

CORPORATE GOVERNANCE REPORT

STOCK CODE : 1589
COMPANY NAME : ISKANDAR WATERFRONT CITY 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	:	<p>The Board of Directors assumes overall responsibility for the corporate governance ("CG") of the Group, including setting the Company's strategic direction, safeguarding stakeholders' interests and enhancing shareholder value. In discharging its duties, all Directors owe fiduciary duties to the Group and are required to exercise reasonable care, skill and diligence to ensure the proper stewardship and management of the Group, with the objective of delivering sustainable long-term financial performance.</p> <p>The Board is collectively responsible for ensuring that the Group is managed effectively to achieve these objectives. All Directors are expected to uphold the core values of integrity, accountability and enterprise, and to discharge their responsibilities in accordance with their fiduciary obligations. To assist in fulfilling its stewardship role, the Board has adopted a Board Charter which outlines its roles, responsibilities and matters reserved for its decision. The Board has also established several Board Committees, namely the Audit Committee, Nomination Committee, Remuneration Committee, Risk Management and Sustainability Committee, and Technical Assessment Committee, to deliberate on specific matters within their respective terms of reference and to report to the Board with recommendations.</p> <p>All Board members share the responsibility of promoting and maintaining a high standard of good CG throughout the Group. The Board has delegated the day-to-day management of the Group's operations to the Executive Vice Chairman ("EVC"), who is supported by the Executive Director ("ED") and/or the Chief Executive Officer ("CEO") and/or the Chief Operating Officer ("COO"), by whatever designation called, as well as an experienced Senior Management team. The EVC has overall responsibility for the operational and business units, organisational effectiveness, and the implementation of the Board's policies, directives, strategies and decisions. He is responsible for overseeing the executive functions of the Group's business and leading</p>

	<p>Management in executing the Board’s decisions and achieving the Group’s corporate objectives.</p> <p>The roles and responsibilities of the Board are clearly defined in the Board Charter which is also made available on the Company website, as follows:</p> <ul style="list-style-type: none"> • reviewing and adopting a strategic plan for the Group; • overseeing the conduct of the Group’s business; • identifying principal risks and ensuring the implementation of appropriate controls and mitigation measures; • management succession planning; • overseeing the development and implementation of shareholder communications policy for the Group; reviewing the adequacy and the integrity of the management information and internal controls system of the Group; and • reviewing the effectiveness of Group’s strategies, policies, principles and practices relating to the sustainability, including whether these strategies, policies, principles and practice promote Group’s sustainability agenda. 	
<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

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 role of Chairman is to ensure that the Board functions effectively and undertake activities as highlighted in the Board Charter which is available on the Company's website. The Chairman is primarily responsible for:</p> <ul style="list-style-type: none"> • conduct of Board meetings; • ensure that all relevant issues for the effective running of the Group's business are on the agenda; • ensure that quality information to facilitate decision-making is delivered to Board members on a timely basis; • encourage all Directors to play an active role in Board activities; • chair general meetings of shareholders; and • liaise with EVC, ED, CEO, COO and the Company Secretaries on the agenda for Board 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

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter provides that the roles of the Chairman, EVC and CEO are held by separate individuals, with clearly defined functions and responsibilities. This separation ensures an appropriate balance of power and authority, and prevents any one individual from having unfettered decision-making powers.</p> <p>For the financial year 2025, the Board is chaired by Dato' Hj. Ayub bin Mion, who serves as the Independent Non-Executive Chairman. The executive leadership of the Group is led by Tan Sri Dato' Lim Kang Hoo in his capacity as EVC, supported by the Executive Director, CEO, COO and the Senior Management team of the Company. This leadership structure promotes effective oversight, accountability and a clear division between governance and operational responsibilities, thereby supporting sound corporate governance practices within the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Applied
Explanation on application of the practice :	The Chairman of the Board does not hold any position in any Board Committees in the Company and not an invitee in any Board Committee 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

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by a group of competent Company Secretaries – Ms Lim Aik Yong and Ms Wong Chee Yin. Both are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016.</p> <p>Every Director has access to the advice and services of the Company Secretaries. The Board believes that the Company Secretaries are capable of carrying out their duties to ensure the effective functioning of the Board.</p> <p>The Company Secretaries are the central source of information and advice to the Board and its Committees on the issues relating to compliance with laws, rules, procedures and regulations affecting the Company and Group. Throughout the year, the Company Secretaries have attended various trainings to stay updated on the laws, rules and regulations and also to maintain their competency in providing the necessary assistance to 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

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>The Board is furnished with comprehensive and relevant information covering financial, operational, corporate, regulatory, business development and audit matters, either through regular Board reports or upon specific request. This enables the Board to make informed decisions and supports the effective discharge of its duties and responsibilities.</p> <p>Meeting agendas together with relevant Board and Board Committee papers are disseminated to all Directors in a timely manner prior to meetings, allowing sufficient time for review and consideration. Notices of Board meetings are circulated to Board members at least seven (7) days in advance, while the Company endeavours to distribute the agenda and Board papers at least three (3) days before the meetings. Management provides pertinent explanations, recommendations and supporting information on key matters, which are deliberated thoroughly by the Board prior to any decision being made.</p> <p>In addition, Directors are kept regularly informed of the Group's activities and operational developments. All Directors have timely access to adequate information of appropriate quality to enable them to effectively discharge their responsibilities. Directors are also provided with the contact details of Key Management Personnel to facilitate direct and independent access to Management. The Key Management Personnel remain available to provide clarification and additional information as requested, enabling the Board to make balanced and informed assessments of the Group's performance, financial position and prospects.</p> <p>The deliberations and decisions of the Board and Board Committees are properly documented in the minutes of meetings, which are prepared and circulated to the Directors in a timely manner for review and record.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

There is 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 recognises the importance of clearly defining the roles and responsibilities of the Board, Board Committees and Management, including the respective limits of authority, to ensure proper accountability and effective governance. To this end, the Board has adopted a Board Charter which outlines, among others, the functions and responsibilities of the Board, Board Committees, Executive and Non-Executive Directors as well as Management.</p> <p>The Board Charter serves as a key reference for the conduct of the Board’s activities and provides guidance to Directors in fulfilling their stewardship responsibilities and fiduciary duties to the Company. It also promotes clarity in decision-making and facilitates an appropriate balance of authority between the Board and Management.</p> <p>The Board reviews the Charter periodically and updates it as and when necessary to reflect changes in the Company’s policies and procedures, as well as to ensure compliance with applicable laws, regulations and best governance practices.</p> <p>The full Charter is available on the Company’s website at www.iwcity.com.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 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 has formulated ethical standards through a code of conduct for the Directors, senior management and all employees and will ensure its compliance. The Code of Conduct includes principles related to conflict of interest, dealings with confidential information, to ensure safety, security and adherence to Company’s rules, encourage the reporting of unlawful or unethical behaviour, dealing with suppliers, customers and third parties.</p> <p>The Code of Conduct is available at the Company’s website at www.iwcity.com.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 board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Whistleblowing Policy has been established and its procedures document, which outlines when, how and to whom a concern may be properly raised about the actual or potential corporate fraud or breach of regulatory requirements involving employees, Management or Directors in the Group, is available on the Company's website at www.iwcity.com.my.</p> <p>For the financial year under review, there was no activities being reported related to whistleblowing and no communication received from the whistleblowing process.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors plays an oversight role by providing appropriate checks and balances on the Group's sustainability performance, while guiding Management in integrating sustainability into the Group's corporate culture and day-to-day operations. The Board promotes a governance approach to sustainability that is aligned with the Group's values, operational requirements and the current level of sustainability awareness and readiness within the organisation.</p> <p>Risk Management and Sustainability Committee supports the Board by monitoring the implementation of the sustainable strategic plans by Management. and is responsible for the following sustainability functions:</p> <ul style="list-style-type: none">• to advise and recommend business strategies related to sustainability to the Board, which includes, but is not limited to ESG;• to monitor the implementation of sustainability strategies as approved by the Board;• to provide recommendations to the Board on sustainability-related policies for adoption and monitoring the implementation of the policies;• to review sustainability issues which highlight from independent audits and assurance reports, if any, and matters related to sustainability highlighted by regulators or relevant consultants;• to endorse and recommend material sustainability matters as reported by the Management to the Board for approval;• to oversee the management of sustainability matters, with a primary focus on issues that are material to the Company and its subsidiaries;

	<ul style="list-style-type: none"> • to receive updates from Management on the progress towards achieving the Group’s sustainability targets; • to review and recommend the sustainability statement for annual report to the Board for approval to ensure that the Group’s sustainability initiatives and outcomes are effectively communicated to investors and other stakeholders; and • to recommend for the sustainability disclosures as required by laws and/or rules, for the Board’s approval. <p>Nonetheless, embedding sustainability into IWCity’s corporate culture requires strong leadership and commitment from Senior Management. In this regard, the EVC, ED and/or CEO and/or COO play a pivotal role in driving sustainability by incorporating relevant considerations into the Group’s business strategies, operational plans and decision-making processes. Their leadership ensures that sustainability remains an integral part of the Group’s overall direction and long-term value creation.</p> <p>Supporting this leadership is the Sustainability Working Group (“SWG”), which comprises Heads of Departments and Managers from various functions. The SWG is responsible for the implementation and execution of sustainability-related initiatives across the Group, as well as monitoring the progress of such programmes. The SWG also provides periodic updates to the EVC, ED and/or CEO and/or COO on sustainability matters, with key developments and initiatives subsequently reported to the RMSC for oversight and review.</p> <p>The Company published its Sustainability Report as part of its Annual Report. The Report encompasses the Group’s sustainability approaches, initiatives, targets and achievements for the financial year as well as the various endeavours of the Group to uphold consistent and robust ESG practices.</p> <p>The Sustainability Report is embedded in the 2025 Annual Report and is available at the Company’s website at www.iwcity.com.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 4.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board remains committed to maintaining transparent and ongoing communication with both internal and external stakeholders in relation to the Company’s sustainability initiatives. Such communication covers a broad range of matters, including the Group’s sustainability strategies, key priorities, targets and progress, ensuring stakeholders are kept informed of the Company’s direction and performance.</p> <p>To promote meaningful engagement, the Company has established various stakeholder engagement approaches tailored to the needs and expectations of its key stakeholder groups. This continuous engagement enables the Company not only to communicate its sustainability initiatives effectively, but also to obtain valuable feedback and insights from stakeholders. Such two-way communication supports the ongoing enhancement and alignment of the Group’s sustainability strategies and objectives with stakeholder expectations.</p> <p>The Group’s sustainability practices and corporate social responsibility initiatives are set out in the Sustainability Statement of the 2025 Annual Report. The statement outlines the Group’s approach to sustainability, key initiatives undertaken during the financial year and its commitment to responsible business practices, ethical conduct and environmental stewardship.</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>In 2025, the Board, through the Sustainability Working Group (“SWG”), conducted assessment to identify and evaluate the sustainability matters that are most relevant to the Company. The SWG identified potential sustainability topics and associated risks arising from the Company’s operations, which were subsequently reviewed and endorsed by the Board. Following this exercise, a material sustainability framework was established to guide the Company’s sustainability priorities and initiatives.</p> <p>The identified material matters reflect the Company’s significant economic, environmental and social impacts. Management has implemented appropriate action plans to mitigate and manage the related risks within the risk tolerance levels approved by the Board. The SWG holds regular discussions with Management to monitor sustainability developments, particularly where significant matters arise. All material sustainability issues are highlighted and reported to the RMSC, which in turn reports to the Board for its consideration and guidance.</p> <p>To date, the Company’s business activities have not been significantly exposed to climate-related risks. Nevertheless, the SWG recognises environmental management as an important area of focus and has adopted various approaches and initiatives, including the following:</p> <ul style="list-style-type: none">• Upholding high standards of environmental impact management across the Group’s operations;• Protecting, conserving and enhancing the surrounding environment and natural resources;• Adopting proactive measures, including studying and implementing relevant guidelines and initiatives aimed at improving environmental outcomes, such as reforestation efforts and minimising adverse environmental impacts where practicable;• Promoting a clean and sustainable environment for the benefit of the community and future generations;• Ensuring the efficient use of water and energy resources;• Measuring Scope 2 greenhouse gas (“GHG”) emissions and progressively implementing initiatives to assess Scope 3 GHG emissions arising from business air travel and employee

	commuting, to better understand the Company's carbon footprint; and <ul style="list-style-type: none"> • Considering sustainable building designs, including the utilisation of natural lighting and natural ventilation to improve energy efficiency. 	
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>During the financial period under review, all the Board members has carried out a review on the Board’s ability in addressing the Company material sustainability risks and opportunities.</p> <p>The Group’s sustainability targets are integrated into its overall business strategies and have been delegated to designated members of Senior Management for implementation and monitoring. The Board reviews the Group’s sustainability performance based on updates and reports provided by Management, focusing on key ESG priorities as well as progress against the established goals and targets. Such matters are deliberated by the Board on a regular basis, typically at each quarterly meeting.</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	:	<p>The Board has entrusted the EVC, ED, CEO and/or COO with the responsibility of integrating sustainability considerations into the Group’s business strategies and decision-making processes.</p> <p>The SWG, comprising various Heads of Departments and Managers, plays a key supporting and execution role. The SWG is responsible for implementing sustainability-related programmes and initiatives, as well as providing regular updates to the EVC, ED, CEO and/or COO on the progress and developments of these efforts throughout the year.</p>

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 Committee ("NC") undertook an evaluation during the financial year 2025, focusing on the following areas:</p> <ul style="list-style-type: none">i. The effectiveness of each Director's contribution to the Board and the respective Board Committees, including the provision of constructive feedback on their performance;ii. The effectiveness of the Board Committees; andiii. The overall effectiveness of the Board as a whole. <p>In addition, the NC assisted the Board in determining the appropriate mix of experience, skills and other qualities required to ensure an effective and well-balanced Board composition, taking into account the outcomes of the assessment.</p> <p>In 2025, in line with the recommendations of the Malaysia Code on Corporate Governance 2021 ("MCCG 2021") and in promoting good governance practices, the NC reviewed the composition of the Board and its Committees and implemented the necessary changes to the Board Committees' composition.</p> <p>The NC also reviewed and evaluated the Directors standing for annual re-election, taking into consideration their contributions, performance and compliance with the Fit and Proper Policy. Having been satisfied with the performance of the Directors concerned, the NC recommended to the Board that their re-election be tabled for shareholders' approval.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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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 5.2

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	:	In Year 2025, the Board comprised (8) members, two (2) of whom are Executive Directors, two (2) Non-Independent Non-Executive Directors, and four (4) Independent Non-Executive Directors. At least half of the Board is made up by Independent Directors and this fulfils the requirements as set out under the Listing Requirements of Bursa Malaysia, which stipulates that at least two (2) Directors or one-third of the Board, whichever is higher, must be Independent.	
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	:	<p>Mr Lim Foo Seng ("Mr Lim") and Dato' Hj. Ayub bin Mion ("Dato' Hj. Ayub"), both Independent Non-Executive Directors of the Company, have served on the Board for more than nine (9) years.</p> <p>Notwithstanding their long tenure, the Board has undertaken an assessment of their independence and is satisfied that it has not been impaired or compromised. The Board is of the view that independence should not be determined solely based on the length of service, but rather on the Directors' objectivity, integrity and ability to exercise independent judgement in the best interests of the Company.</p> <p>In this regard, the Board is of the opinion that Mr Lim and Dato' Hj. Ayub have consistently demonstrated strong intellectual honesty and a genuine commitment to act in the best interests of the Company. In view of their extensive experience in corporate matters, finance, risk management and regulatory affairs, as well as their significant contributions to the effectiveness of the Board and its Committees, the Board has recommended their continued designation as Independent Directors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.4 - Step Up

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

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application	: Not Adopted
Explanation on adoption of the practice	:

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of diversity, whether in terms of age, gender, ethnicity or religion, skills, experience or cultural background. The Board has implemented a Diversity Policy, which outlines the strategic intent for the Board diversity, focusing on attracting, retaining and developing of a diverse team of skilled people who are increasingly engaged towards the delivering of the Group's strategy.</p> <p>The Nomination Committee ("NC"), established by the Board, is primarily responsible for recommending suitable candidates for appointment to the Board. In discharging this role, the NC considers the Board's structure, size and composition, as well as the appropriate balance of skills, expertise and experience required of its members. The NC is also tasked with assessing the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director.</p> <p>In addition, the NC is responsible for identifying suitably qualified candidates for Senior Management positions, utilising independent sources where appropriate, and ensuring that appointments are made based on objective criteria and merit, with due regard to diversity in skills, experience, age, cultural background and gender. The NC also undertakes ongoing assessments of Senior Management to ensure their continued suitability and performance.</p> <p>The roles and responsibilities of the NC are set out in its Terms of Reference, which is available on the Company's website at www.iwcity.com.my.</p> <p>During the financial year 2025, Mr Lim Foo Seng, an Independent Director who had served on the Board for twelve (12) years, resigned from the Board. Following his resignation, Ms Soon Chooi Mee was appointed as an Independent Non-Executive Director, after the necessary assessments had been duly conducted. Ms Soon has also</p>

	made all requisite disclosures and declarations in accordance with the applicable regulatory requirements.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC is responsible for identifying suitably qualified candidates, utilising independent sources where appropriate, and recommending such candidates to the Board for appointment as Directors. The NC also undertakes ongoing assessments of Directors to ensure their continued effectiveness and contribution to the Board.</p> <p>The identification and selection of candidates for directorship are guided by the NC's Terms of Reference.</p> <p>During the financial year 2025, one (1) new Independent Non-Executive Director, Ms Soon Chooi Mee, was appointed to the Board. The NC had undertaken the necessary assessments prior to her appointment, and Ms Soon has made all requisite disclosures and declarations in accordance with the applicable regulatory requirements.</p> <p>The NC is satisfied that the current composition of the Board reflects an appropriate balance and diversity of qualifications, skills and experience necessary to support the effective functioning of 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

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 performance of retiring Directors is evaluated by the NC and the Board prior to any recommendation being made to shareholders for consideration. In respect of the appointment of Independent Directors, the NC also assesses any relationships with Management or other parties that may influence, or be perceived to influence, the Directors' ability to exercise independent judgement and act in the best interests of the Company.</p> <p>All appointments and re-appointments of Directors are subject to the completion of the requisite declaration forms and are assessed against the criteria set out in the Fit and Proper Policy.</p> <p>The Board has also provided a supporting statement in the Company's Notice of Annual General Meeting ("AGM") dated 30 April 2025, outlining the rationale for the re-appointment of the relevant Directors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	During the financial year 2025, upon the resignation of Mr. Lim Foo Seng, Ms Soon Chooi Mee was appointed as Chairman of the Nomination Committee (“NC”), both of whom are Independent Non-Executive Directors. The Chair leads the Committee in discharging its duties and responsibilities in accordance with the NC’s Terms of Reference, which are available on the Company’s website at www.iwcity.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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board recognises the importance of the board gender diversity and takes cognisance of the recommendation of the MCCG 2021 to have female directors.</p> <p>The Board currently has two (2) female directors among its eight (8) members, namely Ms Kang Hui Ling and Ms Soon Chooi Mee.</p> <p>The Board supports the principle of gender diversity and acknowledges that female Directors bring valuable insights and contribute meaningfully to the Board's overall effectiveness. Nonetheless, the Board recognises the challenges involved in setting practical and measurable targets for achieving gender diversity.</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 is endeavouring to have more female board members, and it aims to do so whenever suitable and qualified candidates are identified, in the future.
Timeframe	:	Others

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board supports the adoption of a gender diversity policy and recognises that female Directors are equally capable of contributing meaningfully to the Board's effectiveness.</p> <p>A Board Diversity Policy has been established to ensure that the Board comprises an appropriate mix of skills, experience and perspectives necessary to support the Company's strategic objectives. While the Board acknowledges the importance of diversity, it does not set specific targets in relation to gender, age or ethnic composition. Instead, the Board is committed to maintaining an inclusive environment that is free from discrimination on the basis of ethnicity, race, age, gender, nationality, political or religious affiliation, sexual orientation, marital status, education, physical ability or geographic background.</p> <p>The Board believes that the appointment of Directors should be based on merit and suitability rather than any form of demographic consideration. Candidates are evaluated holistically, taking into account their competencies, experience, integrity, character, time commitment and ability to effectively discharge their roles as Directors and/or members of Senior Management, in line with the needs of the Company.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The NC is responsible for conducting an annual assessment of the effectiveness of the Board as a whole, as well as its Board Committees. This assessment includes evaluations by individual Directors of their own performance and contributions towards meeting the needs of the Company, incorporating both self and peer assessments, as well as an assessment of independence for Independent Directors. All assessments and evaluations carried out by the NC in the discharge of its functions are duly documented.</p> <p>For the financial year ended 31 December 2025, the assessment was conducted with reference to the Board’s Fit and Proper Policy. Based on the outcome of the evaluation, the Board was satisfied that it and its Committees had effectively discharged their respective duties and responsibilities. The performance and contributions of each individual Director were also assessed to be satisfactory.</p> <p>The Board further concluded that its current composition, in terms of size, the balance between Executive, Non-Executive and Independent Directors, as well as the diversity of skills and experience, remains appropriate and sufficient to support the effective functioning of 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	:		
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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	:	The remuneration of the Directors and Senior Management is reviewed by the Remuneration Committee ("RC") annually. The determination of the remuneration of Directors and Senior Management is guided by the Terms of Reference of the RC, which is available on the Company's website at www.iwcity.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 level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The RC, established by the Board, comprises exclusively Independent Non-Executive Directors.</p> <p>The RC supports the Board in reviewing and recommending the remuneration packages of Directors and Senior Management, and convenes as and when necessary to deliberate on such matters. The Board's remuneration policy, as set out in the Board Charter, provides that Executive Directors are remunerated based on the performance of the Group, while the remuneration of Non-Executive Directors is commensurate with their responsibilities and contributions to the Board.</p> <p>In respect of Senior Management, the RC has adopted an approach whereby remuneration and rewards are linked to the achievement of clearly defined performance targets, measured against an established scorecard.</p> <p>The responsibilities of the RC have been formalised into the Terms of Reference which is available on the Company's website at www.iwcity.com.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	:		
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Intended Outcome

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

Practice 8.1

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 remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments are set out as on page 75 of the Annual Report 2025 and disclosed as per table below:

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' Lim Kang Hoo	Executive Director	40.8	2.0	0	0	0	0	42.8	40.8	2.0	0	0	0	0	42.8
2.	Lim Chen Heng	Executive Director	40.8	3.5	420.0	0	32.2	51.8	548.3	40.8	3.5	420.0	0	32.2	51.8	548.3
3	Datuk Lim Keng Guan	Non-Executive Non-Independent Director	40.8	3.0	0	0	0	0	43.8	40.8	3.0	0	0	0	0	43.8
4	Khairudin bin Hasan	Non-Executive Non-Independent Director	40.8	2.5	0	0	0	0	43.3	40.8	2.5	0	0	0	0	43.3
5	Dato' Hj. Ayub bin Mion	Independent Director	76.8	4.0	0	0	5.0	0	85.8	76.8	4.0	0	0	5.0	0	85.8
6	Kang Hui Ling	Independent Director	40.8	10.5	0	0	0	0	51.3	40.8	10.5	0	0	0	0	51.3
7	Lim Foo Seng	Independent Director	41.0	8.0	0	0	0	0	49.0	41.0	8.0	0	0	0	0	49.0
8	Chin Wai Kit	Independent Director	43.5	10.5	0	0	0	0	54.0	43.5	10.5	0	0	0	0	54.0
9	Soon Chooi Mee	Independent Director	9.2	2.5	0	0	0	0	11.7	9.2	2.5	0	0	0	0	11.7
10	Khoo Boon Ho	Independent Director	0	0	0	0	0	0	0	40.80	0	0	0	0	0	40.8
11	Dato' Md Zahari Bin Md Zin	Independent Director	0	0	0	0	0	0	0	40.8	0	0	0	0	0	40.8
12		Independent Director	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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 view that disclosing the remuneration of the top five (5) Key Senior Management personnel may be counterproductive, particularly in a highly competitive talent market within the industry in which the Group operates.</p> <p>As an alternative, the Group benchmarks the remuneration of its Key Senior Management against industry standards to ensure that compensation remains competitive and is aligned with the scope of responsibilities, level of accountability and individual performance.</p> <p>The remuneration of Key Senior Management is disclosed in bands of RM50,000 in the Annual Report 2025 under the financial statements section. This approach is in compliance with the Malaysian Financial Reporting Standards and provides sufficient transparency for stakeholders to assess whether the overall remuneration of Directors and Key Senior Management is commensurate with the Group's performance.</p>	
		Not applicable	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	As stated above	
Timeframe	:	Others	Not applicable

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	During the financial year 2025, upon the resignation of Mr Lim Foo Seng, Mr Chin Wai Kit was appointed as the Chairman of the Audit Committee, both of whom are Independent Non-Executive 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

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The policy, as set out in the Terms of Reference of the Audit Committee (“AC”), stipulates that a former audit partner shall not be appointed as a member of the AC unless a cooling-off period of at least three (3) years has been observed prior to such appointment. The Terms of Reference of the AC are available on the Company’s website at www.iwcity.com.my.</p> <p>For the financial year under review, none of the members of the AC were former audit partners of the Company’s external auditors.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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 AC, in accordance with its Terms of Reference, is responsible for annually assessing and monitoring the performance, suitability, objectivity and independence of the external auditors.</p> <p>During the financial year under review, the AC met with the external auditors, Messrs Crowe Malaysia PLT (“EA”), once without the presence of Management. The EA provided written confirmation of their independence throughout the audit engagement, in compliance with all relevant professional and regulatory requirements. The AC reviewed the performance and independence of the EA and was satisfied that the audit was conducted objectively and that the services rendered met the Committee’s expectations.</p> <p>Based on its assessment, the AC is satisfied with the suitability and independence of the EA. and has recommended their re-appointment for the financial year ended 31 December 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 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	:	All the 3 members of the AC are independent directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year 2025, the AC was chaired by two Chairmen who served during different periods of the year, with no overlap in tenure. Both Chairmen are members of the Malaysian Institute of Accountants.</p> <p>All members of the AC possess the requisite financial literacy and are capable of understanding matters within the Committee's scope of responsibilities. Collectively, the AC members bring with them extensive experience, knowledge and a sound understanding of the Group's businesses and the industries in which it operates, including trading, property development and construction. This enables the AC to effectively discharge its duties and responsibilities.</p> <p>During the financial year, the Group organised an in-house training programme entitled "Corporate Liability Provision (Section 17A MACC Act): Anti-Bribery & Anti-Corruption" for all Directors and Senior Management, which was attended by the AC members. In addition, the AC members also participated in various external training programmes to further enhance their knowledge and competencies in carrying out their roles effectively.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control to safeguard shareholders' interests and the Group's assets, as well as to review the adequacy and effectiveness of such systems in achieving the Group's objectives. To this end, the Board has established a structured risk management framework to identify, evaluate, manage, monitor and report significant risks faced by the Group. The Group also maintains a well-defined organisational structure with clear lines of responsibility, authority and delegation to support the effective implementation of internal controls.</p> <p>The Board has delegated the oversight of the review process to the Risk Management and Sustainability Committee ("RMSC"). Notwithstanding such delegation, the Board retains ultimate responsibility for the actions and decisions of the Committee, including the effectiveness of the risk management and internal control systems, as well as the accuracy and adequacy of disclosures relating to key risks and controls.</p> <p>The Statement on Risk Management and Internal Control, which has been reviewed by the external auditors, is set out on pages 87 to 93 of the Annual Report, providing an overview of the Group's risk management and internal control framework.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	The features of the risk management and internal control framework, are outlined in the Statement on Risk Management and Internal Control as set out on page 91 and 92 of the Annual Report 2025. The Board has received reasonable assurance from the EVC and ED that the Group's risk management and internal control system has operated adequately and effectively, in all material aspects, for the financial year under review.	
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	:	Risk Management and Sustainability Committee consists of all independent directors.

Intended Outcome

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

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group's internal audit function is outsourced to an independent professional services firm, which conducts its work in accordance with the International Professional Practices Framework ("IPPF") issued by the Institute of Internal Auditors, an internationally recognised professional body.</p> <p>For the financial year ended 31 December 2025, the ("AC") reviewed the internal audit function's scope of work, audit findings, and recommendations. This review was undertaken to ensure that the AC obtained adequate assurance on the effectiveness and adequacy of the Group's governance, risk management and internal control systems.</p> <p>Further details on the internal audit function are set out in the Statement on Risk Management and Internal Control on page 92 of the Annual Report 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 have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group’s internal audit function is outsourced to an independent professional services firm, Resolve IR Sdn Bhd (“Resolve IR”). The engagement is led by Mr. Choo Seng Choon (“Mr. Choo”), who possesses extensive experience in internal audit, risk management and corporate governance advisory.</p> <p>Mr. Choo is a Certified Internal Auditor and a Chartered Member of the Institute of Internal Auditors, with over 25 years of professional experience across multiple disciplines, including internal audit, risk management, corporate governance, performance and business management, initial public offerings (IPOs), taxation, due diligence and corporate finance. He is also a Fellow of the Association of Chartered Certified Accountants (ACCA), a Chartered Accountant of the Malaysian Institute of Accountants (“MIA”) and a Certified Public Accountant of the Malaysian Institute of Certified Public Accountants (“MICPA”).</p> <p>The internal audit reviews were carried out by a team comprising three (3) to four (4) personnel per engagement, including the engagement Executive Director. The audit team members are suitably qualified, holding professional certifications and/or relevant university degrees, with many being members of the Institute of Internal Auditors Malaysia. All personnel involved in the engagement are independent and free from any relationships or conflicts of interest that could impair their objectivity.</p> <p>The internal audit function adopts a risk-based approach and conducts its work in accordance with the International Professional Practices Framework (“IPPF”).</p> <p>Further details of the internal audit function are disclosed in the Statement on Risk Management and Internal Control set out on page 92 of the Annual Report 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 12.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company does not fall under the category of “Large Companies”.</p> <p>The Board is mindful of the growing importance of integrated reporting based on globally recognised frameworks and will consider adopting such practices in the future.</p> <p>The Company’s website serves as an effective platform for providing shareholders and the public with timely and up-to-date information about the Group. In addition, the Group regularly updates its social media channels to communicate developments and promote its property products.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied	
Explanation on application of the practice	:	<p>The notice for the 56th AGM held on 25 June 2025, had been given to the shareholders on 30 April 2025, which is at least 28 days prior to the meeting.</p> <p>The notice for the upcoming 57th AGM to be held on 24 June 2026, will be issued to the shareholders on 30 April 2026, also providing more than 28 days prior to the meeting.</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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Except for Tan Sri Dato' Lim Kang Hoo, Mr. Khairudin bin Hasan and Datuk Lim Keng Guan, who were unable to attend due to commitments to other important meetings, all other Directors, including the Chairman of the respective Board Committees, were present and participated in the 56 th AGM held physically at Hyatt Place Johor Bahru on 25 June 2025.	
	:	Despite their absence, the remaining Executive Directors and Independent Directors, who possess a comprehensive understanding of the Group's operations and affairs, ensured that the AGM was conducted smoothly and effectively. The Board members in attendance endeavoured to provide clear, accurate and meaningful responses to questions raised by shareholders during the AGM.	
<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 endeavour to ensure the full and active participation of its members at general meetings.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 13.3

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>The 56th AGM of the Company held on 25 June 2025 was conducted in physically after four (4) years of fully virtual meetings via live streaming through the Remote Participation and Voting Facilities platform. The change in meeting format was in line with the announcement by the Securities Commission Malaysia on 30 August 2024 requiring all public listed companies on Bursa Malaysia to hold hybrid or physical general meetings with effect from 1 March 2025. In addition, the Company appointed an independent scrutineer to verify the votes casted at the meeting.</p> <p>Agmo Digital Solutions Sdn. Bhd. ("AGMO") was appointed as the Poll Administrator to oversee the electronic polling and registration processes for the 56th AGM. AGMO operates in accordance with a robust IT policy and information security framework, which includes measures such as endpoint controls and data classification to ensure strong cyber hygiene across its platform.</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 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	<p>The Company had on 30 April 2025, issued the Integrated Annual Report 2024 for its 56th AGM.</p> <p>The Board, through its Chairman, is committed to ensuring that general meetings serve as an effective platform for meaningful engagement between the Board, Senior Management and shareholders. The Chairman plays a pivotal role in facilitating an interactive and constructive dialogue, encouraging robust discussions on the Company's financial and non-financial performance, as well as its long-term strategies and prospects.</p> <p>During general meetings, shareholders are provided with ample opportunity to raise questions and seek clarifications. The Board and Senior Management endeavour to respond to all queries in a clear, transparent and meaningful manner, thereby promoting greater understanding and fostering investor confidence.</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.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice :	
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: Minutes of the AGM was uploaded to the website at www.iwcity.com.my , within 30 business days after the meeting.
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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