

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0191
COMPANY NAME : CABNET HOLDINGS BERHAD
FINANCIAL YEAR : February 29, 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>It is the primary governance responsibilities of the Board of Directors ("the Board") of Cabnet Holdings Berhad ("CABNET" or "the Company") to lead and control the CABNET Group ("the Group"). The Board of CABNET takes full responsibility for the oversight and overall performance of the Group and provides leadership within a framework of prudent and effective controls which enables risk to be appropriately assessed and managed. The Board sets the strategic direction, ensuring that the necessary resources are in place for the Company and Group to meet its objectives and deliver sustainable performance. The Board is entrusted with the responsibility in leading and directing the Group towards achieving its strategic goals and realising long-term shareholders' values.</p> <p>The Independent Non-Executive Directors ("INEDs") are responsible for bringing independent judgement and scrutiny to decisions taken by the Board and providing objective challenges to Management. The Non-Executive Directors do not participate in the day-to-day management of the Group and do not engage in any business dealing or other relationship with the Group to ensure that they are capable of exercising judgement objectively and act in the best interest of the Group, its stakeholders and shareholders, including minority shareholders.</p> <p>The Chief Executive Officer ("CEO") has the executive responsibility for the day-to-day operations of the Group's business and is responsible to implement the policies, strategies and decisions adopted by the Board. The CEO is further assisted by the Deputy Chief Executive Officer ("Deputy CEO") and Senior Executives of the Group to ensure proper focus and accountability.</p> <p>The Board is also assisted by several Board Committees, namely Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC") to assist in the execution</p>

	<p>of Board functions. The ARMC and Board are further assisted by the Risk Management Committee (a Management level Committee) playing a pivotal oversight function as delegated by the Board. These Committees ensure greater focus, objectivity and independence in the deliberation of specific board agenda. All committees have written terms of reference which is made available for reference at the Company's website at www.cabnet.asia.</p> <p>These Committees are formed in order to enhance business and operational efficiency as well as efficacy. The Chairman of these respective committees would report to the Board the outcome of the Committees meetings for the Board's considerations and approvals.</p> <p>Although the Board may delegate powers and responsibilities to these committees, the Board retains ultimate accountability for discharging its duties.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

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 Board is headed by a Chairman who is an Independent Non-Executive Chairman and is responsible for the effective performance of the Board. The roles of the Chairman are defined and set out in the Board Charter which is made available for reference at the Company's website at www.cabnet.asia.</p> <p>The Independent Non-Executive Chairman is responsible for leadership of the Board and ensuring the effectiveness of all aspects of its role and is primarily responsible for:</p> <ul style="list-style-type: none">a) leading the Board in setting the values and standards of the Company;b) maintaining a relationship of trust with and between the Executive and Non-Executive Directors;c) ensuring the provision of accurate, timely and clear information to Directors;d) ensuring effective communication with shareholders and relevant stakeholders;e) arranging regular evaluation of the performance of the Board, its Committees and individual Directors;f) facilitating the effective contribution of Non-Executive Directors and ensuring constructive relations is maintained between Executive and Non-Executive Directors. <p>The Chairman, in consultation with the CEO and the Company Secretary, sets the agenda for Board meetings and ensures that all relevant issues are on the agenda and providing the information to Directors on timely basis.</p> <p>The Chairman is responsible for managing the business of the Board to ensure that:</p> <ul style="list-style-type: none">a) all Directors are properly briefed on issues arising at Board meetings;b) sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable thorough preparation for the Board discussions; andc) the issues discussed are forward looking and concentrate on strategy.

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

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is led by an Independent Non-Executive Chairman, Datuk Tan Kong Hong @ Tan Yi.</p> <p>The CEO and Deputy CEO of the Company is Dato' Jeffrey Lai Jiun Jye and Mr. Yong Thiam Yuen respectively.</p> <p>The position of Chairman of the Board and CEO are held by different individuals.</p> <p>The Board has delegated to the CEO and the Deputy CEO, the authority and responsibility for implementing of the Board policies, strategies and decisions adopted by the Board. The CEO and Deputy CEO are the conduit between the Board and the Management in ensuring success of the Company's governance and management functions. The CEO, Deputy CEO and Executive Directors have the executive responsibility for the day-to-day operations of the Company's business.</p> <p>The positions of the Chairman and the CEO are separately held ensuring balance of power, accountability and division of roles and responsibilities of the Board and the Management of the Group's business and operations. The Board has developed descriptions for responsibilities of the Board Chairman and CEO. The details of these responsibilities are articulated in the Board Charter which is accessible from the Company's website at www.cabnet.asia.</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

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 :	During the financial year ended 29 February 2024 ("FYE 2024") under review, CABNET is in compliance with Practice 1.4 of the Malaysian Code of Corporate Governance ("MCCG") whereby the Chairman of the Board, Datuk Tan Kok Hong @ Tan Yi is not a member of the Audit Committee, Nomination Committee or Remuneration Committee.
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 three (3) External Company Secretaries. They all are qualified to act as Company Secretary under Section 235 and Section 241 of the Companies Act 2016, one of which is a Fellow Member and the other two are Associate Member of the Malaysian Institute of Chartered Secretaries & Administrators.</p> <p>The Company Secretaries provide the required support to the Board in carrying out its duties and stewardship role, providing the necessary advisory role with regards to the Company's constitution, Board's policies and procedures as well as compliance with all regulatory requirements, codes, guidance and legislations.</p> <p>All Directors also have full and unrestricted access to the advice and services of the Company Secretaries. The Board is regularly updated on new guidelines, directives and new regulatory issues affecting the Group by the Company Secretaries as well as external consultants. The Company Secretary together with the Executive Directors ("EDs") assists the Chairman of the Board and Chairman of Board Committees to deal with the Board agenda and to provide the relevant information and documents to Directors on a timely basis. The Board is satisfied with the support and performance rendered by the Company Secretaries in assisting the Board to discharge its duties.</p> <p>The Board are of the view that the Company Secretaries have been competent and kept themselves abreast with the evolving regulatory changes and developments through continuous education programmes and attendance of relevant conferences, seminars and training programmes.</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

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>The Board recognises that the supply, timeliness and quality of the information affect the effectiveness of the Board to oversee the conduct of the business and to evaluate the management performance of the Group.</p> <p>A corporate calendar of all scheduled meetings and planned events for the financial year are furnished to all Directors and the Management by the Company Secretary normally during the 4th quarter Board meeting to aid and facilitate the Directors in scheduling and meeting their time commitments.</p> <p>In reviewing and analysing the quarterly interim financial results, the Board was provided with relevant supporting information and data. This information was circulated to the Board members within seven (7) days prior to the Board meetings so as to provide the Directors with relevant and timely information to enable them to deliberate issues raised during Board meetings more effectively. The key business information, management report on operations, business development, performance of its subsidiaries, the management's risk assessment and its status of action plans undertaken. Additionally, the Management was also invited to brief and report in meetings of the Board and Board Committees.</p> <p>The deliberations and decisions at Board and Board Committees meetings are well documented in the minutes. The Company Secretaries will circulate the draft minutes of meetings for the Board and Board's Committee review in a timely manner.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The roles and responsibilities of the Board and Management, Chairman of the Board, EDs, the Board Committees, CEO designate and the Individual Board members are set out in the Board Charter which is accessible through the Company's website at www.cabnet.asia. The Board Charter was last reviewed and revised on 24 February 2022.</p> <p>It is the primary governance responsibilities of the Board to lead and control the Group. The Board takes full responsibility for the oversight and overall performance of the Group and provides leadership within a framework of prudent and effective controls which enables risk to be appropriately assessed and managed.</p> <p>The Board has adopted the following policies and made it available on the Company's website at www.cabnet.asia as follows:</p> <ul style="list-style-type: none">• Board Corporate and Cybersecurity Disclosure Policy• Remuneration Policy• Code of Conduct and Business Ethics Policy• Continuing Education Policy• Dividend Policy• Diversity Policy• Policy on Related Party Transaction and Recurrent Related Party Transaction• Stakeholders Communication Policy• Whistle Blowing Policy• Board's Procedures for Appointment of Directors• Fit and Proper Person Policy• Sustainability Policy <p>The Board had revised the Terms of Reference of Audit and Risk Management Committee and adopted the Conflict of Interest Policy incorporated into the Code of Conduct and Business Ethics Policy on 1 June 2023 and 30 June 2023 respectively. In addition, the Board has also</p>

adopted a new Policy on Related Party Transaction and Recurrent Related Party Transaction by replacing the existing Policy in its entirety on 30 January 2024.

These policies will be reviewed and revised as and when appropriate.

The Board meets at least once every quarter and on other occasions, as and when the need arises, to inter-alia review and approve quarterly financial results, statutory financial statements, the annual report, business ventures as well as to review the performance of the Company and its operating subsidiaries, governance matters and other business development matters.

The EDs are engaged full time in the management and operations while the Non-Executive Directors attend Board Meetings and Committee Meetings as and when required as dictated by circumstances. All Directors commit and devote their time to make themselves available to attend to any matters arising which requires their attention individually or collectively.

The Board had assumed the following specific duties including but not limited to those expounded under Guidance 1.1 of the MCCG:

- a) Reviewing and adopting the strategic plan of the Company;
- b) Overseeing and evaluating the conduct of the Company's business;
- c) Together with Senior Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- d) Identifying principal risks and ensure that the risks are properly managed;
- e) Set the risk appetite within which the Board expects Management to operate, and ensure that there is an appropriate risk management framework;
- f) Establishing a succession planning;
- g) Approve the nomination, selection, succession policies, and remuneration packages for the Board members, Board Committee members including managing succession planning, appointing, training, fixing the compensation of, and where appropriate replacing senior management or key management personnel;
- h) Developing and implementing an investors relations programme or stakeholders communication policy;
- i) Reviewing the adequacy and integrity of the Company's internal control systems and management information systems including compliance with applicable laws and regulations
- j) Review and approve the Financial Statements encompassing annual audited accounts and quarterly reports, credit facilities from financial institutions and guarantees;
- k) To understand financial statements and form a view on the information presented and ensure integrity of the Company's financial and non-financial reporting;

	l) Prepare a Corporate Governance Statement/Report in compliance with the MCCG for the Annual Report; and m) Carry out or perform such other functions necessary for the discharge of its fiduciary duties under the relevant laws, rules and regulations.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has adopted a Code of Conduct and Business Ethics Policy ("the Code") which sets out the standards of ethical behaviour and values expected of Directors and employees and serves as a guide and reference in the course of the performance of their responsibilities.</p> <p>On 30 June 2023, the Board had adopted the Conflict of Interest Policy and incorporated it into the Code.</p> <p>The Board aims to ensure that all Directors and any other employees act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.</p> <p>The Board has implemented appropriate processes and systems to support, promote and ensure its compliance.</p> <p>The Code of Conduct and Business Ethics Policy is available for reference on the Company's website at www.cabnet.asia.</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 Board has adopted a Whistle-Blowing Policy (“WBP”) which sets out the disclosure procedures and protection for whistle blowers to meet the Group’s ethical obligations. Employees and stakeholders are encouraged to raise any serious concerns they have on any suspected misconduct or malpractices without fear of victimisation in a responsible manner rather than avoiding or overlooking them.</p> <p>The Board has also adopted the Code to enhance the standards of Corporate Governance and Behaviour as a guide for the Directors and employees from the Executive level upwards.</p> <p>The Board had reviewed its WBP on 24 February 2022, which is available for reference on the Company’s website at www.cabnet.asia</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 has primary responsibility for ensuring that the Group commits to and practices the highest standard of corporate governance, which is inculcated and embedded into the Group's organisational culture.</p> <p>The approved terms of references of the respective Board Committees are available for reference on CABNET's website at www.cabnet.asia</p> <p>The Board is also responsible for ensuring the continuing success of the Group. The Board shall provide strategic leadership and business direction, management oversight as well as integration of sustainability consideration in the Group's corporate strategy, governance and decision-making, in order to achieve the Group's long-term objectives, add to shareholders' value and safeguard the interests of stakeholders.</p> <p>The Board together with Management, takes responsibility for the Group's governance of sustainability, including setting the Group's sustainability strategies, priorities and targets and ensure that the current standing and the response of the sustainability matters of the Group remains relevant taking into consideration of sustainability risk including climate-related risks and opportunities.</p> <p>Accordingly, the Board had adopted a Sustainability Policy on 24 February 2022. The objectives of the Sustainability Policy aim to:</p> <ul style="list-style-type: none">• integrate a philosophy of sustainable development into all of Cabnet Group's activities, in order to contribute to a better society;• establish and promote sound environmental practices and minimise harm; and• deliver sustainable development throughout our operations. <p>To this end, the Policy serves to facilitate Cabnet Group's commitment to conduct its business responsibly through the integration of</p>

	<p>Environmental, Social and Governance considerations. Cabnet Group shall take all possible steps:</p> <ul style="list-style-type: none"> • To ensure that the Group’s activities create long term value for all its stakeholders via sustainable development practices; and • To execute the Group’s strategy in a manner that addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success. • Ensure that the Enhanced Sustainability Disclosure required in line with the amendments to the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 26 September 2022 in relation to Enhanced Sustainability Reporting Framework will be addressed and met. 	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied		
Explanation on application of the practice	:	The Board endorses the Sustainability Statement each year prior to publication of the Annual Report. The Sustainability Statement comprises the Group's sustainability strategies, priorities and targets, and performance are communicated to the internal and external stakeholders as follows:		
		Major stakeholders	Communication Channels	
		Shareholders	<ul style="list-style-type: none"> • Annual Report • General Meetings • Bursa announcements 	To provide timely and accurate information for shareholders making informed decisions.
		Employees	<ul style="list-style-type: none"> • HR engagement meetings • Annual performance review 	To ensure a safe and satisfaction working environment for employee.
		Customers	<ul style="list-style-type: none"> • Customer satisfaction survey • Regular updates and meetings 	To ensure customer satisfactory and deliver value added solutions that meet customers' needs.
		Suppliers	<ul style="list-style-type: none"> • Business reviews • Purchasing policies and procedures • Meetings 	To ensure a sustainable supply of quality services and materials that meet market demand.
		Government and local authorities	<ul style="list-style-type: none"> • Public dialogue involving government officials • Public announcements • Regulator queries 	To ensure full compliance with the relevant laws and regulations.
	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	:	<p>The Board keeps itself abreast of sustainability issues relevant to the Company and its business during deliberations and consideration during Board discussion in particular during review of the Board’s sustainability statement.</p> <p>All members of the Board had attended the Mandatory Accreditation Programme II in relation to sustainability training for Directors.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Remuneration Policy of CABNET take into consideration the company’s performance in managing material sustainability risks and opportunities. The remuneration and incentives for independent directors should not conflict with their obligation in bringing objectivity and independent judgment on matters discussed.</p> <p>The Board Effectiveness Evaluation when assessing the performance of the Board as a whole had also included assessment on the Board’s corporate governance and sustainability performance.</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 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p><u>Refreshing the Board Composition</u></p> <p>The NC is responsible to assist the Board (among other things) in the development and implementation of the policies on the nominating and appointment of Directors and Committee members in the Group, to achieve long-term sustainability of the organisation in accordance with the Terms of Reference of the NC.</p> <p>In this respect, the Board is mindful that for it to be effective, its composition must include the right group of people, with an appropriate mix of skills, knowledge, experience and independence elements that fit the Company's objectives and strategic goals.</p> <p>In upholding the high standards of governance in respect of new appointments to the Board, the Board ensures that the Directors of the Company conform with the Company's Fit and Proper Person Policy and that the Directors of the Company are comprised of those, who have the necessary skills, competencies, commitment, character, integrity and experience to complement the efficiency and effectiveness of the Board as a whole.</p> <p>The Board's Fit and Proper Person Policy and Procedures for appointments to the Board are viewed as a vital component of the governance process in determining the composition, size, balance, competencies and ultimately the quality and integrity of the Board.</p> <p>Accordingly, the Board has also adopted the practices for assessing the independence of Independent Directors annually and none of current board member has served more than nine (9) years in CABNET.</p> <p><u>Re-election of Directors</u></p> <p>The re-election of Directors provides an opportunity for shareholders to renew their mandate conferred to the Directors.</p> <p>The Constitution of the Company provides that all directors shall retire by rotation once in every three (3) years or at least one-third (1/3) of</p>

	<p>the Board shall retire but shall be eligible to offer themselves for re-election at the Annual General Meeting (“AGM”).</p> <p>The Director who is subject to re-election and/or re-appointment at the next AGM have been assessed by the NC before recommendation is made to the Board and shareholders for the re-election and/or re-appointment.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

Practice 5.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the FYE 2024 under review, the Board of CABNET was comprised of eight (8) Directors i.e. four (4) INEDs, one (1) Non-Independent Non-Executive Director (“NINED”) and three (3) EDs.</p> <p>All the four (4) INEDs satisfy the independence test under the AMLR of Bursa Securities. They constitute at least half of the current Board composition.</p> <p>The present composition of the Board is in compliance with the AMLR which require at least two (2) directors or one third (1/3) of the Board, whichever is higher to be independent directors and fulfilled the requirement of MCCG to comprise at least half of the Board members are independent directors.</p> <p>The Directors are satisfied with the current Board size, structure and composition and is of the view that the current mix of skills, competence, knowledge and experience and qualities of the current Board members are appropriate to enable the Board to carry out its responsibilities effectively.</p> <p>All the Directors of the Company do not hold more than five (5) directorships in listed issuers as required under rule 15.06 of the AMLR of Bursa Securities. The profile of each Director is presented in the Directors’ Profile section of the 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 5.3

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	:	Currently, CABNET have four (4) INEDs, none of whom have served beyond nine (9) years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	: Applied
Explanation on application of the practice	<p>The NC is responsible to oversee the selection criteria and recruitment process and recommend to the Board taking into consideration the candidates’:</p> <ul style="list-style-type: none">• skills, knowledge, expertise, competencies and experience;• professionalism;• potential conflict of interests;• time devoted and tenure of office• integrity; and• in the case of candidates for the position of independent non-executives, the Committee should also evaluate the candidates’ ability to discharge such responsibilities / functions as expected from INEDs. <p>The Board has in place a Board’s procedures for Appointment of Directors which sets out the procedures in respect of new appointments to the Board to ensure that the Board is comprised of Directors who have the necessary skills, competencies, commitment and experience to complement the efficiency and effectiveness of the Board as a whole. The Board’s Procedures for Appointment of Directors was last revised on 24 February 2022 and is made available for reference at the Company’s website at www.cabnet.asia.</p> <p>In addition, the Board has adopted a Fit and Proper Person Policy on 24 February 2022 to serve as guidance for the appointment, re-election of Directors and the appointment of key management personnel to carry out their responsibilities with full competence, character, diligence, integrity and judgement. The Fit and Proper Person Policy is made available for reference at the Company’s website at www.cabnet.asia.</p> <p>CABNET is led and managed by a diverse, competent and experienced Board of Directors with a mix of suitably qualified and experienced professionals having wide and varied expertise in the fields of business, legal, accounting, engineering and information technology.</p>

	<p>This enables the Board to carry out its responsibilities effectively and ensures accountability. In areas where the Board may not possess the required expertise, the Board would be able to garner advice from its consultants in the required field.</p> <p>The current Board is drawn from different ethnic, cultural and socio-economic background with their age ranging from 44 years old to 72 years old to ensure that different viewpoints are considered in the decision-making process.</p> <p>The Board currently includes one INED of the female gender and one female senior management.</p> <p>The Board's current diversity is summarised below: -</p> <table border="1" data-bbox="560 763 1406 898"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">Race/ Ethnicity</th> <th colspan="3">Age Group</th> <th colspan="2">Gender</th> </tr> <tr> <th>Malay</th> <th>Chinese</th> <th>Indian</th> <th>41-50</th> <th>51-60</th> <th>61-71</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>No. of Directors</td> <td>1</td> <td>6</td> <td>1</td> <td>3</td> <td>3</td> <td>2</td> <td>7</td> <td>1</td> </tr> </tbody> </table> <p>The Senior Management ("SM")'s current diversity is summarised below: -</p> <table border="1" data-bbox="560 1043 1406 1178"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">Race/ Ethnicity</th> <th colspan="3">Age Group</th> <th colspan="2">Gender</th> </tr> <tr> <th>Malay</th> <th>Chinese</th> <th>Indian</th> <th>31-40</th> <th>41-50</th> <th>51-60</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Number of SM</td> <td>-</td> <td>6</td> <td>-</td> <td>1</td> <td>1</td> <td>4</td> <td>5</td> <td>1</td> </tr> </tbody> </table> <p>The Board acknowledges the importance of diversity to ensure the mix and profiles of the Board members, in terms of age, ethnicity and gender, ability to provide the necessary range of perspectives, experiences and expertise required, are well balanced in order to achieve effective board stewardship. The Board had adopted the Diversity Policy and is made available for reference on the Company's website at www.cabnet.asia</p>		Race/ Ethnicity			Age Group			Gender		Malay	Chinese	Indian	41-50	51-60	61-71	Male	Female	No. of Directors	1	6	1	3	3	2	7	1		Race/ Ethnicity			Age Group			Gender		Malay	Chinese	Indian	31-40	41-50	51-60	Male	Female	Number of SM	-	6	-	1	1	4	5	1
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<p>Measure :</p>																																																					
<p>Timeframe :</p>																																																					

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to upholding high standards of governance in respect of new appointments to the Board to ensure that the Directors of the Company conform with the Company's Fit and Proper Person Policy and that the Directors of the Company are comprised of those, who have the necessary skills, competencies, commitment, character, integrity and experience to complement the efficiency and effectiveness of the Board as a whole.</p> <p>The procedures for the appointment of new Directors was adopted by the Board and last revised on 24 February 2022, a copy of which is made available for reference at the Company's website at www.cabnet.asia.</p> <p>The Board's NC is entrusted with the responsibility to review, propose and recommend the appointment of potential new Directors and ensure that the composition of the board is refreshed periodically after taking into consideration the current and future needs of the Company.</p> <p>The NC which is responsible for reviewing the effectiveness of the Board as a whole, the Board Committees, the contributions of the individual Directors and the Independence of the Independent Directors, will where appropriate, make its recommendations to the Board on the need to increase the Board size, the composition, the necessary skills, calibre and experience required and where available the potential candidates for appointment.</p> <p>The NC will where practical maintain a database of potential candidates. Potential candidates can be sourced from:</p> <ul style="list-style-type: none">• Existing Directors and substantial shareholders of the Company;• Existing Senior Management employees;• Professional bodies and organisations;• Business associates, shareholders; and• Others independent sources including sourcing from a directors' registry, open advertisements or independent search firms

	<p>Upon a decision being made by the Board to appoint Directors:</p> <ul style="list-style-type: none"> a) The NC will identify suitable candidates from its available database or sources maintained taking into consideration the required skills, knowledge, Company's fit and proper person policy, competencies and experience and such other parameters as may be determined by the Board. b) The Chairman of the NC and the CEO or the Deputy CEO will meet with the identified candidates to assess/reassess their suitability for appointment. c) The identified candidate if cleared by the NC with a statement whether NC supports the appointment of the candidates and the reasons why then will be recommended to the Board for appointment. d) Subsequent or further meetings with the candidates may be arranged to the satisfaction of the Board, should the need arise. e) The discretion to accept or reject a candidate rests with the full Board of Directors. 	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 5.7

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

Application	: Applied
Explanation on application of the practice	<p>The profiles of Directors are published in the Annual Report and on Bursa Securities's website. These include their age, gender, date of appointment, directorate, details of any board committee, directorships in other public companies and listed companies, qualification, working experience, and any conflict of interest as well as their shareholdings in the Company.</p> <p>A total of three (3) Directors of CABNET are subject to retirement pursuant to the Company's Constitution at the forthcoming 9th AGM of CABNET to be held on 26 July 2024, namely Mr. Tay Hong Sing, Datuk Tan Kok Hong @ Tan Yi, and Ms. Meachery Jo-Anne Joseph.</p> <p>Following the NC's review on the performance of Mr. Tay Hong Sing, Datuk Tan Kok Hong @ Tan Yi, and Ms. Meachery Jo-Anne Joseph and having noted their significant and valued contributions to the Board, the NC had recommended their re-election to the Board and the Board had concurred with such recommendation and is recommending that shareholders re-elect Mr. Tay Hong Sing, Datuk Tan Kok Hong @ Tan Yi, and Ms. Meachery Jo-Anne Joseph at the forthcoming 9th AGM.</p> <p>The following observations in respect of the review on their performance were noted: -</p> <ol style="list-style-type: none">1. Mr. Tay Hong Sing fulfilled the fit and proper person criteria relating to Probity, Personal Integrity, Reputation and Financial Integrity. Based on the evaluation of the performance of individual Director carried out by the NC in all key areas of meeting attendance, time commitment and operational matters as well as the fit and proper assessment in accordance with the Fit and Proper Person Policy, the NC was of the opinion that Mr. Tay Hong Sing has performed and discharged his responsibilities as Director of the Company adequately and satisfactory as well as contributed positively to the effective functioning and processes of the Board.

	<p>2. Datuk Tan Kok Hong @ Tan Yi fulfilled the fit and proper person criteria relating to Probity, Personal Integrity, Reputation and Financial Integrity. Based on the evaluation of the performance of individual Director carried out by the NC in all key areas of meeting attendance, time commitment and operational matters as well as the fit and proper assessment in accordance with the Fit and Proper Person Policy, the NC was of the opinion that Datuk Tan Kok Hong @ Tan Yi has performed and discharged his responsibilities as Director of the Company adequately and satisfactory as well as contributed positively to the effective functioning and processes of the Board. The NC was also satisfied with his performance as the Chairman of the Board and had concluded that Datuk Tan Kok Hong @ Tan Yi's independence has not been compromised or impaired in any way and was of the opinion that Datuk Tan Kok Hong @ Tan Yi will be in a position to continue to carry out his duties and responsibilities as an Independent Director of the Company.</p> <p>3. Ms. Meachery Jo-Anne Joseph fulfilled the fit and proper person criteria relating to Probity, Personal Integrity, Reputation and Financial Integrity. Based on the evaluation of the performance of individual Director carried out by the NC earlier in all key areas of meeting attendance, time commitment and operational matters as well as the fit and proper assessment in accordance with the Fit and Proper Person Policy, the NC was of the opinion that Ms. Meachery Jo-Anne Joseph has performed and discharged her responsibilities as Director of the Company adequately and satisfactory as well as contributed positively to the effective functioning and processes of the Board. The NC was also satisfied with her performance as the Chairperson of the Remuneration Committee and had concluded that Ms. Meachery Jo-Anne Joseph's independence has not been compromised or impaired in any way and was of the opinion that Ms. Meachery Jo-Anne Joseph will be in a position to continue to carry out her duties and responsibilities as an Independent Director 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 5.8

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman of the NC is Mr Abdul Mutalib Bin Idris, the Senior Independent Non-Executive Director, and during the FYE 2024, the NC was comprised exclusively of INEDs as follows: -</p> <p>Chairman ABDUL MUTALIB BIN IDRIS Senior Independent Non-Executive Director</p> <p>Member MEACHERY JO-ANNE JOSEPH (F) Independent Non-Executive Director</p> <p>Member VINCENT WONG SOON CHOY Independent Non-Executive Director</p> <p>The primary responsibilities of the NC are set out in detail in its Terms of Reference which is available for reference on the Company's website at www.cabnet.asia.</p> <p>The Terms of Reference of NC was last revised on 24 February 2022.</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 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Board currently includes one INED of the female gender, namely Ms Meachery Jo-anne Joseph, representing 12.5% of the Boards.
		The Board acknowledges the importance of diversity to ensure the mix and profiles of the Board members, in terms of age, ethnicity and gender, ability to provide the necessary range of perspectives, experiences and expertise required, are well balanced in order to achieve effective board stewardship. The NC will shortlist potential women candidate based on the criteria set which includes, but is not limited to, skills, knowledge, expertise and experience, professionalism, integrity, ability to discharge such responsibilities/functions whenever there are suitable candidates available.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board had adopted a diversity policy and the Board, through NC, will conduct all Board appointment process in a manner that promotes diversity. The NC will shortlist the potential women candidate whenever there are suitable candidates available.
Timeframe	:	Others
		3 Years

Intended Outcome

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

Practice 5.10

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

Application	: Applied
Explanation on application of the practice	<p>The Board had adopted a Diversity Policy on 23 February 2018 and last revised on 24 February 2022. The Diversity Policy is available for reference on the Company's website at www.cabnet.asia.</p> <p>The Board assisted by its NC and management is responsible for developing strategies to meet the objectives of the Diversity Policy, and monitoring the progress of achieving the objectives through the measures, monitoring, evaluation and reporting mechanisms.</p> <p>The Diversity Policy provides a framework for the Group to achieve:</p> <ul style="list-style-type: none">a) a diverse and skilled workforce in the Board and the management, leading to continuous improvement in service delivery and achievement of corporate goals;b) a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;c) improved employment and career development opportunities for women;d) a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; ande) awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity <p>The Board, through NC, will conduct all Board appointment process in a manner that promotes diversity. The NC will shortlist the potential women candidate based on criteria's includes, but is not limited to, skills, knowledge, expertise and experience, professionalism, integrity, ability to discharge such responsibilities/functions.</p> <p>The Nomination Committee is responsible in ensuring that diversity objectives are adopted in recruitment and succession planning processes for the Board and Senior Management. The Management is responsible for implementing, monitoring and reporting on the progress of achieving the objectives including but not limited to setting up numerical targets and a mechanism to track performance against these targets.</p> <p>The Board currently includes one INED of the female gender and one female senior management.</p>

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

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: The Board had adopted a formal and objective Process for Assessing the Effectiveness of the Board as a whole, the Board Committees and Contribution of each individual Directors which is carried out annually. In respect of the FYE 2024, the NC carried out the following activities: <ul style="list-style-type: none">• reviewed the Board's size, composition and balance and concluded that the Board's dynamics are healthy and effective. The present members of the Board possess the appropriate skills, experience and qualities to steer the Company forward. The NC is also satisfied that the existing structure, size, composition, current mix of skills, competence, knowledge, experience and qualities of the existing Board members are appropriate to enable the Board to carry out its responsibilities effectively and ensure no conflict of interest arises or where it arises, are properly addressed and mitigated to ensure that they would not impair their ability to represent the interest of the Company's Shareholders and stakeholders and to fulfil the responsibilities of a director.• evaluated and assessed the performance and effectiveness of the Board as a whole, the Board Committees and the performance of each individual Directors in accordance with the process for evaluating and assessment approved and adopted by the Board. The evaluation process amongst others considered whether the Directors had access to all necessary information and appropriate avenues for advice to carry out their responsibilities, whether the Committees had met its purpose, whether its composition was appropriate, and whether it had the necessary authority and processes to carry out its functions and fulfil its obligations. The Board was assessed amongst other criteria, in respect of its composition, and whether the Board had the appropriate vision,

mission and strategies, whether processes and procedures were adequate and efficient to enable it to carry out its responsibilities. Through this process carried out by way of evaluation questionnaires, the NC concluded that the Board's dynamics were healthy and effective and that no necessary recommendations for actions were needed.

- evaluated and assessed the performance of Chairman of the Board, the Chairman of the ARMC, NC and RC were also conducted during the scheduled meeting of NC. Each Director had abstained in the deliberation of their own evaluation.
- proposed the re-election of Directors in accordance to the Company's Constitution. Information of the directors standing for re-election is outlined in the Profile of Directors covering their details of profession, directorships in other public companies and shareholdings in the Company and their attendance of the Board meetings are set forth on page 19 in the CABNET's 2024 Annual Report.
- evaluated and assessed the independence of the Independent Directors in accordance with the process approved and adopted by the Board. The assessment carried out by the NC apart from looking at the criteria and definition of an Independent Director set out under the AMLR, also considers:
 - whether the Independent Directors have developed, established or maintained any significant relationship which would impair their independence as an Independent Director with the EDs and Major Shareholders other than normal engagements and interactions on a professional level consistent and expected of them to carry out their duties as INEDs, Chairman or member of the Board's Committees;
 - whether the Independent Directors have engaged in any transactions with the Group; and
 - whether the Independent Directors have devoted sufficient time commitment and desire to serve.

Independence is important and crucial for ensuring objectivity and fairness in the Board's decision-making process.

The NC concluded that:

- i) The Board was in a position to draw on the benefits and experience of its Directors' in the core areas of business, legal, accounting, engineering and information technology as well as the wide and varied business experience of its Directors.

In areas where the Board may not be technically proficient, the Board would be able to garner advice from its consultants in the required field.

	<p>ii) The Board was also sufficiently balanced with the right mix of executive and INEDs.</p> <p>iii) The Board was sufficiently diverse with:</p> <ul style="list-style-type: none"> • the age of the directors ranging between 44 years old to 72 years old; • the directors coming from different backgrounds, profession and experience; and • gender diverse with one member of the female gender represented in the Board. <ul style="list-style-type: none"> • The NC was therefore of the opinion that no changes need to be made to the existing structure, size and composition of the present Board and accordingly made its opinion and recommendation to the Board.
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

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 Board had formalised and adopted a Remuneration Policy for the Board and SM to attract and retain the Directors and SM required to lead and control the Group effectively.</p> <p>In the case of EDs and SM, the components of the remuneration package are linked to corporate and individual performance. For Non-Executive Directors, the level of remuneration is reflective of their experience and level of responsibilities.</p> <p>The Policy is designed with the aim to support the CABNET's key strategies and create a strong performance-oriented environment, and be able to attract, motivate and retain talent. The Remuneration Policy shall adhere to the following key principles:-</p> <ul style="list-style-type: none">• total remuneration shall be set at levels that are competitive with the relevant market and industry.• EDs' remuneration shall be performance-based.• incentive plans, performance measures and targets shall be aligned with shareholders' interest in mind.• provide an appropriate level of transparency to ensure the policy underlying ED, Non-Executive Directors and Senior Management remuneration is understood by investors.• ensure a level of equity and consistency.• The Company's performance in managing material sustainability risks and opportunities <p>The Remuneration Policy of CABNET is available for reference on the Company's website at www.cabnet.asia. The remuneration policy was last revised on 1 April 2022.</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 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 Remuneration Committee ("RC") comprises wholly of INEDs" as follows:</p> <p>Chairman MEACHERY JO-ANNE JOSEPH (F) Independent Non-Executive Director</p> <p>Member ABDUL MUTALIB BIN IDRIS Senior Independent Non-Executive Director</p> <p>Member VINCENT WONG SOON CHOY Independent Non-Executive Director</p> <p>The primary responsibilities of the RC are set out in details in its Terms of Reference which is available for reference on the Company's website at www.cabnet.asia.</p> <p>The Board is satisfied that the RC has effectively and efficiently discharged its roles and responsibilities.</p> <p>The Terms of Reference of RC was last revised on 1 April 2022.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	In line with corporate governance best practice, the disclosure of the Directors' remuneration on a named basis for FYE 2024 is set out in the table 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	Datuk Tan Kok Hong @ Tan Yi	Independent Director	34	1.5	0	0	0	0	35.5	0	0	0	0	0	0	0
2	Dato' Jeffrey Lai Jiun Jye	Executive Director	0	0	0	0	0	0	0	54	0	300	0	15.5	58	427.5
3	Yong Thiam Yuen	Executive Director	30	0	0	0	0	0	30	0	0	300	0	24	58	382
4	Tay Hong Sing	Executive Director	0	0	0	0	0	0	0	54	0	300	0	0	58	412
5	Abdul Mutalib Bin Idris	Independent Director	36	3.6	0	0	0	0	39.6	0	0	0	0	0	0	0
6	Meachery Jo-anne Joseph (f)	Independent Director	35	3.6	0	0	0	0	38.6	0	0	0	0	0	0	0
7	Vincent Wong Soon Choy	Independent Director	36	3.6	0	0	0	0	39.6	0	0	0	0	0	0	0
8	Tjong Chia Huie	Non-Executive Non-Independent Director	30	1.5	0	0	0	0	31.5	0	0	0	0	0	0	0
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 – the company discloses the remuneration of members senior management who are not members of the board								
Explanation on application of the practice	In line with corporate governance best practice, the disclosure of a named basis on the top five senior management's remuneration in bands of RM50,000 for FYE 2024 of the Group is set out is as follows:								
	No	Name	Designation	Salary (RM)	Allowance (RM)	Bonus (RM)	Benefits (RM)	Other emoluments (RM)	Total (RM)
	1.	Tan Ying Meng	Chief Technology Officer	200,001-250,000	0-50,000	0-50,000	0-50,000	0-50,000	250,001-300,000
	2.	Koh Thain Lin	Head of Business Development	200,001-250,000	0-50,000	0-50,000	0-50,000	0-50,000	250,001-300,000
	3.	Sim Yian Fei	Head of ELV Systems	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	200,001-250,000
	4.	Kong Tze Senn	Head of Structured Cabling Works	100,001-150,000	50,000-100,000	0-50,000	0-50,000	0-50,000	200,001-250,000
	5.	Seow Zhen You	Group Finance Manager	150,001-200,000	0-50,000	0-50,000	0-50,000	0-50,000	200,001-250,000
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 :									

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company's ARMC is chaired by Mr Vincent Wong Soon Choy who is a member of Malaysia Institute of Accountants.</p> <p>The Chairman of the Board is Datuk Tan Kok Hong @ Tan Yi, an INED.</p> <p>As such, the Chairman of the ARMC is distinct from the Chairman of the Board. Having the positions of Board Chairman and Chairman of the ARMC assumed by different individuals allows the Board to objectively review the ARMC's findings and recommendations.</p> <p>The detailed Terms of Reference of the ARMC outlining the composition, duties and functions, authority and procedures of the ARMC are published and available on Company's website at www.cabnet.asia. The Terms of Reference of ARMC was last revised on 30 June 2023.</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 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>The independence, objectivity and integrity of the members of the ARMC are the key requirements which the Board of CABNET recognises as essential for an effective and independent ARMC. None of the members of the Board were former audit partners.</p> <p>As a measure to safeguard the independence and objectivity of the audit process, the ARMC had revised the AMRC's Terms of Reference and incorporated a policy stipulation that no former audit partner of the external audit firm shall be appointed as a member of the ARMC before observing a cooling-off period of at least three (3) years before being appointed as a member of the ARMC. The cooling-off period is applies to all partners of the audit firms and/or affiliate firm such as providing advisory services, tax consulting and etc.</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 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 ARMC and Board has adopted a procedure and process to be undertaken annually to assess the suitability, objectivity and independence of the external auditors.</p> <p>The ARMC carried out an assessment of the performance and suitability of Messrs UHY based on an assessment questionnaire which took into consideration assessment criteria such as the quality of services which covered the understanding of the business operations, audit management team continuity, make recommendations to help/improve business/processes, deliver effective presentation and reports, achieve expectation of the Company, improvement compared to previous year performance, meeting deadlines and relationship with the Management and other parties.</p> <p>Messrs UHY were also requested to furnish a declaration of their Independence to the Company as part of these procedures. Messrs UHY had indicated their willingness to seek re-appointment as External Auditors for the financial year ending 28 February 2025.</p> <p>The ARMC has been generally satisfied with the independence, performance and suitability of Messrs UHY based on the assessment and are recommending to the Board and shareholders for approval for the re-appointment of Messrs UHY as External Auditors for the financial year ending 28 February 2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	During the FYE 2024, the ARMC of CABNET is comprised solely of INEDs as follows: Chairman VINCENT WONG SOON CHOY Independent Non-Executive Director Member ABDUL MUTALIB BIN IDRIS Senior Independent Non-Executive Director Member MEACHERY JO-ANNE JOSEPH (F) Independent Non-Executive Director

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 composition of the ARMC is a stated under Practice 9.4 above. Members of the ARMC possess a wide range of skills and experience derived from their core background professions in law, business, accounting, financial and commercial disciplines.</p> <p>The Board is satisfied with the performance of the ARMC and each of its members and that they had carried out their duties in accordance with the terms of reference of the ARMC.</p> <p>The Chairman and members of the ARMC are financially literate, and have carried out their duties in accordance with the Terms of Reference of the ARMC.</p> <p>Trainings attended by the ARMC members during FYE 2024 are:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">ARMC</th> <th style="width: 50%;">Topic/ Organising Entity</th> <th style="width: 25%;">Date</th> </tr> </thead> <tbody> <tr> <td>MR VINCENT WONG SOON CHOY</td> <td>SSM Webinar on Directors Conflict of Interests: How Company Secretary is to advise.</td> <td>02.11.2023</td> </tr> <tr> <td></td> <td>Mandatory Accreditation Programme Part II : Leading for Impact</td> <td>28&29.02.2024</td> </tr> <tr> <td>MR ABDUL MUTALIB BIN IDRIS</td> <td>Mandatory Accreditation Programme Part II : Leading for Impact</td> <td>28&29.02.2024</td> </tr> <tr> <td>MISS MEACHERY JO-ANNE JOSEPH</td> <td>Mandatory Accreditation Programme Part II : Leading for Impact</td> <td>28&29.02.2024</td> </tr> </tbody> </table>	ARMC	Topic/ Organising Entity	Date	MR VINCENT WONG SOON CHOY	SSM Webinar on Directors Conflict of Interests: How Company Secretary is to advise.	02.11.2023		Mandatory Accreditation Programme Part II : Leading for Impact	28&29.02.2024	MR ABDUL MUTALIB BIN IDRIS	Mandatory Accreditation Programme Part II : Leading for Impact	28&29.02.2024	MISS MEACHERY JO-ANNE JOSEPH	Mandatory Accreditation Programme Part II : Leading for Impact	28&29.02.2024
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MISS MEACHERY JO-ANNE JOSEPH	Mandatory Accreditation Programme Part II : Leading for Impact	28&29.02.2024														

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

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board affirms its overall responsibility for maintaining a sound governance, risk management and internal control systems and for reviewing their adequacy and effectiveness so as to provide assurance on the achievement of the Group's mission, vision, core values, strategies and business objectives as well as to safeguard all its stakeholders' interests and protecting the Group's assets. The Board is to establish risk appetite of the Group based on the strategies, business objectives, internal and external business context, business nature and corporate lifecycle.</p> <p>The Board recognises risk management as an integral part of system of internal control and good management practice in pursuit of its strategic objectives. The Board maintained an on-going commitment for identifying, evaluating and managing significant risks faced by the Group systematically during the FYE 2024 under review.</p> <p>The Board delegates the duty of identification, assessment and management of key business risks to the Risk Management Committee while the ARMC is delegated with board oversight function whereby ARMC is assigned with the duty to review and to provide assurance to the Board on the adequacy and effectiveness of risk management and internal control system of the Group respectively, vide Risk Management Handbook and Terms of Reference respectively as approved by the Board. Internal control and risk-related matters which warranted the attention of the Board were recommended by the ARMC to the Board for its deliberation and approval. In addition, the Board has an effective oversight over the audit findings and recommendations highlighted by outsourced internal audit function as well as the external auditors.</p> <p>The Board had put in place a structured Risk Management Handbook, as the governance structure and processes for the risk management on enterprise wide, in order to embed the risk management practice into all levels of the Group and to manage key business risks faced by the Group adequately and effectively as Second-Line roles.</p> <p>The Group's internal audit function has been outsourced to an external consultant which reports directly to the ARMC.</p>

	<p>The internal audit function currently reviews and appraises the risk management and internal control processes of the Group.</p> <p>The Statement on Risk Management and Internal Control set out on pages 32 to 40 in the CABNET's 2024 Annual Report provides an overview of the Group's approach to ensuring the effectiveness of the risk management and internal processes within the Group.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

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>Risk assessment, monitoring and review of the various risks faced by the Group are continuous processes within the key operating units, with the Risk Management Committee (a Management Level Committee) playing a pivotal oversight function as delegated by the Board.</p> <p>The Risk Management Handbook was put in place which was developed and customised based on the foundation of the Federation of European Risk Management Associations (“FERMA”) 2002 (Risk Management Standard framework) and International Organisation for Standardisation (“ISO”) 31000:2018 - Risk Management Guidelines in view of the Group’s distinct operations and environment.</p> <p>The Risk Management Handbook established lays down the risk management’s objectives and processes established by the Board with formalised governance structure of the risk management activities of the Group.</p> <p>Further details are contained in the Statement of Risk Management and Internal Control which is on pages 32 to 40 of the CABNET’s 2024 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

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

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

Practice 10.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>CABNET’s internal audit function is outsourced to a professional services firm, to assist the Board and ARMC in providing an independent assessment on the adequacy, efficiency and effectiveness of the CABNET Group’s internal control system.</p> <p>During the FYE 2024, the outsourced internal audit function carried out audits in accordance with the internal audit plan approved by the ARMC. The internal audit plan was developed taking into consideration the Group’s risk profiles and concerns of Executive Management and the ARMC.</p> <p>To support the ARMC in discharging their responsibilities, the internal audit function reports directly to the ARMC. The Management also will update the ARMC on the implementation status of the recommendations under previous Internal Audit Report at ARMC meetings.</p> <p>The ARMC carried out an assessment of the performance of the internal audit function by considering and reviewing the internal audit function qualifications and experience, resources availability and competency, independence, scopes and functions of the internal audit function and collaboration with External Auditors.</p> <p>Further details of the internal audit activities are set out in the Audit and Risk Management Committee Report and Statement on Risk Management and Internal Control of the CABNET’s 2024 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

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 review of the adequacy and effectiveness of the CABNET Group’s risk management and internal control systems is outsourced to an independent professional firm, namely, NeedsBridge Advisory Sdn Bhd, who, through the ARMC, provides the Board with much of the assurance it requires in respect of the adequacy and effectiveness of the Group’s system on the risk management and internal control.</p> <p>The outsourced internal audit function is reporting to the ARMC directly and the engagement director, Mr. Pang Nam Ming, is a Certified Internal Auditor and Certification in Risk Management Assurance accredited by the Institute of Internal Auditors Global and a professional member of the Institute of Internal Auditors Malaysia. The internal audits are carried out, in material aspects, in accordance with the International Professional Practices Framework, i.e. Mission, Core Principles for the Professional Practice of Internal Auditing, Code of Ethics and the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors Global. During the FYE 2024 under review, the resources allocated to the fieldworks of the internal audit by the outsourced internal audit function were one (1) assistant manager and assisted by at least one (1) consultant and one (1) associate consultant per engagement with oversight performed by the director.</p> <p>The audit engagement of the outsourced internal audit function is governed by the engagement letter with key terms that include purpose and scope of works, accountability, independence, the outsourced internal audit function’s responsibilities, the management’s responsibilities, the authority accorded to the outsourced internal audit function, limitation of scope of works, confidentiality, proposed fees and engagement team. The appointment and resignation of the internal audit function as well as the proposed audit fees are subject to review and approval by the ARMC for its reporting to the Board for ultimate approval.</p>

	To preserve the independence and objectivity, the outsourced internal audit function is not permitted to act on behalf of Management, decide and implement management action plan, perform on-going internal control monitoring activities (except for follow up on progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to a member of the Management or the employee.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of communications with its stakeholders and is committed to upholding high standards of transparency and promotion of investor confidence through the provision of comprehensive, accurate and quality information on a timely and even basis.</p> <p>CABNET Investor Relations ("IR") play its role to ensure proper channels of communication between CABNET and the stakeholders.</p> <p>The Board has in place the Stakeholders Communication Policy which sets out the aims and practices of the Company in respect of communicating with its shareholders (both current and prospective) and the Corporate Disclosure and Cybersecurity Policy:</p> <ul style="list-style-type: none">• To promote and elevate a high standard of integrity and transparency through timely comprehensive, accurate, quality and full disclosure.• To promote and maintain market integrity and investor confidence.• To exercise due diligence to ensure the veracity of the information being disseminated is factual, accurate, clear, timely and comprehensive.• To build good relationship with all stakeholders based on transparency, openness, trust and confidence.• To align cyber security initiatives to business objectives.• To establish cybersecurity governance to support cybersecurity initiatives• To have in place efficient procedures for management of information, which promotes accountability for the disclosure of material information. <p>During FYE 2024, the Board ensured the supply of clear, comprehensive and timely information to the stakeholders via the following:</p> <ol style="list-style-type: none">a) Publication of 2023 annual report;b) Provide all relevant disclosures including quarterly financial results of the CABNET Group by way of announcement through Bursa link;

	<p>c) Frequent updating of information relevant to Investor Relations, such as annual report, corporate governance report, financial results and announcements through the Company's corporate website; and</p> <p>d) Engagement with stakeholders through 2023 AGM where the Chairman of the Meetings had highlighted to shareholders and proxy holders, their right to speak up at general meetings, the conduct of poll voting for all resolutions tabled at general meetings and review of the performance of the company during AGM.</p> <p>The detailed Stakeholders Communication Policy and Corporate Disclosure and Cybersecurity Policy are available on the Company's website at www.cabnet.asia. The Stakeholders Communication Policy and the Corporate Disclosure and Cybersecurity Policy was last revised on 24 February 2022.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

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 8th AGM of CABNET was held on 27 July 2023 and the notice was distributed to shareholders on 28 June 2023. The notice was dispatched at least 28 days prior to the date of the AGM, well in advance of the 21 days requirement under the Companies Act 2016 and AMLR, which allows sufficient time for the shareholders to consider the proposed resolutions to be tabled at the AGM.</p> <p>In addition, the notice of CABNET AGM also included details and relevant explanatory notes to the resolutions proposed to enable the shareholders to make informed decisions in exercising their voting rights.</p> <p>CABNET's 9th AGM will be held on 26 July 2024. CABNET's 2024 Annual Report together with the Notice of the 9th AGM dated 27 June 2024 will be available on the Company's website at www.cabnet.asia</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 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company's 8th AGM was held on 27 July 2023. All eight (8) Directors including the Chairman of the ARMC, NC and RC attended the 8th AGM.</p> <p>All the eight (8) Directors will also endeavour to attend the forthcoming 9th AGM and engage directly with the shareholders and will be accountable for their stewardship of the Company. Amongst them will be the Chairman of the ARMC, NC and RC.</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 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Cabnet will be conducting its 8th AGM on 27 July 2023 by way of physical mode. The venue is at a public place and easily accessible.</p> <p>However, during the 8th AGM, CABNET did not conduct its general meetings by leveraging technology to facilitate voting in absentia and webcast for remote shareholder participation. The Board believes that physical meetings provide a unique opportunity for direct interaction and engagement between the Company’s management, board of directors, and shareholders. By organizing physical general meetings, shareholders have the opportunity to personally express their concerns, raise questions, and engage directly with the Directors and senior management. This level of engagement fosters transparency, trust, and a sense of involvement among shareholders compare to virtual and hybrid modes.</p> <p>CABNET had also revised its Corporate Disclosure and Cybersecurity Policy on 24 February 2022 to establish cybersecurity governance to support cybersecurity initiatives, which is available for references on the Company’s website at www.cabnet.asia.</p> <p>The Company may consider leveraging on technology to facilitate more shareholders’ participation at general meetings when it is necessary at an appropriate time in the future.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

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>The Chairman plays a crucial role in facilitating effective communication and encouraging constructive feedback from shareholders during general meetings. These meetings serve as valuable opportunities for shareholders to engage with the company.</p> <p>At the AGM, the Executive Director at the request of the Chairman, provided shareholders with a concise overview of the Group's financial performance and its long-term strategies. This allowed shareholders to gain insight into the company's progress and future plans.</p> <p>To enhance shareholder participation, the Chairman allowed shareholders to submit their questions. These questions include the resolutions presented at the 8th AGM, the company's financial performance and prospect.</p> <p>Moreover, the Chairman ensures that sufficient time is allocated during the AGM for meaningful discussions and addressing the questions raised by shareholders. This commitment ensures that all shareholders have an opportunity to have their concerns addressed and receive the necessary information to make informed decisions.</p> <p>The responses to the questions were then published on CABNET corporate website together with the minutes of AGM within 30 business days after the AGM including any questions that had yet to respond at the AGM.</p>
Explanation for departure	:

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 13.5

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

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

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The AGM of CABNET was held on 27 July 2023. The proceedings of the AGM including the responses to the questions raised by the shareholders and proxies of the Company before and during the AGM were recorded in the minutes of AGM. The minutes of AGM were uploaded on CABNET's corporate website at www.cabnet.asia/Minutes-of-Shareholders-Meetings within 30 business days after the AGM. During the question and answer session, the Chairman invited the shareholders to raise questions related to the Company's financial statements and any other items on the meeting's Agenda, before putting the resolutions to vote. The summary of key matter discussed, if any, will be published on the Company website in accordance to the requirement of the AMLR.
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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