

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5139
COMPANY NAME : AEON Credit Service (M) Berhad
FINANCIAL YEAR : February 28, 2025

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 duties, powers, and functions of the Board of Directors (the "Board") are guided by the prevailing legal and regulatory requirements, as well as the following aspirations and principles, in discharging its fiduciary duties and responsibilities.</p> <p>The primary role of the Board is to protect and enhance the interests of the shareholders and stakeholders while enabling AEON Credit Service (M) Berhad ("AEON Credit" or "the Group") to achieve long-term profitability and sustainability. The Board strives to ensure that the highest standards of corporate governance are practiced throughout the Group by enforcing good standards of accountability, all with a view to enable Management to execute its duties effectively.</p> <p>In discharging its duties and roles effectively, the Board is also guided by the Board Charter, which sets out the principles and guidelines to be applied by the Board, while Board Committees including the Audit Committee ("AC"), Board Risk Committee ("BRC"), and Nomination and Remuneration Committee ("NRC") are established to exercise oversight in specific areas. All of these Board Committees have specific responsibilities and are guided by their respective Terms of Reference ("TOR"). The Board Charter and the TOR for each Board Committee are available on the AEON Credit's corporate website at https://aeoncredit.com.my/about-us/corporate-governance/.</p> <p>Guided by the Code of Ethics and Conduct and the AEON Foundational Ideals, the Board plays a pivotal role in providing guidance and oversight in the formulation and execution of the Group's strategic planning. The Board continuously considers environmental, sustainability and</p>

	<p>governance factors when reviewing and approving the Group's strategic direction, mid-term plan, annual business plan, financial budgets and organization structure of the Group for the financial year ended 28 February 2025 ("FYE2025").</p> <p>The Board is the ultimate decision-making body of the Group, with the exceptions for matters which require shareholders' approval. The Board convened 14 Board meetings throughout FYE2025 to review financial performance, business strategy, market developments, risk management, and updates of key risk indicators. The Board was also involved in deliberation and decision-making on management's proposals for the Group and other matters which are reserved for the Board's review and approval in accordance with the demarcation of responsibilities under the Board Charter and monitoring its implementation by Management.</p> <p>Throughout FYE2025, the Board reviewed, deliberated, and approved a RM100 million capital injection into AEON Bank (M) Berhad to improve its cash flow, support business banking development, and ensure compliance with Bank Negara Malaysia's regulatory requirements. In addition, the Board also approved the adoption of the policy of Conflict of Interest for Board and Senior Management in order to comply with the Main Market Listing Requirement ("MMLR") under Bursa Malaysia Securities Berhad ("Bursa Securities") and further enhance the corporate governance practices within the Group.</p> <p>On top of that, Group policies are constantly being reviewed, and new frameworks are established where required to keep pace with the evolving governance standards.</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 a Chairman who is responsible for the leadership and management of the Board and ensuring the Board and its Committees function effectively.</p> <p>The Chairman of the Board, Mr. Ng Eng Kiat, assumed the formal role of a leader with responsibility for instilling good corporate governance practices. The Chairmen leads the discussions among Directors and provided leadership to the Board in its oversight of Management.</p> <p>As the Chairman of the Group, the key expected roles include but are not limited to:</p> <ul style="list-style-type: none">i) Ensuring the smooth functioning of the Board, with effective governance structure and inculcation of positive culture in the Board;ii) Ensuring guidelines and procedures are in place to govern the Board's operations and conduct;iii) Ensuring the training and development needs of the Board members are reviewed and addressed;iv) Providing leadership for the Board so that the Board can perform its responsibilities effectively;v) Ensuring that Board members receive complete and accurate information on all matters in the Board of Directors' meeting in a timely manner;vi) Leading Board meetings and discussions;vii) Encouraging active participation and allowing dissenting views to be freely expressed;viii) Managing the interface between Board and Senior Management;ix) Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;x) Leading the Board in establishing and monitoring good corporate governance practices in the Group; and

	xi) Representing the Group externally and overseeing public relations activities together with Managing Director (“MD”). The details on the role of the Chairman are stipulated in the Board Charter which is available on the AEON Credit’s corporate website at https://aeoncredit.com.my/about-us/corporate-governance/board-charter-2/ .	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>To ensure balance of authority, increased accountability and greater capacity for independent decision-making, the Board practices a clear division of responsibilities between the Chairman and the Managing Director ("MD")/Chief Executive Officer ("CEO").</p> <p>The positions of Chairman and MD/CEO of the Group are held by two different individuals. The Board Chairman of the Group is Mr. Ng Eng Kiat, a Non-Independent Non-Executive Director, whilst the MD/CEO of the Group is Mr. Daisuke Maeda. The details on the division of duties and responsibilities of the Chairman and MD/CEO are stipulated in the Board Charter which is available on the AEON Credit's corporate website at https://aeoncredit.com.my/about-us/corporate-governance/board-charter-2/.</p> <p>The Chairman is responsible for the leadership and management of the Board and to ensure its Board Committees function effectively (as outlined in the explanation to Practice 1.2 in this report). The MD/CEO, supported by the Management team, implements Group's strategy and in carrying out the Board's directions, managing the businesses of the Group and driving performance within strategic goals and commercial objectives.</p> <p>The roles and responsibilities of the MD/CEO include, among others :</p> <ul style="list-style-type: none">i) Developing objective, vision, strategic direction and business targets;ii) Ensuring strategies and corporate policies are effectively implemented;iii) Ensuring Board decisions and directions are implemented;iv) Establishing appropriate organization structure of the Group to implement short and long term business plans;v) Providing strong leadership to the management team and employees of the Group;

	vi) Keeping the Board fully informed of all important aspects of the Group's operations and ensuring sufficient information is distributed to Board members; vii) Establishing a strong management team with effective succession planning and talent retention strategies; and viii) Ensuring the day-to-day business affairs of the Group are effectively and efficiently managed.	
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	:	<p>The Chairman of the Board, Mr. Ng Eng Kiat, who is a Non-Independent Non-Executive Director, is neither a member of any of the Board Committees nor participate in any of the Board Committees' meetings.</p> <p>The Board Charter which is available on the AEON Credit's corporate website at https://aeoncredit.com.my/about-us/corporate-governance/board-charter-2/ stipulate clearly that the Chairman of the Board shall not be appointed as a member of any Board Committees.</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 1.5

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>Under the direction of the Chairman of the Board, the Board has appointed a professionally qualified Company Secretary, Ms. Tai Yit Chan who has extensive corporate experience attending to company secretarial, compliance matters and advocacy of good corporate governance best practices.</p> <p>The Company Secretary keeps abreast with regulatory changes and developments in corporate governance and the MMLR of Bursa Securities, Malaysian Code on Corporate Governance ("MCCG"), Companies Act 2016 and other rules and regulations through continuous education and professional training.</p> <p>The key role of the Company Secretary is to provide unhindered advice and services for the Directors, as and when the need arises, to enhance the effective functioning of the Board. The Company Secretary ensures the Board procedures are always adhered to during the meetings and advise the Board on the relevant regulatory compliance including corporate governance issues.</p> <p>Further, the Company Secretary or her representative has discharged the roles during the financial year by providing updates and counsel to the Board on the above-mentioned areas, attending all Board and Board Committees meetings, and recording meeting minutes and resolutions of the Board and Board Committees. Further, the Company Secretary has also reviewed all relevant information and adequacy of meeting materials, provided guidance on stakeholders' communication and assisted in managing processes related to AEON Credit's general meeting.</p>
Explanation for departure	for :	

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>Management provides the Board and Board Committees with sufficient information and materials in timely manner to enable Directors to discharge their duties and responsibilities effectively.</p> <p>Meeting materials for Board and Board Committees meetings are generally circulated to Directors at least five (5) days prior to the date of the respective Board or Board Committee meetings. AEON Credit leverages on technology to deliver meeting materials to Directors which allow the Directors sufficient time to peruse the meeting materials and issues arising.</p> <p>The deliberations and decisions of the Board and Board Committees are recorded in the minutes of meetings which are circulated for the Board and Board Committees for review and comments within a reasonable timeframe after the respective meetings.</p> <p>The decisions made at the Board and Board Committee meetings are also communicated to Management in a timely manner to ensure appropriate actions are taken and there is a constant monitoring on the action items until matters are appropriately resolved.</p> <p>A Director is required to abstain from deliberations and voting in respect of any contract or proposed contract or arrangement in which he/she has direct or indirect interest. Directors may seek independent clarification/advice, when necessary, at AEON Credit's expense on any matters in relation to the discharge of their duties.</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 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 clearly sets out the principal roles of the Board and the demarcation of the roles, terms of reference together with responsibilities and powers of the Board, various Board Committees and Senior Management of the Group. The Board Charter of AEON Credit is periodically reviewed/updated, and the same is available on the AEON Credit's corporate website at https://aeoncredit.com.my/about-us/corporate-governance/board-charter-2/.</p> <p>This Board Charter is established to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Management with regard to the role of the Board and its Committees. This Board Charter shall form an integral part of each Director's duties, authority and responsibilities. To the extent of any conflict between the terms of this Board Charter and the Company's Constitution, the Constitution prevails.</p> <p>The Board Charter stipulates the key policies of the Group, amongst others, including matters related to the following areas:</p> <ul style="list-style-type: none">(i) Roles and functions of Board and Board Committees;(ii) Roles of Independent Directors and Non-Executive Directors;(iii) Separation of position of Chairman and MD;(iv) Matters reserved for Board approval;(v) Ethics and Compliance;(vi) Risk Management;(vii) Succession Planning;(viii) Investor Relations and Shareholder Communication;(ix) Director's terms of service, assessment and other matters including Board composition and diversity, Directors'

	<p>remuneration, Directors' training and development, Board Effective Evaluation ("BEE") as well as procedures related to Board meetings; and</p> <p>(x) Rights of Directors to access information and advice.</p> <p>The Board has adopted a schedule of matters specifically reserved for its approval in accordance with the Board Charter.</p> <p>The Board Charter takes into consideration the applicable rules, laws and regulations including internal policies.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, Management and employees of the Group are guided by AEON Credit's Code of Ethics and Conduct and the AEON Foundational Ideals of pursuing peace, respecting humanity and contributing to communities, always with customers as our starting point aligned with the objective of realising a sustainable society.</p> <p>In addition, the Group is also guided by the philosophy of our parent company, AEON Financial Service Co., Ltd., which aims to support and enrich customers' lifestyles, enable each individual to maximise future opportunities through effective use of credit – bringing finance closer to everyone.</p> <p>The Code of Ethics and Conduct considers the interests of the Group's valued customers, trusted business partners, dedicated employees, regulatory bodies and local community to ensure the Group operates its business with integrity, transparency and accountability.</p> <p>All employees are briefed on the Code of Ethics and Conduct and AEON Foundational Ideals upon commencement of employment and are required to attend refresher training on an annual basis. The Board, Management and employees are expected to observe high standards for integrity and fair dealing in relation to customers, business partners and regulators.</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>AEON Credit has established a Whistle-Blowing Policy on communication or feedback from employees and external stakeholders on unethical practices, illegal activities, breach of regulations, financial/accounting fraud, etc. The Whistle-Blowing Policy is available on the AEON Credit's corporate website at https://aeoncredit.com.my/about-us/corporate-governance/whistle-blowing-policy/.</p> <p>The three (3) dedicated reporting channels set up under the Group's whistle-blowing policy for the reporting of bribery, corruption, false claim, or abuse of power/position related issues by employees and external stakeholders are as follows :</p> <p>(i) Email to "eSID@aeoncredit.com.my", where three (3) designated recipients will receive the report with high confidentiality protocols in place:</p> <ul style="list-style-type: none">i. Senior Independent Directorii. Audit Committee Chairmaniii. Chief Risk Officer ("CRO") <p>(ii) Written letter to the Group's CRO; and</p> <p>(iii) Report directly to Malaysian Anti-Corruption Commission ("MACC") via MACC's website at https://www.sprm.gov.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Directors of AEON Credit are responsible for managing the sustainability matters of the Group and to ensure that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental, social and governance considerations underpinning sustainability. The Group has established a Management Sustainability Committee ("MSC") comprising key members of Senior Management to assist the Board in overseeing the formulation, implementation and effective management of AEON Credit's sustainability strategies.</p> <p>AEON Credit's Sustainability Framework is aligned with AEON Group Sustainability Principle in which AEON aims to realise a sustainable society with stakeholders based on our basic principles of pursuing peace, respecting humanity and contributing to local communities, always with the customer's point of view at the core. Various activities are advanced locally in order to realise the Group's core principles as a low carbon emission entity, conservation of biodiversity, better usage of resources and addressing social issues.</p> <p>The roles of the MSC include:</p> <ul style="list-style-type: none">(i) Drive strategic management of material sustainability matters;(ii) Assist Board Risk Committee to be responsible for the governance of sustainability in the Group including setting the Group's sustainability strategies, priorities and targets;

	(iii) Identify a designated person within Management, to provide dedicated focus to manage sustainability considerations in the operations of the Group; and (iv) Serve and carry critical responsibility for the overall sustainability initiatives and wellbeing of the Group's operations. On a quarterly basis, the Board would be updated on the progress of the approved sustainability initiatives and where relevant, would provide directives to address identified risks and opportunities.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.2

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>AEON Credit is guided steadfastly in all aspects of its business operations by its Corporate Philosophy to support customers' lifestyle and enable each individual to maximise future opportunities through effective use of credit. This serves as a beacon to further strengthen business sustainability by focusing primarily on economic, environmental and social drivers.</p> <p>The Board reviews the Group's strategies, performance, targets and progress towards achieving the long-term sustainability of the business and ensure consideration of sustainability issues in setting the Group's strategic direction.</p> <p>More details on the AEON Credit's sustainability drive and journey are available at https://aeoncredit.com.my/sustainability/.</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>Sustainability remains a key focus area for AEON Credit’s Board. The Board is updated and briefed on the Group’s sustainability activities from Management on a quarterly basis.</p> <p>The Board also attends various seminars/courses/training programmes on sustainability conducted by external consultants to keep themselves abreast with and understand the sustainability agenda which are relevant to the Group.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Effectiveness Evaluation ("BEE") for FYE2025 had included the new areas to evaluate the performance of the Board in addressing the Group's material sustainability risks and opportunities to drive Environmental, Social and Governance ("ESG") strategy and implementation.</p> <p>The Board has also assessed the Senior Management (for Managing Director and Chief Financial Officer) on the overall sustainability management in meeting AEON Credit's sustainability targets.</p>
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Head of Sustainability Department is responsible on sustainability strategies formulation, embed sustainability principles into the business operation, manage and address the Groups' sustainability risk.

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 Nomination and Remuneration Committee ("NRC") of AEON Credit is responsible to review/recommend to the Board the appointment and re-election of Directors and oversees the assessment of performance and contribution of Directors.</p> <p>The NRC reviews the required structure, size and composition of the Board (including diversity in skills, knowledge, experience, gender, age and ethnicity) through BEE review, considering the size and complexity of the Group's operations.</p> <p>The tenure of each Director and annual re-election of Directors who retire by rotation pursuant to the Company's Constitution are reviewed by the NRC. The recommendations on the re-election of Directors at the Annual General Meeting ("AGM") are subject to the NRC being satisfied with the performance and contribution of the retiring Directors based on the latest BEE review.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Applied												
Explanation on application of the practice	:	<p>As of 28 February 2025, the Board comprises eleven (11) members, of which six (6) are Independent Non-Executive Directors (“INEDs”), thus constituting the majority of the Board.</p> <p>The Board enforcing its commitment towards independence by prescribing in the Board Charter that at least one of third (1/3) of its members shall comprise INEDs. The INEDs ratio at 55% has exceeded the level of independence prescribed under the MMLR and MCCG.</p> <p>The composition of the Board as at 28 February 2025 is as follows:</p> <table><tr><th>Designation</th><th>No. of Directors</th><th>Percentage (%)</th></tr><tr><td>INED</td><td>6</td><td>55</td></tr><tr><td>Non-Independent Non-Executive Directors</td><td>3</td><td>27</td></tr><tr><td>Executive Directors (including MD)</td><td>2</td><td>18</td></tr></table> <p>In addition to having a Board comprising a majority INEDs, Datuk Adinan bin Maning continues in his role as the Senior Independent Director, acting as a sounding Board to the Board Chairman as well as a principal conduit between the Chairman and the Independent Board members.</p> <p>An assessment on the independence of the INEDs is conducted on annual basis via an evaluation form to ensure that the said INED fulfils the definition of “Independent Director” as stipulated in the MMLR.</p>	Designation	No. of Directors	Percentage (%)	INED	6	55	Non-Independent Non-Executive Directors	3	27	Executive Directors (including MD)	2	18
Designation	No. of Directors	Percentage (%)												
INED	6	55												
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Explanation for departure	:													
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>														
Measure	:													
Timeframe	:													

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied									
Explanation on application of the practice	:	The Board Charter stipulates the tenure of Independent Non-Executive Director (“INED”) shall generally be for a maximum period of nine (9) years in line with the MCCG. Upon completion of the nine (9) years, an INED may continue to serve the Board subject to the Director’s re-designation as Non-Independent Director.									
		However, if the Board intends to retain an INED beyond nine (9) years, it should provide justification and seek annual shareholders’ approval through a two-tier voting process.									
		As of 28 February 2025, all the six (6) INEDs have served the Board for less than nine (9) years tenure. The tenure of the INEDs is summarised below:									
		<table><tr><th>Years of Service</th><th>Number of INEDs</th></tr><tr><td>Less than 3 years</td><td>3</td></tr><tr><td>3 years to 5 years</td><td>0</td></tr><tr><td>6 years to 9 years</td><td>3</td></tr></table>		Years of Service	Number of INEDs	Less than 3 years	3	3 years to 5 years	0	6 years to 9 years	3
		Years of Service	Number of INEDs								
Less than 3 years	3										
3 years to 5 years	0										
6 years to 9 years	3										
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 5.4 - 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	:	In light of Practice 5.3 being applied.

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>Appointment of Directors on the Board and appointment of Senior Management of AEON Credit is based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.</p> <p>The NRC conducts a “fit and proper” assessment in recommending appointment of a Director, taking into consideration skills, experience, core competencies, background and personal qualities.</p> <p>The Board remains committed to ensuring that the Directors have the skills, knowledge and experience needed to effectively steer the Group forward. The key elements of competencies at Board and Senior Management level are industry experience and necessary knowledge.</p> <p>The present size and composition of the Board is optimum and well balanced, in terms of the required mix of skills, experience and core competencies as well as the need to safeguard the interests of the minority shareholders. The Board is well represented by individuals with diverse professional backgrounds and experience in the areas of financial services, law, finance and accounting, audit and taxation, commerce, sales and marketing, corporate branding, IT, public relations and public service. There is no individual Director or group of Directors who dominate the Board’s decision-making.</p> <p>The diversity in the race/ethnicity (cultural background), nationality, age and gender of the Board and Senior Management as of 28 February 2025 are as follows:</p>

		<table><tr><th colspan="4">Race/Ethnicity</th><th colspan="2">Nationality</th></tr><tr><th>Malay</th><th>Chinese</th><th>Indian</th><th>Japanese</th><th>Malaysian</th><th>Japanese</th></tr><tr><td>Directors</td><td>3</td><td>4</td><td>1</td><td>3</td><td>8</td><td>3</td></tr><tr><td>Senior Management</td><td>1</td><td>4</td><td>0</td><td>2</td><td>5</td><td>2</td></tr></table>						Race/Ethnicity				Nationality		Malay	Chinese	Indian	Japanese	Malaysian	Japanese	Directors	3	4	1	3	8	3	Senior Management	1	4	0	2	5	2
	Race/Ethnicity				Nationality																												
	Malay	Chinese	Indian	Japanese	Malaysian	Japanese																											
	Directors	3	4	1	3	8	3																										
	Senior Management	1	4	0	2	5	2																										
		<table><tr><th colspan="4">Age/Years</th><th colspan="2">Gender</th></tr><tr><th><41</th><th>41-50</th><th>51-60</th><th>>60</th><th>Male</th><th>Female</th></tr><tr><td>Directors</td><td>-</td><td>2</td><td>3</td><td>6</td><td>7</td><td>4</td></tr><tr><td>Senior Management</td><td>0</td><td>1</td><td>6</td><td>0</td><td>5</td><td>2</td></tr></table>						Age/Years				Gender		<41	41-50	51-60	>60	Male	Female	Directors	-	2	3	6	7	4	Senior Management	0	1	6	0	5	2
	Age/Years				Gender																												
	<41	41-50	51-60	>60	Male	Female																											
	Directors	-	2	3	6	7	4																										
	Senior Management	0	1	6	0	5	2																										
	<p>The current composition of the Board includes individuals from various ethnic groups across various age bands and expertise, with female directors constituting 36% of the Board. Please refer to the Board of Directors’ Profiles in the Integrated Annual Report (“IAR”) 2025 for further information.</p> <p>The Board is satisfied with the level of time commitment given by the Directors in carrying out their duties and responsibilities. At present, none of the Board members hold more than five (5) directorships in listed companies.</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

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>In identifying candidates for appointment as Independent Directors, the Board of AEON Credit does not solely rely on recommendations from existing Board Members, management or major shareholders, but also considers referrals from independent sources and candidates identified through independent sources under the selection process.</p> <p>The NRC is responsible for identifying and nominating suitable candidates for appointments to the Board through various sources such as directors' registry, independent search firms etc.</p> <p>Appointment of Independent Directors are made by the Board, subject to fit and proper consideration, considering the requirements in terms of Board diversity, mix of skills and core competencies as well as time commitment, any conflict of interest affecting appointment and assessment of suitability of the candidate based on the following aspects:</p> <ul style="list-style-type: none">• Probity, personal integrity and reputation, where the candidate must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness;• Competence and capability, where the candidate must have the necessary skills, working experience, capability and commitment to carry out the role;• Time and commitment, where the candidate shall be able to devote sufficient time, resources in his/her role as Director having regard to his / her other commitments. <p>The key considerations and process for appointment to the Board are stated in the Board Charter. The Board has in the past utilised an independent source to identify suitable directorship candidate for</p>

	INEDs. The Board will continue the use of a myriad of resources to source for candidates based on recommendations from independent sources including referrals from industry or professional associations in future appointment of Directors.	
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>The profile of each Director is set out in the IAR 2025. Details provided in the profiles include their age, gender, tenure of service, directorships in other companies, working experience, Directors' shareholdings held in AEON Credit and any conflict of interest.</p> <p>As stipulated in the Board Charter, the Board has the responsibility to ensure that shareholders have the information they require to make an informed decision on the appointment and reappointment of a Director which includes the details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring independent judgement to bear on issues before the Board and to act in the best interest of the Group as a whole.</p> <p>In compliance with MMLR, explanatory notes have been included in the Notice of AGM to accompany resolutions for the reappointment of Directors who are due to retire and have offered themselves for re-election pursuant to the Company's Constitution.</p> <p>Each of the Director standing for re-election had undergone evaluation by NRC and had provided their annual declaration on their fitness and propriety to continue acting as Directors of the Group in accordance with the Fit and Proper Policy of the Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied								
Explanation on application of the practice	:	<p>The NRC of AEON Credit is currently chaired by Datuk Adinan bin Maning, a Senior Independent Non-Executive Director.</p> <p>The NRC members as at 28 February 2025 were as follows:</p> <table><tr><th>No.</th><th>Name of Director / Directorate</th></tr><tr><td>1</td><td>Datuk Adinan bin Maning Senior Independent Non-Executive Director</td></tr><tr><td>2</td><td>Mr. S Sunthara Moorthy A/L S Subramaniam – Member / Independent Non-Executive Director</td></tr><tr><td>3</td><td>Datin Yasmin Ahmad Merican – Member / Independent Non-Executive Director</td></tr></table> <p>The NRC is responsible for making recommendation to the Board on the optimum size of the Board, formalising a transparent procedure for proposing new nominees to the Board and Board Committees and ensuring the interest of the minority shareholders is fairly reflected on the Board.</p> <p>The roles and responsibilities of NRC include the following:</p> <ul style="list-style-type: none">i) To review annually and recommend appropriate criteria for a balanced Board in terms of structure, size and composition of the Board and committees including the required mix of skills and experience, core competencies which non-executive directors should bring to the Board and other qualities to function effectively and efficiently;ii) To assess annually the independence of its Independent Directors;iii) To consider, evaluate and propose any new Board appointments, having regard to criteria for a balanced Board;iv) To consider, evaluate and propose the appointment of the MD, Executive Director and Executive Officer;v) To review and recommend appointment of Directors to Board Committees;	No.	Name of Director / Directorate	1	Datuk Adinan bin Maning Senior Independent Non-Executive Director	2	Mr. S Sunthara Moorthy A/L S Subramaniam – Member / Independent Non-Executive Director	3	Datin Yasmin Ahmad Merican – Member / Independent Non-Executive Director
No.	Name of Director / Directorate									
1	Datuk Adinan bin Maning Senior Independent Non-Executive Director									
2	Mr. S Sunthara Moorthy A/L S Subramaniam – Member / Independent Non-Executive Director									
3	Datin Yasmin Ahmad Merican – Member / Independent Non-Executive Director									

	<p>vi) To review and recommend the re-election of Directors retiring based on provisions in the Company's Constitution, having regard to the annual assessment made on the relevant Directors;</p> <p>vii) To develop, maintain and review the criteria and processes to be used in the Board recruitment and annual assessment of the Board, Board Committees and each Director;</p> <p>viii) To review training and orientation requirements for each individual Director, recommend appropriate plans and programmes as well as facilitate Board induction programme for newly appointed Directors;</p> <p>ix) To review and make recommendations to the Board on the succession plan for key positions in the Group to ensure continuity in senior management; and</p> <p>x) To recommend to the Board the protocol for accepting new directorships in other companies/entities.</p> <p>The Terms of Reference of the NRC is published on the AEON Credit's corporate website at https://aeoncredit.com.my/about-us/corporate-governance/board-risk-charter/.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>Recognising the value of gender diversity towards providing insights from different perspectives for decision making, the Board maintains its pursuit of the adopted policy of having at least 30% female representation on the Board as stipulated in the Board Charter.</p> <p>As of 28 February 2025, the Board comprises eleven (11) members, four (4) of whom are female Directors, representing 36% of the total Board Members.</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

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>Recognising the value of gender diversity towards providing insights from different perspectives for decision making, the Board maintains its pursuit of the adopted policy of having at least 30% female representation on the Board as stipulated in the Board Charter.</p> <p>The Board has disclosed the Group’s gender diversity policy for the Board and Management on page 110 and page 148 of IAR 2025.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, through the NRC, conducts an annual Board Effectiveness Evaluation (“BEE”) to assess the performance of the Board and Board Committees, and to identify areas for continuous improvement. An independent consultant is engaged once every three years to support the NRC in facilitating an objective and candid assessment of the Board’s effectiveness, benchmarked against peer boards and governance best practices. The most recent external BEE was conducted in FYE2023, with the next evaluation scheduled for FYE2026.</p> <p>In FYE2025, the BEE exercise was facilitated by the Company Secretary to assess the performance of the Board. The BEE combined both self and peer performance assessment, and questionnaires/assessment forms served as the primary method of gathering insights on the performance of the Board, Board Committees and individual Directors, particularly in terms of its structure, composition, practices, independence of INEDs and etc. The BEE forms were distributed to all Directors and responses received were collated.</p> <p>In essence, the BEE results indicated that the Board is committed to the highest standards of good governance, affirming the effectiveness of the Board, Board Committees and individual Director in discharging their roles. A summary report of the assessment, including comments made by Directors, including the areas of strength and areas of improvement with suggestions were tabled to then NRC and Board respectively.</p> <p>Pursuant to feedback obtained from the individual Directors, the key strengths of the Board are visible in the following areas:</p>

	<p>(i) Capabilities and leadership of Chairman and Managing Director; (ii) Board professionalism; and (iii) Board effective deliberation.</p> <p>Apart from the above, the following key areas for enhancement were also highlighted for the Board's further consideration:</p> <p>(i) Private discussion between INED; (ii) Suitable performance framework; (iii) ESG strategic development; (iv) Board Succession Planning; and (v) Training for newly appointed Directors.</p> <p>The action plans on the above areas for enhancement will be developed and monitored by the NRC and the Board.</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 has in place policies and procedures to determine the remuneration of Directors and Senior Management, which considers the responsibilities, the skills and experience required, and the performance of the Group, relevant business units and the individual. Further, the said policies and procedures are aligned with the business strategy and long-term objectives of the Group.</p> <p>As outlined in the Board Charter, AEON Credit is committed to providing fair, reasonable and competitive remuneration for its Executive and Non-Executive Directors to ensure that the Group attracts and retains high calibre Directors who possess the skills, experience and knowledge to enhance entity value for the benefit of all shareholders. AEON Credit's Remuneration Policy and Procedures are reviewed periodically to ensure continued relevance and effectiveness.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of the 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 Group has established an NRC comprising three (3) members, consisting of Independent Non-Executive Directors. The NRC members as at 28 February 2025 were as follows:</p> <table><tr><td>No.</td><td>Name of Director / Directorate</td></tr><tr><td>1</td><td>Datuk Adinan bin Maning Senior Independent Non-Executive Director</td></tr><tr><td>2</td><td>Datin Yasmin Ahmad Merican – Member / Independent Non-Executive Director</td></tr><tr><td>3</td><td>Mr. Sunthara Moorthy A/L S Subramaniam – Member / Independent Non-Executive Director</td></tr></table> <p>Among others, the NRC is responsible for the review of remuneration of Executive Directors, Non-Executive Directors and the Senior Management on annual basis and making the relevant recommendations to the Board. The NRC shall ensure that the remuneration packages recommended are based on the criteria set out in the remuneration policy for Directors and Senior Management.</p> <p>The NRC may invite the MD, the Head of Human Resources, external advisers and other persons to attend all or part of any meetings as and when deemed necessary by the NRC.</p> <p>The roles and responsibilities of the NRC comprise the following:</p> <p>i) Assist the Board in development, implementation and review of policies and procedures pertaining to structure, components and level of remuneration of Directors and Senior Management;</p>	No.	Name of Director / Directorate	1	Datuk Adinan bin Maning Senior Independent Non-Executive Director	2	Datin Yasmin Ahmad Merican – Member / Independent Non-Executive Director	3	Mr. Sunthara Moorthy A/L S Subramaniam – Member / Independent Non-Executive Director
No.	Name of Director / Directorate									
1	Datuk Adinan bin Maning Senior Independent Non-Executive Director									
2	Datin Yasmin Ahmad Merican – Member / Independent Non-Executive Director									
3	Mr. Sunthara Moorthy A/L S Subramaniam – Member / Independent Non-Executive Director									

	<p>ii) Review and recommend to the Board the remuneration of newly appointed Directors and Board Committee members; and</p> <p>iii) Review and recommend to the Board the annual revision, if any, of fees, salaries and other remuneration components of Non-Executive Directors and Executive Directors as well as quantum of performance-linked rewards payable to Executive Directors, subject to the approval of remuneration payable to Non-Executive Directors by shareholders in general meeting.</p> <p>The Terms of Reference of the NRC is published on the AEON Credit's corporate website at https://aeoncredit.com.my/about-us/corporate-governance/board-risk-charter/.</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 paid/payable for FYE2024 to individual Directors of AEON Credit is set out below on named basis, duly categorised into appropriate components including fees, salaries, bonus, benefits-in-kind and other emoluments:

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	Ng Eng Kiat	Non-Executive Non-Independent Director	336	0	0	0	31	0	367	336	0	0	0	31	0	367
2	Daisuke Maeda	Managing Director	0	274	648	300	163	0	1,385	0	274	648	300	163	0	1,385
3	S. Sunthara Moorthy S. Subramaniam	Independent Director	236	0	0	0	0	0	236	322	0	0	0	0	0	322
4	Datuk Adinan bin Maning	Independent Director	220	0	0	0	0	0	220	220	0	0	0	0	0	220
5	Datin Yasmin Ahmad Merican	Independent Director	200	0	0	0	0	0	200	200	0	0	0	0	0	200
6	Chin Pik Yuen	Independent Director	195	0	0	0	0	0	195	195	0	0	0	0	0	195
7	Farah Suhanah binti Tun Ahmad Sarji	Independent Director	135	0	0	0	0	0	135	135	0	0	0	0	0	135
8	Wan Chee Keong	Independent Director	46	0	0	0	0	0	46	46	0	0	0	0	0	46
9	Lee Tyan Jen	Executive Director	0	0	600	230	9	133	972	0	0	600	230	9	133	972
10	Rashidah binti Abu Bakar	Independent Director	64	0	0	0	0	0	64	64	0	0	0	0	0	64
11	Naoya Okada	Non-Executive Non-Independent Director	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Tsutomu Omodera	Non-Executive Non-Independent Director	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Amount		1,432	274	1,248	530	203	133	3,820	1,518	274	1,248	530	203	133	3,906

Intended Outcome

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

Practice 8.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board is of the opinion that disclosing the remuneration of the top five Senior Management on a named basis would not be in the Group's best interest due to sensitivity of such information and the highly competitive nature of the industry.</p> <p>However, the Board wishes to give assurance that the Senior Management's remuneration is aligned with individual performance, the Group's overall performance, and the achievement of key performance indicators.</p> <p>Nevertheless, the detailed remuneration of top two Senior Management who are the MD and Executive Director are disclosed in this CG Report under Practice 8.1. Additionally, AEON Credit has disclosed the total key management remuneration in Note 30 to the Audited Financial Statement for FYE2025.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board will closely monitor the developments in the market in respect of such disclosure for future consideration.
Timeframe	:	Others

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	:	Not applicable

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 positions of Chairman of the Board and Chairman of the Audit Committee ("AC") are held by separate individuals. The Chairman of the AC is Mr. S Sunthara Moorthy A/L S Subramaniam, an Independent Non-Executive Director, while Mr. Ng Eng Kiat is the Chairman of the Board. This is consistent with Practice 1.4 of the MCCG.</p> <p>The qualifications and experience of the AC members are included in the Board of Directors' Profiles in the IAR 2025.</p> <p>The Terms of Reference of the AC is available on the AEON Credit's corporate website at https://aeoncredit.com.my/about-us/corporate-governance/board-risk-charter/.</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>None of the current members of the AC has been associated with or held any senior leadership position with the Group's appointed external auditors in the previous years. This serves to safeguard the independence of the audit on the Group's financial statements by avoiding the potential conflict of interest which may arise when a former key audit partner is in a position to exert significant influence over the audit or preparation of the Group's financial statements.</p> <p>The Terms of Reference of the AC prescribe that for the engagement of a former partner of the external audit firm of the Group as member of the AC, there must be a cooling-off period of at least three (3) years before being appointed as a member of the AC.</p> <p>The Terms of Reference of the AC is accessible on AEON Credit's corporate website at https://aeoncredit.com.my/about-us/corporate-governance/board-risk-charter/.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The roles of the AC to assess the suitability, objectivity and independence of the external auditors are provided under the Terms of Reference of the AC, which stipulate the responsibilities and duties of the Committee, amongst others to:</p> <ul style="list-style-type: none">• Review with the external auditors, the audit scope and plan including any changes to the planned scope of the audit and the proposed audit fees in connection with the statutory audit.• Review the suitability, independence and objectivity of the external auditors and their services, including non-audit services.• To consider the appointment/ re-appointment of the external auditors, the terms of reference of the said appointment/ re-appointment and any question on resignation and dismissal of external auditors before making a recommendation to the Board.• Review and recommend to the Board for approval the non-audit services rendered by the external auditors and/or its network firms or its affiliates to the Group for the financial year, including the nature of the non-audit services, fees for the non-audit services (individually and in aggregate) relative to the external audit fees and safeguards deployed to eliminate or reduce the threat to objectivity and independence in the conduct of the external audit resulting from the non-audit services provided. <p>At the Special AC Meeting held on 23 April 2024, the AC reviewed and assessed the external auditors, Messrs Deloitte PLT's performance and competency covering the areas, such as professional reputation and independence of the external audit firm, its quality control processes/ performance, competency of the audit partner and the audit team</p>

	<p>members assigned to the engagement, adequacy of the audit scope and planning as well as maintaining active communication with the AC and Management during the audit process and their responsiveness in attending to issues.</p> <p>Messrs. Deloitte PLT had also provided assurance that they have not identified any breach of independence and is in compliance with the independence requirement in accordance with the relevant professional and regulatory requirements in respect of the Audited Financial Statements of the Group.</p> <p>The AC was satisfied with Messrs. Deloitte PLT's overall performance and technical competency, and recommended the re-appointment of Messrs. Deloitte PLT as the External Auditors for the Board's consideration. Having reviewed the outcome of the assessment and AC's recommendation, the Board had on 30 April 2024 approved the resolution for the eventual shareholders' approval at the 27th AGM of the Group held on 20 June 2024 on the reappointment of Messrs. Deloitte PLT as the External Auditors of AEON Credit for FYE2025.</p>			
Explanation for departure	:			
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>				
Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted										
Explanation on adoption of the practice	:	<p>As of 28 February 2025, the AC comprised three (3) members, all of whom are Independent Non-Executive Directors:</p> <table><tr><td>No.</td><td>Name of Director / Directorate</td></tr><tr><td>1</td><td>Mr. S Sunthara Moorthy A/L S Subramaniam – Chairman / Independent Non-Executive Director</td></tr><tr><td>2</td><td>Ms. Chin Pik Yuen – Member / Independent Non-Executive Director</td></tr><tr><td>3</td><td>Ms. Farah Suhanah binti Ahmad Sarji (Appointed on 21 June 2024) – Member / Independent Non-Executive Director</td></tr><tr><td></td><td>Ms. Rashidah binti Abu Bakar (Retired on 20 June 2024) – Member / Independent Non-Executive Director</td></tr></table> <p>During the financial year, Ms. Farah Suhanah binti Ahmad Sarji was appointed as a member of the AC on 21 June 2024, succeeding Ms. Rashidah binti Abu Bakar, who retired as a Director of AEON Credit at the 27th AGM on 20 June 2024.</p>	No.	Name of Director / Directorate	1	Mr. S Sunthara Moorthy A/L S Subramaniam – Chairman / Independent Non-Executive Director	2	Ms. Chin Pik Yuen – Member / Independent Non-Executive Director	3	Ms. Farah Suhanah binti Ahmad Sarji (Appointed on 21 June 2024) – Member / Independent Non-Executive Director		Ms. Rashidah binti Abu Bakar (Retired on 20 June 2024) – Member / Independent Non-Executive Director
No.	Name of Director / Directorate											
1	Mr. S Sunthara Moorthy A/L S Subramaniam – Chairman / Independent Non-Executive Director											
2	Ms. Chin Pik Yuen – Member / Independent Non-Executive Director											
3	Ms. Farah Suhanah binti Ahmad Sarji (Appointed on 21 June 2024) – Member / Independent Non-Executive Director											
	Ms. Rashidah binti Abu Bakar (Retired on 20 June 2024) – Member / Independent Non-Executive Director											

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>All members of the AC are financially literate and possess the necessary skills to discharge their duties. Further, the current AC composition is aligned towards the need for AC members to have sufficient understanding of the Group's business as well as to adopt analytical and meticulous approach in reviewing the Group's financial reporting processes, transactions and other financial information.</p> <p>The Chairman of the AC, Mr. S Sunthara Moorthy A/L S Subramaniam, is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and a member of the Malaysian Institute of Accountants (MIA). He has over thirty (30) years of experience, mainly in general management, strategic business development, corporate finance, accountancy, tax and audit.</p> <p>Ms. Chin Pik Yuen is a Certified Public Accountant of the Malaysian Institute of Certified Public Accountants (MICPA) and a Chartered Accountant of the MIA. She also holds a Postgraduate Diploma in Anti-Money Laundering from the University of Manchester, Manchester Business School. She started her career as a statutory auditor in 1988. Additionally, she has over twenty (20) years of experience in Internal Audit, Systems & Methods, Human Resources & Administration, risk and compliance roles in banking and capital market sectors before joining Securities Commission Malaysia in 2014 until her retirement in 2021 as the General Manager of Corporate Planning and Strategy Department.</p>

	<p>Ms. Farah Suhanah binti Ahmad Sarji graduated from University of Kent at Canterbury, UK with a Bachelor of Arts (Hons) in Law. She was admitted as an Advocate and Solicitor of the High Court of Malaya in 1996. She has over 26 years of legal and commercial expertise across Malaysia on regulatory requirements, locally and internationally, in the oil and gas, telecommunications and satellite industries as well as the palm oil plantation industry.</p> <p>All AC members are aware of the need to undertake professional development from time to time to keep abreast of industry developments. Details of the trainings attended by the Directors, including AC members, are set out in the IAR 2025.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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 has overall responsibility for establishing a framework for good corporate governance within the Group, including the processes for risk management and internal control. The Board plays a vital role to ensure appropriate and effective risk management and internal control culture are implemented throughout the Group.</p> <p>To achieve AEON Credit's strategic objective and provide reasonable assurance of the effectiveness of internal controls, the Board establishes leadership by setting the tone at the top and clearly articulating expectations, and delegates authority to its committees. The Board is supported by the AC and the BRC in overseeing and reviewing the adequacy and effectiveness of the Group's risk management and internal control framework. On a quarterly basis, the AC and BRC report to the Board presenting their deliberation, findings and recommendations for further discussion and direction.</p> <p>The Board has established a strong risk management and corporate governance framework/platform that is important in setting the required standards towards an effective risk management and corporate governance structure. The Board is supported by the Risk Management Committee and ("RMC") and BRC, which oversee all aspects of risk and compliance in accordance with applicable laws, regulations, guidelines, and generally accepted practices. In addition, a dedicated risk function is in place to identify, assess, mitigate and monitor potential risks related to external factors and material matters, in order to maintain operational efficiency at an enterprise-wide level.</p> <p>Details of the Group's risk management and internal control framework are set out in the Statement of Risk Management and Internal Control ("SORMIC") in the IAR 2025.</p>

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

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The features of the Group's risk management and internal control framework are detailed in the SORMIC included in the IAR 2025.</p> <p>AEON Credit has established Enterprise Risk Management Framework ("ERMF") that defines the mechanism and processes for effective risk management. By integrating the ERMF into its business practices, the Group strengthens its decision-making processes, enhances business performance, and safeguard the Group's long-term value. The key features of ERMF include:</p> <ul style="list-style-type: none">i) Risk Appetite/Tolerance;ii) Risk Governance and Oversight;iii) Risk and Compliance Culture; andiv) Risk Management Process. <p>The Board has implemented key processes to assess the adequacy and integrity of the internal control system, which include, but not limited to, the following:</p> <ul style="list-style-type: none">i) Annual business plan and budget;ii) Core value and Code of Conduct;iii) Corporate decision authority matrix; andiv) Written operating procedures. <p>As outlined in the SORMIC, the Board has confirmed its satisfaction with the adequacy and effectiveness of the Group's risk management and internal control framework for the FYE2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted										
Explanation on adoption of the practice	:	<p>The Board has established the BRC to oversee the Group’s risk management framework and policies. The BRC comprises three (3) Independent Directors as set out below:</p> <table><tr><td>No.</td><td>Name of Director / Directorate</td></tr><tr><td>1</td><td>Datuk Adinan bin Maning – Chairman / Senior Independent Non-Executive Director</td></tr><tr><td>2</td><td>Datin Yasmin Ahmad Merican – Member / Independent Non-Executive Director</td></tr><tr><td>3</td><td>Mr. Wan Chee Keong (Appointed on 1 December 2024) – Member / Independent Non-Executive Director</td></tr><tr><td></td><td>Ms. Rashidah binti Abu Bakar (Retired on 20 June 2024) – Member / Independent Non-Executive Director</td></tr></table> <p>During the financial year, Mr. Wan Chee Keong was appointed as a member of the BRC on 1 December 2024, succeeding Ms. Rashidah binti Abu Bakar, who retired as a Director of AEON Credit at the 27th AGM on 20 June 2024.</p> <p>In FYE2025, the BRC, among other matters, reviewed and recommended various risk and compliance related policies for the Board’s approval, reviewed and deliberated on market and environment dynamics, identified emerging risks and discussed legal and regulatory compliance matters.</p> <p>The Terms of Reference of the BRC is published on the AEON Credit’s corporate website at https://aeoncredit.com.my/about-us/corporate-governance/board-risk-charter/.</p>	No.	Name of Director / Directorate	1	Datuk Adinan bin Maning – Chairman / Senior Independent Non-Executive Director	2	Datin Yasmin Ahmad Merican – Member / Independent Non-Executive Director	3	Mr. Wan Chee Keong (Appointed on 1 December 2024) – Member / Independent Non-Executive Director		Ms. Rashidah binti Abu Bakar (Retired on 20 June 2024) – Member / Independent Non-Executive Director
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	Ms. Rashidah binti Abu Bakar (Retired on 20 June 2024) – Member / Independent Non-Executive Director											

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>Pursuant to Paragraph 15.27 of the MMLR, the Board has established an in-house internal audit function, which is independent of the activities it audits. The primary responsibility of the Internal Audit Division (“IAD”) is to provide independent and objective assessment on the adequacy and effectiveness of the risk management, internal control, anti-corruption, whistle-blowing and governance processes implemented by the Management.</p> <p>IAD’s mission, scope of work, responsibilities and authority are governed by its Internal Audit Charter, which is approved by the AC. To reflect the independence of the internal audit function, the Head of IAD reports functionally to the AC and administratively to the MD, and has unfettered access to the AC. Through this reporting relationship, the AC ensured that the IAD has the authority to carry out its work objectively and independently. The AC approved the IAD’s annual audit plan including its scope, coverage and the resource requirements of the internal audit function to carry out its work.</p> <p>The AC received reports from the IAD at each quarterly AC Meeting, regarding the results of audit reviews in the preceding quarter, key findings, root causes and Management’s rectification action plans to address the audit findings.</p> <p>During FYE2025, the AC held two (2) meetings with the Head of IAD, without the presence of the Executive Board members and Management, to discuss any issues or significant matters which the Head of IAD wished to raise.</p> <p>In April 2024, the AC evaluated the performance and effectiveness of the internal audit function pursuant to Paragraph 15.12 of the MMLR including its scope, functions, competency and resources of the IAD, to ensure the internal audit function is effective and able to function independently.</p>

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

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The internal audit function is carried out based on a risk-based approach guided by the International Professional Practice Framework, promulgated by the Institute of Internal Auditors (“IIA”), the Internal Audit Charter, Internal Audit Policy and Procedure, the AC Terms of Reference. The IAD personnel are free from any relationships or conflict of interest, which could impair their objectivity and independence. As guided by the Internal Audit Charter, Policy and Procedure, the IAD maintains its independence and impartiality in performing audit work.</p> <p>In accordance with the IAD’s Internal Audit Charter on Independence and Objectivity, the IAD is required to confirm to the AC, at least annually, the organisational independence of the internal audit activity. This is also in accordance with Standard 7.1 on Organisational Independence of the Global Internal Audit Standards. In relation to this, all IAD personnel, including the Head of IAD, confirmed to the AC in December 2024, via the annual declaration, that they have applied and upheld the principles stated in the IAD Code of Ethics and are free from any relationships or conflict of interest that could impair their objectivity and independence.</p> <p>The IAD is staffed by nineteen (19) personnel including five (5) in managerial positions. The Head of IAD, Mr. Phang Chee Chong, oversees the Internal Audit function. He is a Chartered Member of the Institute of Internal Auditors Malaysia (CMIIA), Certified Internal Auditor (CIA), Certified Financial Services Auditor (CFSA) by the IIA, Certified Information Systems Auditor (CISA) by ISACA, Certified Bank Auditor (CBA) from AICB and Certified Fraud Examiner (CFE) from ACFE. He has a Master of Business Administration (MBA) from Southern Cross University, Australia and has additionally obtained the Certification in Risk Management Assurance (CRMA) by the IIA, Certified in Risk and</p>

	Information Systems Control (CRISC) and Certified in the Governance of Enterprise IT (CGEIT) by ISACA.			
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	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

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 is committed to the principles set out in Bursa Securities' Corporate Disclosure Guide and compliance with applicable laws to ensure comprehensive, accurate and timely disclosures relating to the Group to the stakeholders. The Board is aware of its accountability to the shareholders and other stakeholders, and recognises that continuous communication enables the Group to understand stakeholders' concerns and take them into consideration when making decisions. Investor relations, corporate governance and other corporate information are accessible on the AEON Credit's corporate website at https://aeoncredit.com.my/about-us/.</p> <p>A dedicated Investor Relations e-mail contact is also available at the AEON Credit's corporate website, allowing shareholders to submit queries or concerns via ir_info@aeoncredit.com.my.</p> <p>Apart from the above, AEON Credit places strong emphasis on two-way communication with all stakeholders who are impacted by or have the ability to influence the business. The Group continually engages with these stakeholders to address their needs and concerns on matters related to the business operations, through various channels such as meetings, engagements and participation in events involving regulators, industry associations, business partners, merchants, segments of local community and etc.</p> <p>Material sustainability matters and stakeholder communication efforts are detailed in the Sustainability Statement of AEON Credit's IAR 2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

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	:	Applied
Explanation on application of the practice	:	<p>In order to provide various stakeholders with a balanced, comparable and meaningful overview of the Group's performance, operations, financial health, prospects and sustainability governance/practices, AEON Credit has embarked on its Integrated Reporting ("<IR>") journey since 2020.</p> <p>The IAR 2025 is prepared in accordance with the Integrated Reporting (IR) Framework set out by the International Integrated Reporting Council. The Group will continue to identify and progressively address gaps in the annual report in alignment with the <IR> framework.</p> <p>The Board is committed to advancing the <IR> journey, in tandem with the expectations of high-quality disclosures that reflect integrity and transparency.</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 13.1

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 Board ensures that shareholders are given sufficient notice and time to consider the resolutions that will be discussed and decided at the AGM of AEON Credit.</p> <p>The 27th AGM was held on 20 June 2024, and the Notice convening the AGM was sent to all shareholders either by physical despatch or e-mail on 21 May 2024, i.e. twenty-eight (28) clear days prior to the 27th AGM. The said Notice was also published on the AEON Credit's corporate website at https://aeoncredit.com.my/investor-relations/general-meeting/.</p> <p>Under the Companies Act 2016 and the MMLR of Bursa Securities, an AGM must be called by giving at least twenty-one (21) days' notice of the meeting. Nevertheless, the Board opted to provide a longer notice period of twenty-eight (28) days for the 27th AGM. This is beneficial to shareholders, as it allows them sufficient time to make informed decision regarding the AGM agenda and to make the necessary arrangements to attend and participate either in person or through corporate representatives, proxies or attorneys.</p> <p>Along with the Notice of AGM, AEON Credit also issued an Administrative Guide which provides useful information to shareholders regarding the details of the AGM, shareholders' entitlement to attend, and their right to appoint a proxy or representative. Relevant explanatory notes for the proposed resolutions were also included in the Notice of AGM to assist shareholders in better understanding and evaluating the issues involved, enabling them to make informed decisions when exercising their voting rights.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied		
Explanation on application of the practice	:	<p>The Board recognises that the presence of all Directors provides an opportunity for shareholders to effectively engage with them and enables shareholders to raise questions directly to specific Directors.</p> <p>All nine (9) Directors attended the last AGM held on 20 June 2024. The Directors engaged actively with shareholders at AGM and provided explanations on the proposed resolutions, along with background information and recommendations.</p> <table><tr><th>Physically or virtually present at AGM</th></tr><tr><td><div><div>1.</div><div>Mr. Ng Eng Kiat (Chairman)</div></div><div><div>2.</div><div>Mr. Daisuke Maeda</div></div><div><div>3.</div><div>Mr. S Sunthara Moorthy A/L S Subramaniam</div></div><div><div>4.</div><div>Datuk Adinan bin Maning</div></div><div><div>5.</div><div>Datin Yasmin Ahmad Merican</div></div><div><div>6.</div><div>Ms. Rashidah binti Abu Bakar</div></div><div><div>7.</div><div>Ms. Chin Pik Yuen</div></div><div><div>8.</div><div>Mr. Mitsugu Tamai</div></div><div><div>9.</div><div>Ms. Lee Tyan Jen</div></div></td></tr></table> <p>During the AGM, the MD and Chief Financial Officer (“CFO”) delivered a presentation on the Group’s financial performance and operations, and responded to questions submitted in advance by the Minority Shareholders’ Watch Group and shareholders.</p> <p>Concern raised by shareholders were satisfactorily addressed by the Chairman of the Board and the relevant Directors.</p> <p>The proceedings of the 27th AGM were documented in the minutes of the meeting, which were made available within thirty (30) business days after the meeting on AEON Credit’s corporate website at https://aeoncredit.com.my/investor-relations/general-meeting/.</p>	Physically or virtually present at AGM	<div><div>1.</div><div>Mr. Ng Eng Kiat (Chairman)</div></div> <div><div>2.</div><div>Mr. Daisuke Maeda</div></div> <div><div>3.</div><div>Mr. S Sunthara Moorthy A/L S Subramaniam</div></div> <div><div>4.</div><div>Datuk Adinan bin Maning</div></div> <div><div>5.</div><div>Datin Yasmin Ahmad Merican</div></div> <div><div>6.</div><div>Ms. Rashidah binti Abu Bakar</div></div> <div><div>7.</div><div>Ms. Chin Pik Yuen</div></div> <div><div>8.</div><div>Mr. Mitsugu Tamai</div></div> <div><div>9.</div><div>Ms. Lee Tyan Jen</div></div>
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Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>AEON Credit conducted its 27th Annual General Meeting ("AGM") virtually on 20 June 2024 via live streaming and online remote voting, through the Remote Participation and Electronic Voting ("RPEV") facilities provided by the Group's appointed share registrar, Boardroom Share Registrars Sdn. Bhd. ("Boardroom"), assessable at https://meeting.boardroomlimited.my. The 27th AGM was broadcast live from Pullman Room 3, 4 & 5, Level 3, Pullman Kuala Lumpur City Centre Hotel & Residences, No.4, Jalan Conlay, 50450 Kuala Lumpur, which served as the Broadcast Venue of the AGM.</p> <p>The security, confidentiality, integrity, and availability of Lumi AGM application are vital to conducting a successful AGM. The Lumi platform is regularly and extensively tested by independent, accredited third-party experts. All Lumi AGM systems and its service providers are certified with the ISO/IEC 27001:2013 international standards. This provides a robust, auditable and externally verifiable framework of controls designed to maintain the confidentiality, integrity and availability of customer information and the personal data Lumi processes on their behalf. The virtual system adopted by Lumi uses strong, industry best-practice encryption techniques to ensure customer data is protected from unauthorised access. All transmitted data is encrypted, with encryption keys managed directly by Lumi. An audit trail is also maintained within the Lumi system.</p> <p>The Administrative Details, which set out all the details of the AGM, were published on the AEON Credit and Bursa Securities' website to facilitate shareholders' registration and participation at the virtual AGM. The AGM was attended by 791 members, comprising shareholders, proxies and corporate representatives via the RPEV</p>

	<p>facilities provided. The meeting was conducted in accordance with Section 327(2) of the Companies Act 2016 and Clause 86 of the Company's Constitution.</p> <p>The Board regards general meetings as a platform for shareholders to exercise their rights. In accordance with Paragraph 8.29A(1) of the MMLR, all resolutions put to vote are determined by poll voting. The Board has always taken into account the location of its general meetings to ensure ease of access for shareholders.</p>			
Explanation for departure	:			
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>				
Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

Intended Outcome

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

Practice 13.4

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.

Application	:	Applied
Explanation on application of the practice	:	<p>To ensure that the General Meetings served as an important opportunity for effective communication with, and constructive feedback from the shareholders, the Chairman of AEON Credit, Mr. Ng Eng Kiat briefed the shareholders, corporate representatives and proxies attending the Meeting on their rights to raise questions and vote on the resolutions set out in the Notice of the AGM dated 21 May 2024.</p> <p>Under Agenda 1 in which the audited financial statements were laid before the meeting in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only, the MD of AEON Credit presented the financial overview of the Group's performance for the financial year ended 29 February 2024, business and operational highlights, as well as the Group's strategies and prospects for the financial year ending 28 February 2025. The presentation was followed by a video showcase for the shareholders and the CFO addressed the queries raised by the Minority Shareholders Watch Group.</p> <p>All the nine (9) Directors mentioned under Practice 13.2 of this Corporate Governance Report were present at the 27th AGM to respond to the questions posed by shareholders via the online meeting platform at https://meeting.boardroomlimited.my relating to the agenda items for the 27th AGM. The shareholders were also encouraged to submit questions to the Board by email prior to the AGM, and a total six (6) questions were received in advance.</p>

	<p>The virtual meeting platform was opened for login one hours before the meeting commenced. Upon logging in, shareholders were able to submit questions using the messaging window facility via Virtual Meeting portal. A total of seventy-eight (78) questions were received from shareholders, corporate representatives and proxies during the AGM.</p> <p>The live questions submitted by shareholders were read out by the Chairman during the AGM and addressed accordingly, in order to support meaningful engagement between the Board, Senior Management and shareholders.</p> <p>All questions and answers have been responded and uploaded to https://aeoncredit.com.my/investor-relations/general-meeting/.</p> <p>Whilst the general meeting is one of the platforms where shareholders can raise issues or seek explanation from the Board or Management, they are also welcome to provide feedback and pose questions at ir_info@aeoncredit.com.my at any time, outside of the AGM.</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.

Application	:	Applied
Explanation on application of the practice	:	<p>AEON Credit conducted its 27th AGM virtually on 20 June 2024. Boardroom was engaged to provide online meeting platform for the virtual proceedings. The meeting was live-streamed and accessible via Boardroom's Lumi AGM portal at https://meeting.boardroomlimited.my/.</p> <p>(1) Boardroom, as the appointed Poll Administrator, verified the eligibility of shareholders, corporate representatives and proxies to attend the 27th AGM based on the General Meeting Record of Depositors as at 18 June 2024 and in accordance with the cut-off date and time for proxy form submission. The online platform was secured and made accessible exclusively to shareholders with approved registration for Remote Participation and Electronic Voting ("RPEV") at the 27th AGM.</p> <p>(2) On the day of the meeting, shareholders were provided with a messaging window within the virtual meeting portal to submit questions in real time. All responses provided by the Board and Senior Management were read aloud during the meeting, and relevant questions were displayed to shareholders via the live stream. The complete Q&A session (including questions not addressed during the live meeting along with their respective responses) was subsequently posted on AEON Credit's corporate website.</p>

	<p>(3) The extensive Q&A session facilitated meaningful interaction between the Directors, Management, and shareholders throughout the fully virtual meeting. Shareholders participating via the “Live Streaming Meeting: AEON Credit 27th AGM” were able to cast their votes by selecting the voting icon provided within the platform during the proceedings.</p> <p>(4) The online voting session commenced at the start of the meeting at 10.00 a.m. on 20 June 2024. Following the conclusion of the Q&A session and the tabling of the AGM resolutions at 11:28 a.m., the Chairman allowed an additional ten (10) minutes for shareholders to cast their votes. At 11.53 a.m., the Chairman announced that the close of the voting session and informed that the poll results were being verified for announcement.</p> <p>The poll results were verified by the appointed scrutinisers, GovernAce Advisory & Solutions Sdn. Bhd. between 11.37 a.m. and 11.52 a.m. The Chairman then proceeded to announce the results of Resolution 1 to 14, which were systematically displayed to all shareholders, corporate representatives and proxies in attendance. The Chairman subsequently declared that all resolutions were duly passed.</p> <p>For shareholders who were unable to attend the 27th AGM, the AGM proceedings materials are available for reference AEON Credit’s corporate website at https://aeoncredit.com.my/investor-relations/general-meeting/.</p>
Explanation for departure	<div></div> <div></div>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	<div></div>
Timeframe	<div></div> <div></div>

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 27th AGM were made available on the AEON Credit's corporate website at https://aeoncredit.com.my/investor-relations/general-meeting/ within 30 business days following the 27th AGM on 20 June 2024.
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	
	:	

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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