

# Corporate Governance Overview Statement

The Board of Directors ("the Board") of WCT Holdings Berhad ("WCT" or "the Company") recognises the importance of practising good corporate governance and is committed to apply applicable principles and recommendations as set out in the Malaysian Code on Corporate Governance 2017 ("the Code") and the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") throughout the Group's operations and management so as to enhance the value to our shareholders and other stakeholders as well as to generate long term sustainability and growth.

This statement is made pursuant to the MMLR of Bursa Securities and is to be read together with the Corporate Governance ("CG") Report for the application of three key principles set out in the Code and good corporate governance practices by the Company during the financial year ended 31 December 2018. The CG Report is available on the website of Bursa Securities together with the Company's 2018 Annual Report and is also posted on the Company's website ([www.wct.com.my](http://www.wct.com.my)).

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### ➤ ROLES AND RESPONSIBILITIES

The Group is led by a sound and experienced Board which plays an important role in the stewardship of its direction and operations. It focuses mainly on strategies, financial performance and critical business issues, including the following specific areas to ensure that the governance of the Group is consistently maintained:

- Reviewing business plans and direction of the Group
- Overseeing the Group's strategic action plans
- Identifying principal risks and implementing appropriate internal control system
- Approving acquisition and divestment policy and major investment decisions
- Monitoring the performance of the Management and the Group's principal businesses
- Upholding high standards of conduct or ethics and corporate behaviour of the Group

The Board also adopts a well-defined framework on the various categories of matters that require the Board's approval, endorsement or notation, as the case may be. The Board is supported by the Group Managing Director, Executive Directors and the Management, whose responsibilities are to implement the Group's strategies and manage the operations of the Group, subject to certain prescribed authority limits.

Where appropriate, matters have been delegated to the following Board Committees, all of which have written terms of reference to assist the Board in discharging its duties and responsibilities. The Board receives the reports of their proceedings and deliberations at its scheduled Board Committees meetings:

- (1) Audit Committee
- (2) Nomination & Remuneration Committee
- (3) Options Committee

The Board Charter which set out the roles, responsibilities, functions, compositions, processes and operations of the Board as well as those functions delegated to the Board Committees and the Management of WCT Group has been adopted to guide the Board to discharge its roles and responsibilities effectively.

The Board Charter, which is reviewed and updated periodically by the Board, is made available for reference in the Company's website at ([www.wct.com.my](http://www.wct.com.my)).

### ➤ BOARD COMPOSITION AND BALANCE

The Board currently has nine (9) members, made up of the Executive Directors including the Executive Chairman, the Group Managing Director, the Deputy Managing Director, an Executive Director, and five (5) Independent Non-Executive Directors following the appointment of Puan Rahana Binti Abdul Rashid on 1 January 2019.

Each of the Director's profile is presented under the section titled "Profile of Directors" in the Company's 2018 Annual Report.

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The current Board composition (whereby the majority of the Board members are Independent Directors) fully complies with MMLR of Bursa Securities which require at least two (2) directors or 1/3 of the Board members (whichever is the higher) to be Independent Directors as well as the recommendation under the Code, whereby the Company (being a Large Company as defined under the Code) shall have a Board comprising a majority of Independent Directors.

In addition to the Executive Directors who have day-to-day responsibilities for the Group's operations, the Independent Non-Executive Directors also play an important role in ensuring corporate governance and accountability are being upheld, as they provide unbiased and independent views, advice, opinions and judgments as well as provide effective check and balance in the functioning of the Board to safeguard the interests, not only of the Group but also that of the minority shareholders, employees, customers, suppliers and the communities in which the Group conducts its business. The Board is satisfied that the current Board composition adequately reflects the interest of the minority shareholders of the Company.

The Independent Non-Executive Directors are also actively involved in the various Board Committees. They provide broader views, independent assessments and opinions on management proposals, particularly any related party transactions entered into by the Group.

The role of the Chairman and the Group Managing Director of the Company are held by different individuals and their respective duties are set out in the Board Charter of the Company.

The Board acknowledges the recommendation of the Code for the Company to have gender diversity policy with at least 30% women directors. Currently, Puan Rahana Binti Abdul Rashid is the only woman director sitting on the Board. The Board supports the policy to embrace gender diversity and inclusiveness and will continue to take steps to appoint new women director to the Board. Presently, the Board has not set any appropriate target to achieve boardroom gender diversity including the diversity in ethnicity and age. Importantly, the Board is of the view that the selection and appointment of any new board member shall take into consideration the required mix of skill, knowledge and professional experience which the new director could bring to the Company.

The Board has reviewed and is satisfied that its current size and composition of the Board provide an effective blend of entrepreneurship, business and professional expertise in general management, finance and technical areas of the industries in which the Group is involved. The mixture of skills and experience is vital for the continued success and future direction of the Group.

## ➤ **CODE OF CONDUCT**

The Board observes the Code of Ethics for the Company Director issued by the Companies Commission of Malaysia ("Regulatory Code of Ethics").

The Regulatory Code of Ethics provides the ground rules and guidance for proper standard of conduct and ethical behaviour for the Board, based on the principles of sincerity, integrity, responsibility and corporate social responsibility.

WCT Group has adopted a standard Code of Conduct and Ethics ("WCT Code of Ethics") relating to its business operations for all its employees. New employees are briefed on the WCT Code of Ethics upon joining and are required to acknowledge in writing their acceptance and understanding thereof.

The Whistleblowing Policy, adopted by the Company in year 2017, provides an avenue and mechanism for any individual to report any concerns they may have on any suspected and/or known improper conducts, wrongdoings, corruption, fraud and/or abuse in accordance with the procedures as provided under the said policy. The Whistleblowing Policy is available on the Company's website at ([www.wct.com.my](http://www.wct.com.my)), for reference and for ease of access for reporting by employees and associates of the Group.

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## ➤ **SUPPLY OF AND ACCESS TO INFORMATION**

All scheduled Board and Board Committee meetings held during the financial year were preceded by a formal agenda issued by the Company Secretary in consultation with the Chairman of the meeting. The agenda for each of the meetings are accompanied by the minutes of preceding meetings of the Board and Board Committees, reports on group financial performance, operational performance of its business units including overall quality and delivery of products and services, market analysis, quarterly results for announcements, internal audit and risk management reports, updates on material litigations (if any) and other relevant information. The Board papers/meeting materials, which are shared with and uploaded via electronically for the Board on a timely basis, are comprehensive and encompass all aspects of the matters being considered, enabling the Board to look at both quantitative and qualitative factors so that informed decisions may be made.

The Company Secretaries would also brief the Board on the proposed contents and timing of any material announcements by the Company before being released to Bursa Securities for public dissemination. The Board always has access to the advice and services of the Company Secretaries especially relating to the procedural and regulatory requirements such as companies and securities laws, corporate governance matters and MMLR of Bursa Securities.

In addition to the above, the Board has full and unrestricted access to the advice and services of the Management and Company Secretaries and to obtain all necessary external and independent professional advice, when required, at the Company's expense.

## ➤ **COMMITMENT OF THE BOARD**

The Board is satisfied with the level of time committed by the Board in discharging their respective duties and roles as Directors of the Company. All the Directors of the Company have complied with the MMLR of Bursa Securities on the maximum number of directorships which they can hold in public listed companies.

An annual corporate meetings calendar is prepared in advance and sent to the Board before the beginning of every year which provides the scheduled meeting dates for the Board, Board Committees, the AGM and trainings/seminars to be organised by the Company.

The Board meets at least four (4) times a year, with additional meetings to be convened as and when necessary. Issues deliberated at such meetings and the relevant decisions made are duly minuted by the Company Secretary. During the financial year ended 31 December 2018, a total of four (4) Board meetings were held which all the Directors have complied with MMLR of Bursa Securities on the attendance of Board meetings and details of the attendance of the Directors at the Board Meetings are as follows:

Directors	Number of Board meetings attended in 2018
Tan Sri Lim Siew Choon	4/4
Dato' Lee Tuck Fook	4/4
Goh Chin Liong	4/4
Liang Kai Chong	4/4
Tan Sri Marzuki Bin Mohd Noor	4/4
Datuk Ab Wahab Bin Khalil	4/4
Dato' Ng Sooi Lin	4/4
Ng Soon Lai @ Ng Siek Chuan	4/4
Rahana Binti Abdul Rashid*	-

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\* Appointed on 1 January 2019

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In the intervals between scheduled Board meetings, for any exceptional matters requiring urgent Board decisions, Board approvals may be sought via circular resolutions which are attached with sufficient and relevant information required for an informed decision to be made or via ad-hoc Board meetings to be convened. Where a potential conflict of interests arises in the Group's investment, projects or any transactions involving any of the Directors or persons deemed connected to them, such Director is required to declare his interest and abstain from further deliberation and the decision-making process.

## ➤ **DIRECTORS' TRAINING**

All the Directors have attended the Mandatory Accreditation Programme ("MAP") organised by Bursa Securities. The Directors will continue to undergo other appropriate training programmes to further enhance their professionalism and knowledge as directors of a public listed company and to keep abreast with new developments within the industry.

Besides the annual assessment conducted to assess the training needs of the Directors, each Director may also identify any appropriate training that enhances their effectiveness in discharging their duties as directors. The Company Secretary facilitates the organisation of in-house training programmes as well as registration for external training programmes and seminars, if needed.

During the year, the Directors of the Company have attended an in-house training on "Implementing Sustainability Best Practices – Meeting Regulatory Requirements and Beyond" on 2 October 2018, which was organised for the Directors and senior management of WCT Group.

In addition to the above in-house training, the following Directors have also attended the external training programmes/seminars/conferences listed below:

### **Dato' Lee Tuck Fook**

- Invest Malaysia Conference 2018 (23 & 24 January 2018)
- Affin Hwang Capital Conference Series 2018 – Rebuilding A New Malaysia (8 November 2018)

### **Tan Sri Marzuki Bin Mohd Noor\***

- Audit Committee Conference 2018 – Internal Auditing in the Age of Disruption (27 March 2018)

### **Datuk Ab Wahab Bin Khalil\***

- Directors' & Officers' Liabilities/Prospectus Offerings Securities Insurances (POSI) – A Competitive Risk Transfer Mechanism (22 January 2018)
- Audit Committee Conference 2018 – Internal Auditing in the Age of Disruption (27 March 2018)
- Case Study Workshop for Independent Directors "Rethinking – Independent Directors: Board Best Practice" (5 September 2018)
- National Economic Outlook Conference 2019-2020 – Technological Change and Market Efficiency (27 & 28 November 2018)

### **Dato' Ng Sooi Lin\***

- Corporate Governance Breakfast Sessions (15 March 2018)

### **Ng Siek Chuan\***

- Key Changes to Malaysian Code on Corporate Governance ("CG") and Overview of CG Guide Third Edition (6 February 2018)
- Workshop on Malaysian Financial Reporting Standards ("MFRS") 9 (26 February 2018)
- Corporate Governance Breakfast Sessions (2 March 2018)
- Independent Directors' Programme - The Essence of Independence (29 October 2018)

\* Denotes a member of the Audit Committee

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## ➤ **BOARD COMMITTEES**

### **(A) AUDIT COMMITTEE**

The composition of the Audit Committee is in compliance with the MMLR of Bursa Securities, including the requirement that all its members are non-executive directors with independent non-executive directors forming the majority and one of the members being a qualified accountant.

The primary objective of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities relating to the Group's financial reporting and internal control systems. The Audit Committee's terms of reference are available at ([www.wct.com.my](http://www.wct.com.my)) and activities during the financial year are disclosed in the Audit Committee Report found in the Company's 2018 Annual Report.

The Audit Committee is able to obtain external professional advice and where necessary, invite external auditors/advisers/consultants with relevant experience to attend its meeting to seek opinions, viewpoints and clarifications.

### **(B) OPTIONS COMMITTEE**

The Options Committee has also been established by the Board to administer the Company's Employees Share Options Scheme 2013/2023 ("ESOS"), in accordance with the By-Laws of the ESOS as approved by the shareholders of the Company, amongst others, to determine participation eligibility, terms of the offers and share option allocations and to attend to such other matters as may be required subject to the ESOS's By-Laws. The members of the Options Committee are as follows:

- (i) Tan Sri Marzuki Bin Mohd Noor  
Chairman/Independent Non-Executive Director
- (ii) Dato' Lee Tuck Fook  
Member/Group Managing Director
- (iii) Goh Chin Liong  
Member/Deputy Managing Director

The Options Committee met once during the financial year 2018 to consider and approve the options offered to the eligible employees including the Executive Directors under the ESOS.

### **(C) NOMINATION & REMUNERATION COMMITTEE**

The members of the Nomination & Remuneration Committee ("NRC"), consist of entirely Independent Non-Executive Directors, as follows:

- (i) Datuk Ab Wahab Bin Khalil  
Chairman/Independent Non-Executive Director
- (ii) Tan Sri Marzuki Bin Mohd Noor  
Member/Independent Non-Executive Director
- (iii) Dato' Ng Sooi Lin  
Member/Independent Non-Executive Director

The terms of reference, duties and responsibilities of the NRC are available on the Company's website ([www.wct.com.my](http://www.wct.com.my)).

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The NRC meets at least once a year and whenever required. In 2018, three (3) meetings were held and details of the attendance of the NRC members are as follows:

Name	Number of NRC meetings attended in 2018
Datuk Ab Wahab Bin Khalil	3/3
Tan Sri Marzuki Bin Mohd Noor	3/3
Dato' Ng Sooi Lin	3/3

During the financial year 2018, the NRC carried out the following activities:

- (i) Reviewed the annual increment and bonuses of the employees of the Group;
- (ii) Reviewed the annual increment and bonuses of all executive directors;
- (iii) Discussed the board gender diversity as recommended in the Code;
- (iv) Annual assessment and evaluation of the Board as a whole, committees of the Board, the individual directors and the independence of the Independent Directors;
- (v) Annual review of the Board in respect of its size and the required mix of skills and experience;
- (vi) Reviewed the re-election of three (3) directors retiring by rotation at the 7th Annual General Meeting;
- (vii) Discussed and reviewed the proposed revised Directors' fees to Non-Executive Directors and benefit payable to all the Directors; and
- (viii) Reviewed and made recommendations to the Board on the proposed appointment of Puan Rahana Binti Abdul Rashid as an Independent Non-Executive Director of the Company.

All recommendations of the NRC are subject to endorsements by the Board.

## ➤ **APPOINTMENTS AND RE-ELECTIONS TO THE BOARD**

The NRC is responsible for assessing and making recommendations on any new appointments to the Board. Selection of new candidates to be considered for new appointment as director is facilitated through recommendations from the Board members, the Management and/or through independent sources. In making these recommendations, the NRC considers the required mix of skills, knowledge and professional experience which the Directors could bring to the Board. As part of the process of appointing new Directors, the new Directors are provided with an orientation programme in order to be familiar with the operations and organisation structure of the Group.

The Articles of Association ("Articles") of the Company provides that the number of directors of the Company shall not be less than three (3) and not more than twenty (20). The Board has the power under the Articles to appoint a director from time to time either to fill a casual vacancy or as an additional director. Article 75 of the Company's Articles provides that any director so appointed shall hold office only until the next following Annual General Meeting ("AGM") and shall then be eligible for re-election at the said AGM.

For the re-election of Directors, Article 70 of the Company's Articles requires that the number of Directors nearest to, but not greater than one-third retire by rotation each year and being eligible, may offer themselves for re-election at the AGM. The Directors who are required to retire are those who have been longest in office since their last election. In addition, all the directors are required to retire from office once at least every three (3) years but shall be eligible for re-election.

The Directors who are seeking re-election at the forthcoming 8th AGM are stated in the notice of the 8th AGM. The NRC has assessed the performance of these Directors and accordingly recommended to the Board for their re-election to be tabled for shareholders' approval at the forthcoming 8th AGM. This provides an opportunity for the shareholders to renew their mandates for the said Directors to continue to serve on the Board. The re-election of each director will be voted by way of separate shareholders' resolutions. To assist the shareholders in their decision, information such as their personal profile and shareholdings in the Group of each director standing for re-election are furnished in the Company's 2018 Annual Report.

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## ➤ **BOARD EVALUATION**

The NRC has reviewed and adopted the criteria used for the annual assessment and evaluation of each individual Director, the Board as a whole and the Board Committees as well as the independence assessment of the Independent Directors.

Each Director is required to review and appraise himself and the Board and/or the respective Committees of which he is a member based on the criteria as set out in the evaluation form. From the results, the NRC will draw conclusions on the Board's and Committees' effectiveness in discharging their duties and responsibilities. The results and conclusions will be escalated to the Board.

The annual review and evaluation of the Board as a whole, the Board Committees and the individual Directors which were conducted for year 2018 concluded that the Board and the Board Committees had continued to operate effectively towards fulfilling their duties and responsibilities as the members of the Board and Board Committees throughout the year under review.

## ➤ **ASSESSMENT OF INDEPENDENT DIRECTORS**

The Board acknowledges the importance of having independence and objectivity in decision-making by the Independent Directors of the Company. Assessment on the independence of the Company's Independent Directors is taken annually, prior to any new appointment and when any new interest or relationship develops between the Independent Director and the Company.

The NRC reviews the independence of the Independent Directors in accordance with the criteria on independence as stipulated in the MMLR and Practice Notes of Bursa Securities as well as the Code. The Independent Directors are also assessed on their ability and commitment to continue to bring independence and objective judgement to the deliberation and decision making of the Board and Board Committees.

The Board and the NRC are, based on the annual assessment made for the financial year ended 31 December 2018, satisfied with the level of independence demonstrated by all the four (4) Independent Directors of the Company and that they fulfil the definition of "Independent Director" under the MMLR of Bursa Securities.

## ➤ **TENURE OF INDEPENDENT DIRECTORS**

The Board notes and supports the recommendation of the Code that the tenure of an Independent Director should not exceed a consecutive or a cumulative term of nine (9) years. In the event the Board intends to retain any Director as an Independent Director who has served beyond a consecutive or a cumulative term of nine (9) years, approval from the shareholders will be sought at the Company's general meeting.

Currently, none of the Independent Directors has served for more than nine (9) years on the Board.

## ➤ **DIRECTORS' REMUNERATION**

The objective of the Group's Remuneration Policy is to attract and retain the Directors who play an important role in leading and controlling the Group's operations effectively. Generally, the remuneration of each Director reflects the level of responsibility and commitment that goes with his Board and/or Board Committee memberships.

In the case of the Executive Directors, the Group aims to strike a balance between a level of remuneration which is sufficient to act as an incentive to the Executive Directors while at the same time challenging them to drive the growth of the Group's business and to maximize the return to shareholders. There are three (3) components to the Executive Directors' remuneration:

- Basic salary and benefits;
- Annual bonus which is a percentage of salary and is linked to individual and corporate performance; and
- Long-term incentives.

Generally, salaries are established in accordance with each Executive Director's level of responsibility and experience, having taken into account the remuneration and employment conditions within the construction and property industries. Long-term incentives are also introduced through share-based scheme under the Company's ESOS to align the Executive Directors' interest more closely to that of the shareholders.



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All Directors are paid Directors' fees. The Directors' fees are reviewed by the Board only when it deems necessary and for Non-Executive Directors, the review of Directors' fees should take into account their level of responsibility, the time commitment required from the Directors and fees level based on the comparable rates in the similar industry. The Directors' fees are subject to the shareholders' approval at the Company's annual general meeting.

In addition, the Company also reimburses expenses reasonably incurred by these Directors in the course of carrying out their duties as Directors and the Non-Executive Directors are also paid meeting attendance allowances.

The aggregate fees, remuneration and other emoluments received by the Directors of the Company for the financial year ended 31 December 2018 are stated as follows:

The Company/Group	Salaries and Other Emoluments (RM)	Fees (RM)	Bonus (RM)	EPF (RM)	Benefits-in-kind (RM)	Insurance effected for Directors (RM)	Total (RM)
<b>Executive Directors</b>							
Tan Sri Lim Siew Choon	2,760,000	12,000	575,000	400,200	47,900	4,208	3,799,308
Dato' Lee Tuck Fook	2,400,000	12,000	500,000	348,000	-	1,166	3,261,166
Goh Chin Liong	1,980,000	12,000	412,500	287,100	63,800	4,569	2,759,969
Liang Kai Chong	1,140,000	12,000	237,500	165,300	35,800	6,491	1,597,091
<b>Non-Executive Directors</b>							
Tan Sri Marzuki Bin Mohd Noor	19,000	73,667	-	-	-	700	93,367
Datuk Ab Wahab Bin Khalil	14,000	73,667	-	-	-	700	88,367
Dato' Ng Sooi Lin	12,000	73,667	-	-	-	700	86,367
Ng Soon Lai @ Ng Siek Chuan	9,000	73,667	-	-	-	700	83,367
Rahana Binti Abdul Rashid*	-	-	-	-	-	-	-
<b>Total (RM)</b>	<b>8,334,000</b>	<b>342,668</b>	<b>1,725,000</b>	<b>1,200,600</b>	<b>147,500</b>	<b>19,234</b>	<b>11,769,002</b>

Notes:

\* Appointed on 1 January 2019

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### ➤ FINANCIAL REPORTING

The Board continually strives to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects, primarily through the annual financial statements and quarterly interim financial results to shareholders as well as the Chairman's statement and Management Discussion and Analysis in the Company's 2018 Annual Report.

In preparing the financial statements, the Group has adopted the applicable accounting policies which have been consistently applied and are supported by reasonable and prudent judgements and estimates by the Board. All accounting standards that the Board considers to be applicable have been adopted.

The Board is also assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.



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## ➤ **STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS**

The Directors are required to prepare financial statements which give a true and fair view of the state of affairs of the Group and the Company at the end of each financial year as well as the financial results and their cash flows for that financial year.

The Directors consider that in preparing the financial statements,

- the Group and the Company have used appropriate accounting policies and such policies were consistently applied;
- reasonable and prudent judgements and estimates were made;
- all applicable approved accounting standards in Malaysia have been adopted; and
- prepare the financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue to be in operations for the foreseeable future.

The Directors are responsible for ensuring that the Group and the Company keep accounting records that disclose with reasonable accuracy the financial position of the Group and of the Company, and which will enable them to ensure that the Financial Statements comply with the relevant provisions of the Companies Act, 2016.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities, where possible.

## ➤ **SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS**

Through the Audit Committee, the Group has established a transparent and appropriate relationship with the Group's external Auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia.

The role of the Audit Committee in relation to the external Auditors can be found in the Audit Committee Report set out in the Company's 2018 Annual Report.

The Audit Committee has obtained confirmation from the external Auditors that they are and have been independent throughout the conduct of their audit engagement in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants' independence requirements.

## ➤ **SOUND FRAMEWORK TO MANAGE RISKS**

The Board acknowledges its responsibility for maintaining a sound system of internal controls to safeguard the shareholders' investment and the Group's assets. Due to limitations that are inherent in any system of internal controls, the system adopted by the Group is designed to identify and manage rather than to eliminate such risks that may potentially impede the attainment of the Group's objectives.

Information on the Group's internal control system implemented during the year is presented in the Statement on Risk Management and Internal Control set out in the Company's 2018 Annual Report.

## ➤ **INTERNAL AUDIT FUNCTION**

The internal audit function of WCT Group is carried out by the Group Internal Audit Department ("GIA") which reports directly to the Audit Committee. The role of the GIA is to provide independent and objective reports on the effectiveness of the system of internal controls within the business units and projects of WCT Group to the Audit Committee. Further details of the internal audit function and the activities are set out in the Audit Committee Report of the Company's 2018 Annual Report.

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## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### ➤ **EFFECTIVE COMMUNICATION AND PROACTIVE ENGAGEMENTS WITH SHAREHOLDERS**

The Group values and strongly believes in the importance of effective communication with shareholders, potential investors and the public. This is to ensure that all shareholders, both institutional and individual investors, have full access to the relevant information disclosed by the Company. It does this through the Company's Annual Report, AGM, the Company's website ([www.wct.com.my](http://www.wct.com.my)) and the timely release of all corporate announcements and interim financial results, thus providing shareholders and the investing public with an overview of the Group's performance and operations. All enquiries made are dealt with as promptly as practicable.

The Annual Report remains as the Company's main source of information to the shareholders and investors while the Company's website, which has a dedicated investor relations section, is intended to provide relevant information about the Group to a wider segment of the investing public.

Any shareholders and/or stakeholders of the Group who may have concerns relating to the Group may directly convey to Tan Sri Marzuki Bin Mohd Noor, the Company's Senior Independent Non-Executive Director, who serves as a point of contact for shareholders and other stakeholders.

### ➤ **ENSURE TIMELY AND HIGH-QUALITY DISCLOSURE**

The Board recognises the importance of prompt and timely dissemination of accurate and sufficient information concerning the Company and its Group to the shareholders, investors and other stakeholders to enable them to make informed decisions.

The Company maintains the practice of releasing all requisite announcements as well as material and price sensitive information in a timely manner to Bursa Securities in compliance with the disclosure requirements as set out in the MMLR of Bursa Securities. The Company also releases timely updates to the market and community through the Company's websites, media release and other appropriate channels. Price-sensitive information and information that may be regarded as undisclosed material information about the Group is, however, not disclosed until after the requisite announcement to Bursa Securities has been made.

### ➤ **THE AGM**

The AGM of the Company is used as a forum of communication with its shareholders. All shareholders are encouraged to attend the AGM which is usually held within the Klang Valley and is easily accessible by the shareholders. At the 7th AGM held on 6 June 2018, a presentation was given by the Senior Management to the shareholders on the Group's strategies, performance and latest developments including the Company's responses to the questions raised by the Minority Shareholders Watchdog Group (MSWG) on behalf of the minority shareholders of the Company. The Board encourages participation from shareholders by having a question and answer session during the AGM whereby the shareholders may channel their queries relating to the audited financial statements of the Group and the Company to the Company's External Auditors and to discuss the Group's performance and its business activities with the Directors and the Management of the Company. Each item of special business included in the notice of the general meeting is accompanied by an explanation of the effects of a proposed resolution. Separate resolutions are proposed for substantially separate issues at the general meeting and the Chairman would declare the number of proxy votes received, both for and against each separate resolution where appropriate.

Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, any resolution set out in the notice of any general meeting shall be voted by poll. As such, all resolutions proposed at the forthcoming 8th AGM of the Company scheduled to be held on 12 June 2019 will be voted by poll. An Independent Scrutineer will be appointed by the Company to verify the results of the poll at the AGM.

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## ➤ INVESTOR RELATIONS

Another important channel of communication with shareholders, investors and the general investment community, both locally and internationally, is the Group's investor relations activities. The Company conducts regular briefings with financial analysts and fund managers from time to time as a means of maintaining and improving investor relationship. At least four (4) analyst briefings are held each year, usually to coincide with the release of the Group's quarterly interim financial results. Additional engagements with individual or group of analysts and fund managers may be held on an ad hoc basis as and when requested. A press conference is normally held after the AGM or any Extraordinary General Meeting of the Company.

Below is a summary of the investor relations activities undertaken during the financial year ended 31 December 2018:

	Total
Meetings/Conference calls with investors, analysts and fund managers	17
Investors briefings	4
Site visits	3
Press conference	1

The Group's website ([www.wct.com.my](http://www.wct.com.my)) has a section dedicated to investor relations and provides up-to-date information on the Group's business and operations. Presentations made to analysts and fund managers are also posted on this section of the Company's website. Further enquiries on all investor related matters may be directed to the following person:

Ms Lo Wei Teing  
Senior Manager - Corporate Affairs  
Tel: +603 7806 6608  
Email: [wei-teing.lo@wct.my](mailto:wei-teing.lo@wct.my)

The Board is fully committed to comply with the principles, recommendations and best practices set out in the Code and the MMLR of Bursa Securities, where applicable and the key focus areas for 2019 from the corporate governance perspective shall be to review the functions and composition of various Board Committees with the aim to enhance and strengthen the effectiveness of the said committees as well as to review Board policies, where required, so as to keep abreast with the fast changing business environment and in compliance with any new or amended rules and regulations relating to good corporate governance.

(This Statement on Corporate Governance has been approved by the Board of Directors on 19 April 2019)