

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5100
COMPANY NAME : BP Plastics Holding Bhd.
FINANCIAL YEAR : December 31, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") is responsible for the stewardship and corporate governance practices of the Group and Company, and is guided by the Board Charter, which clearly sets out the composition, roles, responsibilities, structure and processes of the Board.</p> <p>In directing and managing the Group's businesses and affairs, the Board is committed to ensure that the principles and recommendations of the Malaysian Code on Corporate Governance ("MCCG") and good governance standards are practised throughout BPPLAS as a fundamental part of discharging its responsibility, and to ensure sustainable value creation framework is in place to support the continuous growth of the Group as a long-term commitment to its shareholders and other stakeholders.</p> <p>In discharging its functions, the Board has delegated certain responsibilities to the Committees of the Board which operate within clearly defined terms of reference ("TORs"). The Committees of the Board comprise of:</p> <ul style="list-style-type: none">(a) Audit Committee ("AC");(b) Nominating and Remuneration Committee ("NRC"); and(c) Risk Management Committee ("RMC"). <p>The TORs of the Board AC, NRC and RMC are available on the Company's website at www.bpplas.com.</p> <p>In addition to the above, amongst the other committees set up to manage specific areas of the Group's operations includes:</p> <ul style="list-style-type: none">(a) Management-level RMC,(b) Executive Committee and;(c) Management Committee. <p>Mr. Lim Chun Yow, who is the Managing Director, leads the Management and is assisted by the two (2) Executive Directors, namely</p>

	<p>Mr. Tan See Khim and Mr. Hey Shiow Hoe. Collectively, they are founders of the Company with extensive expertise and vast experience in the flexible plastic packaging business, specialising in bags, film and sheet section. The three (3) founders' combined experience and in-depth knowledge of the plastic packaging industry have helped to enhance the competitiveness of the Company, and in driving the Group towards being one of the leading flexible plastic packaging specialists within Malaysia as well as the Asia-Pacific region.</p> <p>The Chairman of the Board, a Non-Independent Non-Executive Director ("NINED") and the other three (3) Independent Non-Executive Directors ("INEDs") are professionals in their own fields with wide-ranging experiences, skills and expertise in audit, accounting, taxation, corporate finance and law, and plastic industry.</p> <p>The Non-Executive Directors, namely the NINED and INEDs are not involved in the daily operations and management of the Company. This ensures that the Non-Executive Directors retain the level of independence and objectivity, as well as remain free of conflict-of-interest situations that enable them to carry out their roles and responsibilities effectively. Through their collective vast and wide corporate experiences, qualifications and specialist knowledge, the Non-executive Directors provide effective contributions and support to the Board.</p> <p>The members of the Board are persons of high calibre and integrity with the necessary qualifications, experience and qualities that enable them to discharge their duties effectively.</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 1.2

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 BPPLAS Board is led by Mr. Lim Kim Hock, who joined the Board since 22 February 2008 and was appointed the Chairman of the Board on 29 May 2013. The profile of the Chairman and each Board member of BPPLAS can be viewed from the Company’s Annual Report 2024.</p> <p>The Chairman is primarily responsible for the leadership, orderly conduct and effectiveness of the Board. The Chairman is also responsible for instilling a culture of integrity and internalisation of good governance practices by the Board as set out in the Board Charter.</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

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 Managing Director (“MD”) are held by two (2) different individuals. The Chairman, Mr. Lim Kim Hock leads the Board in its collective oversight of Management while Mr. Lim Chun Yow, the MD, focuses on the business operational decisions and monitoring of the day-to-day management of the Company.</p> <p>The roles of the Chairman and MD are separate and distinct from each other, with clearly defined responsibilities to ensure the balance of authority and accountability. The Chairman is primarily responsible for the orderly conduct of the Board meetings and ensure the effectiveness of the Board whilst the MD, together with the Executive Directors, oversees the operations of the Group and implementation of the Board’s policies, decisions and business strategies.</p> <p>The respective duties and responsibilities of the Chairman and the MD are clearly stated in the Board Charter.</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 Board Chairman is not a member of any of the Board Committees nor to be invited to attend any of the Board Committee's meeting. This is to ensure the avoidance of self-review threat and to promote better check and balance function as well as more objective review by the Board on all matters recommended by the Board Committees.
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 1.5

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 two (2) Company Secretaries who are qualified to act as company secretary under Section 235(2) of the Companies Act 2016 on matters relating to:-</p> <ul style="list-style-type: none">a) the Company's Constitution;b) Board's policies and procedures;c) corporate disclosures with view to ensure regulatory and governance compliance requirement with the relevant Company and securities act, as well as Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and latest corporate governance developments. <p>The Company Secretary attends and ensures that all Board and Board Committee meetings are properly convened, and that an accurate and proper record/minutes of the proceedings and resolutions passed during the meetings are taken and maintained in the statutory registers at the registered office of the Company.</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>All Board members are provided with relevant information of the Group and the Company to enable them to discharge their duties effectively. Notices for each meeting, with a set of Board papers for each item of agenda, including financial reports and other supplementary information/appendixes are sent to Directors at least seven (7) days prior to any Board meeting. This is to accord sufficient time for the Directors to peruse the Board papers and to seek any clarification or further details that they may need from the Management or to consult independent advisers, if they deem necessary. The Board also notes the decisions and salient issues deliberated by the Board Committees through the Minutes of these Committees' meetings.</p> <p>The Directors have a duty to declare immediately to the Board should they have any interest in transactions to be entered into, directly or indirectly, with the Group or the Company. The interested Directors would abstain from deliberations and decisions of the Board on the said transaction. In the event a corporate proposal is required to be approved by shareholders, the interested Directors would also abstain from voting in respect of their shareholdings relating to the corporate proposal, and would further undertake to ensure that persons connected to them similarly abstain from voting on the resolution(s).</p> <p>Minutes of each Board meeting are circulated to all Directors on a timely basis after each Board meeting, for their perusal, review and comments, prior to confirmation of the minutes at the next succeeding Board meeting.</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>The Board Charter of the Company is in place and is available on the Company's website at www.bpplas.com. The Board will review the Board Charter from time to time and make any necessary amendments to ensure they remain consistent with the Board's objectives, current laws/regulations and good governance practices. The Board had updated and adopted the revised Board Charter on 18 April 2022, to be in line with the Malaysian Code on Corporate Governance.</p> <p>The duties and responsibilities of the Board, the Chairman, and the Managing Director, as well as a list of matters reserved for the Board's attention and approval, except where they are expressly delegated to a Board Committee, the Chairman, or the Managing Director, is clearly stated in the Board Charter.</p> <p>The duties and responsibilities of the Board Committees are summarised in their Terms of References ("TORs"), which is also available on the Company's website at www.bpplas.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 Group has in place a Group Code of Conduct that is applicable to the Board of Directors and all employees. The Group's Code of Conduct sets out the standards of good conduct and ethical practices, and aims to maintain confidence in the integrity of the Group's business practices.</p> <p>The Group's Code of Conduct is premised on the following 4 main principles:-</p> <ol style="list-style-type: none">Show respect in the workplace;Act with integrity in the marketplace;Ensure ethics in our business relationships; andEnsure effective communication, which also covers the areas on corporate disclosure and whistle blowing. <p>All Directors and employees of the Group must endeavour to observe the Group's Code of Conduct which provides guidance as to the ethical conduct to be complied in their daily work, to uphold the principles of honesty and integrity, in ensuring a high standard of ethical and professional conduct in the performance of their duties and responsibilities.</p> <p>The Board had also put in place an Anti-Bribery and Anti-Corruption ("ABAC") Framework and Policy, after conducting the necessary review to ensure that BPPLAS has the adequate procedures, policies and controls for the prevention of corrupt acts and practices, in line with the Anti-Corruption Amendments in MMLR of Bursa Malaysia, as well as the regulatory compliance with the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act") Section 17A Corporate Liability provisions. The Group has updated its ABAC policy on 23 November 2023.</p> <p>A copy of the Group's Code of Conduct, ABAC Framework and ABAC Policy are available on the Company's website at www.bpplas.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 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The policies and procedures on whistleblowing are incorporated under Part D of the Group's Code of Conduct ("Code"), as well as under Section 15 of the Group's ABAC Policy.</p> <p>Whistle blowing is a specific means by which an employee/officer (or stakeholder) can report or disclose through established channels, concerns about any violations of the Code, unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements that is taking place / has taken place / may take place in the future.</p> <p>The whistle blowing reporting channels, including the Whistle Blower Form incorporated under Appendix 3 of the Group's ABAC Policy are established to help all stakeholders raise concerns, without fear of retaliation, on any wrongdoing that they may observe within the Group.</p> <p>Only genuine concerns should be reported. Such report should be made in good faith with a reasonable belief that the information and any allegation in it are substantially true, and the report is not made for personal gain. If allegations are proven to be malicious, parties responsible may be subject to appropriate action, including legal action, where applicable.</p> <p>In the event of any violation of the Code, the Board shall determine appropriate action to be taken after considering all relevant information, including but not limited to, the nature of the violation and its severity, and whether the violation appears to have been committed intentionally or inadvertently. Such action to be taken shall reasonably be designed to deter wrongdoings and to promote accountability for adherence to the Code.</p> <p>We are committed to:</p> <ul style="list-style-type: none">• encourage employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation;

	<ul style="list-style-type: none"> • encourage employees to report violations of laws, rules, regulations, the Company's policies or the Code to appropriate personnel; • investigate into cases reported and take appropriate actions after conclusion of investigations; • keep identity of the whistle blower in strictest confidentiality; and; • indemnify the whistle blower. <p>Mr. Lim Kim Hock is the Chairman of the Board and a Non-Independent Non-Executive Director to facilitate communications with stakeholders which could not be dealt with by the Managing Director or the Executive Directors.</p> <p>Ms. Tan Ming-Li, the Senior Independent Non-Executive Director, shall serve as a fall-back point of contact for direct communication for purpose of whistle blowing, on areas that cannot be resolved through normal channels of contact with the Chairman or Managing Director, and the concern may be reported in writing directly to seniorined@bpplas.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 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 of Directors of BPPLAS ("the Board") is mindful of the ever-growing emphasis/concern by our various key stakeholders, particularly the investing community and shareholders, on the need for the Group to address and manage the Environmental, Social and Governance ("ESG") related risks and opportunities over the short, medium and long-term for alignment with the latest ESG reporting standards.</p> <p>The Board bears the main role in driving the Group's sustainability strategy and direction, by providing necessary guidance and assigning the governance of sustainability matters to its Board Risk Management Committee ("BRMC") who is responsible for the oversight of the Group's overall business risks management, identification of the related risks and opportunities, including the relevant sustainability policies and initiatives.</p> <p>The BRMC is in turn supported by the Management Risk Management Committee ("MRMC") which comprises of the Managing Director, Executive Directors, Head of Risk Governance and respective Heads of Department. The MRMC is responsible for the guiding, coordinating, reviewing and monitoring on the adequacy, development and implementation of the Group's risk policies as well as sustainability practices across all business operations. This includes the identifying, evaluating, managing and monitoring of ESG risks and opportunities, as part of the Group's overall enterprise risk management framework.</p> <p>A Sustainability Task Force was also established in order to assist the MRMC and facilitate a more dedicated focus and implementation of key sustainability projects/initiatives such as circular economy and climate change.</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 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	:	<p>The Board together with the Management oversees sustainability related risks and opportunities including oversight of the initiatives and strategy.</p> <p>Our sustainability initiatives and practices are carried out by the MRMC and supported by the Sustainability Task Force, who will assess the potential ESG related exposures and impacts across the Group's operations and supply chain, including the conducting of materiality assessment through engaging with the various key stakeholder groups to identify the material sustainability matters of the Group.</p> <p>During the year, the outcome of the materiality assessment and the materiality matrix generated, as reviewed and validated by the MRMC had also been presented to the BRMC and the Board for their approval and endorsement. The list of identified six (6) key stakeholder groups and the twelve (12) identified material sustainability matters which was disclosed in the 2024 Annual Report, were mainly driven from Bursa's common sustainability matters and stakeholders' needs and concerns.</p> <p>For the 12 material sustainability matters, we have further identified 6 high priorities, 3 medium priorities, and 3 low priorities, and included the requisite Performance Data Table in line with the latest mandated Bursa ESG platform reporting. Furthermore, the BRMC also took note on the key improvements to be in place pursuant to Bursa Malaysia's enhanced sustainability reporting requirements.</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 company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Board keeps abreast of sustainability issues that are relevant to the Company and its business via sustainability related updates shared by the Management and Company Secretary, as well as trainings attended during the year. The list of conferences, training programmes and seminars attended by the Directors can be found in the CG Overview Statement of the Company's Annual Report 2024.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	In line with the new MCCG recommendation to include a review of the performance of the Board and senior management in addressing the Company’s material sustainability risks and opportunities, the Board and the NRC has on 25 February 2025 conducted the annual Board evaluation (for FY2024) with rating in respect of environmental, social and governance (“ESG”) issues to increase the focus in ESG stewardship.	
		Nevertheless, to note that the annual performance evaluation for the senior management, which has yet to incorporate ESG as part of the evaluation, due to the evolving changes in the ESG reporting requirements. The Group Management will endeavour to formalise and include priority ESG metrics into the Senior Management performance evaluation that is benchmarked to the Group’s material sustainability matters for FY2025 and beyond.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	Ms. Tan Yi Yee (Head of Sustainability and Corporate Planning) and members of the Sustainability Task Force will support the MRMC in the oversight, planning and monitoring of sustainability related projects and initiatives. She will also be the primary contact point and co-ordinator in Management's engagement with the various internal and external stakeholders as outlined under the 12 identified material sustainability matters.

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 NRC in the discharge of its duties in accordance with their Terms of Reference, shall assist the Board to annually review the required mix of skills and experience, and other qualities, including core competencies which non-executive and executive directors should have; and assess on an annual basis, the effectiveness of the Board as a whole and the Committees of the Board.</p> <p>For the appointment and re-election of directors of the Company and its subsidiaries, the Board has on 30 June 2022 approved and adopted the Directors' Fit and Proper Policy, with the same to be published on the Company's corporate website. This was in line with the Enhanced Director Amendments to the MMLR of Bursa Malaysia issued on 19 January 2022, aimed at further strengthening board independence, quality and diversity.</p> <p>Directors seeking appointment or re-election to the Board shall be required to make the fit and proper declaration as set out in the Directors' Fit and Proper Policy (copy which is available on the Company's website at www.bpplas.com). The nomination and assessment by the NRC are guided by a set of criteria and expectations (as set out in Section 2.0 of the Director's Fit and Proper Policy) based upon the integrity, experience, competencies and commitment of the candidates to secure the best Board composition and to meet the diverse objectives of the Company.</p> <p>The NRC conducts annual Board Evaluation using a set of prescribed forms to assess the effectiveness and composition of the Board and Board Committees, as well as a review of the performance and contribution of each individual Director during the year.</p> <p>The NRC will recommend to the Board for approval, to seek shareholders' approval for the re-election of the retiring Directors based on the results of the following:</p> <ul style="list-style-type: none">(i) directors' performance evaluation (self and peer),(ii) evaluation on the effectiveness of Board and Board Committees,(iii) level of independence demonstrated (for INEDs only), as well as

	<p>(iv) declaration on fitness and propriety to continue acting as Directors of the Company in accordance with the Directors' Fit and Proper Policy of the Company.</p> <p>The NRC would also ensure that the Board has an appropriate balance of expertise and ability, through review on an ongoing basis the required mix of skills, experience and other qualities including core competencies that each Directors should bring to the Board, identify areas for improvement, and review the succession planning of the Board.</p> <p>The NRC is of the view that the tenure profile, represented by the length of service of each of its directors, is appropriately balanced such that Board succession and renewal planning is managed over the medium to longer term.</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 5.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The Board presently consists of seven (7) Directors, three (3) of whom are Independent Non-Executive Directors, one (1) is Non-Independent Non-Executive Director, and three (3) are Executive Directors.</p> <p>The Board agreed to the re-designation of Mr. Lim Kim Hock as a Non-Independent Non-Executive Director due to his wisdom, knowledge and leadership as the Board Chairman. Mr. Lim Kim Hock has consistently demonstrated his independence and professionalism and effectively contributed as well as added value to the Company through the Board.</p> <p>The Company will continuously search for suitably qualified Independent Directors to join the Board so that at least half of the Board comprises Independent Directors.</p> <p>Presently, under Paragraph 15.02(1)(a) of the enhanced amendments to the MMLR of Bursa Malaysia issued on 19 January 2022, the Group is compliant on the requirement, whereby at least 2 directors or 1/3 of the board of directors of a listed issuer, whichever is the higher, are independent directors.</p>	
<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	:	<p>Ms. Tan Ming-Li was appointed as an Independent Non-Executive Director of the Company on 29 May 2013 and Mr. Tan Hock Hin was appointed as an Independent Non-Executive Director of the Company on 30 September 2014. Therefore, both Ms. Tan Ming-Li and Mr. Tan Hock Hin have served the Board in that capacity for a cumulative term of more than nine (9) years.</p> <p>The Board is mindful that Practice 5.3 of MCCG recommends that the tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board subject to his/her re-designation as a non-independent director. In the event that such director is to be retained as an independent director, the Board must first justify and seek annual shareholders' approval through a two-tier voting process as described in Guidance to Practice 5.3 of MCCG.</p> <p>Both Ms. Tan Ming-Li and Mr. Tan Hock Hin had obtained shareholders' approval at the 20th AGM held on 24 May 2024 and were retained through a two-tier voting process to continue to serve as an Independent Non-Executive Directors of the Company until the conclusion of the forthcoming 21st AGM.</p> <p>Pursuant to the MMLR of Bursa Malaysia, a 12-year limit was imposed on the tenure of an independent director, whereby all long-serving independent director must resign or to be re-designated as non-independent director.</p> <p>In line with this, the Board was informed that Ms. Tan Ming-Li has indicated her intention to step down and retire from office as an Independent Non-Executive Director of the Company upon reaching the tenure of 12 years serving the Board on 29 May 2025. Accordingly, Ms. Tan Ming-Li shall hold office as an Independent Non-Executive Director until the conclusion of the 21st AGM.</p> <p>Separately, the Board proposes to retain Mr. Tan Hock Hin as Independent Non-Executive Director, and seek annual shareholders'</p>

	<p>approval at the forthcoming 21st AGM of the Company, through a two-tier voting process as described in Guidance to Practice 5.3 of the MCCG, until the twelfth (12th) year, subject to the 12-year tenure limit for independent director pursuant to the MMLR of Bursa Malaysia.</p> <p>The NRC and the Board have determined at the annual assessment carried out that Mr. Tan Hock Hin remains objective and independent in expressing his views and in participating in deliberations and decision making of the Board and the Board Committees he serves. Mr. Tan Hock Hin continues to discharge his duties professionally and impartially, coupled with his thorough understanding of the business and operations of the Group makes him a valuable, fit and objective director on the Board. The length of his tenure on the Board does not in any way interfere with the exercise of his independent judgement and ability to act in the best interests of the Company.</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 5.4 - 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	: Not Adopted
Explanation on adoption of the practice	: Not adopted – not applicable

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 criteria for the appointment process and annual assessment of Directors are contained in the TOR of the NRC.</p> <p>The NRC will review and assess the proposed appointment of Directors, and thereupon recommends to the Board for approval. In the selection process, the NRC does not specifically set any target on gender, ethnicity or age diversity, but rather endeavour to include any member who will improve the Board's overall compositional balance. In identifying suitable candidates for appointment to the Board, the NRC will consider candidates based on their competency, skills, character, time commitment, knowledge, experience and other qualities in meeting the needs of the Company and with due regard for the benefits of diversity of the Board.</p> <p>The Directors remain fully committed in discharging their statutory duties and responsibilities, as reflected by their full attendance of Board and Board Committee meetings held during the FY2024. Details of the attendances of the Directors to meeting during FY2024 can be found in the CG Overview Statement of the Company's Annual Report 2024.</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 5.6

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	:	In identifying new Board members, the Board seeks recommendations for candidates from existing Board members, management, major shareholders and independent parties or sources. E.g., business associates, professional recruitment firms. The selection / identification of candidates for appointment as directors are made objectively in the best interests of the Company, considering amongst others: <ul style="list-style-type: none">• the criteria as prescribed in Paragraph 2.20A of the MMLR of Bursa Malaysia;• whether the candidate has the character, experience, integrity, competence and time to effectively discharge their duties as director of the Company; and• considering the existing diverse skills, expertise, experience and perspectives of the current Board members.	
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>During the financial year under review, Mr. Tan See Khim, Mr. Lim Kim Hock and Ms. Chuah Sue Yin who retired pursuant to Clause 122 of the Company's Constitution, were recommended by the NRC to the Board for re-election in the NRC meeting held on 27 February 2024 in view of their satisfactory performance and contribution.</p> <p>The performance of the retiring Directors recommended for re-election at the 20th AGM have been assessed by the NRC by reviewing the eligibility, annual Directors' Performance Evaluation, as well as level of independence demonstrated (for INEDs only).</p> <p>Their re-appointment was endorsed by the Board and subsequently approved in the 20th AGM held on 24 May 2024.</p> <p>To ensure shareholders have sufficient information on the re-appointment of director, the profiles of the directors with details of the background, qualification and experience of the directors, including the nature of interest with the Company, whichever applicable, were set out in the Company's Annual Report.</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 Nominating and Remuneration Committee (NRC) is chaired by Ms. Tan Ming-Li, the Senior Independent Non-Executive Director.	
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 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board is cognisant of the call by the Government and MCCG to have more women representation on boards of companies, and although the Board has not set specific targets, the Board and NRC endeavour to ensure sufficient number of women candidates are included in the pool of candidates evaluated for new appointments to the Board.</p> <p>At present, the Company has two (2) female Directors which is a 29% representation on the Board. Currently, the female representation on the Board and Senior Management are as follows:</p> <ol style="list-style-type: none">1. Ms. Tan Ming-Li (Senior Independent Non-Executive Director)2. Ms. Chuah Sue Yin (Independent Non-Executive Director)3. Ms. Chua Yi Fon (Financial Controller) <p>The Board will, from time to time, review its composition and size to ensure it fairly reflects the required balance of talents having due regard for diversity in skills, experience, cultural background, gender and age.</p> <p>Presently, under Paragraph 15.02(1)(b) of the enhanced amendments to the MMLR of Bursa Malaysia issued on 19 January 2022, the Group is compliant on the requirement to have at least 1 woman director on its Board.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company does not currently have in place a formal policy on gender diversity for Board and Senior Management, but statistics on Board diversity is disclosed in the CG Overview Statement in the Company’s Annual Report 2024.	
		The Board currently has a women representation on Board of 29%.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	<p>The NRC had on 27 February 2024 conducted annual assessment of the composition and effectiveness of the Board and Board Committees, as well as the contribution of each individual Director in respect of the financial year ended 31 December 2023 using a set of customised self-assessment questionnaires to be completed by the Directors. The results of the self-assessment by the Directors on the Board and Board Committees' effectiveness as a whole as compiled by the Company Secretary were tabled to the Board for review and deliberation.</p> <p>In annual assessment of individual Directors by the NRC, the skills and experience of individual Directors are reviewed to ensure the composition of the Board is of appropriate mix of skills, experience and the individual Director's ability to contribute to the development of strategy and exercise independent judgement towards effective functioning of the Board.</p> <p>The Board is satisfied with the results of the annual assessment. The Board views that the current size and the existing composition of the Board and Board Committees are sufficient and well balanced, cater effectively to the scope of the Group's operations and there is appropriate mix of knowledge, skills, attributes and core competencies in the Board. As presently constituted, the Board has the stability, continuity and commitment as well as capacity to discharge its duties and responsibilities effectively.</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

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 Group has established a formal written Remuneration Policy for Directors and Senior Management.</p> <p>The Remuneration Policy of Directors and Senior Management is accessible on the Company's website at www.bpplas.com.</p> <p>For Executive Directors and Senior Management, the component parts of remuneration are structured to link rewards to corporate and individual performance. The remuneration strategy and practices for Senior Management ensure business complexities and individual responsibilities are aligned with business strategy and long-term objectives.</p> <p>In the case of Non-Executive Directors, the levels of remuneration are reflected by the experience, level of responsibilities and the remuneration package for similar positions in the market and time commitment required from these Directors.</p> <p>No NRC member or any Director is involved in the deliberations of his/her own remuneration.</p> <p>Further details on the activities of the NRC in the discharge of its duties for the financial year, are set out in the NRC Statement in the Company's Annual Report 2024.</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

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 Board has a merged Nominating and Remuneration Committee, which comprises solely Independent Non-Executive Directors.</p> <p>The NRC will meet at least once a year to carry out the annual review of the overall remuneration policy for Directors and Senior Management whereupon recommendations are submitted to the Board for approval. The NRC and the Board ensure that the Company’s remuneration policy remains supportive of the Company’s corporate objectives and is aligned with the interest of shareholders. The NRC and the Board strive to reward the Directors and Senior Management based on accountability, fairness, and competitiveness, to ensure the remuneration packages of Directors and Senior Management are sufficiently attractive to draw in and to retain persons of high calibre.</p> <p>The authority, duties and responsibilities of NRC are clearly defined in its TOR which is available on the Company’s website at www.bpplas.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

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The details of remuneration for Directors of the Group and the Company for the financial year ended 31 December 2024 are set out below:-

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Lim Chun Yow	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	720	60	24	149	953
2	Tan See Khim	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	645	54	28	133	860
3	Hey Shiow Hoe	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	570	48	13	118	749
4	Lim Kim Hock	Non-Executive Non-Independent Director	130	5	Input info here	Input info here	Input info here	Input info here	135	130	5	Input info here	Input info here	Input info here	Input info here	135
5	Tan Ming-Li	Independent Director	65	5	Input info here	Input info here	Input info here	Input info here	70	65	5	Input info here	Input info here	Input info here	Input info here	70
6	Tan Hock Hin	Independent Director	65	5	Input info here	Input info here	Input info here	Input info here	70	65	5	Input info here	Input info here	Input info here	Input info here	70
7	Chuah Sue Yin	Independent Director	65	5	Input info here	Input info here	Input info here	Input info here	70	65	5	Input info here	Input info here	Input info here	Input info here	70
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Applied	
Explanation on application of the practice	:	The remuneration of the Senior Management (Group basis) in bands of RM50,000 for the financial year ended 31 December 2024 is as follows :-	
		Name of Senior Management	Remuneration Band (s) (in RM)
		Ms. Chua Yi Fon – Financial Controller	200,000 – 250,000
		The Board is of the opinion that the disclosure of the detailed remuneration component(s) of Senior Management would not be in the best interest of the Company due to privacy and confidentiality concerns. The Board will ensure that the remuneration of the Senior Management commensurate with their duties and responsibilities, the performance of the Company and is on par with market payouts.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Applied	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	:	Not adopted – not applicable

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairperson of the Audit Committee, Ms. Chuah Sue Yin, is not the Chairperson of the Board.	
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	:	<p>No former partners of the present and former external auditors have been appointed to the Board or employed by the Company.</p> <p>In line with the MCCG updates on 28 April 2021, the AC has also updated its TOR to reflect the requirement that any former partner of the External Audit firm of the Company shall be subject to a minimum three (3) year cooling-off period before being appointed as a member of the AC.</p> <p>The TOR of the AC is available for reference on the Company’s website at www.bpplas.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

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 External Audit function under the purview of the AC is essential for all shareholders in ensuring the reliability of the Group's financial statements. The Board maintains a formal and transparent professional relationship with the Group's independent External Auditors via the AC. The External Auditors will bring to the AC's attention on any significant deficiency in the Group's internal control system identified during the course of the audit, and remedial action to be taken by the Management to rectify the deficiencies.</p> <p>The AC is tasked with the annual assessment process on the performance and quality of External Auditors and their independence, objective and professionalism.</p> <p>Based on the yearly evaluation using a questionnaire-based internal review as guided by the factors prescribed under Paragraph 15.21 of MMLR of Bursa Malaysia, as well as input from officers who have had direct interaction with the team of the external auditors, Messrs. Crowe Malaysia PLT ("Crowe Malaysia"), throughout the audit engagement, the AC is satisfied with the suitability and independence of the External Auditors and the Board have accepted the recommendation for the re-appointment of Crowe Malaysia as External Auditors of the Group for the ensuing financial year in the forthcoming 21st AGM of the Company.</p> <p>Crowe Malaysia has provided confirmation of their independence to AC, that they were and had been independent throughout the conduct of the audit engagement in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and the Malaysian Institute of Accountants' By-Laws (on Professional Ethics, Conduct and Practice), for the audit of the Company's audited financial statements for the financial year ended 31 December 2024.</p> <p>The AC had two (2) private sessions with Crowe Malaysia on 27 February 2024 and 26 November 2024 respectively, without the presence of the Executive Directors and Management of the Company to discuss issues of concern that the External Auditors may have, arising</p>

	from the statutory audit for the financial year ended 31 December 2024. There were no areas of concern that were brought to the attention of AC.	
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 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Applied
Explanation on adoption of the practice	:	The AC comprises solely of Independent Directors and as such, there is a strong and independent element to provide effective oversight for it to function effectively and exercise objective judgements independently.

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>The Board regards the members of AC collectively possess the accounting and related financial management expertise and experience required for AC to discharge its responsibilities and assist the Board in its oversight over management in the design, implementation and monitoring of risk management and internal control systems.</p> <p>Members of the AC attend trainings and talks to keep them updated on developments on financial reporting and accounting standards. Updates and developments in the Companies Act 2016, new Financial Reporting Standards (FRS) and Malaysian Accounting Standards Board (MASB) Accounting Standards and Interpretations are presented in the annual Audit Planning Memorandum by the External Auditors at AC meetings.</p> <p>The details of the conferences, trainings programmes and seminars attended by each Director in various capacities during the year is outlined in the Corporate Governance Overview Statement in the Company's Annual Report 2024.</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 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 AC and RMC is tasked with the duty to assess the Group's internal control environment and risk management framework to determine the adequacy and effectiveness of the system of internal controls and risk management processes put in place by Management.</p> <p>The Board acknowledges its responsibilities for maintaining a sound and reliable system of internal controls within the Group, covering the financial controls, the operational and compliance controls. The internal control system involves each business unit and its key management, including the Board, and is designed to meet the Group's needs and to manage key areas of risk within an acceptable risk profile, rather than eliminate the risk of failure to achieve the policies and business objectives. The Group has an Enterprise Risk Management (ERM) framework that outlines the risk governance and structure, risk policies, risk assessment process and integration of risk management into significant activities and functions.</p> <p>This is a continuing process which includes risk assessments, internal controls reviews, and internal audit checks on all companies in the Group. The purpose of this continuous process is to ensure that the Group's assets are safeguarded in the interest of preserving the investment of shareholders.</p> <p>The Minutes of the respective AC and RMC meetings were circulated to the Directors for notation and for action by the Board, where appropriate.</p> <p>The Board has through the AC and RMC reviewed the adequacy and integrity of the Group's system of risk management and internal controls. For details to refer the Board's Audit Committee Report and Statement on Risk Management and Internal Control and Board Risk Management Committee Report, as disclosed in the Company's Annual Report 2024.</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 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	:	<p>The Board recognises that having an effective risk management and system of internal controls is an essential part of good business management practice. The Board also acknowledges that all areas of the Group's activities do involve some degree of risk and is committed to ensure that the Group has an effective risk management framework which allows the Group to identify, evaluate, manage and monitor risks within defined risk parameters that affect the achievement of the Group's business objectives.</p> <p>The Group has a structured risk management framework in place, whereby a systematic and logical methodology risk management model has been adopted to ensure key risks are identified, evaluated, properly prioritised, owners identified with proper response time set and allowed for continuous improvement.</p> <p>Under the stewardship of the Board RMC, and in pursuing the Group's continuous commitment to optimise shareholders value, the Group had engaged the external consultant, Axcelasia Sdn. Bhd. (formerly known as Tricor Axcelasia Sdn. Bhd.) to assist in the implementation of its Enterprise Risk Management ("ERM") Framework. The enhanced framework, which is based on internationally recognised ISO 31000:2018 risk management standards, outlines the risk governance and structure, risk policies, risk assessment process and integration of risk management into significant activities and functions.</p> <p>The Board RMC is assisted by a Management-level Risk Management Committee ("MRMC") which consists of the Managing Director ("MD"), Executive Directors, Head of Risk Governance and respective Heads of Department. The MRMC is established to monitor the risk policy implementation, provide risk education to all staff, ensure accountability of risks identified are assigned and facilitate the risk reporting to the Board.</p> <p>The MRMC through their meetings ensures that the accountability for managing the significant risks identified and appropriate mitigating controls is clearly assigned and that the identified risks affecting the Group are being satisfactorily addressed on an ongoing basis.</p>

	<p>The risk identification process, which is done at least once per annum, entails reviewing and assessing all key factors within the Group's business context from an external perspective, i.e. from macro-economic environment, sustainability, cybersecurity, to industry and internal operating risks. Risks are categorised as strategic or operational risk and further classified into distinct categories, i.e. financials, operations, industry, compliance and people.</p> <p>The Board has reviewed and received assurance from the MD and Financial Controller and is satisfied that the Group's risk management and internal control are operating adequately and effectively, in all material aspects, for the financial year under review.</p> <p>Details on the Group's internal control and risk management framework are set out in the Statement on Risk Management and Internal Control and Board Risk Management Committee Report of the Company's Annual Report 2024.</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 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	:	Applied
Explanation on adoption of the practice	:	<p>The Board has established a Board RMC, comprises solely of Independent Directors to oversee the Group's risk management framework and policies.</p> <p>The principal objective of the Board RMC is to assist the Board in their responsibilities to identify, assess and monitor key business risks to safeguard shareholders' investments and the Group's assets.</p> <p>The TOR of the Board RMC is available for reference on the Company's website at www.bpplas.com, and the details on the Group's ERM Framework is outlined in the Statement on Risk Management and Internal Control and Board Risk Management Committee Report in the Company's Annual Report 2024.</p>

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 has outsourced its internal audit (“IA”) function to an independent professional service provider to assist the AC as well as the Board in discharging their responsibilities by providing independent, objective assurance and advisory services that seek to add value and improve the Group’s operations by considering :-</p> <ul style="list-style-type: none">• The existence of processes to monitor the effectiveness and efficiency of operations and the achievement of business objectives;• The adequacy and effectiveness of internal control systems for safeguarding of assets and providing consistent, accurate financial and operational data;• Risk awareness and the value and nature of an effective internal control system;• Compliance with applicable laws, regulations, corporate policies and procedures; and• The effectiveness of risk management, control and governance processes within the Group’s operations. <p>The IA function has adopted a risk-based approach and prepared its audit strategy and plan based on the risk profiles of the major business functions of the Group, and in accordance with the internal audit plan approved by the AC. The IA independently reviews the system of risk management and internal controls implemented by Management within the Group and reports to the AC on the outcome of the internal audit thereof.</p> <p>The details and summary of work of the IA function are further disclosed in the AC Report in the Company’s Annual Report 2024.</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	:		
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Intended Outcome

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

Practice 11.2

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 Group outsourced its IA function to external independent professional service provider, Axcelasia Sdn. Bhd. (formerly known as Tricor Axcelasia Sdn. Bhd.) (“Axcelasia”), for which the terms of engagement is for a period of 2 years. Therefore, the assessment of IA function is carried out by the AC biennially, i.e. in every 2 years, to coincide with the renewal of IA service engagement.</p> <p>The outsourced IA function is headed by Mr. David Low Tak Wei, who is the Executive Director. He has over 18 years of experience in internal and external audit, transformation and business process consultancy services. He holds the credentials of the following:</p> <ul style="list-style-type: none">- Certified Internal Auditor;- Certified Lead Assessor of Anti-Bribery Management System;- Fellow member of the Association of Chartered Certified Accountants;- Chartered Accountant of the Malaysian Institute of Accountants; and- Member of the Association of Certified Fraud Examiners. <p>The IA personnel assigned by Axcelasia to the Group were free from any relationships or conflicts of interest, which could impair their objectivity and independence pursuant to written declarations made by them.</p> <p>The IA team composition consists of the Engagement Director, an Engagement Manager and two professional staffs. The staffs involved in the internal audit possess professional qualifications and/or university degree. Also, Axcelasia is a corporate member of the Institute of Internal Auditors Malaysia. The work of the internal auditors is guided by, in all material respect, the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors.</p> <p>All members of the AC also participate in education sessions from time to time to better understand their roles on corporate governance, risk management and internal controls.</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 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>Communication and engagement with stakeholders are made through various platforms i.e. media other than general meeting(s), press announcements, analyst briefings and via electronic means such as website and online meeting platforms such as Microsoft Teams etc.</p> <p><u>Investor Relations</u></p> <p>The investor relations ("IR") function of the Company forms an important channel of communication with shareholders, investors and the investment community broadly. As part of fulfilling its corporate governance obligations, the Company maintains extensive communication with its stakeholders with the provision of clear, comprehensive and timely information through the readily accessible channels such as the Annual Report, quarterly reports and announcements on Bursa Malaysia, press releases, as well as through the Company's website. This is particularly important to shareholders and investors for informed investment decision making, more so during periods of extreme volatility or uncertainties in the marketplace.</p> <p>The Senior Management personnel in-charge of IR activity is Mr. Lim Chun Yow, the Managing Director of the Company. This reflects the high level of commitment and due importance placed by the Group to maintain investor relations as well as provides views and information on the Group that are appropriate and substantive to the investing public.</p> <p><u>Corporate Disclosure Policy</u></p> <p>The Group has in place a Group Corporate Disclosure Policy that is applicable to all its Directors and employees, to provide guidance and policies, in dealing with and disseminating corporate information (including material information) to all stakeholders which may include shareholders, analysts, media, regulators and the investing public. The Group's Corporate Disclosure Policy which is subject to review from time to time, is made available to the shareholders and public on the Company's website at www.bpplas.com.</p> <p>The Company recognises the value of transparent, timely and coherent communications with the investment community consistent with</p>

	<p>commercial confidentiality and regulatory considerations. The Company aims to build long-term relationships with shareholders and potential investors through appropriate channels of communication and disclosure of information.</p> <p>While the Company endeavours to provide as much information as possible to its shareholders and stakeholders, the Company is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.</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	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's Twentieth AGM was held on 24 May 2024 and the notice for the AGM was issued on 24 April 2024, which fulfilled the minimum 28 days' notice period to be given to shareholders prior to the date of the AGM, which is in line with the MCCG recommendation, as per the requirement of the Companies Act 2016 and the MMLR of Bursa Malaysia.</p> <p>The Company has complied with the statutory requirement with regards to timeline in sending out notice of AGM to shareholders all these years.</p> <p>The Board with the assistance of the Company Secretaries has ensured the Notice of AGM contained sufficient information related to the resolutions set out in the notice. Shareholders will have sufficient preparation time to attend the AGM and information to make informed decision.</p> <p>As part of the Company's commitment towards creating a culture of sustainability within the Group and community and managing our impact on the environment, we have reduced the number of printed copies of the 2024 Annual Report, and discontinued the delivery of Notice of AGM, Form of Proxy, Administrative Guide and Requisition Form in printed copies to our shareholders.</p> <p>Instead, the aforementioned documents are available for viewing and download on our Company's website at www.bpplas.com</p> <p>The Notification to Shareholders on AGM will be sent via email (and normal post) to all shareholders.</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	:		
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Intended Outcome

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

Practice 13.2

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	:	All Directors, Senior Management and the External Auditors attended the 20 th AGM held on 24 May 2024. During the 20 th AGM, shareholders who attended the 20 th AGM were encouraged to raise questions pertaining to the items of the agenda of the AGM. All Directors and the Chair of the Audit, Nominating & Remuneration and Risk Management Committees, as well as Senior Management, where appropriate, responded to the questions raised from the shareholders during the 20 th AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

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 Company continued to leverage on technology by conducting the Company's 20th AGM held on 24 May 2024 on a Fully Virtual Basis through live streaming and online remote voting using the Remote Participation and Voting facilities ("RPV Facilities") provided by the Poll Administrator of the Company, Securities Services (Holdings) Sdn. Bhd. via https://sshsb.net.my/login.aspx.</p> <p>This was in line with the MCCG Practice 13.3, to facilitate shareholders' voting in absentia and remote participation at AGMs, as it allows shareholders or proxies or attorneys or authorised representatives to attend, participate, and pose questions prior to the meeting via email or through the real-time submission of typed text through a text box within the online meeting platform at the meeting.</p> <p>Shareholders or proxies or attorneys or authorised representatives who joined the live streaming of proceedings of meeting were given sufficient time casted their votes remotely at the 20th AGM of the Company via RPV Facilities.</p> <p>The virtual general meeting was in compliance with the MCCG, Company's Constitution and the Companies Act 2016.</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.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>We recognise that AGM is an important interaction platform with shareholders.</p> <p>The 20th AGM held on 24 May 2024 was led by our Chairman, Mr. Lim Kim Hock and co-chaired with our Managing Director, Mr. Lim Chun Yow. Shareholders were accorded the opportunity to raise questions or seek clarification on matters relating to the Company's both financial and non-financial performance by posing their questions at the chat box within the online meeting platform during the 20th AGM which was conducted on Fully Virtual Basis.</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 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>BPPLAS conducted its 20th AGM on 24 May 2024 on Fully Virtual Basis using the Remote Participation and Voting facilities ("RPV Facilities") provided by the Poll Administrator of the Company, Securities Services (Holdings) Sdn Bhd via https://sshbsb.net.my/login.aspx.</p> <p>The required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders were in place.</p> <p>Questions posed by shareholders prior to and during the general meetings as well as the Company's responses were presented and read out/answered at the general meetings. Minutes of the 20th AGM with an Appendix containing the list of shareholders' questions and responses were subsequently uploaded to the Company's website.</p> <p>We will continue to put in place various processes and measures to provide meaningful interactions with shareholders during general meetings.</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 13.6

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	:	Pursuant to Guidance 13.6 of the MCCG, Minutes of the 20 th AGM is published on the Company's corporate website within 30 business days upon conclusion of the 20 th 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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