

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0146
COMPANY NAME : JF TECHNOLOGY BERHAD
FINANCIAL YEAR : June 30, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") takes full responsibility for the overall performance of the Company and its subsidiaries ("Group"). This involves setting the strategic directions and objectives, formulating policies, and executing key strategic action plans. The Board regularly reviews the Group's business operations and maintains comprehensive oversight of the Group's Management.</p> <p>The Board's duties and responsibilities encompass determining the Group's overall strategic plans, performing periodic reviews of its businesses and financial performance, and adopting practical risk management strategies. Additionally, the Board ensures a robust internal controls framework is in place to support the Company.</p> <p>For the financial year under review, the Board reviewed the sustainability, effectiveness, and implementation of strategic plans and provided guidance and feedback to Management. To facilitate the effective discharge of its functions and duties, the Board's principal responsibilities are set out in the Board Charter, which includes the following:</p> <ul style="list-style-type: none">• review and adopt a strategic business continuity plan for the Company and the Group;• oversee and monitor the conduct of the Group's businesses and financial performance;• review and adopt budgets and financial results of the Company and the Group while ensuring compliance with applicable accounting standards and maintaining the integrity and adequacy of financial disclosures;• identify principal risks and ensure the implementation of appropriate systems to manage these risks effectively;• review the adequacy and integrity of the Company's and the Group's internal control systems and management information

systems, including systems designed to comply with applicable laws, regulations, rules, directives, and guidelines; and

- ensure competent Management by establishing policies to strengthen the Group's performance, fostering innovation, initiative, and technology, developing new products, and expanding into new business markets.

The Board has also adopted a schedule of matters specifically reserved for its approval, which includes, but is not limited to, the review and approval of the following:

- calls for capital contributions from shareholders;
- any exercise of the Company's lien or forfeiture rights in respect of shares under the Company's Constitution;
- annual business plan, annual budget, and mid-term and long-term business plans;
- annual report to be submitted at the general meeting;
- any transactions outside the ordinary course of business of the Company;
- long-term agreements covering more than one (1) year;
- incurring borrowings or creating any charges, mortgages, security interests, or encumbrances over the assets of the Company;
- any changes in the accounting policies of the Company other than as required by law or applicable accounting standards in Malaysia;
- commencement, defence, or settlement of any litigation or arbitration;
- dividend policy of the Company and any changes to be made to such policy and declaration and payment of any interim dividends;
- recommendations to the general meeting of any dividend payments, other distributions, or capitalisation of any profit or reserve of the Company;
- changes in key positions such as Board members, Chairman, Chief Executive Officer, Chief Financial Officer, or Chief Operating Officer, including renewal or extension of their terms of appointment;
- sale or disposal of any assets not within the ordinary course of business; and
- issuance of any guarantees or indemnities other than those required in the ordinary course of business of the Company.

The Board has delegated specific responsibilities to various Board Committees, each operating within clearly defined terms of reference to discharge its duties and responsibilities. The standing Board Committees comprise the following:

- Audit Committee ("**AC**");
- Nomination Committee ("**NC**"); and
- Remuneration Committee ("**RC**").

At its meetings, the Board receives updates from the Chairman of each Board Committee regarding ongoing activities. As a general policy, all major decisions are considered by the Board.

	The terms of reference for the Board Committees can be accessed on the Company's website at https://www.jf-technology.com/corporate-governance .	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Datuk Phang Ah Tong, the Independent Non-Executive Chairman, is primarily responsible for ensuring the orderly conduct and effective functioning of the Board, serving as a counterbalance to the influence of the Managing Director.</p> <p>The key roles and responsibilities of the Chairman, as outlined in the Board Charter, include the following:</p> <ul style="list-style-type: none"> • leading the Board in setting the values and standards of the Company and the Group; • maintaining a relationship of trust between the Executive Directors and Non-Executive Directors; • ensuring Directors receive accurate, timely, and clear information; • ensuring the integrity and effectiveness of the governance process of the Board; • facilitating effective communication with shareholders and relevant stakeholders; • arranging regular evaluations of the performance of the Board, the Board Committees, and individual Directors; • enabling the effective contribution of the Directors; and • setting the agenda for Board meetings, in consultation with the Managing Director and the Company Secretaries, to ensure all relevant issues are included. <p>The Board Charter can be accessed on the Company's website at https://www.if-technology.com/corporate-governance.</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 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman and Managing Director roles are held by two (2) separate individuals, Datuk Phang Ah Tong and Dato' Foong Wei Kuong, respectively. The responsibilities of the Chairman and Managing Director are distinct and clearly defined to ensure a proper balance of power and authority, preventing any single individual from having unfettered decision-making authority. These roles and responsibilities are clearly defined in the Board Charter.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	Datuk Phang Ah Tong has no memberships in the Company's Board Committees. This arrangement strengthens the Board's ability to maintain checks and balances, ensuring objective review of all matters recommended by the Board Committees.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by two (2) Company Secretaries, Ms. Chua Siew Chuan and Ms. Chin Mun Yee, both experienced and qualified in accordance with Section 235 of the Companies Act 2016.</p> <p>The Board has unrestricted access to the advice and services of the Company Secretaries, who possess expertise in laws, regulations, and directives issued by regulatory authorities. The Company Secretaries guide the Board on the Directors' obligations under relevant rules and regulations, including the Malaysian Code on Corporate Governance and Bursa Malaysia Securities Berhad Main Market Listing Requirements.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Members of the Board and Board Committees receive proper notices of meetings, along with the agenda and relevant meeting papers from Management, at least five (5) days prior to each meeting. This ensures that members have sufficient time to review the materials and fully deliberate on the issues to be considered.</p> <p>The Company Secretaries accurately document the deliberations, decisions, and resolutions of each meeting in the minutes, including instances where Directors abstained from voting or deliberations. The minutes are then circulated to the Board and respective Board Committee members for review and, subsequently, confirmed at the next Board or Board Committee meeting. Once signed, the minutes are properly filed and kept in the statutory minutes book at the Company's registered office.</p> <p>The attendance of all Directors at Board Committee meetings does not compromise the objective and independent discussions held by the Board Committees. Matters requiring objective and independent discussion such as private meetings with external auditors or matters concerning the performance of Executive Directors are discussed in the absence of the Executive Directors. The Board Committees are free to deliberate and make decisions on matters within their scope without undue influence from the Executive Directors.</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

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has formalised and adopted a Board Charter that outlines the Board's roles, functions, composition, operations, and processes. The Board Charter serves as a guide for the Board regarding its roles, duties, responsibilities, and authority, aligning with the principles of good corporate governance. It also acts as a reference for Board members and senior management. The Board Charter is available to the public on the Company's website at https://www.jf-technology.com/corporate-governance.</p> <p>The Board periodically reviews the Board Charter and makes any necessary amendments to ensure alignment with the Board's objectives and current laws and practices. The Board Charter was last reviewed on 15 June 2023.</p> <p>Additionally, the Board has adopted a schedule of matters specifically reserved for its approval.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of fostering a corporate culture that promotes business profitability and ethical business conduct. To support this, the Board has adopted a Code of Ethics and Conduct, which is consistent with the Company's Corporate Vision, Mission, Core Pillars, and Core Values.</p> <p>The Code of Ethics and Conduct is available on the Company's website at https://www.jf-technology.com/corporate-governance.</p> <p>The Company has also established an Anti-Bribery and Anti-Corruption Policy under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 and Paragraph 15.29 of Bursa Malaysia Securities Berhad Main Market Listing Requirements. This Policy outlines the standards and ethical guidelines that all employees are expected to adhere to in their work and when interacting with the public, reinforcing the Group's commitment to combating bribery and corruption.</p> <p>The Anti-Bribery and Anti-Corruption Policy can also be assessed on the Company's website at https://www.jf-technology.com/corporate-governance.</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 Group has implemented a Whistleblowing Policy to reinforce further its commitment to integrity, transparency, and accountability in business operations. The Whistleblowing Policy provides a channel for employees and the public to raise concerns or report any improper behaviour, misconduct, miscarriage of justice, damage to the environment, or actions that could materially impact the Group's reputation or the interests of its stakeholders.</p> <p>The Whistleblowing Policy can be accessed on the Company's website at https://www.jf-technology.com/corporate-governance.</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 and Management incorporate sustainability considerations into the strategies and business plans.</p> <p>During the financial year under review, the Company developed a Sustainability Governance Framework and Roadmap. Additionally, the Company enhanced its sustainability reporting by including performance data and targets to ensure alignment with Bursa Malaysia Securities Berhad's sustainability requirements.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group has initiated reporting its sustainability activities and performance in the Annual Report.</p> <p>Details on sustainability performance, initiatives, programs, and key material matters can be found in the annual Sustainability Statement in 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

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has undertaken the necessary training to stay abreast with and gain a deeper understanding of sustainability issues relevant to the Company and its operations, including climate-related risks and opportunities.	
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 Company recognises that it is the responsibility of the Board and senior management to address material sustainability risks and opportunities. The evaluation of the performance of the Board and senior management should consider how effectively they have performed these responsibilities.</p> <p>The Company has introduced Environmental, Social, and Governance questionnaires to enhance its Board assessment process.</p> <p>Sustainability-related key performance indicators (“KPI”) have been implemented and cascaded down to senior management within the organisation. These KPIs will be monitored at the senior management level to ensure their performance is aligned with sustainability goals.</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>The NC oversees the overall composition of the Board, considering factors such as size, mix of skills, experience, core competencies, and the balance between Executive Directors and Non-Executive Directors.</p> <p>The effectiveness of the Board as a whole and the contribution of each Director and Board Committee is assessed annually.</p> <p>Pursuant to Clause 117 of the Constitution of the Company, the following Directors will retire at the forthcoming Eighteenth Annual General Meeting (“AGM”) (“18th AGM”) of the Company (hereinafter referred to as “the Retiring Directors”):</p> <ul style="list-style-type: none">• Datin Wang Mei Ling• Mr. Goh Kok Sing• Ms. Chong Kur Sen <p>The NC has conducted assessments of the Retiring Directors based on the criteria prescribed by Bursa Malaysia Securities Berhad Main Market Listing Requirements, which include:</p> <ul style="list-style-type: none">• Mix of skills;• Character;• Experience;• Integrity;• Fit and proper;• Competence; and• Time commitment to discharge their roles. <p>Additionally, the NC evaluated the Retiring Directors using non-prescribed criteria, such as:</p> <ul style="list-style-type: none">• Level of participation in Board/Board Committee meetings; and• Advice and guidance are rendered to the Board and Board Committees based on their individual expertise and background.

	<p>The annual re-election of Retiring Directors is contingent upon a satisfactory evaluation of their performance and contribution to the Board.</p> <p>Having been satisfied with the performance of the Retiring Directors, the NC and, subsequently, the Board recommended their re-election at the forthcoming 18th AGM of the Company.</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>The Board consists of eight (8) members, comprising one (1) Managing Director, two (2) Executive Directors, one (1) Non-Independent Non-Executive Director and four (4) Independent Non-Executive Directors. The Company complies with Paragraph 15.02(1) of Bursa Malaysia Securities Berhad Main Market Listing Requirements, which states that at least two (2) Directors or one-third (1/3rd) of the Board, whichever is the higher, are Independent Non-Executive Directors.</p> <p>Pursuant to the definition of independence under Bursa Malaysia Securities Berhad Main Market Listing Requirements, all four (4) Independent Non-Executive Directors have met the independence criteria during the assessment.</p> <p>Currently, half of the Board is made up of Independent Non-Executive Directors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.3

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	:	Not applicable - Step Up 5.4 adopted	
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

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

Practice 5.4 - Step Up

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

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application	: Adopted
Explanation on adoption of the practice	: The Board has updated its Board Charter to restrict the tenure of Independent Non-Executive Directors to a maximum of nine (9) years with no further extension. Upon completion of the nine (9)-year term, the Independent Non-Executive Director may continue serving on the Board, but only as a Non-Independent Non-Executive Director. As of 30 June 2024, none of the Independent Non-Executive Directors have exceeded the nine (9)-year term. The Board Charter is available to the public on the Company's website at https://www.jf-technology.com/corporate-governance .

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>To ensure a formal and transparent procedure for appointing new Directors, the NC, which consists exclusively of Non-Executive Directors, with a majority being Independent Non-Executive Directors, is responsible for making recommendations relating to any new appointments to the Board. Any nominations received are presented to the full Board for assessment and approval.</p> <p>When considering new Director appointments, the NC assesses the suitability of candidates based on the following criteria:</p> <ul style="list-style-type: none">• required mix of skills, knowledge, expertise, and experience;• professionalism;• integrity;• competencies;• fit and proper status;• time commitment; and• For Independent Non-Executive Director candidates, the NC also evaluates their ability to effectively discharge the responsibilities and functions expected of Independent Non-Executive Directors. <p>For the re-election of existing Directors seeking re-election at the AGM of the Company, the NC first reviews and evaluates their performance. Following the evaluation, the NC makes a recommendation to the Board, which then makes the final decision on the re-election proposal to be presented to shareholders for approval.</p> <p>The Board has access to the services of the Company Secretaries, who ensure that all appointments are properly made and that all necessary information is obtained from the Directors for internal records and to meet the statutory obligations and regulatory requirements, including those from Bursa Malaysia Securities Berhad Main Market Listing Requirements.</p>

	<p>The appointment of C-Suite executives, who make up the senior management, is based on their character, experience, integrity, competency, and ability to discharge their roles.</p> <p>The Board actively promotes diversity within the Board and senior management, recognising that a diverse Board offers greater depth and breadth than a non-diverse Board, while diversity in senior management contributes to more informed decision-making.</p>	
Explanation for departure		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure		
Timeframe		

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC follows a formal and transparent procedure for recommending new appointments or suitable candidates to the Board for assessment and approval.</p> <p>When assessing a potential new Director, the NC considers the following criteria:</p> <ul style="list-style-type: none"> • required mix of skills, knowledge, expertise, and experience; • professionalism; • integrity; • competencies; • fit and proper status; • time commitment; and • For Independent Non-Executive Director candidates, the NC also evaluates their ability to discharge the responsibilities and functions expected of Independent Non-Executive Directors. <p>The Company does not rely solely on recommendations from existing Board members or Management but also utilises independent sources throughout the recruitment process.</p> <p>No new Directors were appointed to the Board in the financial year under review.</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	:		
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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 information regarding the Retiring Directors is disclosed in the 2024 Annual Report and includes the following:</p> <ol style="list-style-type: none"> 1) Biographies include academic and professional qualifications and current directorships in other public companies and listed companies. 2) Any family relationships with other Directors and/or major shareholders of the Company. 3) Any conflicts of interest with the Company and its subsidiaries. 4) Any convictions for offenses within the past five (5) years and any public sanctions or penalties imposed by relevant regulatory bodies. 5) Details of meeting attendance. <p>The explanatory notes accompanying the Notice of AGM include the Board's justification for supporting the re-election of the Retiring Directors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	Ms. Chong Kur Sen, an Independent Non-Executive Director, chairs the NC.	
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	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises the importance of diversity in gender, ethnicity, age, and business experience for its effective functioning.</p> <p>Currently, four (4) out of eight (8) Board members are women, representing 50% of the Board's composition.</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 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Although the Board has not formalised a Gender Diversity Policy for the Board and senior management, it upholds a non-discriminatory approach to gender and actively promotes workplace diversity. The Board is committed to supporting the representation of women within its composition and in senior management positions within the Company.	
		Currently, the Board comprises four (4) female Directors out of a total of eight (8) members, representing 50% of the Board's female representation.	
<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

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 NC conducts annual assessment of the Board, individual Directors, and Board Committees, which include: (a) effectiveness of the Board as a whole and the Board Committees; (b) contribution and performance of each individual Director; (c) contribution and performance of the AC and each individual AC member; and (d) independence of Independent Non-Executive Directors. These assessments are conducted annually, with each Director having the opportunity to provide feedback on the overall effectiveness of the Board and their individual contributions. Additionally, the NC evaluates the performance of the Board Committees and individual AC members. The Company Secretaries compile the results, which are then tabled to the NC for review. For the financial year ended 30 June 2024, the NC is satisfied with the effectiveness of the Board, individual Directors, Board Committees and individual AC members based on the assessments conducted. The results supported the Board's decision to endorse the Retiring Directors for re-election. To enhance the Board's knowledge and skills for improved participation in meetings, Board members attended various training programs during the financial year under review. Details of these training sessions are disclosed in the Corporate Governance Overview Statement in the 2024 Annual Report.
Explanation for departure	:

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

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has implemented a Remuneration Policy for Directors and Senior Management, outlining the criteria for determining their remuneration packages.</p> <p>This Remuneration Policy is accessible on the Company's website at https://www.jf-technology.com/corporate-governance.</p> <p>The RC is responsible for reviewing, assessing, and recommending the remuneration packages for the Executive Directors and senior management. This process considers individual performance, seniority, experience, and scope of responsibilities to ensure the remuneration is sufficient to attract and retain the Executive Directors and senior management needed for the successful operations of the Company.</p> <p>Executive Directors' remuneration is structured to link rewards to the Group's and individual's performance, while the remuneration of Non-Executive Directors is based on their experience and the level of responsibilities they assume. To ensure that the Directors' remuneration remains competitive and aligned with market expectations, comparisons are made with other public listed companies' remuneration packages.</p> <p>Executive Directors do not participate in decisions regarding their own remuneration. Similarly, the remuneration of Independent Non-Executive Directors is determined by the Board as a whole, with individual Directors abstaining from discussions on their own remuneration.</p> <p>The RC reviews and assesses the senior management's remuneration packages based on recommendations from the Executive Directors before making final recommendations to the Board for approval.</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 RC implements the policies and procedures on the remuneration of the Board and senior management and reviews and recommends matters related to their compensation.</p> <p>The RC operates under written terms of reference, which is available on the Company's website at https://www.jf-technology.com/corporate-governance. These terms of reference outline the RC's authorities and duties, including:</p> <ul style="list-style-type: none">i. Recommends the remuneration packages for Executive Directors and senior management to the Board, seeking external advice as necessary.ii. The Board determines remuneration packages for Non-Executive Directors as a whole.
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	:	The details of the Directors' remuneration, including amounts received or receivable from the Company and its subsidiaries for the financial year ended 30 June 2024 are as follows:

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Foong Wei Kuong	Executive Director	-	-	-	-	-	-	-	-	112.8	817.2	196.32	17.24	216.09	1,359.65
2	Datin Wang Mei Ling	Executive Director	-	-	-	-	-	-	-	-	66	526.8	105.5	-	134.882	833.182
3	Goh Kok Sing	Executive Director	-	-	-	-	-	-	-	-	-	144.6	28.975	17.4	22.951	213.926
4	Datuk Phang Ah Tong	Independent Director	40.32	7	-	-	-	-	47.32	40.32	7	-	-	-	-	47.320
5	Koay Kah Ee	Non-Executive Non-Independent Director	37.632	7	-	-	-	-	44.632	37.632	7	-	-	-	-	44.632
6	Chua Hui Chen	Independent Director	30.912	7	-	-	-	-	37.912	30.912	7	-	-	-	-	37.912
7	Chong Kur Sen	Independent Director	30.912	7	-	-	-	-	37.912	30.912	7	-	-	-	-	37.912
8	Jamilah binti Kamal	Independent Director	30.912	7	-	-	-	-	37.912	30.912	7	-	-	-	-	37.912
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Departure								
Explanation on application of the practice	:									
Explanation for departure	:	<p>The Board has carefully considered this practice and is of the opinion that disclosing the remuneration of the top five (5) senior management on a named basis would not be in the Group's best interest, given the competitive nature of the industry and the sensitivities involved. Protecting the confidentiality of this information is crucial for effectively managing recruitment and talent retention.</p> <p>Hence, the Group has decided to disclose the remuneration of the top five (5) senior management personnel within an RM50,000.00 bandwidth.</p> <p>The remuneration components for the top five (5) senior management, including Employees Provident Fund (EPF), bonuses, Social Security Organisation (SOCSO) contributions, allowances, benefits-in-kind, and other payments, are presented in RM50,000.00 bands as follows:</p> <table border="1" data-bbox="568 1442 1385 1594"> <thead> <tr> <th>Remuneration bands (RM)*</th> <th>No. of senior management</th> </tr> </thead> <tbody> <tr> <td>300,001 to 350,000</td> <td>1</td> </tr> <tr> <td>450,001 to 500,000</td> <td>3</td> </tr> <tr> <td>500,001 to 550,000</td> <td>1</td> </tr> </tbody> </table> <p><i>*Successive bands of RM50,000.00 are not shown entirely as they are not represented.</i></p> <p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</p>	Remuneration bands (RM)*	No. of senior management	300,001 to 350,000	1	450,001 to 500,000	3	500,001 to 550,000	1
Remuneration bands (RM)*	No. of senior management									
300,001 to 350,000	1									
450,001 to 500,000	3									
500,001 to 550,000	1									
<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.	
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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	:	To ensure the AC's overall effectiveness and independence, the Chairperson of the AC is not the Chairman of the Board. Madam Chua Hui Chen chairs the AC, while Datuk Phang Ah Tong serves as the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>In line with the recommendations of the Malaysian Code on Corporate Governance, the AC's terms of reference have been revised to include a cooling-off period of at least three (3) years before a former partner of the Company's external audit firm or its affiliate firm (including those providing advisory or tax consulting services) can be appointed as a member of the AC. This measure is intended to safeguard the independence of the audit of the Company's financial statements.</p> <p>The AC's terms of reference are available on the Company's website at https://www.jf-technology.com/corporate-governance.</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 Board, through the AC, conducts an annual assessment of the suitability and independence of the External Auditors, Crowe Malaysia PLT.</p> <p>For the financial year ended 30 June 2024, the AC concluded that Crowe Malaysia PLT demonstrated technical competence and maintained audit independence during the financial year under review.</p> <p>Additionally, the AC received assurance from Crowe Malaysia PLT, confirming that the firm, its engagement partner, and the audit team adhered to the relevant ethical, professional, and regulatory standards, ensuring their independence, integrity, and objectivity.</p> <p>Considering these factors, the Board, based on the AC's recommendation, approved the re-appointment of Crowe Malaysia PLT as the Company's External Auditors for the ensuing year, subject to shareholders' approval at the forthcoming 18th AGM 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

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	:	The AC is currently comprised entirely of Independent Non-Executive Directors as follows: 1) Madam Chua Hui Chen (<i>Chairperson</i>) 2) Ms. Chong Kur Sen 3) Puan Jamilah binti Kamal

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	All members of the AC are financially literate and possess the necessary skills, financial experience, and expertise to discharge their duties effectively. The qualifications and experience of each AC member are detailed in the Directors' Profile section of the 2024 Annual Report. Additionally, all AC members have participated in continuous professional development, with details of the training they attended disclosed in the 2024 Annual Report.	
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 acknowledges its ultimate responsibility for maintaining a sound system of risk management and internal controls to safeguard shareholders' investments and the Group's assets. However, the Board also recognises that this system is structured to manage, rather than eliminate, the risk of failing to achieve corporate objectives.</p> <p>The Statement on Risk Management and Internal Control, included in the 2024 Annual Report, provides an overview of the state of risk management and internal controls within the Group for the financial year under review.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Statement on Risk Management and Internal Control in the 2024 Annual Report provides comprehensive details on the Group's risk management and internal controls.</p> <p>The Board, through the AC, oversees the Group's risk management and internal control systems. During the financial year under review, the AC reviewed and discussed the Risk Management Reports for the periods of October 2023 to March 2024 and April 2024 to September 2024. These reports covered the principal risks (Strategic, project, and product risks) and non-principal risks (Operational and financial risks) and were deliberated during AC meetings held on 15 November 2023 and 23 May 2024, respectively.</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>During the financial year under review, the Company appointed Wensen Consulting Asia (M) Sdn. Bhd. ("Wensen Consulting"), an independent professional services firm to assist the AC in discharging its duties and responsibilities more effectively.</p> <p>Wensen Consulting assures the effectiveness of the system of internal controls and reports directly to the AC on issues and recommendations arising from each audit review.</p> <p>During the financial year under review, the internal audit function conducted the following audits to assess the adequacy and effectiveness of the Group's system of internal controls and compliance with its policies and procedures:</p> <ol style="list-style-type: none"> 1. Sales and marketing management; and 2. Credit assessment and control management. <p>The AC and the Board were satisfied with the performance of Wensen Consulting in providing outsourced internal audit services to the Group during the financial year under review.</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

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group's internal audit function reports directly to the AC and is outsourced to Wensen Consulting. The primary role of the internal audit function is to conduct regular reviews of the Group's system of controls, procedures, and operations and provide independent and objective assurance to the AC on the adequacy and effectiveness of the internal control, risk management, and governance systems.</p> <p>During the financial year under review, the Engagement Director was Mr. Shawn Lee Chien Hean, who brings diverse professional experience in internal audit, risk management, and corporate governance advisory. He is a holder of Bachelor of Accounting (Hons).</p> <p>The internal audit team for each review consisted of four (4) to five (5) staff members, including the Engagement Director and Client Service Director. The team members possess professional qualifications and/or university degrees, some of whom are members of the Institute of Internal Auditors Malaysia. The internal audit staff involved in the engagement are free from any relationships or conflicts of interest that could impair their objectivity and independence. The audits are conducted using a risk-based approach and are guided by the International Professional Practice Framework.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied						
Explanation on application of the practice	:	<p>The Board recognises the importance of timely and equitable dissemination of material information to shareholders, investors, and the public. In its best efforts, the Board ensures that shareholders and various stakeholders are consistently informed of the Company's business activities and corporate developments in a timely and informative manner.</p> <p>The Board ensures that the Company announces its quarterly results, Annual Reports, and announcements on material corporate exercises to stakeholders via Bursa Malaysia Securities Berhad.</p> <p>Additionally, the Board allows stakeholders to ask questions and seek clarifications during the Company's general meetings, promoting effective and transparent communication.</p> <p>The Company also maintains a website at https://www.jf-technology.com/, where stakeholders and the public can access the Group's profile, corporate details, products, financial performance, and announcements made to Bursa Malaysia Securities Berhad.</p> <p>For further information regarding the Group, stakeholders can also contact the Company through the following methods:</p> <table border="1"> <tr> <td>Telephone</td> <td>03-61408668</td> </tr> <tr> <td>Facsimile</td> <td>03-61408992</td> </tr> <tr> <td>Email</td> <td>foong.wei.kuong@jftech.com.my</td> </tr> </table>	Telephone	03-61408668	Facsimile	03-61408992	Email	foong.wei.kuong@jftech.com.my
Telephone	03-61408668							
Facsimile	03-61408992							
Email	foong.wei.kuong@jftech.com.my							
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

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 2024 Annual Report, which contains the Notice of AGM and the Form of Proxy, is given to shareholders at least twenty-eight (28) days before the AGM of the Company. This allows shareholders sufficient time to prepare for the meeting or to appoint a proxy to attend and vote on their behalf.</p> <p>The Notice of AGM is also announced through Bursa Malaysia Securities Berhad and advertised in a major local newspaper. Additionally, shareholders with valid email addresses receive the Notice of AGM via email, while hard copies are sent to those without email addresses.</p> <p>For each special business item included in the Notice of AGM, an accompanying explanatory statement is provided to facilitate shareholders to understand and evaluate the proposed resolutions fully.</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>All Directors attended the Company's Seventeenth AGM held on 5 December 2023.</p> <p>In addition, the Chairman of the Board, the Chairmen of the Board Committees, and the External Auditors also attended the meeting to address any questions from shareholders.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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 conducted its Seventeenth AGM on 5 December 2023 physically.	
	:	The Board believes that a physical AGM offers improved shareholder engagement by providing opportunities for direct, face-to-face interaction with the Board and Management, leading to more meaningful discussions. It also allows for real-time questioning and promotes transparent communication, enhancing accountability. In deciding the method of the AGM, the Board also considered technological limitations, shareholder preferences, the complexity of the matters to be discussed, and regulatory considerations. Additionally, shareholders can appoint proxies to attend, speak, and vote on their behalf if they cannot attend the AGM, with a Form of Proxy provided alongside the Notice of AGM.	
<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	: All Directors attended the Seventeenth AGM of the Company on 5 December 2023, where they actively engaged with shareholders and proxies. The Chairman of the Meeting ensured that shareholders and proxies had sufficient opportunity to raise questions about the Company's affairs by providing ample time for the Question-and-Answer session during the AGM of the Company. The Directors actively addressed the relevant questions raised during the meeting. Additionally, the Chief Financial Officer and representatives of the External Auditors were present and participated in the Seventeenth AGM of the Company.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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 Minutes of the Seventeenth AGM, including the questions raised by shareholders, the Company's responses, and the voting results, were made available to shareholders within thirty (30) business days after the meeting. The said Minutes can be accessed on the Company's website at https://www.jf-technology.com/minutes-of-agm .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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

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