

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5253
COMPANY NAME : ECONPILE HOLDINGS BERHAD
FINANCIAL YEAR : June 30, 2026

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES 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 ("the Board") has primary responsibility to shareholders for the stewardship of the Company. The Board is responsible for guiding and monitoring the business and affairs of the Company with a view to enhance long-term shareholders' value. The Board plays a critical role in setting the appropriate tone at the top and is charged with leading and managing the Group in an effective, good corporate governance and ethical manner.</p> <p>During the financial year ended 30 June 2026 ("FY2026"), the Group's budget for FY2026 was presented to the Board during the Board meeting held in August 2025. The Board reviewed, discussed and approved the budget for FY2026 after thoughtful consideration of the market prospects in the construction industry.</p> <p>In discharging its responsibilities, the Board has established an Audit & Risk Management Committee ("ARMC"), a Nomination Committee ("NC") and a Remuneration Committee ("RC"), and delegated specific duties to the respective Board Committees to assist the Board in performing certain of its function and to provide recommendations and advice to the Board. The Board retains ultimate responsibility for final decision on all matter lies with the Board.</p> <p>The roles and responsibilities of the Board are set out in the Board Charter, while the roles and responsibilities of the Board Committees in discharging their functions delegated to them by the Board are set out in their respective Terms of Reference. The activities carried out by each Board Committee are set out in the Annual Report 2026.</p> <p>The Board Charter and the Terms of Reference of the Board Committees are available on the Company's website at www.econpile.com.</p>

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

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is led by Mr. Krishnan A/L C K Menon, an experienced Non-Independent Non-Executive Chairman.</p> <p>As the Chairman of the Board, he is responsible for ensuring effective leadership and the proper function of the Board. His duties include, among others, the following:</p> <ul style="list-style-type: none">(a) provides leadership to the Board to enable it to perform its responsibilities effectively;(b) sets the Board agenda and ensures that Board members receive complete and accurate information in a timely manner;(c) leads Board meetings and discussions;(d) encourages active participation and allows dissenting views to be freely expressed;(e) manages the interface between the Board and Management;(f) ensures that appropriate steps are taken to facilitate effective communication with stakeholders and that their views are conveyed to the Board as a whole; and(g) leads the Board in the adoption and implementation of good corporate governance practices within the Group. <p>The roles and responsibilities of the Board Chairman are clearly set out in the Board Charter of the Company.</p> <p>During FY2026, the Non-Executive Directors, including the Chairman of the Board, met among themselves in May 2026 to review and deliberate on strategic, governance and operational matters of the Group. The discussion note was subsequently shared with the 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	:		
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Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of a clear division of responsibilities between the Chairman, Group Managing Director and Group Chief Executive Officer to ensure a balance of power and authority. No individual has unfettered powers of decision-making and control. The positions of the Chairman, Group Managing Director and Group Chief Executive Officer are distinct and separate, with their respective roles and responsibilities clearly defined in the Board Charter.</p> <p>The position of Board Chairman is currently held by Mr. Krishnan A/L C K Menon, while the positions of Group Managing Director and Group Chief Executive Officer are held by Mr. The Cheng Eng and Mr. Pang Sar, respectively.</p> <p>The Board Chairman provides leadership to the Board and facilitates effective engagement between the Board, shareholders and other stakeholders.</p> <p>The Group Managing Director is responsible for overseeing the affairs of the Group under the authority delegated by the Board and implementing the policies and strategies approved by the Board.</p> <p>The Group Chief Executive Officer is responsible for managing the day-to-day conduct of the Group's business and overseeing the supervision and management of the Group, as well as assisting the Group Managing Director in discharging his responsibilities.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board, Mr. Krishnan A/L C K Menon, is not a member of any 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 Group currently outsources its corporate secretarial function to Tricor Corporate Services Sdn. Bhd.</p> <p>The Board is supported by two (2) Company Secretaries, both of whom are members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and are qualified to act under Section 235(2)(a) of the Companies Act 2016.</p> <p>The Company Secretaries provide support to the Board in fulfilling its fiduciary duties and play an advisory role, particularly with regard to the Company's Constitution, Board policies and procedures, as well as its compliance with corporate disclosure, regulatory and statutory requirements. They also advocate the adoption of corporate governance best practices. The Company Secretaries have fulfilled the continuous professional development programmes prescribed by MAICSA and the Companies Commission of Malaysia for practising company secretaries to keep themselves abreast of developments in the capital market environment, regulatory changes and corporate governance practices.</p> <p>The Company Secretaries attend all Board and Board Committee meetings, including general meetings, and ensure that the meetings are properly convened and that the deliberations and decisions of the Board and Board Committees are accurately recorded and properly maintained.</p> <p>All Directors have ready and unrestricted access to the professional advice and services of the Company Secretaries to ensure the effective functioning of the Board. The appointment and removal of the Company Secretaries are matters for the Board as a whole.</p> <p>The details of the responsibilities of the Company Secretary are clearly set out in the Board Charter.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>Board meetings are held on a quarterly basis, and special Board meetings are held as and when required.</p> <p>During FY2026, both the Board and the ARMC convened six (6) meetings each, while the NC and RC each held one (1) meeting. Notice of meetings setting out the agenda and accompanied by the relevant agenda papers containing information to be deliberated at the meeting are circulated to the Board and Board Committee members sufficiently in advance of each meeting to allow the members adequate time to review the information and seek further clarification or explanation, where necessary, prior to the meetings.</p> <p>As part of the Company's sustainability initiatives and ongoing efforts to enhance meeting efficiency, the Company is progressively transitioning towards paperless meeting materials for all Board and Board Committee meetings. The Company endeavours to provide meeting materials to the Directors at least five (5) business days in advance of each meeting.</p> <p>The minutes of meetings are prepared and circulated to all the Board and Board Committee members for review prior to confirmation at the subsequent meeting. Fundamental questions raised and key matters discussed during the meetings, as well as matters where Directors abstained from deliberation and voting, and any dissenting issues or concerns, are properly recorded by the Company Secretaries. The minutes are subsequently confirmed by the Board and the respective Board Committees at the following meeting and signed by the Chairman of the Board and the respective Board Committees, 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	:		
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Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter is in place and was last reviewed by the Board on 26 August 2026 to ensure that it remains aligned with the relevant practices and processes recommended under the Malaysian Code on Corporate Governance.</p> <p>The Board Charter sets out the roles and responsibilities of the Board, Chairman of the Board, Group Managing Director, Group Chief Executive Officer, Executive and Non-Executive Directors, and Company Secretaries, including a formal schedule of matters reserved for the Board's consideration and decision. It also sets out the delegation of authority by the Board to the respective Board Committees, namely the ARMC, NC and RC.</p> <p>The Board Charter is accessible through the Company's website at www.econpile.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>To strengthen the standards of corporate governance and corporate behaviour, the Board has formalised a Code of Ethics to be observed by all Directors. In addition, the Company has a Code of Conduct that sets out the standards of conduct and responsible behaviour expected of all Directors, Management and officers to promote a corporate culture that inculcates ethical conduct throughout the Group.</p> <p>The Code of Conduct and Code of Ethics were last reviewed on 26 August 2026 and are accessible through the Company's website at www.econpile.com.</p> <p>As part of the Company's commitment to preventing all forms of bribery and corruption, the Board has adopted an Anti-Bribery and Anti-Corruption Policy, which sets out rules and guidance for Directors, Senior Management, employees and business associates who work for and/or act on behalf of the Group on how to deal with improper solicitation, requests for bribes and other corrupt activities and issues that may arise in the course of business.</p> <p>In addition, the Board has adopted a Conflict of Interest Policy to provide guidance on identifying, disclosing and managing actual, potential and perceived conflicts of interest involving Directors and employees of the Group.</p> <p>The Code of Conduct, Code of Ethics and Anti-Bribery and Anti-Corruption Policy are accessible through the Company's website at www.econpile.com.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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 Whistleblowing Policy & Guidelines are in place to provide an avenue and a structured mechanism for employees and other stakeholders to raise or report legitimate concerns regarding malpractices committed within the Group, without fear of reprisal or unfair treatment.</p> <p>The Board retains overall responsibility for overseeing the implementation of the Whistleblowing Policy. Whistleblowing reports may be submitted to the Chairperson of the ARMC via the designated email channel or letter.</p> <p>During FY2026, no whistleblowing report was received by the ARMC.</p> <p>The Whistleblowing Policy & Guidelines are accessible through the Company’s website at www.econpile.com.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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, Sustainability Steering Committee ("SSC"), and Sustainability Working Committee ("SWC") each have distinct roles in driving the Group's sustainability agenda.</p> <p>The Board provides strategic oversight of the Group's sustainability matters and ensures that its sustainability strategies are aligned with applicable laws and regulations. It also provides direction on integrating environment, social and governance ("ESG")-related risks and opportunities into the Group's overall strategy, reviews key sustainability policies and initiatives, and promotes a culture of sustainability within the Group.</p> <p>The SSC, led by the Group Managing Director and Group Chief Executive Officer, comprises all members of the Key Senior Management. The SSC is responsible for developing and overseeing the implementation of the Group's sustainability policies, strategies, initiatives and targets. The SSC also monitors sustainability performance and assesses ESG and climate-related risks and opportunities. It ensures that adequate resources are allocated to support the Group's sustainability initiatives and reports the Group's sustainability progress to the Board.</p> <p>The SWC is tasked with executing approved sustainability initiatives, collecting and analysing relevant sustainability data, coordinating sustainability efforts across departments, engaging with relevant external stakeholders, and identifying and recommending opportunities for continuous improvement in the Group's sustainability practices. The SWC reports the Group's sustainability progress and its performance to the SSC.</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's on-going sustainability initiatives, material sustainability matters, as well as activities undertaken during FY2026 in support of its sustainability practices and corporate social responsibility initiatives, are set out in the Sustainability Statement of the Annual Report of the Company.</p> <p>The Company has established various engagement channels for its internal and external stakeholders to ensure that the Group's sustainability strategies and targets are effectively communicated.</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	:	<p>The Board continuously keeps itself abreast of and develops a clear understanding of sustainability issues that are relevant to the Group and its business. In addition, Management provides updates to the Board on the latest sustainability issues that are relevant to the Group and its business, including climate-related risks and opportunities.</p> <p>The Board also took note of the revised sustainability reporting requirements introduced by Bursa Malaysia Securities Berhad ("Bursa Securities") on 23 December 2024, which aims to align the sustainability reporting framework with the National Sustainability Reporting Framework, with a focus on climate-related disclosures.</p> <p>The Group remains committed to engaging with its stakeholders and continuously exploring opportunities to further enhance its sustainable business practices. The Board is also mindful of the importance of staying abreast of evolving external trends and regulatory developments to ensure that the Group's sustainability practices remain relevant and effective.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.4

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board's performance evaluation for FY2026 does not include an assessment of its effectiveness in overseeing the Group's material sustainability risks and opportunities.	
		The Board recognises the importance of sustainability oversight and may consider incorporating relevant sustainability considerations into its future performance evaluations. Meanwhile, the Senior Management's FY2026 performance evaluation has incorporated a set of ESG-related targets as part of the performance bonus framework, aligning management performance with the Group's sustainability objectives.	
<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

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 is responsible for recommending suitable candidates to the Board and assessing the appropriateness of the Board's composition to ensure that it is able to discharge its duties in an informed and conscientious manner.</p> <p>The NC is also tasked with reviewing and assessing the performance and contribution of retiring Directors, including their compliance with the fit and proper criteria set out in the Directors' Fit and Proper Policy, prior to making its recommendation to the Board for consideration.</p> <p>In considering the re-election of Mr The Cheng Eng and Mr Pang Sar, the NC had reviewed and assessed their performance, contribution and fit and proper declarations. Based on the assessment, the NC concluded that both retiring Directors met the fit and proper criteria set out in the Company's Fit and Proper Policy and have discharged their duties and responsibilities effectively during FY2026. Accordingly, the NC recommended their re-election to the Board and subsequently to the shareholders for approval at the 14th Annual General Meeting ("AGM") to be held on 27 November 2026.</p> <p>The NC had also in August 2026 conducted an annual assessment to evaluate the performance and effectiveness of the Board, Board Committees and individual Directors for FY2026. Based on the results of the assessment, the NC was satisfied that the existing Board and Board Committees possess the appropriate mix of skills, professional backgrounds, knowledge and experience to effectively discharge their respective responsibilities. The NC was also satisfied that the Directors, both individually and collectively, had discharged their duties conscientiously and effectively.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>As at 30 June 2026, the Board comprised seven (7) members, of whom three (3) were Independent Directors and four (4) were Non-Independent Directors. The Independent Directors represented 43% of the Board.</p> <p>The Board composition complies with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Securities (“Listing Requirements”), which requires at least two (2) or one-third (1/3) of the Board, whichever is higher, to comprise Independent Directors, as well as at least one (1) woman Director.</p> <p>The Independent Directors provide independent judgement and objective perspectives during Board deliberations and decision-making, contributing to effective oversight and ensuring that the decisions are made in the best interests of the Group and its stakeholders.</p> <p>The Board believes that its current composition strikes an effective balance between independence and leadership continuity. The Independent Directors possess diverse backgrounds, skills and experience, enabling them to contribute their expertise and experience in discharging their duties and responsibilities. They bring valuable external perspectives and exercise independent judgement and objective views, thereby promoting greater objectivity in Board deliberation and decision-making.</p> <p>The refreshment of the Board in recent years has introduced new perspectives and enhanced diversity, while the presence of experienced Board members provides continuity and stability. This balance of fresh perspectives, diverse expertise and experience enables the Board to provide effective oversight and make well-informed decisions in navigating the Group’s strategic challenges.</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

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

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	None of the Independent Directors have served on the Board for a cumulative term exceeding nine years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The appointment of new Directors is within the purview of the NC. The NC is responsible for identifying, considering and recommending suitable candidates to the Board when a vacancy arises or when there is a need to appoint additional Directors to strengthen the composition of the Board. In identifying potential candidates, the NC may consider recommendations from existing Board members, Management and major shareholders, as well as independent sources such as executive search firms.</p> <p>In identifying and recommending candidates for appointment as Directors, the NC shall give due consideration to the following factors:</p> <ul style="list-style-type: none">(a) skills, knowledge, expertise, experience, professionalism, character, integrity, reputation, competencies and commitment, including time commitment, to effectively discharge the role of a Director;(b) boardroom diversity, including gender, age, ethnicity and cultural background, skills, experience, character, integrity and competence; and(c) in the case of candidates for appointment as Independent Directors, their ability to exercise independent judgement and discharge the responsibilities and functions expected of Independent Directors. <p>The Board, upon the recommendation of the NC, considers and approves the appointment of the proposed candidate.</p> <p>The Board had on 29 August 2025, upon the recommendation of the NC, approved the appointment of a new Independent Director.</p> <p>The appointment of Key Senior Management is based on predetermined criteria, including relevant skills, integrity and leadership qualities, having regard to their respective job descriptions.</p>

	<p>Based on the Board annual assessment for FY2026, the Board concluded that the current Board composition reflects an appropriate mix of gender, skills, knowledge, expertise, experience, professionalism, integrity, competence and independence. The Board was also satisfied with the level of time commitment demonstrated by the Directors in discharging their roles and responsibilities.</p> <p>As at the date of this report, none of the Directors holds more than five directorships in listed issuer, and no politician has been appointed to the Board.</p> <p>The Board, together with the NC, undertakes periodic reviews of the composition of the Board to ensure that it remains appropriate, diverse and aligned with the Group's strategic needs.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC is responsible for identifying and recommending suitable candidates to the Board when a vacancy arises or when there is a need to appoint additional Directors to strengthen the composition of the Board. The NC may consider candidates recommended by existing Directors, Management, major shareholders, as well as candidates identified through independent sources. Where the nomination process relies solely on internal recommendations, the NC provides justification as to why this approach is considered appropriate and sufficient.</p> <p>The Board had in August 2025 appointed Datuk Syed Azmi Bin Syed Othman (“Datuk Syed Azmi”) as an Independent Director. In identifying and selecting the candidate, the NC did not utilise independent sources as it had, after assessing the competencies and experience required for the role, determined that Datuk Syed Azmi was a suitable candidate. As a Professional Engineer with extensive experience in the construction sector, Datuk Syed Azmi brings valuable technical and industry knowledge that strengthens the Board’s collective competencies. His appointment also addresses the gap arising from the departure of Mr. Hassan Bin Ramadi on 31 May 2025, who had previously contributed his construction industry background as an Independent Director.</p> <p>Having considered the NC’s recommendation and the Board’s collective skills and experience, the Board approved the appointment of Datuk Syed Azmi.</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 5.7

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>Shareholders were provided with detailed information on the Directors who were standing for re-election at the 13th AGM, i.e. details of their interests, positions in the Company, family relationships with any Director and/or major shareholder of the Company, via the explanatory notes to the Notice of the 13th AGM of the Company. The profile of the Directors who were due for retirement were set out in the Annual Report 2025 of the Company.</p> <p>In addition, the Board and the NC assessed the performance and contribution of the retiring Directors before tabling the same to the shareholders for approval on 27 November 2025. The Board's statement in support of the re-election of the Directors was also provided in the explanatory notes to the Notice of the 13th AGM of the Company. This enabled shareholders to make informed decisions on the re-election of the 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	:	The NC is chaired by Ms. Law Siew Ngan, an Independent Director.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	The Board comprises three women Directors, representing 43% of the total Board composition.	
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	:	Applied	
Explanation on application of the practice	:	<p>The Company has a Board Diversity Policy with the objective of ensuring that the Board comprises an appropriate diversity of perspectives, experience and skills to facilitate effective oversight of the Group. Board Diversity includes, but is not limited to, gender, age and ethnicity.</p> <p>The Board is committed to maintaining at least 30% women representation on the Board and 20% women participation in Management positions. The targets are outlined in the 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

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	<p>The annual evaluation of the effectiveness of the Board, Board Committees and each individual Director falls under the purview of the NC.</p> <p>The performance assessments were conducted in-house via self-assessment questionnaires. Each Director was required to complete a set of questionnaires, and the aggregated responses were tabled to and reviewed by the NC. Thereafter, the NC reported the same to the Board. No external facilitator was used.</p> <p>The assessment includes the Directors' self-assessment of their fit and properness and skill sets, as well as an evaluation of the overall effectiveness of the Board and Board Committees. The assessment also assists individual Directors in identifying their upskilling or development needs.</p> <p>Through the NC's annual appraisal for FY2026, together with the appointment of a new Independent Director in August 2025, the Board concluded that the Board and Board Committees possess the appropriate mix of backgrounds, skills and experiences, and that the Directors, both individually and collectively, had discharged their duties conscientiously and effectively.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges that remuneration is a key ingredient in attracting, retaining and motivating talented and high-calibre individuals who can successfully run and manage the business. In this regard, the Board has formalised a RC. The primary objective of the RC is to establish an appropriate remuneration framework for the Executive Directors, Non-Executive Directors and Key Senior Management.</p> <p>A Remuneration Policy has been adopted and was last reviewed on 26 August 2026. It sets out the principles and guidelines governing the remuneration of the Board and Key Senior Management of the Company. In determining the remuneration of Directors, the Board is guided by the Remuneration Policy, and Executive Directors shall abstain from deliberations and decisions concerning their own remuneration. The fees and other benefits payable to the Non-Executive Directors are reviewed by the RC and recommended by the Board to the shareholders for approval at the AGM.</p> <p>The remuneration packages of Executive Directors are structured to align rewards with corporate and individual performance, while the remuneration of Non-Executive Directors reflects their experience and level of responsibilities undertaken.</p> <p>Both the Terms of Reference of the RC and the Remuneration Policy are accessible through the Company's website at www.econpile.com.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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 comprises solely of Non-Executive Directors and is chaired by Ms. Law Siew Ngan. The RC is responsible for reviewing and recommending matters relating to the remuneration of the Board and Key Senior Management.</p> <p>The duties and responsibilities of the RC are stated in the Terms of Reference of the RC, which was last reviewed on 26 August 2026.</p> <p>The Director, who is also a shareholder of the Company, abstained from voting on the resolution pertaining to the approval of their own fees and benefits at the last AGM held in November 2025.</p> <p>The Terms of Reference of the RC, which sets out its roles and responsibilities, is accessible on the Company's website at www.econpile.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 remuneration received or receivable by each Director during the FY2026 are set out in the following pages.

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	Krishnan A/L C K Menon	Non-Executive Non-Independent Director	85.0	3.0	0.0	0.0	0.0	0.0	88.0	85.0	3.0	0.0	0.0	0.0	0.0	88.0
2	Teh Bee Choo	Independent Director	65.0	7.0	0.0	0.0	0.0	0.0	72.0	65.0	7.0	0.0	0.0	0.0	0.0	72.0
3	Law Siew Ngan	Independent Director	65.0	7.0	0.0	0.0	0.0	0.0	72.0	65.0	7.0	0.0	0.0	0.0	0.0	72.0
4	Datuk Syed Azmi Bin Syed Othman (appointed on 29 August 2025)	Independent Director	46.4	6.0	0.0	0.0	0.0	0.0	52.4	46.4	6.0	0.0	0.0	0.0	0.0	52.4
5	The Cheng Eng	Executive Director	0.0	0.0	120.0	0.0	0.0	0.9	120.9	0.0	0.0	1,341.5	103.5	20.5	1.8	1,467.3
6	Pang Sar	Executive Director	0.0	0.0	120.0	0.0	0.0	5.7	125.7	0.0	0.0	1,341.5	103.5	22.2	64.0	1,531.2
7	The Kun Ann	Executive Director	0.0	0.0	36.0	0.0	0.0	5.4	41.4	0.0	36.0	396.0	30.0	9.9	57.9	529.8
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
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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 remuneration of the top five Senior Management is not disclosed on a named basis. The Board is of the view that such disclosure may contribute to talent retention issues, as employee poaching is a common phenomenon in the construction industry and is not in the best interest of the Group.</p> <p>The Company disclosed the remuneration of the top three Senior Management (also a Director) on a named basis under Practice 8.1 and also in the Annual Report 2026. Whereas the remuneration of the remaining Senior Management was disclosed in bands of RM50,000 in the Corporate Governance Overview Statement of the Annual Report 2026, i.e. four members of the Senior Management, comprising the Chief Operating Officer and Senior General Managers, fell within the remuneration band of RM350,001 to RM400,000.</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.

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of the ARMC is Ms. Teh Bee Choo, while the Chairman of the Board is Mr. Krishnan A/L C K Menon who is not a member of the ARMC.</p> <p>Having the positions of Board Chairman and the Chairman of the ARMC held by different individuals allow the Board to objectively review the ARMC's findings and recommendations.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The ARMC’s Terms of Reference and the External Auditors’ Assessment Policy provide that a former key audit partner of the Company is required to observe a cooling-off period of at least 3 years before being appointed as a member of the ARMC in order to safeguard the integrity and independence of the audit process.</p> <p>To date, none of the ARMC members are former key audit partners of the external audit firm of the Company or the Group.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC is responsible for assessing the capabilities and independence of the External Auditors and making recommendations to the Board on the appointment, re-appointment or termination of the External Auditors.</p> <p>In safeguarding and supporting the external auditors' independence and objectivity, the Company has formalised an External Auditors' Assessment Policy, which primarily outlines the selection process for the appointment of new External Auditors, the criteria for the annual assessment of their performance, the principles governing prohibited non-audit services, and the approval process for permissible non-audit services.</p> <p>The Board has determined the scope and nature of non-audit services that are prohibited, among others, internal audit services and policy and standard operating procedures documentation. The Board was of view that the objectivity and independence of the External Auditors are not in any way impaired by reason of the non-audit services provided to the Group.</p> <p>The ARMC had on 26 August 2026 undertaken an annual assessment on the performance, suitability and independence of the External Auditors for FY2026 based on the following criteria:</p> <ul style="list-style-type: none">• Calibre of the External Auditors• Audit quality• Adequacy of resources• Communication and interaction• Audit scope and planning• Provision of non-audit services• Audit fees <p>Based on the assessment results, the ARMC was satisfied with the competencies, audit quality and resource capacity of the External Auditors, namely KPMG PLT, and that the provision of non-audit services by KPMG PLT for FY2026 did not in any way impair their objectivity and independence as External Auditors of the Company.</p>

	Based on the ARMC's recommendation and having regard to the outcome of the annual assessment of the External Auditors, the Board agreed to recommend the re-appointment of KPMG PLT as External Auditors of the Company to the shareholders for approval at the forthcoming 14 th 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

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 ARMC comprises 3 members, all of whom are Independent Non-Executive Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The current members of the ARMC, collectively, possess a wide range of skills, knowledge and industry practices, as well as the requisite accounting or related financial management expertise. Together, they provide an effective level of challenge to Management.</p> <p>The members of the ARMC consistently apply a critical and probing view on the Company's financial reporting process, transactions and other financial information, and effectively challenge Management's assertions on the Company's financials during the ARMC meetings.</p> <p>The Board, through the NC, is responsible for ensuring that all the ARMC members receive ongoing training and development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules. Apart from that, the ARMC receives updates on new accounting standards from the Company's External Auditors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of maintaining a sound risk management framework and system of internal control throughout the Group. The Board has delegated to the ARMC the responsibility to oversee the implementation and effectiveness of the Group's risk management and internal control system within the established parameters and framework.</p> <p>The key risks relating to the Group's strategic matters are discussed at the ARMC and Board meetings. In addition, the responsibility for identifying and managing the risks of each department within the Group lies with the respective Heads of Department. Significant risks identified, together with the corresponding internal controls implemented to mitigate such risks, are discussed at monthly management meetings and communicated to the Executive Directors and Senior Management.</p> <p>A risk register is in place to identify, evaluate and manage the significant risks of the Group on an ongoing basis. The risk management framework is guided by the principles of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") Enterprise Risk Management framework, an internationally recognised risk management framework.</p> <p>The Group's internal audit function, which reports directly to the ARMC, was outsourced to Resolve IR Sdn. Bhd. in FY2026. The internal audit reviews are conducted using a risk-based approach and are guided by the International Professional Practice Framework.</p> <p>Further details of the risk management and internal control framework can be found in the Statement on Risk Management and Internal Control of the Annual Report 2026.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has established a framework for the identification, assessment and management of significant risks relevant to the Group. The key features and elements of the Group's risk management and internal control system, as well as their adequacy and effectiveness, are detailed in the Statement on Risk Management and Internal Control in the Company's Annual Report 2026. The Board is of the view that the Group's system of risk management and internal control is effective and adequate to safeguard shareholders' investments and the Group's assets.	
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>The ARMC is responsible for monitoring and reviewing the effectiveness of the Group's internal audit function. The function is independent of the External Auditors and was led by the Group's outsourced Internal Auditors, Resolve IR Sdn. Bhd., in FY2026.</p> <p>The Internal Auditors attend ARMC meetings and report independently and directly to the ARMC in respect of the internal audit findings, bringing an objective and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes. The ARMC, together with the Internal Auditors, discussed and agreed on the scope of internal audit activities and plans. All audit findings, together with recommendations for improvement and Management's responses to the findings and recommendations, are reported to the ARMC semi-annually.</p> <p>The Internal Auditors have unfettered access to the ARMC, the Board and Management, as well as the Group's documents, records, properties and personnel.</p> <p>The ARMC also reviews the adequacy of the scope, competency, experience and resources of the internal audit function annually and assesses whether it has the necessary authority and resources to carry out its work. The ARMC was satisfied with the competency and independence of the Internal Auditors in carrying out their duties during FY2026.</p> <p>For further details, please refer to ARMC Report in the Annual Report 2026.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group's internal audit function was outsourced to Resolve IR Sdn. Bhd. in FY2026. The internal audit engagement is led by Mr. Choo Seng Choon ("Mr. Choo"), who has diverse professional experience in internal audit, risk management and corporate governance advisory. He is a Certified Internal Auditor and Chartered Member of the Institute of Internal Auditors with over 25 years of professional experience in multiple disciplines, including internal audit, risk management, corporate governance, performance and business management, initial public offerings, taxation, due diligence and corporate finance. Mr. Choo is also a Fellow Chartered Certified Accountant (UK), Chartered Accountant of the Malaysian Institute of Accountants ("MIA") and Certified Public Accountant of the Malaysian Institute of Certified Public Accountants ("MICPA").</p> <p>The number of staff deployed for each internal audit review ranges from three to four personnel per visit, including the Engagement Director. The staff involved in the internal audit reviews possess professional qualifications and/or a university degree. The internal audit personnel on the engagement are also free from any relationships with any Director and/or major shareholder of the Company or conflicts of interest that could impair their objectivity and independence. All internal audit work was conducted using a risk-based approach and was guided by the International Professional Practice Framework.</p> <p>A statement on the Internal Audit Function with the required disclosure is available under the ARMC Report in the Annual Report 2026.</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 effective and timely communication with the stakeholders, shareholders and investors to keep them informed of the Group's latest business and corporate developments. Such information is disseminated via the Group's audited financial statements, annual reports, quarterly financial results, AGM, the Company's website at www.econpile.com, as well as the official website of Bursa Securities. In addition, the Group also engages in regular dialogues with institutional investors, fund managers and analysts.</p> <p>The AGM serves as a principal forum for dialogue with shareholders and investors, where they may seek clarification on the Group's performance and major developments as well as on the resolutions being proposed. The AGM forms a direct platform for shareholders to engage with the Directors by providing their feedback and view to the Company. Members of the Board, as well as the External Auditors and the Company Secretaries, are present to answer questions raised.</p> <p>The Company has in place the Corporate Disclosure Policies and Procedures, which provides guidance for the disclosure of material information in accordance with the Listing Requirements.</p> <p>In addition to the above, the Company's website provides up-to-date information on the Group's business, corporate governance and financial information. The contact details of the designated person are made available at the Company's website at www.econpile.com for stakeholders to provide their views and feedback.</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 12.2

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 13th AGM of the Company was held physically at Banquet Hall, Level 1, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Malaysia.</p> <p>The Notice of the 13th AGM was issued and made available on the Company's website and advertised in a nationally circulated newspaper on 29 October 2025, which was 28 days prior to the AGM scheduled on 27 November 2025.</p> <p>Sufficient notice was given to the shareholders to enable them to make the necessary arrangements to attend the Company's AGM. The notice of the AGM sets out the resolutions to be tabled at the meeting and was accompanied by explanatory notes and relevant background information, where applicable, to provide clarity on the matters to be decided at the AGM.</p> <p>The forthcoming 14th AGM of the Company will be convened on 27 November 2026, and the notice will be given to its shareholders on 29 October 2026, which is 28 days before the AGM and in advance of the 21-day requirement under the Companies Act 2016 and the 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

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	:	The 13 th AGM was conducted in a physical manner. All Directors attended the 13 th AGM held on 27 November 2025 in person to engage with the shareholders. Senior Management, the Company Secretaries and the External Auditors were also in attendance to respond to any financial, operational and corporate governance queries raised by the shareholders. Shareholders were encouraged to participate in the proceedings and raise questions before the resolutions were put to vote, and sufficient time was allocated for such purpose. All issues and questions raised by the shareholders pertaining to the Company's financial statements and business operations were provided with meaningful responses.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The 13th AGM was held physically on 27 November 2025 at Kuala Lumpur Golf & Country Club (KLGCC), Kuala Lumpur. The Company did not adopt technology to enable remote participation or voting in absentia at the 13th AGM.</p> <p>The Board has taken the necessary steps to provide shareholders with the opportunity to participate in the AGM by convening the meeting within the Klang Valley, which is easily accessible to shareholders. In addition, all resolutions tabled to the AGM were voted on by poll, and shareholders who were unable to attend the meeting were allowed to appoint any person(s) or the Chairman of the meeting as their proxies to attend, participate and vote on their behalf.</p> <p>The Board is of the view that the current physical meeting format remains effective in facilitating direct engagement and interaction between shareholders, the Board and Management. The Board will continue to assess the feasibility and cost-benefit of adopting hybrid meeting platforms in the future, taking into consideration the Company's operational needs and shareholders' interests.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>At the 13th AGM, the Chairman ensured that shareholders were given sufficient opportunity to raise matters concerning the Group by allocating ample time for discussion during the Q&A session. All questions posed were duly addressed by the Chairman and the Senior Management.</p> <p>During the 13th AGM, the Senior General Manager of Finance gave a brief presentation on the Group's key financial and project highlights for FY2025. He also provided insights into the business outlook for FY2026 and outlined the Group's corporate strategies.</p> <p>The minutes of the 13th AGM, together with the responses from the Board and/or Management to questions raised by the shareholders, were uploaded to the Company's website at www.econpile.com within 30 business days after the 13th AGM.</p> <p>Other than the AGM, shareholders can raise issues or seek explanations from the Board or Management team via the Company's website as and when needed.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

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.

provide the reasons and the choice of the meeting platform			
Application	:	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice	:		
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.6

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

<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 13 th AGM of the Company held on 27 November 2025 was uploaded to the Company's website at www.econpile.com on 8 January 2026, i.e. within 30 business days after the 13 th AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

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