CORPORATE GOVERNANCE REPORT

STOCK CODE **:** 0168
COMPANY NAME **:** BM GreenTech Berhad
FINANCIAL YEAR **:** March 31, 2026

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

Practice 1.1
The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors ("Board") of BM GreenTech Berhad ("BM GreenTech" or "the Company") recognises the key role it plays in charting the strategic direction of the Company and its subsidiaries ("the Group"). To achieve this, the Board has carried out the following activities during the financial year under review and up to the date of this Corporate Governance Report: 1) Conduct pre-scheduled meetings to deliberate on matters relating to the strategic direction and objectives setting, annual budgets, major capital expenditures, new ventures, material acquisitions and disposals; 2) Monitor the implementation of the strategic business plans (include economic, environmental, and social initiatives) to ensure the Management meets the objectives to achieve sustainable growth and optimization returns for the Group; 3) Recognise the importance of business sustainability and tasked the Executive Committee ("EXCO") and Risk Management Unit ("RMU") to formulate sustainability strategies, policies, goal setting or Key Performance Indicators ("KPI") and oversee the implementation process and the overall sustainability performance of the Group; 4) Review the adequacy and the integrity of the Group's internal control and information systems to ensure compliance with applicable laws, regulations, rules, directives, and guidelines; 5) Develop an effective succession plan for Executive Directors and key senior management of the Group, with oversight from the Nomination Committee ("NC") and Remuneration Committee ("RC");

	6) Set specific KPI for Executive Management in order to align Management's strategies with the Group's objectives. Performance incentive scheme is also provided to Executive Directors and Management to reward those who achieved these KPI; 7) Review quarterly results of the Company and the Group with representatives from Management reported on the performance and results of the business of the Company and the Group which are benchmarked against the relevant corresponding period; 8) In discharging its duties and functions effectively, the Board delegates specific responsibilities to its Board Committee namely Audit Committee ("AC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). These delegations enable more focused oversight and support the Board in upholding high standards of governance, ethical conduct, and professional corporate behaviour across the Group. 9) Each of these Board Committees operates under clearly defined terms of reference and actively engaged in overseeing their respective areas of responsibility, thereby ensuring that the Group consistently adheres to sound corporate governance practices. 10) Maintain an effective communication policy that enables both the Board and Management to communicate effectively with shareholders and other stakeholders; 11) Conduct all general meetings efficiently and leverage them as a vital platform for shareholders' communications; and 12) Maintain a corporate website (https://www.bmgreentech.com) for shareholders and stakeholders to access the Group's information, such as background, products, financial performance, sustainability statement, and announcements made to Bursa Malaysia Securities Berhad.
Explanation for departure :	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.2

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

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">Dr. Chia Song Kun, the Non-Independent Non-Executive Chairman provides strong leadership quality to objectively steward the Board in meeting the Company's strategic objectives. Duties of the Board Chairman, amongst others, include the following:

• ensuring the adequacy, effectiveness, and integrity of the governance process within the Group;

• functioning as a facilitator at meetings of the Board to ensure that no member, whether Executive or Non-Executive, dominates discussion; constructive discussions take place; and that relevant opinions amongst members are forthcoming;

• ensuring that all Directors are encouraged to actively participate at Board meetings and allow dissenting views to be freely expressed.

• ensuring every Board resolution is put to vote with the will of majority to prevail;

• ensuring that Executive Directors look beyond their executive functions and accept their full share of the responsibilities of governance;

• guiding and mediating the Board's actions with respect to organisational priorities and governance concerns; and

• undertaking the primary responsibility for organising the information necessary for the Board to deal with items on the agenda.

Role and responsibilities of the Chairman are outlined in the Board Charter which is accessible on the Group's website at https://www.bmgreentech.com.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
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</table>

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	:	The Board recognises the importance of having a clearly accepted division of power and responsibilities at the head of the Group to promote accountability and facilitate the division of responsibility. Accordingly, the Board Charter specifies that the position of Chairman shall be held by a Non-Executive Director while the Group Managing Director represent Management to the Board. The positions of the Chairman and the Group Managing Director are held by different individuals which provide clear distinction and separation of the said roles and ensure organisational check and balance for better governance. The Group's Board Charter clearly delineates the roles of the Chairman and the Group Managing Director. The Chairman (Dr. Chia Song Kun) focuses on ensuring effectiveness of the Board whilst the Group Managing Director (Mr. Chia Lik Khai) focuses on ensuring efficiency and effectiveness of the Group's operations, including implementation of the Group's strategic plans and policies established by the Board. The roles of the Chairman and Group Managing Director are separated and clearly defined in the Board Charter which is available on the Group's website at https://www.bmgreentech.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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.

<table>
<tr><td colspan="4">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'.</td></tr>
<tr><td>Application</td><td>:</td><td colspan="2">Departure</td></tr>
<tr><td>Explanation on application of the practice</td><td>:</td><td colspan="2"></td></tr>
<tr><td>Explanation for departure</td><td>:</td><td colspan="2">The Chairman, Dr. Chia Song Kun ("Dr. Chia") is a member of the Audit Committee ("AC"), Nomination Committee ("NC") and Chairman of the Remuneration Committee ("RC").

The decision-making processes of the respective Committees are made collectively, in accordance with the Terms of Reference of each Committee, as well as all other applicable policies, procedures, and laws. No single person can influence the Board's decision-making; decisions must be made by consensus and in the best interests of the Company.

The Company believes the Chairman's participation in the relevant Committees is well-justified by his extensive expertise and wealth of experience. His active engagement consistently provides constructive counsel and insightful perspectives, complementing the contributions of his fellow Committee members to ensure robust deliberations.

Leveraging his vast experience, the AC, NC, and RC regularly draw upon the Chairman's tacit knowledge, seasoned insights, and professional acumen. This strategic engagement reinforces the decision-making process, ensuring that Committee resolutions are made with an unwavering commitment to the Company's best interests</td></tr>
<tr><td colspan="4">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure</td><td>:</td><td colspan="2">In line with the best practices guided by MCCG, the exclusion of the Chairman as a member of the Committees will be considered as the Company's commitment to Practice 1.4 in medium term.</td></tr>
<tr><td>Timeframe</td><td>:</td><td></td><td></td></tr>
</table>

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	The Board is supported by three (3) Company Secretaries who provide governance advice, ensure adherence to rules and procedures, and advocate for the adoption of corporate governance best practices. All three Company Secretaries are members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and are duly qualified to act under Section 235(2) of the Companies Act 2016. The Board Charter explicitly outlines the Company Secretaries' accountability to the Board on all governance matters, including ensuring strict compliance with the statutory and regulatory frameworks impacting the Company. In discharging their duties, the Company Secretaries are responsible for organizing and facilitating all Board and Board Committee meetings. They meticulously document all pertinent issues, deliberations, and resolutions in the minutes, which are subsequently concurred by Directors and signed by the Chairman. Beyond the boardroom, the Company Secretaries ensure the timely communication of Board-level decisions to Management. They further ensure that outstanding action items are systematically tracked and monitored until they are fully addressed by Management and reported back to the Board, ensuring a closed-loop governance process. To maintain a high standard of advisory, the Company Secretaries stay abreast of evolving corporate governance and regulatory requirements by attending workshops and conferences (both virtual and physical) organized by MAICSA, Bursa Malaysia, the Securities Commission, and the Companies Commission of Malaysia. These updates are disseminated to the Board via formal reports or dedicated briefings. Furthermore, all Directors maintain unrestricted access to the professional counsel of the Company Secretaries and all pertinent Group information to support the effective discharge of their fiduciary duties.

<table>
<tr><td></td><td colspan="2">The Company Secretaries play a pivotal role in the AGM, ensuring all proceedings are managed with administrative precision and regulatory compliance. During the AGM, they facilitate the conduct of the meeting for the Chairman and the Board, ensuring minutes are accurately recorded with a specific focus on capturing the substance of shareholder queries and the corresponding responses.

The Board periodically evaluates the Company Secretaries based on technical proficiency, experience, personal attributes, and their ability to fulfill their mandates effectively. Based on the assessment conducted on 21 May 2026, the Board affirmed its satisfaction with the performance and support rendered by the Company Secretaries in the discharge of their duties.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
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</table>

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.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">In consultation with all Directors, the Company Secretaries prepare an annual meeting calendar prior to the commencement of each new calendar year. This calendar, which includes scheduled dates for Board meetings, Board Committee meetings, and the Annual General Meeting, is circulated in advance to facilitate the Directors' scheduling and planning.

The agenda and meeting papers for consideration are circulated at least five (5) business days before each meeting (or shorter period where unavoidable, as specified in the Board Charter) to ensure Directors and respective Committee members have sufficient time to review them and prepared for discussion and decision-making.

Minutes of all Board and Committee meetings are duly prepared and circulated to each Director and Committee member for their review prior to confirmation at the subsequent meetings. Upon confirmation, the minutes are formally signed by the respective Chairman. This process ensures that the deliberations, decisions, and resolutions are accurately recorded and properly documented in line with established governance standards and best practices.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
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Intended Outcome
There is demarcation of responsibilities between the board, board committees and management.

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

Practice 2.1
The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

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

Application	:	Applied
Explanation on application of the practice	:	The Group had established a Board Charter which clearly defines the respective roles and responsibilities of the Board, Board Committee, individual Director and the Group Managing Director, as well as matters and decisions reserved for the Board. Their roles and responsibilities are summarised as follows: • the **Board Chairman** who is responsible for leadership of the Board, also ensures an effective conduct of the Board and effective communication with shareholders and stakeholders; • the **Group Managing Director**, who holds ultimate executive power, is responsible, amongst others, in ensuring the efficiency and effectiveness of the operations for the Group, implementing policies, strategies and decisions adopted by the Board and highlighting material and relevant matters to the attention of the Board in an accurate and timely manner; • the **Executive Directors** are responsible and involved in the day-to-day management of the Group, including as a delegate assisting the Group Managing Director in carrying out certain duties; • the **Non-Executive Directors** provide checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring high standards of corporate governance; • the **Independent Directors** emphasise on value brought by their independent judgement, and also provide check and balance to the Board; • the following Board Committees have been established by the Board and guided by their respective terms of reference:

	o **Audit Committee**; o **Nomination Committee**; o **Remuneration Committee**; and o **Executive Committee**. The Board Charter also outlines a formal schedule of matters reserved for the Board's decision. The Board Charter and the Terms of Reference of the Board Committees are accessible on the Group's website at https://www.bmgreentech.com. The Board will periodically review and update the Charter in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.
Explanation for departure :	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.	
Measure :	
Timeframe :	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has established a Code of Ethics for the Company and, together with Management, ensures the implementation of policies and procedures addressing, among others, conflicts of interest, confidentiality, protection of the company's property, prohibition against insider trading, abuse of power, anti-money laundering, anti-bribery, and anti-corruption. The Group may periodically require Directors and employees to submit integrity and background declarations as part of its efforts to safeguard the integrity of its business and professional relationships. The details of the Code of Ethics is available on the Company's corporate website at https://www.bmgreentech.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

Practice 3.2
The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied	
Explanation on application of the practice	:	The Board has implemented a Whistleblower Policy to provide a secure and confidential channel for employees, internal and external stakeholders to report concerns relating to wrongdoings, including fraud, corruption, serious financial impropriety and gross mismanagement. In accordance with the Whistleblowing Policy, the Audit Committee is regularly updated on the number and nature of whistleblowing cases reported, as well as the status and outcomes of any investigations undertaken. The Whistleblower Policy is available on the Company's corporate website at https://www.bmgreentech.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 4.1
The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

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

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

Application	:	Applied
Explanation on application of the practice	:	The Group has the governance structure in place to manage the economic, environmental social and governance risks and opportunities. To embed sustainability within our corporate culture and work practices, the Board and the Senior Management Team (consisting of the Executive Committee, Sustainability Steering Committee, Head of Business Units and Sustainability Working Group) work collaboratively to identify and manage sustainability risks and opportunities in the Group. The Board of Directors assumes responsibility for overseeing sustainability practices and performance. The Board set business strategies that incorporate sustainability considerations, set policies, prioritise sustainability goals, and set targets. The Executive Committee, comprising Executive Directors and selected Senior Management team, is responsible for executing the sustainability strategies and directives approved by the Board. Sustainability Steering Committee, provides guidance and oversight on the implementation and performance of sustainability initiatives across the Group. The Heads of Business Units, along with the Sustainability Working Group, play a pivotal role in executing sustainability-related tasks and initiatives on a day-to-day basis. Their responsibilities include identifying, assessing, monitoring, managing, and reporting sustainability matters to the Sustainability Steering Committee. Furthermore, they actively engage with key stakeholders to understand concerns related to the Company's sustainability risks and opportunities.

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

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

Practice 4.2
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 Sustainability Statement in the Annual Report serves as a communication platform to share the Group's sustainability efforts and initiatives during the year. It provides information on BM GreenTech's management of material Economic, Environmental, Social and Governance (EESG) risks and opportunities, performance, and targets. During the financial year, we undertook periodic reviews of our operating environment to ensure that the Group's material sustainability matters remained relevant and up-to-date. As part of this process, we engaged with internal and external stakeholders to assess and prioritise the EESG matters that are most significant to our business and key stakeholders. Recognising the importance of sustainability, the Board has included it as one of the Group's strategic priorities in our strategic business plan. We have set clear sustainability targets, which are detailed in the Sustainability Statement. These targets, aligned with our Mission "To create shared value for all stakeholders by providing innovative and cost-effective energy and water solutions to achieve lasting sustainability" and our Vision "To be the regional partner of choice to achieve an environmentally sustainable society," guide our efforts and measure our progress. 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. BM GreenTech is fully committed to operating its business in a sustainable and responsible manner while actively pursuing growth and expansion plans.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 4.3
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.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The Board remains apprised of sustainability matters relevant to the Company and its businesses within an evolving operating environment through continuous training and self-learning initiatives.

Sustainability considerations, including climate-related risks and opportunities, and business growth, are incorporated into the Group’s bi-annual strategic planning and business review processes. In addition, the Board receives regular updates from Management at quarterly Board meetings on sustainability developments, key action plans and progress against the Group’s sustainability agenda.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
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Intended Outcome

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

Practice 4.4

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

Application	:	Applied
Explanation on application of the practice	:	The Board takes cognizant the importance of embedding EESG considerations and sustainability measure into the Board and senior management's performance to ensure accountability towards sustainability targets. The Board has included sustainability performance evaluations in annual Board performance assessment and will strengthen the goals setting and performance evaluation of the Board and senior management in addressing the Company's material sustainability risks and opportunities.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

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

Practice 4.5- Step Up
The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.		
Application	:	Adopted
Explanation on adoption of the practice	:	The Board has designated the Corporate Planning and Transformation Director to manage sustainability strategically across the Group. The designated person provides dedicated focus in managing and coordinating sustainability-related initiatives and facilitating the integration of environmental, social and governance (ESG) considerations into the Group's operations and planning processes, under the direction and leadership of the Group Managing Director. Key responsibilities include overseeing the Group's ESG reporting and ensuring alignment with relevant frameworks and standards such as the Enhanced Bursa Malaysia Sustainability Reporting Guide, and the International Sustainability Standards Board (ISSB) requirements. The designated person also supports engagement with internal and external stakeholders and assists the Board and its committees in discharging their oversight responsibilities in relation to sustainability matters.

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

Practice 5.1
The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee ("NC") reviews the structure, size and composition of the Board and other Board Committees periodically. The tenure of each Director and annual re-election of Directors are also reviewed by the NC in accordance with the Board Charter which limits the tenure of an Independent Director to nine years to ensure progressive refreshing of the Board. The effectiveness of the Board and each Director's contribution to the Board and its Committees will be annually assessed. This assessment will be guided by the criteria outlined in the Directors' Fit and Proper Policy. The annual re-election of retiring Directors has been contingent on satisfactory evaluation of the retiring Directors' performance and contribution to the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 5.2
At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The Board recognises the crucial role of Independent Directors in safeguarding the interests of all shareholders, in particular the minority shareholders. They significantly contribute to the Board's decision-making processes by bring in quality of detached impartiality.

The Board consists of a total of eight members with four Independent Directors and four Non-Independent Directors (excluding the Alternate Directors).

<table><tr><th>Independence</th><th>%</th></tr><tr><td>Independent</td><td>50%</td></tr><tr><td>Non-Independent</td><td>50%</td></tr></table></td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
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</table>

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.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">During financial year 2026, none of the Independent Directors of the Company exceeded a cumulative term limit of nine years.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
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</table>

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	:	Adopted
Explanation on adoption of the practice	:	The Board adopted a policy which limits the tenure of an Independent Director to nine (9) years. The said policy is clearly set out in the Board Charter. The Board Charter is available on the Company's corporate website at https://www.bmgreentech.com.

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	The Nomination Committee ("NC") identifies and recommends candidate to the Board and Senior Management of the Group based on their diverse skills, knowledge, experience, character, professionalism, integrity, gender, and other qualities. In the case of Independent Directors, the NC also assesses the candidate's ability to exercise independent judgement and effectively discharge the responsibilities expected of an Independent Director. The Board values diversity in skills and experience to support sound governance and effective deliberation. Its members are suitably qualified, bring varied perspectives, and remain committed to discharging their duties in the best interests of the Group, thereby enhancing the quality of decision-making. Directors are required to notify the Chairman of the Board prior to accepting any new directorships, including an indication of the expected time commitment. As at the date of this report, none of the Directors holds more than three (3) directorships in listed issuers, which is well within the limit of of five (5) directorships prescribed under the Main Market Listing Requirements. The Company has also adopted a Fit and Proper Policy to ensure that Directors are persons of high calibre, competent, probity and credibility and that these standards are maintained on a continuing basis. Appointment to Senior Management are likewise made with due regard to diversity in skills, experience, integrity, and character, ensuring that the leadership team remains well-positioned to support the Group's strategic objectives.
Explanation for departure	:	

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</table>

Intended Outcome

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

Practice 5.6

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

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

Application :	Applied	
Explanation on application of the practice :	The Nomination Committee ("NC") is responsible for overseeing the selection, assessment and recommendation of candidates for appointment to the Board. The NC evaluates potential candidates based on their capabilities, experience, character, professionalism, integrity, and commitment, guided by the Directors' Fit and Proper Policy. The NC also ensures that prospective candidates possess the requisite skills, core competencies and experience to effectively discharge their duties as Directors prior to recommending their appointment to the Board. In considering new appointments, the NC takes into account the overall composition and diversity of the Board, including gender, age, professional background, skills, knowledge, independence, and personal attributes. In identifying suitable candidates, the NC does not solely rely on recommendations from existing Board members, Management and/or major shareholders. Where appropriate, the NC also leverages independent external sources to identify suitably qualified candidates, thereby supporting a robust and objective selection process. There were no appointments of new directors to the Board during the financial year.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

Practice 5.7
The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	The Board ensures that shareholders are kept informed of any changes to its composition and that of its Board Committees. All such changes are promptly announced to Bursa Malaysia Securities Berhad within the prescribed regulatory timelines. In addition, the Company's corporate website is updated in a timely manner to reflect any changes to the Board's composition. Details of any interests, positions, or relationships that may influence a Director's independence are disclosed upon appointment or re-appointment for consideration and deliberation by the Nomination Committee ("NC"). Upon satisfactory evaluation and recommendation by the NC, the Board proceeds to consider and approve the proposed appointments or reappointments of Directors, including those retiring and seeking re-election. The profiles of the Directors, including those standing for re-election, are set out in the Annual Report 2026 and are also available on the Company's corporate website. A statement supporting their re-election and re-appointment is included in the notice of the Company's 16th Annual General Meeting. The NC oversees and facilitates the annual Board effectiveness assessment, covering the Board as a whole, Board Committees, individual Directors, as well as the independence of Independent Directors.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 5.8
The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application :	Applied	
Explanation on application of the practice :	The Nominating Committee is chaired by the Independent Director, Mr. Ng Swee Weng who is also the Chairman of Audit Committee. The Nominating Committee currently comprises four Independent Directors and one non-executive and non-independent Director. The Terms of Reference of the Nominating Committee is available on the Company's website at www.bmgreentech.com.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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 takes cognizance of the importance of diversity in the board composition including representation of female directors. The Board supports gender diversity at all levels which include the Board, Senior Management, and general workforce. The Company appoints its directors based on merits of skills, knowledge, experience, professionalism and integrity. There are presently two (2) women directors out of eight (8) Board members representing 25% of the total composition)(excluding alternate director). The Company's Board Charter includes a gender diversity policy of at least one Board member shall be of a female gender.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

<table>
<tr><td>Application :</td><td colspan="2">Departure</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2"></td></tr>
<tr><td>Explanation for departure :</td><td colspan="2">The Board acknowledges the importance of boardroom diversity and has formalised the gender diversity policy in the Board Charter in line with the MCCG recommendations.

However, the Board has yet to establish a formal gender diversity policy for its senior management. Nonetheless, the Board is supportive of gender diversity in the senior management and will endeavour to consider suitable and qualified female candidates for appointment to the senior management.</td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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

Practice 6.1
The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

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

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.		
Application :	Applied	
Explanation on application of the practice :	The Nomination Committee ("NC") facilitates and organises the annual Board effectiveness assessment for the Board, Board Committees, individual Director, and Independent Directors. The Board engaged its external secretarial firm, Tricor Corporate Services Sdn. Bhd., to facilitate the Board evaluation process. This included assisting the preparation of assessment instruments for both self and peer evaluations. The external facilitator compiled and presented the results of the assessments for each individual Director and Board Committee to the NC for its review, prior to tabling the findings to the Board for deliberation and approval. Based on the assessment results, the Board was satisfied individual Directors and Board Committees had discharged their respective duties and responsibilities effectively. Overall, the Board is effective in providing governance oversight and monitoring the execution of the Group's strategic objectives. The Board has also noted the areas identified for enhancement and will take appropriate steps to address them on a continuous basis.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board had adopted a Remuneration Policy for Directors and Senior Management andthe policy shall be reviewed by the Remuneration Committee ("RC") on a periodic basis to ensure it remains relevant and appropriate, subject to the Board's approval. The said policy is published and available on the corporate website at https://www.bmgreentech.com.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has established a Remuneration Committee ("RC") to oversee and implement the Group's policies and procedures on remuneration. Its responsibilities includes, but among others, reviewing and recommending to the Board a remuneration framework, as well as the terms and conditions of employment for the Executive Directors and Senior Management of the Group. The Board as a whole retains ultimate responsibility for approving the remuneration of Executive Directors and recommending the remuneration of Non-Executive Directors for shareholders' approval. Directors with a personal interest in the matter (collectively referred to as the "Interested Directors") abstain, and will continue to abstain, from all deliberations and decisions in respect of their own remuneration. The Terms of Reference of the RC are available on the Company's corporate website at https://www.bmgreentech.com.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The detailed disclosure of the remuneration breakdown of individual Directors including fees, salary, bonuses, benefits-in-kind and other emoluments received from the Company and Group are disclosed in the table on the next page.

No	Name	Directorate	Company							Group						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Chia Song Kun	Non-Executive Non-Independent Director	115,226	-	-	-	-	24,000	139,226	115,226	-	-	-	-	24,000	139,226
2	Ng Swee Weng	Independent Director	103,226	-	-	-	-	24,000	127,226	103,226	-	-	-		24,000	127,226
3	Datuk Wira Roslan bin Ab Rahman	Independent Director	91,226	-	-	-	-	24,000	115,226	91,226	-	-	-		24,000	115,226
4	Koh Ee Huei	Independent Director	91,226	-	-	-	-	22,000	113,226	91,226	-	-	-	-	22,000	113,226
5	Farah Deba binti Mohamed Sofian	Independent Director	68,419	-	-	-	-	14,000	82,419	68,419	-	-	-	-	14,000	82,419
6	Chia Lik Khai	Executive Director	-	-	-	-	-	-	-	-	2,730	566,040	218,150	-	103,698	890,618
7	Gan Chih Soon	Executive Director	-	-	-	-	-	-	-	-	41,040	662,808	259,030	10,408	124,316	1,097,602
8	Tee Seng Chun	Executive Director	-	-	-	-	-	-	-	-	1,800	547,200	216,600	15,525	31,517	812,642
9	Chia Seong Fatt	Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Ko Chuan Zhen	Executive Director	-	-	-	-	-	-	-	-	24,000	588,690	48,198	-	77,826	738,714
11	Oh Zhi Kang	Executive Director	-	-	-	-	-	-	-	-	12,000	374,400	58,800	-	53,377	498,577

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 :	Details of the top five (5) Senior Management's remuneration for the financial year ended 31 March 2026 are disclosed in the table on the next page.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Chia Lik Khai	Group Managing Director of BM GreenTech Berhad	550,001-600,000	0-50,000	200,001-250,000	0-50,000	100,001-150,000	850,001-900,000
2	Gan Chih Soon	Executive Director of BM GreenTech Berhad	650,001-700,000	0-50,000	250,001-300,000	0-50,000	100,001-150,000	1,050,001-1,100,000
3	Tee Seng Chun	Technical Director of Boilermech Sdn Bhd	500,001-550,000	0-50,000	200,001-250,000	0-50,000	0-50,000	800,001-850,000
4	Ko Chuan Zhen	Executive Director of BM GreenTech Berhad	550,001-600,000	0-50,000	0-50,000	0-50,000	50,001-100,000	700,001-750,000
5	Yong Hua Kong	Managing Director of BM TEK Sdn Bhd	450,001-500,000	0-50,000	150,001-200,000	0-50,000	100,001-150,000	750,001-800,000

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.

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The Audit Committee ("AC") is chaired by Mr. Ng Swee Weng, while the Board is chaired by Dr. Chia Song Kun, reflecting a clear separation of roles and responsibilities.

The AC comprises of five (5) members, including the AC Chairman. The four (4) members, including the Chairman, are Independent Directors, while the remaining member is a Non-Independent Non-Executive Director. The Terms of Reference of the AC are available on the Company's corporate website at https://www.bmgreentech.com.

The AC Chairman, Mr. Ng Swee Weng, is a member of the Malaysian Institute of Accountants, a Certified Practising Accountant of Australia, and a member of the Malaysian Institute of Certified Public Accountants, bringing relevant financial expertise and experience to the role.

The AC's chairmanship by an Independent Director, separate from the Chairman of the Board, provides strong independence and reinforces effective checks and balances. This structure enables the AC to independently scrutinise financial matters, including quarterly reports and audited financial statements, as well as oversee related party transactions, potential conflict of interest situations, and the adequacy and effectiveness of the Group's system of internal controls.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application :	Applied	
Explanation on application of the practice :	The terms of reference of the Audit Committee ("AC") had included a cooling-off period of at least three (3) years before a former audit partner could be appointed as a member of the AC. At present, none of the members of the AC are former audit partners of the external audit firm of the Company within the cooling-off period of three (3) years.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.3
The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	The Group has established policies and procedures, as set out in the Terms of Reference of the Audit Committee ("AC"), to assess the suitability, objectivity and independence of the External Auditors. This Includes a review of non-audit services provided by the External Auditors to ensure that such services do not impair, or appear to impair, their independence. The Board has also adopted procedures governing the provision of non-audit services to safeguard the auditors' independence and the integrity of the audit process. As stipulated in its Terms of Reference, the AC's responsibilities include, among others, the following: a) To review matters relating to the appointment, re-appointment, audit fees, and any issues concerning the resignation or removal of the External and Internal Auditors. b) To review with the External Auditors the scope and nature of the audit plan, including their evaluation of the system of internal controls and audit findings. c) To assess the External Auditors' audit plan for the financial year, including the proposed audit scope, methodology, timeline, key focus areas and fraud risk considerations, prior to the commencement of theaudit. In addition, the AC evaluates the External Auditors' performance based on, among others, the quality of the audit process, adequacy of resources, technical competence, and the reasonableness of audit andnon-audit fees. The AC also consideres disclosures in the External Auditors' Annual Transparency Report in line with the Malaysian Code on Corporate Governance ("MCCG"). The Terms of Reference of the AC are available on the Company's corporate website at https://www.bmgreentech.com.
Explanation for departure	:	

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

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up
The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome
There is an effective and independent Audit Committee.

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

Practice 9.5
Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

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

Application	:	Applied	
Explanation on application of the practice	:	Members of the Audit Committee ("AC") actively pursue continuous professional development to enhance their knowledge and capabilities, ensuring they remain abreast of developments in accounting and auditing standards, practices, as well as relevant regulatory requirements. Through participation in relevant training programmes and professional development courses, AC members maintain and strengthen their financial literacy and competency. This enables them to effectively understand and discharge their responsibilities in overseeing the financial reporting process, while keeping pace with evolving industry practices, auditing standards, and applicable statutory and regulatory requirements.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

<table>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">The Group has established an ongoing process to identify, evaluate, and manage significant risks faced and has put in place a structured risk management framework which was based on the ISO31000:2018 Risk Management – Guidelines Framework.

A Risk Management Unit ("RMU") is entrusted to ensure the implementation of an effective risk management and reviewing the adequacy and integrity of the Group's internal control and management information system. The RMU consists of all Executive Committee ("EXCO") members, the RMU has appointed a Risk Coordinator to facilitate its responsibilities. The RMU is responsible for reporting risk management matters directly to the Audit Committee, which subsequently provides updates to the Board of Directors.

The relevant details of risk management and internal control framework are presented in the Statement on Risk Management and Internal Control section of the Company's Annual Report.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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

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

Practice 10.2
The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied
Explanation on application of the practice	:	The Board through the Audit Committee ("AC") oversees the risk management matters of the Group, which include identifying, managing, monitoring and mitigating significant risk across the Group. The AC also assists the Board in fulfilling its responsibilities pertaining to risk governance and risk management in order to manage the overall risk exposure of the Group. The AC's duties, amongst others, include: • review the principal risks identified by Management and the methodology employed in identifying, analysing, assessing, monitoring and communicating the risks in a regular and timely manner; • ensure that the system of internal control is sound, effectively adopted and regularly monitored; and • recommend to the Board on steps to improve for the system of internal control based on the findings of the Internal Auditors and External Auditors. The Group has established a structured process for the identification, assessment, communication, monitoring as well as continual review of risks and effectiveness of risk mitigation controls and strategies at the divisional and enterprise levels. The analysis and evaluation of risks are guided by approved risk criteria. The Group adopts a decentralised approach to risk management, whereby all employees take ownership and accountability for risks at their respective levels. The process of risk management and treatment is the responsibilities of the Heads of Department.

<table>
<tr><td></td><td>

<u>Risk management</u>

The risk management methodology and approach applied are described as below:

- The Risk Register is compiled and reviewed on a quarterly basis. Any emerging new risks are identified and followed up with the implementation of the control action plans;
- The Group's risk appetite defines the amount and types of risk that the Group is able and willing to accept in pursuit of the Group's business objectives. It also sets out the level of risk tolerance and limits to govern, manage and control the Group's risk-taking activities.

<u>Internal control</u>

The internal control and monitoring procedures include:

- clearly defined systems and procedures for key operational and financial departments, which include maintenance of operational and financial records and controls with accurate and timely management information;
- detailed reporting of financial results, statements of financial position and cash flows, with regular reviews by Management;
- regular independent internal audit activities to monitor compliance with procedures and assess the integrity of operational and financial information provided; and
- regular information provided to the Management, covering financial performance and key indicators and cash flow performance

The key elements of the Group's internal control system that are considered as an integral part of the assurance framework are as follows:

- Organisational structure;
- Audit Committee;
- Internal audit;
- Policies and procedures;
- Business plan and budgeting process;
- Reporting system; and
- Appraisal system.

</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td></td></tr>
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</table>

<table>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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

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

Practice 10.3 - Step Up
The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Practice 11.1
The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied
Explanation on application of the practice	:	The Board has through the Audit Committee, appointed Deloitte Business Advisory Sdn Bhd ("Deloitte") to perform internal audit ("IA") for the Group (covering BM GreenTech and its subsidiaries). Deloitte reports the Group's IA results directly to the Audit Committee ("AC"). The IA service is guided by the Engagement Letter signed between BM GreenTech and Deloitte. The primary role of Deloitte, based on the Engagement Letter, is to provide independent assessment of the system of internal controls established, the adequacy and operating effectiveness of such system vis-à-vis the objectives served and to make appropriate recommendations thereof. The IA is guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. To ensure that the responsibilities of IA are fully discharged, the AC is responsible for the following: • reviewing nature and scope of IA plans; • reviewing internal audit reports, major findings and the management's responses thereto and ensure that appropriate actions is taken by Management in respect of the IA observations; • reviewing adequacy of the scope, functions, competency and resources of the IA functions and whether it has the necessary authority to carry out its work; • reviewing the performance of the IA function; and • approving appointment or termination of the IA service provider. For the financial year under review, internal auditing activities of the Group were carried out based on the IA plan 2026 (stated in the Engagement Letter) as approved by the AC. The results of these internal auditing activities, including the findings and action plans were documented and reported/recommended to the AC. The expenses incurred for internal audit amounted to RM150,000 for the financial year ended 31 March 2026.
Explanation for departure	:	

<table>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	The Internal Audit ("IA") Engagement Letter specifies that the IA function should be independent of the activities they audit to ensure that impartial views, unbiased judgements and recommendations are presented to the Management and the Board. For this reason, the IA function is not involved in performing routine non-auditing works or have direct responsibility over any activities, functions or tasks they are reviewing. To ensure its independence, the IA reports directly to the Audit Committee ("AC"). The AC has through the AC Report, reviewed the adequacy of the scope, functions, competency and resources of the IA function to meet the requirement of the Group's current operations structure and size. The IA team, for each cycle of internal audit, usually consists of four (4) personnel, i.e., an Engagement Director, an Engagement Partner, an Engagement Manager, a Quality Assurance Reviewer and a Core Engagement Team with 2 – 3 Member(s). The Engagement Partner (i.e., En. Muzafar Kamal Mahmood) is a Member of the Malaysian Institute of Accountants ("MIA"), a Chartered Member of the Malaysian Institute of Internal Auditors Malaysia ("CMIIA") and a Fellow Certified Practicing Accountant ("FCPA"). The IA function adheres to the Institute of Internal Auditors' mandatory guidelines, i.e., the International Professional Practices Framework.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		

Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	The Group is committed to ensuring transparent, timely and high-quality communication with its shareholders and stakeholders. BM GreenTech actively engages its stakeholders through various platforms, including the Group's corporate website and its investor relations ("IR") function. The Company maintains a dedicated "Investors" section on its website, which serves as a key information hub providing, among others, share price information, quarterly financial results, corporate announcements and Annual Reports. The Company will continue to leverage technology to enhance shareholder engagement and ensure effective and timely dissemination of information through appropriate channels. The Board is committed to fostering effective communication and engagement with shareholders and other stakeholders. General meetings serve as an important platform for shareholders' engagement, where the Chairman encourages active participation, including through dedicated question-and-answer sessions. The IR function supports ongoing communication with shareholders and the investment community. Shareholders and investors are encouraged to direct their queries via telephone at 03-8023 9137 or email at invest@bmgreentech.com, as provided on the Group's website. The IR section is accessible at the Company's corporate website at https://www.bmgreentech.com/investor-relations.html.
Explanation for departure	:	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	
Timeframe	:	

Intended Outcome

There is 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.

<table>
<tr><td>Application :</td><td colspan="2">Not applicable – Not a Large Company</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2"></td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

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

Practice 13.1
Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application :	Applied	
Explanation on application of the practice :	The notice for the 15th AGM in 2025 was issued on 25 July 2025 whilst the AGM was held on 25 August 2025, provided a notice period of 28 clear days prior to the Company's 15th AGM held on 25 August 2025. For the Company's upcoming 16th AGM to be held on 20 August 2026, the Company will be issuing notice of AGM to shareholders on 22 July 2026, providing a notice period of 28 clear days prior to the date of the 16th AGM. The Notice of 16th AGM, Proxy Form and Administrative Guide are available on the Company's corporate website at http://www.bmgreentech.com.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

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

Practice 13.2
All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application :	Applied	
Explanation on application of the practice :	All Directors attended the Company's 15th Annual General Meeting ("AGM") held on 25 August 2025. At the AGM, the Chairmen of all the Board Committees, namely Audit Committee, Nomination Committee and Remuneration Committee, were present and provided meaningful and considered responses to queries raised by shareholders, corporate representatives and proxies. Members of Group's Key Senior Management were also in attendance to address questions and concerns directly from shareholders, where appropriate, thereby facilitating effective engagement and informed participation at the meeting.	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company's 15th Annual General Meeting ("AGM") was conducted physically to facilitate face-to-face engagement and foster more meaningful interaction with shareholders and stakeholders. To enhance accessibility and participation, BM GreenTech consistently convenes its AGMs within the Klang Valley. While the Company has a relatively small shareholder base, the Board is of the view that a physical AGM provides an effective platform for direct and constructive engagement, in line with the Listing Requirements which allow for physical or hybrid general meetings. The Company leverages technology to support shareholder participation by making the Notice of AGM and Proxy Form readily accessible on its corporate website. Shareholders who are unable to attend in person are able to appoint proxy(ies) to attend, participate, speak and vote on their behalf. The submission of proxy forms may be made either in hard copy or via electronic means, thereby providing flexibility and convenience to shareholders. The Company remains mindful of the importance of maintaining appropriate cyber hygiene practices, including data privacy and security measures, in facilitating shareholder participation and safeguarding against potential cyber risks.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Practice 13.4
The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.		
Application :	Applied	
Explanation on application of the practice :	The Company's 15th Annual General Meeting ("AGM"), held on 25 August 2025, was conducted physically, providing shareholders with a meaningful platform to engage directly with the Board and Senior Management. The Chairman emphasised the importance of fostering open and constructive dialogue, and encouraged shareholders, corporate representatives and proxies to participate, vote and raise questions on the Company's financial and non-financial performance, operational matters and long-term strategies. Shareholders were given opportunities to pose questions and seek clarification throughout the meeting. The Board and Senior Management actively engaged with shareholders and provided meaningful responses to all questions raised. Representatives from the External Auditors, KPMG PLT, were also present to assist the Board in addressing audit-related queries, including matters concerning the audit process and the Auditors' Report. To facilitate informed engagement, the Group Managing Director delivered a presentation on the Group's financial and operational performance for the financial year ended 31 March 2025, complemented by a corporate video presentation highlighting the Group's business developments and strategic direction. The interactive discussions during the AGM enabled shareholders to gain deeper insights into the Group's performance, prospects and long-term growth plans.	
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.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.		
Application :	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice :		
Explanation for departure :	Although the Company conducted only a physical Annual General Meeting ("AGM") in 2025, shareholders were provided with sufficient time and opportunity to raise questions and engage directly with the Board and Management. The Chairman facilitated active and constructive participation throughout the meeting, while the Board and Management addressed all questions raised in a meaningful, transparent and timely manner.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 13.6

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

<table>
<tr><td colspan="3">Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</td></tr>
<tr><td>Application :</td><td colspan="2">Applied</td></tr>
<tr><td>Explanation on application of the practice :</td><td colspan="2">Minutes of the previous Annual General Meeting together with questions raised by shareholders and responses by the Company were uploaded to the Company's website within 30 business days after the general meeting.</td></tr>
<tr><td rowspan="2">Explanation for departure :</td><td colspan="2"></td></tr>
<tr><td colspan="2"></td></tr>
<tr><td colspan="3">Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</td></tr>
<tr><td>Measure :</td><td colspan="2"></td></tr>
<tr><td>Timeframe :</td><td></td><td></td></tr>
</table>

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT 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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