequacy and integrity of the Group’s financial and non-financial reporting including reviews of the appropriateness of accounting policies, internal controls and key risks of the Group; and the AC reports the outcome of its review to the Board and highlights any areas of concern for deliberation. This process ensures that the Group’s reporting remains transparent, balanced, and aligned with stakeholder expectations and applicable regulatory requirements. <p>The Board is guided by the Board Charter, which outlines its duties, responsibilities and matters reserved for its decision in discharging its fiduciary duties. Some of the matters reserved for the Board include new ventures, acquisitions and disposals of undertakings and properties of a substantial value, and changes to the management and control structure within the Group. The Board reviews and updates the Board Charter from time to time to ensure it remains relevant and appropriate. The details of the Board Charter are available at www.ijm.com.</p> <p>In order to assist in the execution of the Board’s responsibilities for the Group, certain functions have been delegated by the Board to the following Board Committees:-</p> <ul style="list-style-type: none"> (a) AC; (b) NRC; (c) Risk Management & Sustainability Committee (“RMSC”); (d) Securities & Options Committee; and (e) Operating Committee. <p>The Board Committees operate under clearly defined Terms of Reference, which are available at www.ijm.com.</p>
Explanation for departure	<div></div> <div></div>

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman is a non-executive member of the Board. His responsibilities are provided in Clause 3.4 of the Board Charter, which is available on the Company's website at www.ijm.com.</p> <p>The responsibilities of the Chairman are elaborated as follows:-</p> <ul style="list-style-type: none">(a) the Chairman advocates openness and provides leadership for the Board to perform its responsibilities effectively;(b) the Chairman leads the Board in the adoption and implementation of good corporate governance practices in the Company;(c) the Chairman ensures the Company Secretary sets the Board agenda and provides all Directors the Board papers on a timely basis prior to the scheduled Board meetings. Board papers are distributed electronically and generally five (5) business days in advance to ensure Directors are well informed and have the opportunity to seek additional information, and are able to obtain further clarification from the Company Secretary/Management, should such a need arise;(d) the Chairman leads the Board meetings effectively, and encourages active participation including allowing dissenting views to be freely expressed;(e) the Chairman promotes constructive and respectful relations between Directors, and between the Board and Management; and(f) the Chairman together with the Board members ensure effective communication with shareholders and relevant stakeholders, which includes establishing an investor relations function and conducting engagement sessions with various stakeholders.
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	:	<p>The positions of the Chairman and the Group Chief Executive Officer & Managing Director ("GCEO & MD") are held by two (2) different individuals. During FY2025, the Chairman is Tan Sri Dato' Tan Boon Seng @ Krishnan and the GCEO & MD is Dato' Lee Chun Fai.</p> <p>The roles of the Non-Executive Chairman and the GCEO & MD are distinct and held by different individuals to ensure a clear division of responsibilities and a balance of power and authority. The responsibilities of the Non-Executive Chairman include but are not limited to, leading the Board and ensuring its effectiveness, ensuring an efficient organisation and conduct of the Board's function and meetings, promoting constructive and respectful relations between the Board and Management, and ensuring effective communication with shareholders and other relevant stakeholders.</p> <p>The GCEO & MD focuses on the day-to-day management and the business affairs of the Group, and is responsible for the implementation of the Board's policies and decisions. The responsibilities of the GCEO & MD, amongst others, are to develop and implement corporate strategies for the Group, to supervise the management team responsible for the various functions contributing to the overall success of the Group, to ensure the efficiency and effectiveness of the operations of the Group, to assess business opportunities, and to present material information and other relevant matters for the attention of the Board in an accurate and timely manner.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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	:	Applied
Explanation on application of the practice	:	The Non-Executive Chairman does not serve on any Board Committee to preserve objectivity when deliberating on the observations and recommendations presented by the Board Committees.
Explanation for departure	:	
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Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by a qualified and competent Company Secretary who provides sound governance advice, ensures adherence to Board policies, rules and procedures, and advocates adoption of corporate governance best practices. The Directors have access to the advice and services of the Company Secretary especially relating to procedural and regulatory requirements such as company and securities laws and regulations, governance matters and the Main Market Listing Requirements ("LR"). The Company Secretary undertakes continuous professional development and her details of attendance at training and seminars during FY 2025 are available at www.ijm.com.</p> <p>The roles and responsibilities of the Company Secretary include advising the Board on its roles and responsibilities, assisting in the induction of new directors, advising the Board and Management on governance matters, LR and related statutory obligations, monitoring corporate governance developments and assisting the Board in applying governance practices, managing, attending and recording minutes of all Board meetings, Board Committee meetings and shareholders' meetings, ensuring proper upkeep of the statutory registers and records and serving as a focal point for stakeholders communication and engagement on corporate governance issues. The roles and responsibilities of the Company Secretary are stipulated in Clause 4 of the Board Charter, which is available on the Company's website at www.ijm.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>To facilitate informed and effective decision-making, all Directors are provided with performance, progress reports and other relevant materials in a timely manner prior to scheduled Board meetings. Board papers are distributed electronically, typically five (5) business days in advance, allowing Directors sufficient time to review the materials, request additional information, and seek clarification from Management or the Company Secretary, as needed.</p> <p>The Company Secretary ensures the proper recording of all deliberations and decisions of the Board and Board Committees, including any dissenting views and abstentions by any director from voting or deliberating on specific matters. To support effective Board deliberations, the minutes of the Board Committees' meetings were finalised and circulated to the Directors ahead of the corresponding Board meetings held during FY2025. This practice ensures that the Board has full visibility of the Committees' discussions and recommendations, thereby facilitating informed decision-making.</p> <p>For enhanced cybersecurity and document integrity, meeting materials are hosted on a secure, collaborative board portal. Each Director accesses the materials through individual login credentials, ensuring confidentiality and controlled dissemination.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>All Board members are expected to show good stewardship and act in a professional manner, as well as uphold the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities. The Board Charter sets out the governance structure, roles, responsibilities, matters reserved for the Board, composition, operation and processes of the Board to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members. The Board Charter also acts as a source of reference and primary induction literature in providing insights to Board members and senior management.</p> <p>The Board Charter is reviewed by the Board from time to time to ensure that it continues to remain relevant and appropriate.</p> <p>At the Board meeting held in May 2024, the Board reviewed the Board Charter following the establishment of the Board RMSC and the shift in oversight responsibility on risk management and anti-bribery and corruption system from the AC to the RMSC.</p> <p>Subsequently, at the Board meeting in August 2024, the Board reviewed and approved a proposed revision to the terms of reference of the Operating Committee pertaining to the authority threshold.</p> <p>The details of the Board Charter are available at www.ijm.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to conducting its business in a lawful, professional and ethical manner, upholding the highest standard of integrity and ethical values. To this end, the Board has adopted the Code of Conduct and Ethics for Employees ("CCEE") which applies to all Directors and employees. The CCEE covers the areas of workplace culture and environment, protection of company records and assets, conflict of interest, anti-bribery and corruption, gifts, hospitality and entertainment, insider trading, money laundering, fraud and so forth.</p> <p>The principles of the CCEE include the following:-</p> <ul style="list-style-type: none">a) equal opportunity and non-discrimination at the workplace;b) provide a safe and healthy work environment;c) avoid any form of harassment, threat, intimidation, violence or any other inappropriate behaviour;d) prohibit working under the influence of alcohol, illegal drugs or controlled substances;e) protection and proper use of the Company's data, assets and resources;f) exercise caution and protect the Company's confidential information;g) avoid conflict of interest;h) zero-tolerance approach against bribery and corruption;i) not to accept gifts that may cause improper influence, or appear or be perceived to cause improper influence;j) not to accept hospitality and entertainment that may be perceived as a way of improperly influencing the judgment and decision making process in a business transaction;k) no insider trading and exercise due care when dealing in shares of the Company;l) avoid money laundering and fraudulent activities;m) encourage employees who know of, or suspect, a violation of the CCEE, to whistle blow or report the concerns through the Whistleblowing Policy; and

	<p>n) comply with all applicable laws, rules and regulations of the governments, commissions and exchanges in jurisdictions within which the Group operates.</p> <p>In order to ensure the compliance with the Main Market Listing Requirements pertaining to dealings in the securities of the Company, all the Directors and principal officers are advised on a quarterly basis their obligations for dealings in the securities of the Company prior to the release of the quarterly financial results.</p> <p>Pursuant to the CCEE, the Directors or employees shall avoid any situation in which they have an interest in any entity or matter that may influence their judgment in the discharge of their responsibilities. As such, in the event the Directors are interested or deemed interested in any proposal, they will abstain from the Board deliberation and also abstain from voting in respect of the resolution relating to the proposal.</p> <p>The Board also places emphasis on the ethical conduct of third parties who engage in business dealings or transactions with the Group. Accordingly the Board has adopted the Code of Business Conduct for Third Parties (“CBC for 3rd Parties”), which applies to all individuals or entities who provide work, goods and services or act for or on behalf of the Group. The CBC for 3rd Parties covers, among others, the proper use and protection of the Company’s assets and information, dealing with customers and media, conflict of interest, health, safety and environment, anti-bribery and corruption, gifts, hospitality and entertainment.</p> <p>The Company maintains a zero-tolerance stance against all forms of bribery and corruption. In support of this commitment, the Board has implemented an anti-bribery and corruption system (“ABCS”) which integrates a range of policies, procedures and controls to ensure compliance with applicable anti-bribery and corruption laws. The Anti-Bribery and Corruption Policy (“ABC Policy”) of the Company forms an integral part of the ABCS, sets out the main principles, policies and guidelines relating to anti-bribery and corruption practices.</p> <p>During the FY 2025, all employees of the Group and the Directors of the Company submitted their Conflict of Interest (“COI”) Declaration, affirming their commitment to the ABC Policy of the Group. The COI declarations were reviewed by the Group Human Resource Department (for employees) and the Company Secretary (for Directors), and subsequently evaluated by the COI Management Committee before being presented to the AC. The AC reviewed and endorsed the mitigation measures proposed to address any identified or potential conflicts.</p> <p>The initiatives of the Company to comply with ABCS during the financial year are detailed in the Statement on Risk Management and Internal Control.</p> <p>The CCEE, CBC for 3rd Parties and ABC Policy are available at www.ijm.com.</p>
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Explanation for departure		
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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	:	<p>The Board encourages employees and associates to report any suspected or actual misconduct, wrongdoings, corruption, fraud, waste, and/or abuse involving the resources of the Group. The Whistleblowing Policy provides a structured and confidential channel for employees, associates and external parties to report concerns involving such matters. Disclosures made in good faith are protected under the Policy, which is designed to enable early detection and prompt resolution of potential issues without fear of retaliation.</p> <p>In May 2025, the revised Whistleblowing Policy and Whistleblowing Procedures (“Whistleblowing P&Ps”) were approved by the AC and the Board. The Whistleblowing P&Ps were reviewed and revised to ensure comprehensiveness and alignment with internal policies (such as the Code of Business Conduct) and external whistleblowing frameworks and guidelines.</p> <p>The AC generally reviews the reports by the internal auditors on whistleblowing incidents (if any) on a quarterly basis and as needed should the status of such investigations warrants it. Where evidence of misconduct and wrongdoing is found, Management and/or the AC would take immediate actions.</p> <p>During FY2025, nine (9) whistleblowing complaints were received by the Chief Audit Executive (CAE). The allegations involved allegations of non-compliance with the IJM Group Code of Conduct and Ethics, inflated maintenance and billing costs, improper payment practices, conflict of interest, abuse of authority, unethical workplace conduct, recruitment related concerns, and suspicious financial transactions. Investigations concluded that two (2) allegations were substantiated, namely a breach of the IJM Group Code of Conduct and Ethics at corporate level, and financial irregularities within the Property Division. Appropriate corrective actions were taken by Management. Five (5) cases were found unsubstantiated, one (1) case is pending an interview for further clarification, and one (1) case remains under investigation.</p> <p>The Whistleblowing Policy is posted on the Company’s website at www.ijm.com for ease of access for reporting by employees, associates and third parties of the Group.</p>

Explanation for departure	:	
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Measure	:	
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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 4.1

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	:	<p>The Board recognises sustainability as a key driver of long-term value creation and is actively involved in setting the strategic direction for the Group's Economic, Environmental and Social ("EES") agenda. To support its oversight responsibilities, the RMSC was established to guide the development and implementation of the Group's EES framework, ensuring sustainability considerations are embedded into corporate strategy, operations, and risk management.</p> <p>The Group's sustainability commitments are governed by IJM's Group-wide sustainability governance framework ("Sustainability Framework"), led by the Board and supported by RMSC, the Operating Committee and the Group Sustainability Steering Team in integrating sustainability practices across the Group.</p> <p>The Sustainability Framework serves as a comprehensive guide, enabling the Group to seamlessly integrate governance, strategies, focus areas, performance and initiatives. Aligned with local and global sustainability agendas such as the SDGs and the Ten Principles of the UNGC. The Sustainability Framework encompasses three (3) key pillars which are Economic, Environment, and Social.</p> <p>The Group's Sustainability Roadmap FY 2023 – FY 2025 served as a comprehensive guide for the Group's business divisions, outlining integration of sustainability goals and strategies throughout the organisation.</p> <p>The Group Sustainability Roadmap FY 2026 – FY2028 was endorsed by the Board in May 2025 and incorporated the implementation of Integrated Reporting and International Financial Reporting Standards S1 & S2.</p> <p>Further details on the sustainability governance structure are provided in the Sustainability Statement of the Integrated Annual Report 2025.</p>

Explanation for departure	:	
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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	:	Communication is via the annual Sustainability Statement, Materiality Matrix assessments, Company's website and sustainability related events such as IJM Sustainability Week, whilst targets and priorities are addressed under IJM Group's Sustainability Roadmap FY2023 – FY2025.	
Explanation for departure	:		
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Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board together with Management take responsibility for the governance of sustainability across the Group and had adopted a sustainability governance framework that defines and guides the Group towards achieving impact-focused targets.</p> <p>As part of its commitment, the Group undertook a comprehensive climate assessment, which lasted for 1.5 years, before publicly announcing its climate commitment in April 2023. The climate strategy was developed through robust engagements between the Board, Management, and appointed consultants. The climate assessment included the Group's carbon emissions profile of Scope 1, 2 and 3 (8 categories), as well as its climate physical and transition risks and opportunities. Extensive efforts are ongoing to prepare for the requirements of International Financial Reporting Standards ("IFRS") S1 and IFRS S2 in the next two (2) years.</p> <p>The Board continued to play an essential role in aligning EES initiatives with the strategic direction of the Group. Directors participated in various relevant trainings and seminars throughout FY2025 to enhance their understanding of emerging sustainability trends and evolving governance expectations.</p> <p>A Board Validation Meeting on the Integrated Reporting, IFRS S1 and IFRS S2 Adoption Project was also held during FY2025, in collaboration with external consultants. The annual Board Evaluation exercise reaffirmed the importance of EES fluency at the Board level in providing strategic guidance and oversight.</p> <p>The trainings attended by the Board members during FY2025 are available on the Company's website www.ijm.com.</p>
Explanation for departure	:	
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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	:	In the annual Board Assessment for FY2025, the Board was assessed on their sustainability leadership and roles relating to economic, environmental and social (EES). The Board was satisfied with its performance in addressing the sustainability issues of the Group. The criteria pertaining to sustainability in the annual Board Assessment would be reviewed and enhanced from time to time to ensure its relevance. Sustainability-related key performance indicators (KPI) were incorporated into the balanced scorecards of the senior management for FY2025.	
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	:	Choose an item.	

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Chief Sustainability & Investor Relations Officer, Mr Shane Guha Thakurta is the designated person to provide dedicated focus to manage sustainability strategically in the operations of the Group.

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The composition and size of the Board are reviewed annually by the NRC to ensure their appropriateness and effectiveness.</p> <p>During FY2025, the NRC reviewed the composition of the Board, including its structure and size, and the age, gender, ethnicity, skills, experience and competencies of its members.</p> <p>Based on the results of the Board Evaluation for FY2025 ("BE 2025"), both the NRC and the Board were satisfied with the overall performance and effectiveness of the Board. The Board received a favourable overall rating, with members recognising several key strengths, including a strong commitment to upholding high standards of integrity; sound decision-making that prioritises the interests of the Company; a healthy culture of accountability and professionalism; open and constructive communication during meetings; and mutual respect and collaboration among Directors in fulfilling their responsibilities.</p> <p>While the overall performance was deemed satisfactory, the evaluation identified several areas for further development. These included the need to enhance the Board's understanding and competencies in the areas of risk management, digital transformation trends and strategies; regulatory frameworks surrounding artificial intelligence and data governance, EES and sustainability. The Board and the NRC will take the necessary actions to address these areas as part of the development agenda.</p> <p>The NRC and the Board also evaluated the performance of the Directors seeking re-election at the forthcoming AGM, using the BE 2025. The areas of evaluation included board dynamics, contribution and commitment, roles and responsibilities, technical competence, governance, independence and integrity. As for Puan Fatimah Binti Merican, who was appointed on 24 March 2025, a performance evaluation for FY2025 was deemed not meaningful due to the short duration of her tenure. Nevertheless, the NRC and the Board had thoroughly reviewed her credentials at the time of her appointment and were satisfied that her extensive experience, leadership capabilities, and steady presence would bring valuable contributions to the Board. This prior assessment was considered a reasonable basis to support her re-election at the AGM. Based on the evaluation, the NRC and the Board were satisfied with the performance of the Directors</p>

	<p>seeking re-election and were of the view that their continued service would be beneficial to the Company and its stakeholders.</p> <p>The Directors' Fit and Proper Policy adopted by the Board together with the Directors' Declaration of Fit and Proper Form serve as a guide for the NRC and the Board in their review and assessment of candidates or re-elected Directors.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board comprises more than 50% independent directors. 10 of the 11 Board members are Non-Executive Directors and among the Non-Executive Directors, six (6) are Independent Non-Executive Directors (equivalent to 54.55%).</p> <p>Dato' David Frederick Wilson ("Dato' David") who is subject to retirement by rotation at the 41st Annual General Meeting ("41st AGM"), has not offered himself for re-election and he will retire upon the conclusion of the 41st AGM. With the retirement of Dato' David, the composition of independent directors in the Board will be at 50%.</p> <p>The balance between Independent Non-Executive, Non-Executive and Executive Directors, together with the support from Management, is to ensure that there is an effective and fair representation for shareholders, including minority shareholders. It further ensures that issues of strategy, performance and resources are fully addressed and investigated to take into account the long-term interests of shareholders, other relevant stakeholders and the community in which the Group conducts its business.</p> <p>The composition and size of the Board is reviewed from time to time to ensure its appropriateness and effectiveness.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.3

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	:	To date, none of the Independent Non-Executive Directors of the Company has exceeded the term limit of nine (9) years.	
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 5.4 - Step Up

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

<i>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.</i>		
Application	:	Adopted
Explanation on adoption of the practice	:	The Company has adopted a policy which limits the tenure of its Independent Directors to nine (9) years without further extension.

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Directors have a diverse set of skills, experience and knowledge necessary to govern the Group. The Directors are professionals in the fields of construction and engineering, finance, accounting, investments, property, toll infrastructure and information technology. Together, they bring a wide range of competencies, capabilities, technical skills and relevant business experience to ensure that the Group continues to be a competitive leader within its diverse industry segments with a strong reputation for technical and professional competence.</p> <p>In evaluating candidates for appointment to the Board, the NRC and the Board will always evaluate and match the criteria of the candidates based on experience, skill, competency, knowledge, potential contribution and boardroom diversity (including gender, ethnicity and age) to the requirements and the strategic direction.</p> <p>The Directors' Fit and Proper Policy adopted by the Board serves as a guide for the NRC and the Board in their review and assessment of candidates.</p> <p>The NRC is responsible for making recommendations for the appointment of Directors to the Board and major subsidiaries. In making these recommendations, the NRC considers the criteria such as the required mix of skills, experience and knowledge, which the Directors bring to the Board.</p> <p>Apart from the appropriate mix of skills, knowledge and experience, a person to be appointed or elected/re-elected as Director shall possess the necessary quality and character as well as integrity, competency and commitment. The persons who were appointed or re-elected as Directors during the FY2025 had respectively submitted a self-declaration as to his/her fitness and propriety via the Directors' Declaration of Fit and Proper Form adopted by the Board.</p> <p>The process for the appointment and re-appointment of Non-Executive Directors (both the Independent and non-Independent Directors) to the Board requires the NRC to:-</p> <p>a) review the annual Board assessments & evaluations; b) determine the skills matrix and criteria;</p>

	<p>c) source for the candidate; d) conduct an engagement session with the candidate; e) evaluate and match the criteria of the candidate; f) recommend to the Board for appointment; and following which, the Board approves the appointment of the candidate.</p> <p>The NRC plays an active role in ensuring that appointments to top Senior Management positions are conducted based on objective criteria, merit, and with due consideration for diversity in skills, experience, age, cultural background, gender, and ethnicity. In FY2025, the NRC reviewed the talent pipeline and succession plan for top Senior Management roles to ensure business continuity and leadership readiness. The NRC remained mindful of the Group's long-term strategic priorities and governance expectations, including the need for a diverse and competent leadership team. In line with its Terms of Reference, the NRC is responsible for reviewing the core competencies, qualifications, and experience of potential candidates for top Senior Management positions, and for recommending suitable appointments to the Board.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	<p>During FY2025, two (2) new Directors were appointed to the Board, namely, Encik Mazuki bin Abdullah @ Muhammad ("Mazuki") as a Non-Executive Director, and Puan Fatimah binti Merican ("Puan Fatimah") as an Independent Non-Executive Director ("INED").</p> <p>Encik Mazuki was appointed as a nominee of Permodalan Nasional Berhad, and as such, the use of independent sources to identify new candidate was not applicable.</p> <p>In line with Practice 5.2 of the Malaysian Code on Corporate Governance ("MCCG"), which requires a majority of Independent Directors, and Practice 5.9 of MCCG which stipulates that the Board shall comprise at least 30% women directors, the NRC identified the need to strengthen the Board's diversity and capabilities. This was further supported by insights from the FY2024 Board Effectiveness Evaluation, which highlighted the need for expertise cybersecurity, EES, and risk management.</p> <p>To address this, the NRC broadened its search beyond internal recommendations and engaged an independent source to identify potential candidates. Among those evaluated, Puan Fatimah emerged as the most suitable choice, bringing to the Board a strong track record of boardroom experience and significant expertise in digitalisation and technology, gained through senior leadership roles in multinational corporations. Her appointment not only fills the identified skill gap but also advances the Board's gender and ethnic diversity.</p> <p>Puan Fatimah's appointment as an INED reflects the Board's commitment to a merit-based, strategically aligned, and independently sourced director selection process.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The performance of each Director subject for re-election had been assessed through the Board annual evaluation. The areas of assessment of individual Directors include board dynamics, contribution and commitment, roles and responsibilities, technical competence, governance, independence and integrity. The NRC and the Board are satisfied with the performance and effectiveness of the Directors. In addition, the level of independence demonstrated by the Independent Directors who are seeking for re-election had also been assessed.</p> <p>Pursuant to the Directors' Fit and Proper Policy, the Directors who are seeking re-election had provided their declarations in relation to the compliance with legal obligations, regulatory requirements and professional standards; personal and financial integrity as well as time commitment.</p> <p>The information for the Directors standing for re-election is disclosed in the Explanatory Notes to the Notice of the 41st Annual General Meeting.</p> <p>The details of the Directors including their interest, position, experience and relationship are set out in the Directors' profile in the Integrated Annual Report 2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The NRC is chaired by Tan Ting Min, who is an Independent Non-Executive Director.	
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	:	Please provide an explanation for the departure.
Explanation for departure	:	<p>The Company recognises that Board diversity enhances decision-making capability and the quality of the Board's performance, and it believes that a truly diverse Board will leverage differences in perspective, knowledge, skill, industry experience, background, age, ethnicity, race and gender amongst the Directors, and these differences will be considered in determining the optimum composition of the Board.</p> <p>The Directors are also mindful that the Board size influences Board effectiveness, as such the Directors would always consider the optimum Board size to ensure efficient functioning of the Board.</p> <p>The Company currently has three (3) women Directors out of a total of 11 Directors representing 27% of the Board composition. Dato' David Frederick Wilson, who is subject to retirement by rotation at the 41st Annual General Meeting ("41st AGM"), has not offered himself for re-election and he will retire upon the conclusion of the 41st AGM. With his retirement, the composition of women Directors on the Board will be at 30%.</p> <p>The Board Diversity Policy is available at www.ijm.com.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board will meet the 30% women Director requirement upon the conclusion of the 41 st AGM.
Timeframe	:	Others

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The gender diversity for the Board is disclosed in the Corporate Governance Overview Statement of the Integrated Annual Report 2025 and guided by the Board Diversity Policy which is available at www.ijm.com.</p> <p>The Company employs a diverse workforce and has a Diversity and Inclusion Policy enshrined in its core values. For FY2025, the women representation in management roles of the Group stood at 33.3%.</p>	
Explanation for departure	:		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

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

Application	:	Applied						
Explanation on application of the practice	:	<p>The Board undertook a formal and comprehensive annual evaluation of its performance for FY2025 (“BE 2025”), covering the effectiveness of the Board as a whole, its Committees, individual Directors, and the independence of Independent Directors. While the FY2024 evaluation was facilitated by an independent external consultant, the BE 2025 was conducted internally using online questionnaires, with support and coordination provided by the Company Secretary. The evaluation results were collated, presented to the Board, and formed the basis for ongoing Board development efforts.</p> <p>The scope of the questionnaires included, among others, the following areas:</p> <table><tr><th>Types of assessment</th><th>Assessment Criteria</th></tr><tr><td>1) Board Assessment by Individual Directors</td><td>Board mix and composition; Board’s roles and responsibilities on strategic planning, managing performance & succession planning, risk management & internal controls, economic, environmental and social (EES) & sustainability, and communication with stakeholders; Board governance and integrity; Board dynamics; leadership by chair; Board assessment, nomination & appointments; Board process; Board’s relationship with Management.</td></tr><tr><td>2) Self & Peer Assessment</td><td>Board dynamics, contribution & commitment; roles and responsibilities; technical competence; governance, independence and integrity.</td></tr></table>	Types of assessment	Assessment Criteria	1) Board Assessment by Individual Directors	Board mix and composition; Board’s roles and responsibilities on strategic planning, managing performance & succession planning, risk management & internal controls, economic, environmental and social (EES) & sustainability, and communication with stakeholders; Board governance and integrity; Board dynamics; leadership by chair; Board assessment, nomination & appointments; Board process; Board’s relationship with Management.	2) Self & Peer Assessment	Board dynamics, contribution & commitment; roles and responsibilities; technical competence; governance, independence and integrity.
Types of assessment	Assessment Criteria							
1) Board Assessment by Individual Directors	Board mix and composition; Board’s roles and responsibilities on strategic planning, managing performance & succession planning, risk management & internal controls, economic, environmental and social (EES) & sustainability, and communication with stakeholders; Board governance and integrity; Board dynamics; leadership by chair; Board assessment, nomination & appointments; Board process; Board’s relationship with Management.							
2) Self & Peer Assessment	Board dynamics, contribution & commitment; roles and responsibilities; technical competence; governance, independence and integrity.							

	3) Assessment of Independence of Independent Directors	Any relationship between the Independent Director and the Group and his involvement in any significant transactions with the Group.
	4) AC Assessment	AC mix and composition; roles & responsibilities over financial reporting, internal control, internal and external audit; effectiveness and quality of the AC .
	5) AC Members (Self & Peers) Assessment	AC's dynamics, contribution & commitment; roles and responsibilities; technical competence; as well as governance, independence and integrity.
	6) NRC Assessment	NRC's mix and composition; roles & responsibilities, effectiveness and quality.
	7) Operating Committee ("OC") Assessment	OC's mix and composition; roles & responsibilities; effectiveness and quality.
	8) RMSC Assessment	RMSC's mix and composition; roles & responsibilities; effectiveness and quality.
<p>Based on the results of the BE 2025, both the NRC and the Board were satisfied with the overall performance and effectiveness of the Board. The Board received a favourable overall rating, with members recognising several key strengths, including a strong commitment to upholding high standards of integrity; sound decision-making that prioritises the interests of the Company; a healthy culture of accountability and professionalism; open and constructive communication during meetings; and mutual respect and collaboration among Directors in fulfilling their responsibilities.</p> <p>While the overall performance was deemed satisfactory, the evaluation identified several areas for further development. These included the need to enhance the Board's understanding and competencies in the areas of risk management, digital transformation trends and strategies; regulatory frameworks surrounding artificial intelligence and data governance, EES and sustainability. The Board and the NRC will take the necessary actions to address these areas as part of the development agenda.</p> <p>The Board was also satisfied with the performance and effectiveness of all the Board Committees and there were no major concerns from the results of the evaluations of the Board Committees.</p> <p>The NRC and the Board had reviewed and assessed the performance of the Directors who are seeking re-election through the Self & Peer Assessments for FY2025. The NRC was satisfied with their performance and is of the view that their continued service would benefit the Company and its stakeholders.</p>		

	<p>The process of the BE 2025 was as follows:-</p> <ul style="list-style-type: none"> a) the Company Secretary advised the Directors to perform the assessments which were made available in a Board portal; b) the Directors completed and submitted the online assessment forms; c) the Company Secretary extracted the assessment reports from the Board portal; d) the Company Secretary presented the assessment reports at the meeting of NRC; e) the NRC reviewed the assessment reports and identified areas for improvement; f) the NRC presented the assessment reports to the Board at the Board meeting and reported on the areas for improvement; g) the Board reviewed the assessment reports and considered recommendations made by the NRC, if any; and h) the Board received the assessment reports and the findings of the assessment will be used to enhance the Board's effectiveness. 	
Explanation for departure		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure		
Timeframe		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company adopts a competitive and performance-based remuneration framework designed to attract, retain and motivate high-calibre individuals to lead, manage and serve in a dynamic and competitive environment. Appropriate levels of remuneration are essential to driving long-term value creation and aligning the interests of the Board, Management, shareholders, and other stakeholders.</p> <p>The Board has adopted a remuneration policy to provide clear and guiding principles for determining the remuneration of the Board and Senior Management and to align their interests with the interests of shareholders and the business strategies of the Group. The remuneration policy of the Company is available at www.ijm.com.</p> <p>The remuneration policy of the Company is based on the philosophy of giving weightage to performance. The Company aims to establish remuneration packages for Senior Management, including Executive Director, at competitive market levels. Additionally, it provides performance-based incentives that are determined by individual and corporate performance outcomes, ensuring that the remuneration packages reflect the relevant duties and responsibilities, and are fair and equitable.</p> <p>The Company believes long term success of the Group is directly linked to the calibre of employees and it is imperative for the Group to remain competitive in remuneration, besides implementing other measures, in order to attract the right talent from the already scarce labour market and at the same time retain the good ones currently onboard.</p> <p>In the case of Non-Executive Directors, the remuneration philosophy is to establish a remuneration structure that is commensurate with the contribution and level of responsibilities undertaken by the individual Non-Executive Directors. The Company also ensures that the remuneration is fair and reasonable compared to other companies of a similar nature, size and complexity.</p>

	<p>An annual remuneration review is conducted in April each year. The remuneration of the Group will be reviewed by the GCEO & MD using relevant internal and external benchmarks. Recommendations are then presented to the NRC for deliberation. In May, the NRC reviews and evaluates the remuneration of Non-Executive Directors, Executive Director and top senior management, taking into account a range of factors, including Group and divisional performance, individual contributions, scope of responsibilities, prevailing industry practices and benchmarks. Following the NRC's review, appropriate recommendations are made to the Board. The Board then considers and, if appropriate, approves the remuneration of the Executive Director and top Senior Management. The remuneration of Non-Executive Directors is subject to shareholder approval at the AGM, following endorsement by the Board.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The duties and responsibilities of the NRC, amongst others, are to review the remuneration of Non-Executive Directors and the terms and conditions of employment & remuneration of Executive Directors and top Senior Management of the Group; and to review and approve annual salary increments and bonuses of Executive Directors and top Senior Management of the Group.</p> <p>The policies and procedures on the remuneration of the Directors and top Senior Management are stipulated in the Remuneration Policy of the Company.</p> <p>The terms of reference of the NRC and the Remuneration Policy are available at www.ijm.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	

No	Name	Directorate	Company							Group						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Dato' Tan Boon Seng @ Krishnan	Non-Executive Non-Independent Director	300,000	24,000	-	-	35,200	30,000	389,200	-	1,000	-	-	-	-	1,000
2	Dato'Lee Chun Fai	Executive Director	-	-	1,626,750	1,159,755	123,611	477,710	3,387,826	-	-	-	-	-	-	-
3	Dato' David Frederick Wilson	Independent Director	150,000	21,000	-	-	11,902	9,265	192,167	-	-	-	-	-	-	-
4	Tan Ting Min	Independent Director	239,700	39,000	-	-	30,000	-	308,700	14,580	4,000	-	-	-	-	18,580
5	Dato' Ir. Tan Gim Foo	Independent Director	277,154	48,000	-	-	30,000	-	355,154	48,000	13,000	-	-	-	-	61,000
6	Loh Lay Choon	Independent Director	323,267	44,500	-	-	30,000	-	397,767	-	-	-	-	-	-	-
7	Datuk Ir. Ahmad 'Asri bin Abdul Hamid	Independent Director	200,000	28,500	-	-	28,242	1,758	258,500	-	-	-	-	-	-	-
8	Fatimah binti Merican (appointed on 24 March 2025)	Independent Director	3,333	1,500	-	-	-	-	4,833	-	-	-	-	-	-	-
9	Datuk Lee Teck Yuen	Non-Executive Non-Independent Director	178,700	22,500	-	-	-	-	201,200	48,000	5,000	-	-	-	-	53,000
10	Azhar bin Ahmad	Non-Executive	188,267	27,000	-	-	-	-	215,267	-	-	-	-	-	-	-

No	Name	Directorate	Company							Group						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
		Non-Independent Director														
11	Mazuki bin Abdullah @ Muhammad <i>(appointed on 23 September 2024)</i>	Non-Executive Non-Independent Director	78,260	10,500	-	-	-	-	88,760	-	-	-	-	-	-	-
12	Goh Tian Sui <i>(retired on 29 August 2024)</i>	Independent Director	62,500	9,000	-	-	30,000	-	101,500	-	-	-	-	-	-	-
13	Tunku Alina binti Raja Muhd Alias <i>(retired on 29 August 2024)</i>	Independent Director	78,125	12,000	-	-	29,015	-	119,140	-	-	-	-	-	-	-

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	:	<div>The remuneration paid to the top five (5) senior management for the FY2025 analysed into bands of RM50,000 is as follows:-<table><tr><th>Range of Remuneration</th><th>Number of Senior Management</th></tr><tr><td>RM1,100,000 to RM1,150,000</td><td>1</td></tr><tr><td>RM1,150,000 to RM1,200,000</td><td>1</td></tr><tr><td>RM1,350,000 to RM1,400,000</td><td>1</td></tr><tr><td>RM1,900,000 to RM1,950,000</td><td>1</td></tr><tr><td>RM3,350,000 to RM3,400,000</td><td>1</td></tr></table><div>Other than the remuneration of the GCEO & MD, the Company has not disclosed, on a named basis, the detailed remuneration of the top five (5) senior management personnel. This decision is made in consideration of the competitive and sensitive nature of the market for senior leadership talent.</div><div>The Board endeavours to benchmark the remuneration package of the top Senior Management with the industry and to ensure that the remuneration commensurates with the scope of work, and performance of the individual and the Group.</div></div>		Range of Remuneration	Number of Senior Management	RM1,100,000 to RM1,150,000	1	RM1,150,000 to RM1,200,000	1	RM1,350,000 to RM1,400,000	1	RM1,900,000 to RM1,950,000	1	RM3,350,000 to RM3,400,000	1
Range of Remuneration	Number of Senior Management														
RM1,100,000 to RM1,150,000	1														
RM1,150,000 to RM1,200,000	1														
RM1,350,000 to RM1,400,000	1														
RM1,900,000 to RM1,950,000	1														
RM3,350,000 to RM3,400,000	1														
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.															
Measure	:	The Board will monitor the development in the marketplace for such detailed disclosure, and consider such disclosures, in future.													
Timeframe	:	Others													

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

Intended Outcome

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

Practice 8.3 - Step Up

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

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	:	Ms Loh Lay Choon, an Independent Non-Executive Director, is the Chair of the AC and she is not the Chair of the Board. Ms Loh Lay Choon is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA).	
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 External Auditors Policy of the Company provides that a former audit partner (including former partner of affiliate firm) who is being appointed as a member of the AC shall observe a cooling-off period of at least three (3) years before his/her appointment. The External Auditors Policy is available at www.ijm.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 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The AC (together with the Group Chief Financial Officer and Chief Audit Executive) had undertaken an assessment on the performance, suitability and independence of the external auditors for FY2025 pursuant to the External Auditors Policy, which has outlined the guidelines and procedures for the assessment and monitoring of external auditors.</p> <p>The details of the External Auditors Policy are available at www.ijm.com.</p> <p>The criteria for the External Auditors Assessment include quality of services, sufficiency of resources, communication and interaction, independence, objectivity and professional scepticism. There were no major concerns from the results of the assessment of the External Auditors. The AC was satisfied with the external auditors' exercise of independence, objectivity, technical competency and quality of service provided.</p> <p>The process of the online assessment of the external auditors is as follows:-</p> <ol style="list-style-type: none">the Company Secretary advises the AC, Group Chief Financial Officer and Chief Audit Executive ("Parties") to perform the assessment;the Parties complete and submit assessment forms;the Company Secretary compiles the assessment results;the Company Secretary presents the assessment report to the AC;the AC reviews the assessment report; andthe AC discusses with the external auditors on the areas of weaknesses, if any. <p>Following the review of the external auditors' effectiveness and independence, the AC concluded that there were no major concerns in the performance of the external auditors. The AC was satisfied with the performance, suitability and independence of the external auditors. Accordingly, the re-appointment of Messrs PricewaterhouseCoopers PLT as auditors of the Company was being recommended by the AC to the Board.</p>

Explanation for departure	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>All members of the AC are Independent Non-Executive Directors and the members are as follows:-</p> <ol style="list-style-type: none">1) Loh Lay Choon - <i>Independent Non-Executive Director (Chair);</i>2) Dato' Ir. Tan Gim Foo - <i>Independent Non-Executive Director; and</i>3) Tan Ting Min - <i>Independent Non-Executive Director.</i>

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>An annual assessment and evaluation on the performance and effectiveness of the AC was undertaken by the Board of Directors for FY2025. The AC was assessed based on five (5) key areas, namely, mix and composition, roles & responsibilities over financial reporting, internal control, internal and external audit; and effectiveness and quality, to determine whether the AC had carried out its duties in accordance with its terms of reference.</p> <p>In view of the appropriate level of knowledge, skills, experience and commitment of its members being critical to the AC's ability to discharge its responsibilities effectively, an assessment of the AC members (self & peers) was also carried out for FY2025.</p> <p>Based on the annual assessment for FY2025, the Board is satisfied with the AC's performance as its members possess the necessary knowledge and skills in discharging their functions, duties and responsibilities in accordance with the AC's terms of reference and have supported the Board in ensuring that the Group upholds appropriate standards of Corporate Governance.</p> <p>During the FY2025, the AC was involved in the following financial reporting process:-</p> <p>a) reviewed the quarterly financial results and announcements, as well as the year-end financial statements of the Group and Company, together with the accompanying Directors' Report, and recommended them for approval by the Board;</p> <p>b) in the review of the quarterly financial results and annual audited financial statements, the AC discussed significant matters highlighted by Management and the external auditors, amongst others the impact of the new accounting standards on the financial results and</p>

	<p>statements for the financial period being reported, the accounting policies that were applied and the use of certain critical accounting estimates and the exercise of their judgement in the process of applying the Group's accounting policies that may affect the financial results and statements; confirmed with Management and the external auditors that the annual audited financial statements had been prepared in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia to give a true and fair view of the financial position and financial performance of the Group and of the Company;</p> <p>c) reviewed the level and scope of assistance given by the internal auditors to the external auditors;</p> <p>d) the AC reviewed and deliberated the following with the external auditors:</p> <ul style="list-style-type: none"> • the overall work plan, including the audit approach and an overview on the areas of audit emphasis; • the significant audit and accounting matters identified during the course of the audit and the manner they were resolved; • results of their audit of accounting estimates and areas involving judgements; and • the corrected and uncorrected misstatements noted during the audit; <p>e) key audit matters which in the opinion of the external auditors were of most significance in their audit of the financial statements for the year ended 31 March 2025 were brought to the attention of the AC and addressed by the external auditors in their audit report. The AC had considered the external auditors' findings in relation to these key audit matters and discussed with Management to ensure that they are appropriately accounted for and disclosed in the financial statements.</p> <p>The AC members attended relevant conferences, seminars and training programmes from time to time to keep themselves abreast of relevant developments in accounting standards and practices. Details of the training programmes attended by the AC members during FY2025 are available at www.ijm.com.</p> <p>The AC has sufficient understanding of the Group's business and is able to apply a critical and probing view on the financial results and information prepared by Management. The AC also provides appropriate advice to Management relating to the financial position and performance of the Group.</p>
<p>Explanation for departure</p>	<p>:</p>

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board affirms its commitment and responsibility for maintaining a sound risk management framework and internal control system throughout the Group to safeguard shareholders' investments and the Group's assets, as well as to discharge its stewardship responsibility in identifying principal risks and ensuring the implementation of an appropriate risk management and internal control system to manage those risks in accordance with the MCCG.</p> <p>The Board continually articulates, implements and reviews the adequacy and effectiveness of the Group's enterprise-wide risk management and internal control system which has been embedded in all aspects of the Group's activities.</p> <p>Recognising the ever-changing risk landscape, the Group's system is designed to effectively manage rather than eliminate the risks of failure to achieve the Group's business objectives. Accordingly, such systems can only provide a reasonable and not absolute assurance against material misstatement, loss or fraud. The aim, however, is to ensure that any adverse impact arising from a foreseeable future event or situation on the Group's objectives is identified, mitigated and managed.</p> <p>The Board is responsible for ensuring the establishment and maintenance of a sound framework for internal controls and risk management while embedding risk thinking into the Group's strategic and operational decision-making processes. It also actively engages in understanding the Group's principal risks, setting the risk appetite for the Group's operations, and verifying the risk management framework's effectiveness in identifying, analysing, managing, and monitoring all significant financial and non-financial risks.</p> <p>Chaired by an Independent Director and guided by its Terms of Reference, the Risk Management & Sustainability Committee ("RMSC") plays a pivotal role in supporting the Board's oversight of the Group's risk management system, internal control framework, anti-bribery and corruption system, and the execution of its Economic, Environmental and Social ("EES") framework and strategy.</p>

	<p>This involves establishing the overarching direction of the Group's risk management and sustainability strategies and ensuring the seamless integration of risk appetite and tolerance, sustainability objectives, and compliance across the business, operations, and organisational culture. The RMSC is further supported by the Risk Management Committee and the Risk Management & Integrity Department ("RMI").</p> <p>During FY2025, RMSC was involved in the following activities:</p> <ul style="list-style-type: none"> • provided oversight for the development and direction of the Group's risk management, sustainability, and compliance strategies, including the Anti-Bribery and Corruption System ("ABCS"), ensuring appropriate policies and framework are in place; • monitored the adequacy, effectiveness, and execution of the Group's risk management system and internal controls for managing identified risks, alongside the implementation and performance of the EES framework and strategy, and progress toward the Group's long-term sustainability and climate goals; • ensured that sufficient infrastructure, resources and systems are available to support effective risk management, sustainability and climate goals and targets; • reviewed regular reports on risk profiles, EES activities, and ABCS effectiveness to track progress and identify areas for improvement; • reviewed and recommended for Board's approval on both the Statement on Risk Management and Internal Control and the Sustainability Statement/Report, along with other related disclosures for inclusion in the Company's Integrated Annual Report. <p>The RMI was established as a dedicated function to ensure Enterprise Risk Management and Integrity activities are developed, executed and monitored in line with the Group's corporate objectives and strategies. The RMI is headed by Ms Sonia Lim Wan Wei, the Chief Risk Management & Integrity Officer.</p> <p>The RMSC will regularly assess the Risk Management Framework to ensure its adequacy and effectiveness.</p>
Explanation for departure	:
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.	
Measure	:

Timeframe	:		
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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	:	Details of the features of risk management and internal control framework and the adequacy coupled with effectiveness of the framework are disclosed in the Statement on Risk Management and Internal Control of the Integrated Annual Report 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	:	Adopted
Explanation on adoption of the practice	:	<p>The Risk Management & Sustainability Committee ("RMSC") of the Company oversees the adequacy and effectiveness of the risk management system, ensuring that appropriate risk management frameworks and policies are in place.</p> <p>The majority of RMSC members are Independent Non-Executive Directors, listed as follows:-</p> <ol style="list-style-type: none">1) Datuk Ir. Ahmad 'Asri bin Abdul Hamid - <i>Independent Non-Executive Director (Chair)</i>;2) Loh Lay Choon - <i>Independent Non-Executive Director</i>; and3) Azhar bin Ahmad - <i>Non-Executive Director</i>.

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group's Internal Audit function is carried out by the Internal Audit Department ("IAD") which is headed by Encik Yusri Yunus, the Chief Audit Executive ("CAE"). The CAE reports directly to the AC and administratively to the Group Chief Executive Officer & Managing Director (GCEO & MD).</p> <p>All internal auditors have signed the annual declarations that they were and had been independent, objective and in compliance with the Code of Conduct and Ethics for Employees of IJM Corporation Berhad and the Institute of Internal Auditors ("IIA") in carrying out their duties for the FY2025.</p> <p>An independent external assessor was appointed on 11 November 2024 to carry out a Quality Assessment Review ("QAR") on the IAD to ensure conformance by internal audit function with the existing guidance of the IIA's International Professional Practices Framework ("IPPF"), including Standards, the Code of Ethics and applicable legislative and regulatory requirements. The review also assessed the IAD readiness for the implementation of the new Global Internal Audit Standards ("GIAS 2024"). Based on the findings of the QAR, it was concluded that the IAD has generally conformed with the IIA's IPPF, including the Standards and Code of Ethics. IAD is currently working on certain improvement opportunities identified during the review to achieve full conformance with GIAS 2024.</p> <p>An assessment on the Internal Audit Function for FY2025 ("IA Assessment") was undertaken to seek feedback from the AC as well as the GCEO & MD and GCFO on the key aspects of the performance of the internal audit function of the Company, based on the following three (3) key areas:-</p> <ul style="list-style-type: none">(i) scope and function;(ii) competency and resources; and(iii) communication of results / reporting. <p>The AC was satisfied with the overall performance, scope of work, competency and adequacy of resources of the internal audit function of the Company. The AC also concluded that the independence of the internal auditors had been appropriately maintained, with adequate safeguards in place to preserve their objectivity and impartiality throughout FY2025.</p>

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

Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied										
Explanation on application of the practice	:	<p>The Internal Audit Department (“IAD”) is headed by the Chief Audit Executive (“CAE”), Encik Yusri Yunus. He holds a Bachelor of Commerce (Accounting and Finance) degree from the Australian National University, Australia and is a Member of the Institute of Internal Auditors, Malaysia. The CAE reports directly to the AC and administratively to the Group Chief Executive Officer & Managing Director (GCEO & MD).</p> <p>All internal auditors of the Group IAD have signed the annual declarations that they were and had been independent, objective and in compliance with the Code of Conduct and Ethics for Employees of IJM Corporation Berhad and the Institute of Internal Auditors (IIA) in carrying out their duties for the FY2025.</p> <p>The AC is satisfied that the IAD has sufficient resources and is able to access information to undertake its duties effectively.</p> <p>The IAD comprised of 18 staff and their level of expertise and qualifications as of 31 March 2025 were as follows:</p> <table><tr><th>Qualification Category</th><th>Percentage of total auditors</th></tr><tr><td>Professional Qualification (CPA, CIA, ACCA, CIMA, etc)</td><td>40%</td></tr><tr><td>Post Graduate Degree (MBA, MA, etc)</td><td>20%</td></tr><tr><td>Bachelor’s Degree</td><td>35%</td></tr><tr><td>Diploma Level</td><td>5%</td></tr></table> <p>The IAD adopts a risk-based auditing approach, guided by the International Professional Practices Framework (IPPF) issued by the IIA. They evaluated the adequacy and effectiveness of key controls in responding to risks within the organisation’s governance, operations and information systems, in terms of:</p>	Qualification Category	Percentage of total auditors	Professional Qualification (CPA, CIA, ACCA, CIMA, etc)	40%	Post Graduate Degree (MBA, MA, etc)	20%	Bachelor’s Degree	35%	Diploma Level	5%
Qualification Category	Percentage of total auditors											
Professional Qualification (CPA, CIA, ACCA, CIMA, etc)	40%											
Post Graduate Degree (MBA, MA, etc)	20%											
Bachelor’s Degree	35%											
Diploma Level	5%											

	<ul style="list-style-type: none"> • reliability and integrity of financial and operational information; • effectiveness and efficiency of operations; • safeguarding of assets; • exposure to committed and contingent liabilities; and • compliance with relevant laws, regulations and contractual obligations. 	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company is committed to upholding the highest standards of transparency, accountability and integrity in its communications with shareholders, analysts and the broader investment community. A dedicated Investor Relations team manages engagements with institutional investors, financial analysts, and retail shareholders, ensuring timely and accurate dissemination of material information.</p> <p>Timely announcements and disclosures are made to Bursa Malaysia Securities Berhad, which include quarterly financial results, as well as relevant particulars of sizeable contract awards, changes in the composition of the Group and any other material information that may affect investors' decision making. The Group and Company's full year audited financial results are released within two (2) months after the financial year end. A comprehensive annual report is released within four (4) months after the financial year end.</p> <p>At least two (2) scheduled Company Briefings are conducted annually, usually coinciding with the release of the Group's second and final quarter results. These sessions serve as platforms to present financial and operational performance, articulate strategic priorities, and address market outlook and risks.</p> <p>The Company also participated in several institutional investor forums and roadshows, both domestically and internationally, to enhance visibility and engagement with a broader base of investors. The summary of the Group's investor relation activities during the financial year and additional corporate information and/or disclosures of the Group are available at www.ijm.com.</p> <p>Any information that may be regarded as material or deemed price sensitive would not be given to or shared with any single shareholder or shareholder group on a selective basis except to the extent of their representation on the Board.</p> <p>The Group has established a comprehensive website at www.ijm.com, which includes a dedicated section on Investor Relations, to support its communication with the investment community. To better serve</p>

	<p>stakeholders of the Group, an avenue is provided on the website (under “Investor Centre” page) for stakeholders to suggest improvements to the Group via email: ijmir@ijm.com.</p> <p>Investor queries pertaining to financial performance or company developments may be directed to the Chief Sustainability & Investor Relations Officer of IJM Corporation Berhad, Mr Shane Guha Thakurta (Tel : +603-79858041, Fax : +603-79529388, E-mail : shane@ijm.com), whereas shareholder and company related queries may be referred to the Company Secretary, Ms Ng Yoke Kian (Tel : +603-79858131, E-mail : csa@ijm.com).</p>			
Explanation for departure	:			
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>				
Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

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	:	Applied	
Explanation on application of the practice	:	<p>The Annual Report 2025 will be the inaugural integrated report by the Company, which will be anchored on a globally recognised framework and aligned with International Integrated Reporting Framework issued by the International Integrated Reporting Council (IIRC). This approach interlinks financial and non-financial information, providing a holistic view of the Group’s strategy, governance, performance, and sustainability.</p> <p>To strengthen this adoption, the Company has also commenced preparations to align with IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) and IFRS S2: Climate Related Disclosures (IFRS S2) issued by the International Sustainability Standards Board (ISSB).</p> <p>The integration of financial and sustainability reporting is in line with global investor expectations, and also reflects the Board’s commitment to transparent disclosure, accountability, and long-term value creation.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	-	
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The notice of the 40th Annual General Meeting (“AGM”) and the notification of the publication of annual report for 2024 on the website of the Company were sent out to the shareholders on 31 July 2024, that is at least 28 days before the date of the AGM on 29 August 2024. The notice of AGM was also made available on the website of the Company.</p> <p>The relevant details for the resolutions proposed, such as re-election of Directors, Directors’ fees and benefits, and share buy-back authority, are provided in the notice of AGM to enable shareholders to make informed decisions in exercising their voting rights.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>All Directors had attended the 40th Annual General Meeting (“AGM”) held on 29 August 2024. At the AGM, a presentation was given to shareholders by the Group Chief Executive Officer & Managing Director (GCEO & MD) to explain the Group’s strategy, performance and major developments, including the responses to questions raised by the Minority Shareholders Watch Group (“MSWG”) in relation to the operational and financial matters of the Group, which were submitted by MSWG prior to the AGM. The Board encourages shareholders to actively participate in the question-and-answer sessions at all General Meetings.</p> <p>The extract of minutes of General Meetings (including the list of attending Directors, pertinent questions raised by shareholders and the respective responses, and outcome of the voting results) are made available to the shareholders and public at www.ijm.com.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The 40th Annual General Meeting ("AGM") of the Company was held virtually on 29 August 2024 through live streaming from a broadcast venue via an online meeting platform known as TIIH Online provided by the poll administrator, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor"). The shareholders and proxies participated and voted remotely at the 40th AGM.</p> <p>In terms of the security and functionality of TIIH Online, the Information System Department of the Company had conducted a setup inspection together with Tricor to ensure the system meets the required standards and quality. The scope of work for the setup inspection included the security posture assessment, testing of login and password as well as ensuring internet traffic performance. In addition, the TIIH Online is hosted on a secure cloud platform and the data centre is ISO27001 certified.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>To ensure the orderly conduct of the Annual General Meeting ("AGM"), the Chairman had conducted the 40th AGM in the following manner:-</p> <ol style="list-style-type: none">(1) in respect of the audited financial statements for FY2024, the Group Chief Executive Officer & Managing Director ("GCEO & MD") was requested to present to the shareholders a brief overview of the performance of the Group in FY2024 and the outlook for our business going forward;(2) the GCEO & MD had then answered all questions relating to the audited financial statements which were received prior to the AGM, including the questions raised by the Minority Shareholders Watch Group (MSWG) in relation to the operational and financial, sustainability and corporate governance matters;(3) shareholders were invited to raise any questions during the AGM using the query box until the end of the AGM; the Chairman together with the GCEO & MD and the Group Chief Financial officer responded to all the questions raised at the meeting after tabling all the resolutions of the AGM prior to the commencement of voting;(4) the question-and-answer session was held for about 35 minutes during which the Chairman and the GCEO & MD were fully engaged in responding to those questions received via the query box from the shareholders or proxies; and(5) all pertinent questions and their answers have been made available on the Company's website together with the Minutes of the 40th 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

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Applied
Explanation on application of the practice	:	<p>The 40th Annual General Meeting (“AGM”) of the Company was held virtually on 29 August 2024 through live streaming from a broadcast venue. The shareholders and proxies participated and voted remotely at the 40th AGM.</p> <p>Prior to the 40th AGM, an Administrative Guide was issued together with the Notice of 40th AGM to the shareholders to provide guidance on the process for registration of participation in AGM, appointment of proxies, submission of questions to the Board of Directors prior to and during the AGM and poll voting.</p> <p>All pertinent questions from shareholders and proxies submitted via the online platform before and during the 40th AGM, including questions posed by Minority Shareholders Watch Group (MSWG) were made visible to all meeting participants and answered during the 40th AGM. These pertinent questions and their answers have been made available on the Company’s website together with the Minutes of the 40th AGM.</p> <p>The Company adopted online remote voting for the conduct of poll on all resolutions. The polling process was conducted via TIIH Online where shareholders were allowed to submit their votes within a stipulated time. A video guide on the online remote voting process was shown before the voting commenced and the meeting participants were also briefed on the voting procedures by the poll administrator prior to the poll voting. Upon completion of voting, the poll results were verified and announced by the independent scrutineers.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The minutes of the 40 th Annual General Meeting ("AGM") held on 29 August 2024 together with the pertinent questions raised and answered at the AGM were made available on the Company's website at www.ijm.com no later than 30 business days after the AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

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