

CORPORATE GOVERNANCE REPORT

STOCK CODE : 2836
COMPANY NAME : Carlsberg Brewery Malaysia Berhad
FINANCIAL YEAR : December 31, 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	:	<ul style="list-style-type: none"> • The Board sets the strategic directions and oversees the conduct of the Group's business. It is committed to ensuring that Carlsberg Brewery Malaysia Berhad and its subsidiaries ("Group") practices high standards of corporate governance including accountability and transparency as a fundamental part of discharging the Board's responsibilities to protect and enhance shareholders' value. • The Board leads and has effective control over the Group whereby collective decisions and/or close monitoring are conducted on issues relating to strategy, financial and non-financial performance, capital allocation, standards of conduct and sustainability-related impacts, risks and opportunities. • The Board has oversight on matters delegated to the Management whereby updates are reported on a quarterly basis during Board meetings. The Group adopts a Chart of Authority approved by the Board which the Management has to adhere to in carrying out its strategy implementation and day-to-day operations. • The roles and responsibilities of the Board as set out in the Board Charter are clear and distinct from that of the Managing Director. The matters reserved for the collective decision of the Board are listed in Appendix A of the Board Charter. • The Board also facilitates its principal responsibilities which include reviewing and adopting a strategic plan, overseeing the conduct of the business, risk management, succession planning, reviewing and ensuring effective internal controls. • The Board has delegated specific responsibilities to the following committees ("Committees"):- <ul style="list-style-type: none"> (a) Audit Committee ("AC"); (b) Nomination & Remuneration Committee ("NRC"); (c) Risk Management Committee* ("RMC"); and (d) Sustainability Committee* ("SC"). <p>Note: *Effective 23 January 2026, the Risk Management and Sustainability Committee ("RMSC") was split into two separate committees i.e. RMC and SC.</p>

	<ul style="list-style-type: none"> The powers delegated to the Committees are set out in the Terms of Reference of each Committee as approved by the Board and set out in Appendices B, C, D and E of the Board Charter. The Board Charter is available on the corporate website – www.carlsbergmalaysia.com.my 	
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	:	<ul style="list-style-type: none">• The Chairman, Tan Sri Dato' Seri Chor Chee Heung, holds a Non-Executive position and is primarily responsible for matters pertaining to the Board and the overall conduct of the Group.• The Chairman is committed to good corporate governance practices and has been leading the Board towards a high performing culture. Key responsibilities of the Chairman include the following:<ul style="list-style-type: none">(a) provides leadership for the Board so that the Board may perform its responsibilities effectively;(b) sets the Board agenda and ensures that Board members receive complete and accurate information in a timely manner;(c) leads the Annual General Meeting, Board meetings and discussions;(d) encourages active participation and allows different views to be freely expressed;(e) manages the interface between Board and Management;(f) ensures appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; and(g) leads the Board in establishing and monitoring good corporate governance practices in the Group.
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	:	<ul style="list-style-type: none"> • The positions of the Chairman and the Managing Director are held by two different individuals. The Chairman, Tan Sri Dato' Seri Chor Chee Heung and the Managing Director, Stefano Clini, have their respective roles and responsibilities which are governed by the Board Charter. • The roles and responsibilities of the Chairman and the Managing Director are spelt out distinctly to ensure the appropriate balance of power and authority. 	
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

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'.

Application	:	Applied
Explanation on application of the practice	:	<ul style="list-style-type: none"> The Chairman of the Board, Tan Sri Dato' Seri Chor Chee Heung, has vacated his position as a member of the AC and NRC with effect from 24 February 2023 in compliance with this practice.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 :	<ul style="list-style-type: none">• The Board is supported by 2 qualified and competent Company Secretaries: Ms. Koh Poi San (the Legal & Compliance Director and Company Secretary) and Ms. Ong E-Shynn (the Legal Manager and Assistant Company Secretary) to carry out the following responsibilities in providing support to the Board:<ul style="list-style-type: none">(a) ensure compliance of listing and related statutory obligations as well as updates on regulatory requirements, codes, guidance and relevant legislation;(b) ensure adherence to Board policies and procedures, rules, relevant laws and best practices on corporate governance;(c) attend Board, Committees and General Meetings, and ensure the proper recording of minutes as well as follow-up on matters arising;(d) ensure proper upkeep of statutory registers and records and maintain a secured retrieval system which stores meeting papers and minutes of meetings; and(e) assist the Chairman of the Board and Committees in the preparation for and conduct of meetings.• The Company Secretaries have the requisite credentials and are qualified to act as company secretary under Section 235(2) of the Companies Act 2016.• The Group also retains the services of Tricor Corporate Services Sdn. Bhd. (Vistra Group) to support corporate secretarial services as well as to provide additional advice on issues pertaining to compliance and corporate governance.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.6

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	:	<ul style="list-style-type: none"> • To assist Directors and Management in planning for the financial year, meetings of the Board and the Board Committees are scheduled in advance before the start of each new financial year. • All Directors have access to the advice and services of the Company Secretaries as well as to all information within the Group. There is also a formal procedure sanctioned by the Board, whether as a full board or in their individual capacity, to take independent professional advice, where necessary and in appropriate circumstances, in furtherance of their duties, at the Group's expense. • All Directors are furnished with a comprehensive board file, including the meeting agenda, usually no less than seven (7) days before each Board meeting. Sufficient time is given to enable the Directors to solicit further explanations and/or information, where necessary, so that deliberations at the meeting are focused and constructive. • The board file includes, amongst others, strategic priorities performance, financial results, sustainability-related impacts, risks and opportunities, industry insights, market outlook and forecasts, status of major projects, minutes of meetings of the Board and of the Board Committees and other major operational, financial, compliance, risk management, succession planning and legal issues. In addition, there is a schedule of matters reserved specifically for the Board's decision. • The Directors review and confirm that the minutes of Board meetings accurately reflect the deliberations and decisions of the Board, including whether any Director abstains from voting or deliberating on a particular matter. • The Company uses a smart board tool, BoardPac, to allow the Directors to access to board file, updates and other relevant documents. This board tool enables sharing of updated information and documents with the Directors and amongst the Directors themselves in a timely manner.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:	
Timeframe	:	

Intended Outcome

There is 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	:	<ul style="list-style-type: none"> • The Board is guided by its Board Charter which sets out the roles and responsibilities of the Board, membership guidelines, procedures for Board Meetings, Directors' remuneration, investor relations and shareholder communication, the matters reserved for the collective decision of the Board as well as the terms of references of the Board Committees. • The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities. • The Board Charter is available on the corporate website at www.carlsbergmalaysia.com.my
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 :	<ul style="list-style-type: none">• The Group has embedded the 'Live by our Compass' programme introduced by the Carlsberg Group into the Group's culture by implementing the ethical standards for conducting business with integrity. The Group has also adopted the 'Code of Ethics & Conduct' ("COEC") introduced by the Carlsberg Group to help its employees to make the right choices and to act appropriately in response to ethical dilemmas that might arise in their daily work. The COEC applies to the Board, Management, employees and contract workers of the Carlsberg Group and covers the following topics: ethical values of the Group, conduct of business, protection of assets, data and environment, and avenues for raising concerns.• The COEC is extensive but not exhaustive and the Group expects its employees to exercise sound judgement in their decision-making in order to adhere to the high ethical standards. The COEC is reviewed periodically.• In order to bring the COEC to life, employees are trained on the ethical standards set out in the COEC. As part of this training, the Group implemented an e-learning training that makes employees aware of ethical behaviours that are meaningful for the Carlsberg Group and need to be followed. New joiners are enrolled in e-learning on competition law, anti-bribery and corruption and COEC. The trainings are essential for maintaining awareness of the importance and details of the Group's policies and its compliance programme as a whole.• The Group also adopted the Carlsberg Group's policy structure launched in 2017 to support high standards of ethical business conduct which covers Governance & Strategic Risks • Legal & Compliance Risks • Financial Risks • Operational Risks.• The policies aim to mitigate the main company risks, protect our brands and highlight what is expected of employees. The policies, supplemented by supporting manuals, explain how employees should comply with the requirements.• The COEC is available on the corporate website at www.carlsbergmalaysia.com.my.

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

Intended Outcome

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

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

Practice 3.2

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

Application :	Applied	
Explanation on application of the practice :	<ul style="list-style-type: none"> • Carlsberg Group has a comprehensive whistleblowing policy that provides an avenue to individuals and entities to report any unethical, illegal or non-compliant practices. Those who report in good faith are protected under the policy without the risk of retaliation. The whistleblowing policy can be accessed at https://www.carlsbergmalaysia.com.my/sustainability/governance/whistleblowing-system/ • Under the Carlsberg Malaysia Group Whistleblowing Policy, an individual may choose any of the following options to make the report: <ul style="list-style-type: none"> (a) lodge a report to the local Whistleblowing Committee via email to a secured mailbox at whistleblow.cbmb@carlsberg.asia. The Whistleblowing Committee comprises the Managing Director, AC Chairman, Legal & Compliance Director, Human Resources Director as well as the Head of Internal Audit; or (b) lodge a report directly to the Carlsberg Group Speak Up Review Team via email to a secured mailbox at speakup@carlsberg.com or a secured web-based complaint platform (Carlsberg SpeakUp Line - Powered by Convercent) or by calling the toll-free telephone line (+60-1800 81 3692) that is hosted by a third party service provider. The Carlsberg Group Speak Up Review Team is part of the Carlsberg Group Internal Audit & Control Team which oversees global investigations. • The Board has adopted the above as the Group's whistleblowing policy, which encompasses the Speak Up Manual introduced by Carlsberg Group. All cases lodged within the framework of this policy (including those cases escalated directly to Carlsberg Group) will be overseen by the Board, through the AC Chairman. 	
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 :	<ul style="list-style-type: none">• The governance, management and reporting on the Carlsberg Malaysia Group's sustainability-related priorities, risks and opportunities rests with the Director of Corporate Affairs and Sustainability, who is also the Chief Sustainability Officer, in collaboration with the Management Team, led by the Managing Director and overseen by the Board.• The Carlsberg Malaysia Group adopts the Carlsberg Group's Sustainability (ESG) ambition themed Together towards ZERO and Beyond ("TTZAB") ambitions in ZERO Carbon Footprint, ZERO Farming Footprint, ZERO Packaging Waste, ZERO Water Waste, ZERO Irresponsible Drinking and ZERO Accidents Culture. In supporting these sustainability priorities the Company also focuses on seven sustainability focus areas upholding responsible sourcing, diversity, equity and inclusion, human rights, live by our compass, community engagement, product quality and safety, and lastly, safeguard our license to operate. These priorities and programmes also reflect and align with the ten (10) material matters that the Company prioritised post Materiality Assessment, and Validation and Review over the last three years.• Operationally, the Management takes ownership of the sustainability priorities and programme of their areas of control, drives implementation and performance, and reports on progress as well as on risks and opportunities, together with the ESG (TTZAB) owners across both the Malaysia and Singapore operations.• The Board, via the Sustainability Committee (SC), has oversight of the Company's sustainability policies, strategy, priorities, targets and its related risks and opportunities. An ESG dashboard that incorporates the TTZAB priorities, targets and sustainability-related reporting standards, framework and indices are reported to RMSC on a quarterly basis and company-wide employees on a monthly basis. In 2025, the ESG dashboard reflects the Company's plans to accelerate decarbonisation initiatives in our efforts to deliver zero carbon emissions within our brewery by 2030.

Explanation for departure :		
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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	:	<ul style="list-style-type: none"> • In line with the Carlsberg Group’s sustainability framework, and guided by the International Sustainability Standards Board (ISSB) & International Financial and Reporting Standards (IFRS) Sustainability disclosure standards, the Company has regular reviews on its materiality matrix that outlines its sustainability-related risks and opportunities (SROs) over the immediate, short and long-term. SROs are reflected in strategy development and operational review for integration into strategic priorities implementation • The Company’s communication of sustainability priorities and targets, are often reviewed, enhanced and reported as and when a new target is set and when new partnership is forged. SROs are also in the Sustainability Statement on pages 72 to 124 and Risk and Opportunities on pages 69 to 71 of the Integrated Annual Report. • For internal stakeholders, employees are briefed of our ESG priorities, performance and progress during monthly town halls and it is also made available in internal communication tools e.g. intranet, video and mobile-messaging communication; as well as visibility in the head office and sales offices nationwide. • For external stakeholders, our sustainability priorities, targets and progress are reported in the Company’s Integrated Annual Report, website, Facebook, Instagram and LinkedIn. In addition, consumers, customers and members of the public were informed and engaged on our TTZAB programme at selected corporate and consumer-facing events such as product launches, brand activations, campaigns, Supplier Day, conferences where the Company was invited as a speaker and panellist, festivals and music celebrations, analyst briefings and annual general meetings.
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	:	<ul style="list-style-type: none"> • The Board proactively initiates discussion around the Company's ESG and TTZAB issues, progress and performance. The Board, through the Sustainability Committee (SC), has oversight of the Group's ESG strategies, priorities and targets, including Company's decarbonisation initiatives and related investments as well as the Company's proactive actions to tackle climate-related risks and opportunities. • The Board was briefed on the Group's performance of FTSE4Good Bursa Malaysia Index (F4GBM) and Morgan Stanley Capital International (MSCI) ESG ratings and the adoption of ISSB IFRS S1 and S2 and Corporate Sustainability Reporting Directive (CSRD); as well as the Malaysian government's launch of Circular Economy Blueprint for Solid Waste (2025 – 2035) and Singapore government's decision on Beverage Container Return Scheme (BCRS). • The Board recommends and approves the Company's decision to pledge support for the United Nations Global Compact Network Malaysia and Brunei, Climate Governance Malaysia and the Green Transition Alliance by the Royal Embassy of Denmark. • The Directors also continuously undertake professional trainings to keep abreast with sustainability issues relevant to the Group.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	<ul style="list-style-type: none"> The Board includes sustainability performance in the performance management system and remuneration of the Managing Director, the Management and TTZAB owners for both Malaysia and Singapore operations. 	
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	:	<p>The Corporate Affairs & Sustainability Director, Ms Pearl Lai, who is also the Chief Sustainability Officer, is the designated person to manage sustainability efforts and strategies in the Group. She is supported by the Senior Manager, Corporate Affairs & Sustainability and the other TTZAB target owners from other departments, including Supply Chain, People & Culture and Legal & Compliance.</p> <p>In 2025, the Chief Sustainability Officer has delivered the following:</p> <ol style="list-style-type: none">i. Spearheaded decarbonisation discussion and climate-related risks and opportunities reviews on the Company's prioritised material matters as aligned with the Company's strategy to Accelerate TTZAB.ii. Lead the implementation of key sustainability (TTZAB) priorities on decarbonisation initiatives, including the transition from iREC to MREC, continuous responsible drinking policy roll-out to consumers, Human and Labour Rights awareness to suppliers during Supplier Day, which includes a self-assessment survey and audit on their human and labour rights practices, and drove a flagship community engagement campaign.iii. Oversee the sustainability reporting, guided by reporting frameworks such as Bursa Malaysia's Sustainability Reporting Guide and ISSB IFRS S1 and S2, international indices to improve the Company's FTSE4Good Bursa Malaysia Index (F4GBM), Morgan Stanley Capital International (MSCI) indices, took part as a panelist at a clean energy transition summit and participated in activities organised by the Royal Embassy of Denmark for the Green Transition Alliance, where Carlsberg Malaysia is a founding member of.

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	The terms of reference of the NRC, which is embedded in the Board Charter, stipulates that the NRC will review the tenure and performance of each Director, where annual re-election of a Director would be contingent on satisfactory evaluation of the Director's performance and contribution to the Board and an assessment in accordance with the Directors' Fit and Proper Policy. The Board Charter is available on the corporate website at www.carlsbergmalaysia.com.my
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<ul style="list-style-type: none"> • The Board is supportive of objective and independent deliberation, review and decision making. • Currently, the Board comprises seven (7) Directors, with three (3) out of seven (7) Directors being Independent Directors and one (1) Executive Director, who also serves as the Managing Director. • Three (3) of the Independent Non-Executive Directors including the Chairman, represents 43% of the Board with the remaining consisting of three (3) Non-Independent Non-Executive Directors and the Managing Director of the Company. • The current shareholding structure of Carlsberg Malaysia is that 51% of its equity interest are held directly by Carlsberg Breweries A/S. • The Board is of the view that to fully leverage on the experience of the Carlsberg Group, it is in the best interest of the Group and that of its stakeholders that the Board constitutes a fair and adequate representation of the major shareholder. • In practice, decisions of the Board are only carried with the unanimous approval of the entire Board and in the case of approvals for related party transactions, decisions are only deliberated and voted on by the Independent Directors and only carried with their unanimous approval. • In the unlikely situation of any dissenting views by the Directors, the proposal is deferred pending further information from Management Team or the proposal is abandoned.
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	As Carlsberg Malaysia is a major subsidiary of the Carlsberg Group, Carlsberg Breweries A/S policy is to maintain majority representation on the Board and the above explanation is a measure that can achieve the Intended Outcome of Practice 5.2.

Timeframe	:	Not Applicable	
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Intended Outcome

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

Practice 5.3

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

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

Application	:	Not applicable - Step Up 5.4 adopted	
Explanation on application of the practice	:	<ul style="list-style-type: none"> • The Board Charter provides that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. • The tenure of each Independent Director, namely Tan Sri Dato' Seri Chor Chee Heung, Eric Ooi Lip Aun and Datuk Christine Lee Oi Kuan, does not exceed a cumulative period of nine (9) years respectively. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Board Charter stipulates that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years.

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 :	<ul style="list-style-type: none">• The Board recognises a diverse Board could offer greater depth and breadth of perspectives and diversity in the Management Team will lead to better collective decisions.• The Board pursues diversity at both the Board level and Management Team level.• Appointment of Board and Management Team are based on objective criteria, merit and besides gender diversity, due regard are placed for diversity in skills, experience, age and cultural background.• The NRC is entrusted with the responsibility of assessing and considering the capabilities, professionalism, integrity, expertise and experience of candidates to be appointed as Board members and Board Committee members, taking into account the existing structure, size, gender diversity, time commitment and composition of the Board to ensure that the Board and the Board Committees have an appropriate balance of skills, expertise and knowledge for the management of the business.• Please refer to the profiles of the Board and the Management Team on pages 26 to 33 of the Integrated Annual Report for further information.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<ul style="list-style-type: none"> • In identifying candidates as Directors on the Board, the Board takes into consideration recommendation from existing Board members, Management or major shareholders as well as from external search networks based on the needs of the Board. • The NRC then interviews and assesses the recommended candidates in accordance with the Directors' Fit and Proper Policy to ensure that they are suitable and of sufficient calibre for recommendation to the Board for approval. • The Non-Independent Directors are nominated by the major shareholder of Carlsberg Malaysia (i.e. Carlsberg Breweries A/S), to allow Carlsberg Malaysia to fully leverage on the experience of the Carlsberg Group. • Carlsberg Malaysia's Policy on Board Succession Plan has been formulated and approved during 4Q 2024 Board meeting. Candidates for Independent Directors can be sourced by independent search firms, recommendation by existing Directors, Senior Management or Major Shareholder as set out in the policy.
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	:	<ul style="list-style-type: none"> • The profiles of the Board, including their professional qualifications, work experiences and interest in the Company (if any) are set out on pages 26 to 29 of the Integrated Annual Report for the shareholders' purview. • The Board's statement of support on the appointment or reappointment of the Directors is set out in the explanatory note of the notice of AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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	:	<ul style="list-style-type: none"> • The NRC is chaired by an Independent Director, Datuk Christine Lee Oi Kuan, and is charged with the responsibility of, amongst others, recommending the appointment of new Directors to the Board. The NRC comprises of a majority of Independent Directors as follows: <ul style="list-style-type: none"> (a) Chairperson - Datuk Christine Lee Oi Kuan; (b) Member - Eric Ooi Lip Aun; and (c) Member - Pauline Lim Maan Cheong. • The Terms of Reference of the NRC is set out in Appendix C of the Board Charter and is available on the corporate website at www.carlsbergmalaysia.com.my. 	
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	:	<ul style="list-style-type: none"> • The Board is supportive of gender diversity and this is reflected in the composition of both the Board and Management Team. For the year 2025, two out of the seven of the Board members are women, i.e. 29% or a practical 30% of the Board, with one of the female Board member being an Independent Director and the Chairperson of the NRC. • The Management Team comprise a majority (56%) of women leaders. • The profiles of the Board and Management Team are set out on pages 26 to 33 of this Integrated Annual Report. • The Board through the NRC will continue to consider gender diversity as part of its future selection of female board representation. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	The Group aspires to become a more diverse and inclusive company to reflect the diversity of our customers and consumers. We consider diversity, equity and inclusion (“DE&I”) business critical, not a compliance necessity. The DE&I Policy governs the Group’s commitment to DE&I, including specifying our ambitions, our approach as well as focus areas. It is anchored on core principles of Building a diverse workforce, Creating an inclusive culture and Equitable people processes which guide our approach and support the integration of DE&I into our core people processes.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application :	Applied
Explanation on application of the practice :	<ul style="list-style-type: none">• The Board undertakes an annual assessment of the Board's effectiveness including the performance of Board Committees and all Directors including Independent Directors. The result of the assessment is reviewed by the NRC and the Board to, among others, determine measures to deal with any identified issues or recommendations. Independent Directors are also evaluated to ensure they continue to bring independent and objective judgement to Board for deliberations.• For the financial years 2023 and 2024, the annual assessment was conducted internally by the Company Secretaries in December 2023 and December 2024.• The Board had engaged an external consultant, the Institute of Corporate Directors of Malaysia (ICDM), to conduct the Board and Directors Effectiveness Evaluation for financial year 2025. The result of the assessment is set out in page 132 of the Integrated Annual Report.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

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

Practice 7.1

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

Application :	Applied	
Explanation on application of the practice :	<ul style="list-style-type: none"> The objective of the Group's remuneration policy is to attract and retain the right calibre of Directors and Management Team required to lead and manage the Group effectively. In the case of the Executive Directors and Management Team, the components of the remuneration package are linked to corporate and individual performance. For Non-Executive Directors, the level of remuneration is reflective of their role, experience and level of responsibilities. Under the current remuneration policy, the remuneration payable to Non-Executive Directors in respect of Directors' fees are paid to Independent Non-Executive Directors only and also includes fees for the Chairman and Members of the AC, RMSC and NRC, who are Independent Non-Executive Directors. Details of the Independent Non-Executive Directors' remuneration are set out in the Corporate Governance Overview Statement at page 131 of the Integrated Annual Report. The NRC also reviews the remuneration policy for Management Team and recommends to the Board for approval. 	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<ul style="list-style-type: none">• The NRC is chaired by an Independent Director, Datuk Christine Lee Oi Kuan, and is charged with the responsibility, amongst others, to evaluate and recommend to the Board the remuneration structure of the Board and Management Team. The NRC comprises of a majority of Independent Directors as follows: (a) Chairperson - Datuk Christine Lee Oi Kuan; (b) Member - Eric Ooi Lip Aun; and (c) Member - Pauline Lim Maan Cheong.• The Terms of Reference of the NRC is set out in the Appendix C of the Board Charter and is available on the corporate website at www.carlsbergmalaysia.com.my
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 detailed disclosure on named basis for the remuneration of individual Directors are set out in the Corporate Governance Overview Statement at page 131 of the Integrated Annual Report.

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	Tan Sri Dato' Seri Chor Chee Heung	Independent Director	200	9	-	-	2	-	210	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Datuk Lee Oi Kuan	Independent Director	127	29	-	-	1	-	157	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Eric Ooi Lip Aun	Independent Director	139	29	-	-	2	-	170	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Stefano Clini	Executive Director	-	610	2,285	-	47	1,963	4,905	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	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
6	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

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	:	<ul style="list-style-type: none"> • The Group has disclosed the top five (5) Management Team members' remuneration in bands of RM200,000 but not on a named basis due to confidentiality and sensitivity of each remuneration package. • The retention of the Management Team is critical to the successful implementation of our Group's strategy plan and management of the business. The Group is of the view that disclosing the remuneration of the Management Team will not be to the Group's best interest as it may lead to competitive talent challenges in this highly specialised industry. • Only the Managing Director's remuneration is disclosed in detail in the Corporate Governance Overview Statement at page 131 of the Integrated Annual Report. 	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Group has a robust internal policy whereby the remuneration packages of the Management Team are reviewed annually and adjusted based on their individual performance and contributions to the Group as well as the Group's overall performance. The Group also conducts surveys and evaluations in benchmarking its remuneration practices.	
Timeframe	:	Not applicable	The Board will continuously review this practice and the appropriateness of such disclosure.

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Stefano Clini	Managing Director	2,250,001-2,300,000	600,001-650,000	Choose an item.	0-50,000	1,950,001-2,000,000	4,900,001-4,950,000
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.

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	:	The Board believes that the measure set out for Practice 8.2 is sufficiently transparent and allows stakeholders to assess the reasonableness of the Management Team's remuneration in the context of the Group's performance.

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	:	<ul style="list-style-type: none"> • Mr. Eric Ooi Lip Aun, an Independent Non-Executive Director, is the Chairman of the AC whilst the Chairman of the Board is Tan Sri Dato' Seri Chor Chee Heung. • The composition of the AC is as follows: <ul style="list-style-type: none"> (a) Chairman - Eric Ooi Lip Aun; (b) Member - Datuk Lee Oi Kuan; and (c) Member - Alan Choi. • The Terms of Reference of the AC are set out in Appendix B of the Board Charter which is available on the corporate website at www.carlsbergmalaysia.com.my 	
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	:	<ul style="list-style-type: none"> • The Group recognises the importance of independence of its external auditors and that no possible conflict of interest whatsoever should arise. • None of the members of the Board were former key audit partners. • The Group will observe a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the AC was a key audit partner as set out under the Terms of Reference of the AC in Appendix B of the Board Charter. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	<ul style="list-style-type: none">• The scope of work of the external auditors and their subsequent findings and conclusions are reviewed by the AC, with formal meetings held between the AC and the external auditors in 2025.• The external auditors, Messrs. PricewaterhouseCooper (“PwC”), were present at AC meetings during the financial year 2025. At these meetings, the AC also held separate private sessions with the external auditors without the executive Board members or the Management present.• The AC assessed the performance, competency and professionalism demonstrated by the external auditors on an annual basis.• The AC obtained the requisite assurance on independence from the external auditors, PwC including the Transparency Report issued by the external auditors, PwC and the AC then recommended the audit fees payable to the Board for approval.• The AC considered and assessed the independence and objectivity of the external auditors during the year and also prior to engaging the external auditors for non-audit related services.• The non-audit fees paid to the member firms of external auditors, PwC by the Group during the financial year ended 31 December 2025 amounted to RM12,258. This amount was incurred in relation to the review of the Statement on Risk Management and Internal Control, a 12-month PwC online learning subscription and GRI Standards training attended by an employee.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	The AC consists of a majority of Independent Directors (i.e. 2 Independent Directors and 1 Non-Independent Director). The Board considers the current composition of the AC as fairly reflecting an appropriate balance of independent views and oversight while leveraging on the knowledge and perspectives of the Carlsberg Asia Vice President Finance in its review of the Group's financial, risks, and audit and accounting matters.

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	:	<ul style="list-style-type: none"> The members of AC have the necessary skills to discharge its duties, including financial literacy, and are able to understand matters under the purview of the AC. The AC Chairman is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. The qualification and experience of the individual AC members are disclosed in the profiles of the Board on pages 27 to 29 of the Integrated Annual Report. All members of the AC continuously undertake professional development and have attended various trainings/events in the year 2025 covering areas such as finance and accounting, governance, sustainability, risk management and leadership conferences. Tax matters including e-invoicing which was implemented in 2024 have been incorporated as a regular agenda item in AC meetings.
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	:	<ul style="list-style-type: none"> The Board places significant emphasis on a sound risk management process and internal control mechanism which are necessary to safeguard the Group's assets and shareholders' investment. To this end, the Board affirms its overall responsibility for the identification and mitigation of the Group's key risks, which are categorised in its risk registers according to the risk nature; namely strategic, operational, financial and compliance. The Group maintains an internal control framework to detect and monitor any significant control gaps. In addition, the Board has an effective oversight of the audit findings and recommendations highlighted by both the Internal Audit function and the external auditors. However, it should be noted that the risk management process and internal control system by nature, only manage but cannot totally eliminate all risks and therefore can only provide reasonable not absolute assurance against misstatement, loss or fraud as well as any other adverse event.
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 :	<ul style="list-style-type: none">• On quarterly basis, the RMSC evaluates and reviews the key risks reported by the Company. A dedicated risk report is prepared for this purpose and relevant members of the Management team are invited to join the quarterly meeting, as and when necessary.• Throughout the year, the Internal Audit function coordinated discussions and meetings with all the risk owners and Heads of Department to assess and update the existing risks in the Company's risk register (separate risk registers are maintained for the Malaysian and Singaporean businesses). Such exercises are also meant to identify any potential new risk areas.• Prior to the quarterly RMSC meeting, the Managing Director convenes a risk management working committee meeting (this committee comprises all the risk owners). The main objective of this meeting is to obtain updates from risk owners pertaining to all the key risks reported in the risk registers. Mitigating plans and activities are also discussed and deliberated before adoption.• As part of the internal control framework, the Group has established standard operating procedures to safeguard the integrity of the business operations and financial reporting. These procedures are subject to regular reviews by the Management, Legal & Compliance team and the internal auditors to cater for changes in business process and risk or for further improvement. Preventive, detective and monitoring controls are also embedded in the core business processes to ensure that the risk of deviation is adequately mitigated. Meanwhile, segregation of duties is implemented where required and possible.• The Group has also put in place and communicated policies and manuals that govern critical areas of the business, namely Code of Ethics & Conduct, Anti-Bribery & Corruption, Gift, Entertainment & Donation, Competition Compliance, Trade Sanction and Third-Party Screening. Such directives are regularly communicated to employees and business partners for strict adherence and compliance. Meanwhile, training and refresher programmes, particularly in the form of e-learning, are periodically rolled out to create awareness and instil a desirable culture within the Group.

	<ul style="list-style-type: none"> Independent reviews are carried out throughout the year by the Internal Audit function to assess the adequacy and effectiveness of the internal control framework. Results from audit reviews, as per the approved annual audit plan, including the findings and recommendations, are reported to the AC on a quarterly basis. 	
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	:	<ul style="list-style-type: none">• The RMC oversees the risk management framework and sustainability strategies/policies of the Group.• The RMC comprises a majority of Independent Directors, its members are:<ul style="list-style-type: none">(a) Chairman - Eric Ooi Lip Aun;(b) Member - Datuk Christine Lee Oi Kuan; and(c) Member - Stefano Clini.

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	:	<ul style="list-style-type: none"> • The Group maintains an in-house Internal Audit function (“IA”), which is independent of the business operations. Adequate independence is always maintained for the IA function so that it can perform its duties and responsibilities objectively. • The Head of IA is Mr. Lim Tiong Eng @ Allan Lim, a chartered accountant registered with the Malaysian Institute of Accountants and a certified practicing accountant under CPA Australia. He is assisted by four internal auditors. • The Head of IA has a functional reporting line to the AC Chairman. He has full access to the AC and maintains regular communication with the AC Chairman to discuss on audit matters, in addition to other matters concerning the IA function. • The scope of work for the IA function is defined in the annual audit plan, which is developed in consultation with the Managing Director and approved by the AC. The contents of the audit plan are derived from an independent annual risk assessment carried out by the IA function. The audit plan covers key areas of the business, including internal control processes, risk management, corporate governance & compliance, procurement and recurrent related party transactions. • All audit findings and the corresponding remedial action plans are presented by the Head of IA at the quarterly AC meetings. The progress and implementation status of action plans are also tabled at each meeting. A dedicated reporting deck that includes all the individual audit reports is prepared for the purpose of the quarterly meetings.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied	
Explanation on application of the practice	:	<ul style="list-style-type: none"> • The IA function is staffed by a total of 4 professionals, and it is led by Mr. Lim Tiong Eng @ Allan Lim as the Head of Internal Audit. He holds a Bachelor of Commerce (major in accounting) and is a certified member of both CPA Australia & Malaysian Institute of Accountants. • All members of the IA function, like any other employees of the Group, are subject to an annual declaration of any potential conflict of interest. No member of the IA function was reported to the AC and Board to have any element of conflict of interest during the year. • The IA function's work is generally guided by the Committee of Sponsoring Organisations of the Treadway Commission (COSO)'s framework, with reference to the five components of the internal control. The IA function also refers to the 2024 Global Internal Audit Standards issued by the Institute of Internal Auditors. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<ul style="list-style-type: none"> • The Board recognises the importance of an effective communication channel between the Board, its shareholders and stakeholders, and at the same time, full compliance with the disclosure requirements as set out in the Listing Requirements. • The annual reports, press releases, quarterly results and announcements on material corporate exercises are the primary modes of disseminating information on the Group’s business activities and financial performance. • The Managing Director is the designated spokesperson for all matters related to the Group and dedicated personnel are tasked to prepare and verify material information for timely disclosure upon approval by the Board. • The Group maintains a corporate website (www.carlsbergmalaysia.com.my) for its shareholders, stakeholders and the general public to access information on, amongst others, the Group’s background, financial performance and its products. The corporate website also posts all releases made by the Group together with latest news on the Group and the industry. • Stakeholders can at any time seek clarification or raise queries through the corporate website, by email or phone. Primary contact details are set out at the corporate website. • During the year and after announcements of quarterly results, the Managing Director and/or key management personnel also conduct discussions with the press and analysts when necessary, to provide information on the Group’s strategy, performance and major developments. A press briefing is usually held after each Annual General Meeting.
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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 :	<ul style="list-style-type: none">• The Board sees the importance in providing clarity on business issues, linkages between financial and non-financial performance, and value created for our stakeholders.• For the Integrated Annual Report 2025, the Group has adopted the principals and content elements of the International Integrated Reporting Framework, with a foundation on our current corporate strategy.• This year, the Group partnered with an external consultant to assist in the transition from the Taskforce for Climate-Related Financial Disclosures to the disclosures required under International Financial Reporting Standards (IFRS) S1 and S2.	
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	:	<ul style="list-style-type: none">• The Annual General Meeting (“AGM”) represents the principal forum for dialogue and interaction with shareholders. At every meeting, the Board sets out the progress and performance of the Group since the previous AGM.• Shareholders are encouraged to participate in the question & answer session wherein the Directors, Company Secretary, Heads of Department as well as the Group’s external auditors are available to respond to the queries raised. In the event an answer cannot be readily given at the meeting, the Chairman will undertake to provide a response that is subsequently uploaded onto the corporate website.• Each item of special business included in the notice of meeting will be accompanied by a full explanation on the effects of a proposed resolution.• The notices of AGM are despatched to shareholders at least 28 days before the AGM, to allow shareholders to have sufficient time to read the annual report and make the necessary attendance and voting arrangements. The Notice of AGM was issued on 27 March 2025 while the Integrated Annual Report 2024 was issued on 28 March 2025. <p>Details as below:</p> <table border="1"><thead><tr><th>Document</th><th>Date of Issue</th><th>No. of Days before AGM</th><th>Date of AGM</th></tr></thead><tbody><tr><td>Notice of 55th AGM</td><td>27 March 2025</td><td>41 days</td><td>7 May 2025</td></tr><tr><td>Integrated Annual Report 2024</td><td>28 March 2025</td><td>40 days</td><td>7 May 2025</td></tr></tbody></table> <ul style="list-style-type: none">• A press briefing is held after each AGM.• The proceedings of the 55th AGM included the Managing Director’s presentation of the Group’s performance, key developments and financial results for the reporting year and commentary on the outlook for the following year and a question & answer session	Document	Date of Issue	No. of Days before AGM	Date of AGM	Notice of 55 th AGM	27 March 2025	41 days	7 May 2025	Integrated Annual Report 2024	28 March 2025	40 days	7 May 2025
Document	Date of Issue	No. of Days before AGM	Date of AGM											
Notice of 55 th AGM	27 March 2025	41 days	7 May 2025											
Integrated Annual Report 2024	28 March 2025	40 days	7 May 2025											

	<p>during which the Chairman invited shareholders to raise questions pertaining to the Company's financial statements and other items, before putting the resolutions to vote. The Management Team and representatives of external auditors were also present to respond to any queries by the shareholders. The responses to the questions raised by the Minority Shareholders Watch Group were presented to shareholders at the AGM and uploaded to the Company's website at www.carlsbergmalaysia.com.my</p> <ul style="list-style-type: none"> The Board is satisfied with the current programme for the AGM and during 2025, there were no major contentious issues noted with shareholders/investors. 	
<p>Explanation for departure :</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure :</p>		
<p>Timeframe :</p>		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	All Directors attended the 55 th AGM on 7 May 2025. The Chairmen of the AC, RMSC and the NRC were also present to provide responses, if necessary, to any questions addressed to them.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	In 2025, the 55 th AGM was conducted on a fully physical basis and was held at Dorsett Grand Subang Hotel, Grand Selangor Ballroom, Jalan SS12/1, 47500 Subang Jaya, Selangor, Malaysia. This is in line with the announcement made by Securities Commission Malaysia and Bursa Malaysia Berhad dated 30 August 2024 on the requirement for public listed companies to conduct physical AGM.	
<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 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	<ul style="list-style-type: none"> • The AGM is the primary open platform for shareholders to raise questions on the Group’s performance. The Managing Director will also present to the shareholders a review of the operations and the financial performance of the Group for the year. • As active participation from the shareholders is greatly encouraged, the Board strives to answer as many questions as possible with concise answers during the AGM. If there are any questions which cannot be answered due to time constraint in the AGM, the Chairman will undertake to provide a response that is subsequently uploaded onto the corporate website. • Minutes of the AGM as well as all questions and answers posed by the shareholders are made available on the corporate website within 30 business days of the AGM.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Departure
Explanation on application of the practice :	
Explanation for departure :	<ul style="list-style-type: none"> • In 2025, the 55th AGM was conducted on a fully physical basis, allowing shareholders to attend the meeting in person and to raise questions directly to the Board and Management Team. This is in line with the announcement made by Securities Commission Malaysia and Bursa Malaysia Berhad dated 30 August 2024 on the requirement for public listed companies to conduct physical AGM. • Effective shareholder engagement and interaction was achieved and the Board and Management Team addressed as many questions as possible with concise answers during the AGM. • Minutes of the AGM as well as all questions posed by the shareholders and answers from the Board and Management Team were made available on the corporate website within 30 business days of the AGM.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>			
Application	: Applied		
Explanation on application of the practice	: Minutes of the AGM as well as all questions and answers posed by the shareholders are made available on the corporate website at www.carlsbergmalaysia.com.my within 30 business days of the AGM.		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	: <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="width: 150px; height: 20px;"></td><td style="width: 150px; height: 20px;"></td></tr></table>		

**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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