

CORPORATE GOVERNANCE REPORT

STOCK CODE : 3255
COMPANY NAME : Heineken 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 PERSUANT 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 is collectively responsible for setting the strategic direction of the Company and its subsidiaries (the Group), overseeing business performance, promoting ethical conduct, and ensuring the interests of shareholders and other stakeholders are safeguarded. The Board operates in accordance with its Board Charter, which outlines its roles, responsibilities, composition and procedures. The Board Charter is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/</p> <p>To ensure orderly and effective discharge of the Board's functions and responsibilities, the Group has a clear governance framework which defines the delegation of authorities to the Board Committees and Management, with appropriate oversight mechanisms in place.</p> <div data-bbox="550 1299 1324 1590" style="text-align: center;"> <pre> graph TD Board[Board of Directors] --- ARMC[Audit & Risk Management Committee] Board --- MD[Managing Director] Board --- NRC[Nomination & Remuneration Committee] MD --- RCW[Risk and Control Workgroup] MD --- MT[Management Team] MD --- SC[Sustainability Committee] subgraph Assurance [Assurance Providers] EA[External Audit] IA[Internal Audit] PCI[Process & Control Improvement] end </pre> </div> <p>The Audit & Risk Management Committee (ARMC) and the Nomination & Remuneration Committee (NRC) support the Board to review specific matters before Board's approval. The Committees' Chairpersons report their discussions and recommendations to the Board.</p> <p>In 2025, the Board met four times and effectively discharged its responsibilities in line with the Board Charter. It provided comprehensive oversight across strategic, governance, risk, operational, financial, and stakeholder engagement areas.</p>

	<p>Key activities included reviewing annual plan and forecasts, assessing business strategies and opportunities, monitoring business and financial performance, overseeing risk management and internal controls and financial reporting, and reviewing operational and industry issues. The Board ensured compliance with governance standards through annual effectiveness evaluations, approved financial statements, and guided stakeholder engagement, including a well-conducted AGM. Directors also demonstrated commitment to continuous training and development, keeping abreast with regulatory and market trends.</p>	
<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 Chairman of the Board leads the Board and oversees its conduct and functioning, ensuring adherence to relevant corporate governance practices. Additionally, the Chairman:</p> <ul style="list-style-type: none"> ▪ Leads Board Meetings' discussions, ensures relevant issues are covered in meeting agenda with sufficient time allocated for deliberations; seeks views from the Directors on matters requiring Board decisions, encourages active participation, and ensures the efficient and effective conduct of Board Meetings. ▪ Promotes constructive and respectful relations between Board members as well as between Board members and the Management. ▪ Represents the Board to shareholders and acts as a spokesperson at the Company's Annual General Meeting (AGM) and addresses questions raised by the shareholders. ▪ Provides guidance and advice to Management especially on industry-related issues, and when needed, represents the Group on engagement with authorities and those having influence over the environment in which the Group operates. <p>Further details on the roles and responsibilities of the Chairman are outlined in the Board Charter which is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/</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

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>As stipulated in the Board Charter, the positions of Chairman and Managing Director are held by separate individuals.</p> <p>The Chairman of the Company, Dato' Sri Idris Jala is an Independent Non-Executive Director. He is responsible for the orderly conduct and effective functioning of the Board.</p> <p>The Managing Director - Mr Martijn Rene van Keulen, appointed by the Board, is responsible for the daily management of the Group's business and operations, ensuring organisational effectiveness and implementing strategies and policies approved by the Board. The Managing Director is supported by the Management Team, whose responsibilities and authorities are outlined in a Statement of Authority approved by 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 1.4

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	At the annual Board effectiveness evaluation, the Board assessed the composition of the NRC and decided to retain the current structure, with Dato' Sri Idris Jala remaining as the NRC Chairman.
	:	Dato' Sri Idris Jala, respected by Directors and Management for his extensive knowledge, experience and dynamism, has been professional and objective in carrying out his duties as an Independent Non-Executive Director and Chairman of the Board and the NRC. He is mindful of his distinct responsibilities on the Board and the NRC. Throughout the Board and NRC meetings, he has demonstrated effective leadership by fostering open and constructive discussions, inviting perspectives from both Directors and Management and promoting thorough deliberations. Prior to submitting any recommendations to the Board, issues are thoroughly deliberated at the committee level, with inputs from both Independent and Non-Independent Directors. He refrains from participating in deliberation or decision-making whenever a potential conflict of interest arises. Every recommendation put forward by the NRC to the Board has received unanimous approval, thereby eliminating the risk of self-review.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board intends to maintain the current practice.
Timeframe	:	Others
	:	The Company will review the need for application of this Practice on an annual basis.

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>All Board members have unrestricted access to the advice and services of the Company Secretary. The Company Secretary is a qualified Chartered Secretary, holds an Associate Membership with the Malaysian Institute of Chartered Secretaries and Administrators and possesses a Practising Certificate for Secretaries pursuant to Section 241 of the Companies Act, 2016.</p> <p>The Company Secretary advises the Board on regulatory requirements and corporate governance matters to ensure that it discharges its functions effectively. Apart from ensuring compliance with the statutory requirements for the Group, the Company Secretary:</p> <ul style="list-style-type: none">(i) supports the Chairman of the Board and the Board Committees in ensuring effective functioning of the Board and the Board Committees.(ii) keeps the Board informed of changes to regulatory requirements and advises on compliance with regulatory obligations as well as the application of best practices of corporate governance.(iii) ensures Directors receive adequate information and time to prepare for Board meetings, manages the logistics of the Company's AGM, Board and Board Committee meetings and ensures accurate minutes-recording of meeting proceedings, deliberations and decisions.(iv) facilitates the annual Board effectiveness evaluation and assists the implementation of improvements identified through the process.(v) ensures that Directors meet their training requirements.(vi) organises induction programme for newly appointed Directors to facilitate their understanding of the Group's business and operations.(vii) acts as a central point of communication and engagement on corporate governance issues with relevant regulatory authorities. <p>In 2025, the Company Secretary attended all Board and Board Committee meetings and attended relevant professional training programmes to stay updated with regulatory changes.</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>Directors receive timely, accurate and comprehensive reports for informed decision-making. Meeting materials are distributed at least five (5) days before the meeting, giving Directors reasonable time to prepare.</p> <p>The proceedings of every Board and Board Committees meeting, including discussed issues, decisions, dissenting views, abstentions and action items are recorded in the minutes by the Company Secretary, and subsequently distributed to the members of the Board and Board Committees. Decisions and actions required by the Board are also communicated to the Management in a timely manner after every meeting to ensure appropriate execution.</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

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 is guided by its Charter which delineates the purpose, composition, key roles and primary responsibilities as well as the internal procedural matters for the Board. The principal responsibilities of the Board are in line with those outlined in the Malaysian Code on Corporate Governance (MCCG). The Board Charter also outlines key matters reserved for the Board deliberation and decision.</p> <p>The Board Charter is published on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/</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 promotes a strong culture of integrity and ethical conduct across the Group. It has in place the following policies that outline its commitment to conducting business with integrity and fairness, adherence to laws, promoting sustainability and ensuring responsibility as well as the key principles for ethical and business conduct expected from stakeholders in their dealing with the Group:</p> <div style="border: 1px solid black; padding: 5px;"> <p>HEINEKEN Code of Business Conduct (HeiCode)</p> <p>The HeiCode outlines the key principles and expectations that apply to all individuals within the Group, covering topics like discrimination, harassment, fraud and corruption. It defines standards of conduct and behaviour expected at work, within and beyond the Group and applies to all business operations, organised into four (4) broad categories:</p> <table border="1" data-bbox="480 1256 1362 1339"> <tr> <td data-bbox="480 1256 895 1294">Caring for People and Planet</td> <td data-bbox="895 1256 1362 1294">Protecting our Assets</td> </tr> <tr> <td data-bbox="480 1294 895 1339">Maintaining Business Integrity</td> <td data-bbox="895 1294 1362 1339">Engaging Responsibly with Others</td> </tr> </table> <p>The HeiCode and related policies, communications and training materials are accessible through the Business Conduct Portal for employees. Each year, employees must complete e-learning modules covering, anti-bribery and corruption, fraud and security awareness, data privacy, competition law, Life Saving Commitments and responsible consumption.</p> <p>Board members and employees, including senior management, are required to annually disclose any potential conflicts of interest between their personal interests and those of the Company or its subsidiaries. This policy ensures Group decisions remain objective and free from personal bias.</p> <p>The HeiCode is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/</p> <p>Responsible Marketing Code (RMC)</p> <p>The RMC sets strict standards for marketing, promoting responsible drinking, avoiding appeal to minors, and not linking alcohol to social, sexual, health, or functional success. It ensures transparency, accuracy, safe behaviours, respect for consumer choice, and care for people and the</p> </div>	Caring for People and Planet	Protecting our Assets	Maintaining Business Integrity	Engaging Responsibly with Others
Caring for People and Planet	Protecting our Assets				
Maintaining Business Integrity	Engaging Responsibly with Others				

	<p>planet, especially in high-risk areas like digital media, sponsorships, and promotions. All marketing materials are reviewed for compliance before publication.</p> <p>Supplier Code and Distributor Code of Conduct (the Code) The Code sets out the minimum standards expected of all suppliers and distributors to ensure responsible, ethical and sustainable business practices across the Group’s value chain. It requires compliance with all applicable laws and a commitment to conducting business with integrity and fairness, including zero tolerance for bribery, corruption, unfair competition and conflicts of interest, and proper management of financial records and confidential information. The Code also emphasises respect for human rights, fair labour practices, safe working conditions, reduced environmental impact, responsible sourcing, and effective grievance mechanisms, and it allows the Group to assess compliance and enforce corrective actions where standards are not met.</p> <p>The Group has proactive measures to ensure its business partners uphold its values and dedication to responsible business conduct. The Group applies a due-diligence tool to identify and manage third-party risks such as bribery and corruption.</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 Group has in place a Speak Up Policy which provides a confidential process for employees and stakeholders to report suspected misconduct or unethical practices without fear of retaliation. Reports can be submitted to designated trusted representatives appointed by the Company or through an independent 24/7 Speak Up Service.</p> <p>A Global Speak Up Review Team, which comprises representatives from Global Business Conduct, Global Process & Control Improvement, Global Audit and Global People, reviews all reports to decide if concerns should be handled by the Global Integrity Committee or by respective companies involved. The policy has been communicated to the Group's employees and business partners.</p> <p>The policy has been communicated to the Group's employees and business partners and it is published on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/</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 oversees the Group’s sustainability strategy, which is aligned with the updated HEINEKEN’s sustainability strategy “Brew a Better World 2030” (BaBW). The Group has in place ESG Framework and a Sustainability Policy to reinforce its commitment to integrating environmental, social and governance (ESG) factors such as climate-related issues, into the Group’s overall strategy and risk management processes.</p> <p>The Board is supported by a Sustainability Committee which is responsible for strategically managing material sustainability matters, including the formulation and implementation of the Group’s sustainability priorities and initiatives. The Sustainability Committee is chaired by the Managing Director, who is supported by a secretariat led by the Corporate Affairs & Legal Director (CAL Director). The committee comprises members of the Management Team who monitor the progress of sustainability performance within their respective pillars. The CAL Director reports to the Managing Director and provides quarterly updates to the Board on the progress of the sustainability priorities and initiatives undertaken by the Group.</p> <p>The updated BaBW strategy continues to have clear ambitions and measurable goals across three pillars: Responsible Consumption, Social and Environmental. The objectives are to promote responsible consumption and no harmful use, foster fairness and inclusion, and reach net zero across our value chain.</p> <table border="1" data-bbox="544 1760 1369 1957"> <thead> <tr> <th data-bbox="544 1760 818 1823">Responsible Consumption</th> <th data-bbox="818 1760 1091 1823">Social</th> <th data-bbox="1091 1760 1369 1823">Environmental</th> </tr> </thead> <tbody> <tr> <td data-bbox="544 1823 818 1957"> <ul style="list-style-type: none"> - Always a Choice - Address Harmful Use </td> <td data-bbox="818 1823 1091 1957"> <ul style="list-style-type: none"> - Foster fairness and inclusion - Positive Impact in our Communities </td> <td data-bbox="1091 1823 1369 1957"> <ul style="list-style-type: none"> - Towards Healthy Watersheds & Nature - Maximise Circularity - Reach Net Zero Carbon </td> </tr> </tbody> </table>	Responsible Consumption	Social	Environmental	<ul style="list-style-type: none"> - Always a Choice - Address Harmful Use 	<ul style="list-style-type: none"> - Foster fairness and inclusion - Positive Impact in our Communities 	<ul style="list-style-type: none"> - Towards Healthy Watersheds & Nature - Maximise Circularity - Reach Net Zero Carbon
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	<p>The BaBW ambitions are in line with the benchmarks set by the United Nations Global Compact., aiming to contribute to the United Nations Sustainable Development Goals to protect the planet, ensure prosperity and end poverty. Initiatives within each priority area are driven by relevant functions and departments across the organisation.</p> <p>Additional details regarding the Company’s sustainability strategy and ambitions are reported in the ESG Review of the Company’s Annual Report 2025.</p> <p>The Sustainability Policy is available on the Company’s website at https://www.heinekenmalaysia.com/corporate-governance/</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

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

Practice 4.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group recognises the importance of stakeholder engagement in its sustainability efforts. By ensuring effective communication and engagement, the Group aims to achieve the BaBW ambitions and deliver its commitments through cross-functional collaboration and partnerships with external stakeholders.</p> <p>The BaBW strategy and priorities and the comprehensive description of stakeholder group, engagement activities and the targets as well as the achievement versus targets are reported in the ESG Review of the Company’s 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

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

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has been proactive in its sustainability efforts for over a decade. Sustainability is a fundamental element of the Group's operations, with considerations incorporated across all business activities, including sourcing, production, marketing, sales, consumption and waste management practices such as reuse and recycle.</p> <p>Given the increasing attention from stakeholders and regulators concerning sustainability, the Board ensures the Group continues its engagement with stakeholders and actively explore enhancements to operate more sustainably, ensuring benefits for all involved.</p> <p>The Board receives regular updates on the Group's sustainability priorities and initiatives and stays updated about external trends through learning and sharing of sustainability best practices.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>The annual Board effectiveness evaluation conducted for FY2025 included an assessment of the Board's oversights of the Group's sustainability and net zero plan, as well as deliberations on climate-related risks and opportunities, and issues critical to the Group's performance.</p> <p>The performance evaluation for the Management Team takes into account the Group's progress and performance of its sustainability priorities in addressing material sustainability risks and opportunities.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The CAL Director is the designated person on sustainability. She leads the secretariat, providing necessary supporting to the Sustainability Committee. She reports to the Managing Director and provides quarterly updates to the Board on the progress of the sustainability priorities and initiatives undertaken by the Group.

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 NRC evaluates the Board’s composition and performance annually, taking into consideration the diversity of skills and competencies, knowledge and business experience, gender and ethnicity, along with the tenure, performance, and contributions of its members.</p> <p>The NRC also evaluates and provides recommendation to the Board on the re-election of retiring Directors, contingent upon a satisfactory evaluation of the retiring Director’s performance and contributions 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

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

Practice 5.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board comprises seven (7) Directors, including an Independent Non-Executive Chairman, a Managing Director and five (5) Non-Executive Directors. Three (3) of the Non-Executive Directors are Independent Directors whose primary responsibility is to provide independent perspective and safeguard minority shareholders' interests.</p> <p>The Board finds the current composition effective, with three (3) Independent Directors and four (4) nominee Directors from the major shareholder.</p> <p>The Board acknowledges the recommendation that large companies' Board should maintain a majority of Independent Directors. Given the existing shareholding structure, where Heineken NV indirectly holds 51% equity interest through its wholly-owned subsidiary, GAPL Pte Ltd, the Board believes that to fully leverage the experience of the HEINEKEN Group and ensure focus on long-term value creation, it is in the best interest of the Company and the stakeholders that the Board includes a fair and adequate representation of the major shareholders.</p> <p>The Non-Independent nominee Directors play a critical role in supporting the Board in discharging its oversight function. They have extensive knowledge of the industry and experience from working in the HEINEKEN Group across Asia Pacific which enable them to provide in-depth insights and learnings from regional and global point of view towards the Board's discussion, particularly on the Group's strategic direction and business management. Their views are generally aligned to safeguard the interests of the Company's shareholders collectively without compromising the independence and objective judgement in Board deliberation. The Board is often able to leverage on their tacit knowledge, accumulated experience and intuition in making key business decisions.</p> <p>The Independent Directors safeguard minority shareholders' and other stakeholders' interests by providing independent advice and promoting accountability in Board decisions.</p>

	<p>Furthermore, the Independent Directors do not have any relationships directly or indirectly with other Board Members or the major shareholder or persons connected to them. They are able to provide impartial and independent perspectives, bringing essential checks and balances to the Board. They actively participate in meetings and contribute to robust discussions, whilst nominee Directors abstain from discussion and decision-making on matters where the major shareholder has an interest. This has to a certain extent fulfilled the intended objectives despite not meeting the required numbers in its expected form.</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>:</p>	<p>The Board intends to maintain its current composition.</p>
<p>Timeframe</p>	<p>:</p> <p>Others</p>	<p>The Board has not ascertained any time frame to adopt this practice.</p>

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>The Board is guided by the recommended approach under the MCCG. Shareholders' approval is sought to retain Independent Directors whose cumulative tenure exceeds 9 years, failing which, they will be re-designated as Non-Independent Directors.</p> <p>The Board considers the skillset and contributions of the Director whose cumulative tenure is expected to reach the 9-year tenure, as well as his/her ability to act independently in the best interest of the Company, to ensure the Board functions effectively.</p> <p>The tenure of Dato' Sri Idris Jala, Independent Non-Executive Chairman, has exceeded 9 years since 1 January 2026. At the 61st AGM held on 7 May 2025, the Company obtained shareholders' approval via a two-tier voting process for him to continue serving as an Independent Non-Executive Director of the Company.</p> <p>In February 2026, the Board through the NRC, evaluated the contribution and independence of Dato' Sri Idris Jala, and recommended that he remains as an Independent Non-Executive Director of the Company. A similar approval from shareholders will be sought at the 62nd AGM. The justifications for his retention are disclosed in the Notice of 62nd AGM.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>Appointments to the Board follow a formal and transparent process led by the NRC. The NRC reviews the Board composition, identifies gaps, determines the selection criteria and assesses candidates based on professional knowledge and experience, guided by the Directors' Fit & Proper Policy. Candidates are sourced through professional networks and external channels, with engagement sessions held before a final recommendation is made.</p> <p>To uphold independence in accordance with MCG best practices, the Board will ensure that individuals who are active politicians are neither appointed nor retained as Directors. Additionally, any former audit partners or their affiliates must observe a three-year cooling-off period prior to consideration for appointment as an Independent Director of the Company.</p> <p>Directors are expected to consult the Chairman before committing to other Board's appointment and to notify the Board promptly upon accepting any new directorships in other companies.</p> <p>The Directors' Fit & Proper Policy is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	As outlined under Practice 5.5, there is a formal and transparent process for the selection, nomination and appointment of qualified candidates to the Board. The NRC is entrusted by the Board with sourcing and assessing potential candidates, leveraging professional networks and external channels. The NRC conducts reference checks on shortlisted candidates, followed by engagement sessions to determine their suitability before making a final recommendation to the Board for approval. Board's decision is made objectively in the best interest of the Company, taking into consideration the candidates' credentials and the wealth of experience they bring to the Board.
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	:	The information on Directors standing for re-election as well as the justification from the Board to support the re-election of Directors are disclosed in the Explanatory Notes in the 62 nd AGM Notice to facilitate shareholders making informed decisions.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied
Explanation on application of the practice	:	<p>Dato’ Sri Idris Jala, the current Chairman of the NRC is an Independent Director.</p> <p>The Chairman of the NRC is responsible for:</p> <ul style="list-style-type: none"> ▪ Conducting NRC meetings and reporting to the Board on matters deliberated and recommended by the NRC. ▪ Leading succession planning and the appointment process for Board members, including the future Chairman and Managing Director. ▪ Conducting the annual Board effectiveness evaluation, ensuring that the performance of Directors is objectively assessed. <p>These details are outlined in the NRC’s Terms of Reference which is available on the Company’s website at https://www.heinekenmalaysia.com/corporate-governance/.</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

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board currently consists of 43% women directors, exceeding the 30% requirement for Large Companies.</p> <p>At senior management level, the female representation was at 38% as of 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

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 Group is guided by the HeiCode and the HEINEKEN Human Rights Policy, which outline the principles of non-discrimination without distinction based on factors such as race, gender, nationality and age. Promoting a culture of diversity and inclusion, along with gender equality across the organisation, will continue to be a priority for the Group.</p> <p>The Board remains committed to driving this agenda across the organisation. Efforts are continuously made to ensure an optimal composition and balance of gender, ethnicity and age diversity at both the Board and senior management levels to facilitate their effective functioning. Diversity is a key consideration in the selection and appointment process, balanced against the overall profile and criteria for appointments.</p> <p>The diversity of the Board and the Management Team as of 31 December 2025 is depicted as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th colspan="3" style="text-align: center;">Board</th> </tr> <tr> <th style="text-align: center;">Gender</th> <th style="text-align: center;">Ethnicity</th> <th style="text-align: center;">Age</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">57% Men 43% Women*</td> <td style="text-align: center;">Malaysian : 43% Singaporean : 29% Indian : 14% Netherlands : 14%</td> <td style="text-align: center;">Below 50 : 14% 50 – 60 : 57% Above 60 : 29%</td> </tr> </tbody> </table> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th colspan="3" style="text-align: center;">Management Team</th> </tr> <tr> <th style="text-align: center;">Gender</th> <th style="text-align: center;">Ethnicity</th> <th style="text-align: center;">Age</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">62% Men 38% Women*</td> <td style="text-align: center;">Malaysian : 37% Foreigners : 63%</td> <td style="text-align: center;">Below 40 : Nil 40 - 50 : 63% Above 50 : 37%</td> </tr> </tbody> </table> <p>*Exceeded the Government's target of 30% for public listed companies.</p>	Board			Gender	Ethnicity	Age	57% Men 43% Women*	Malaysian : 43% Singaporean : 29% Indian : 14% Netherlands : 14%	Below 50 : 14% 50 – 60 : 57% Above 60 : 29%	Management Team			Gender	Ethnicity	Age	62% Men 38% Women*	Malaysian : 37% Foreigners : 63%	Below 40 : Nil 40 - 50 : 63% Above 50 : 37%
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Explanation for departure	:																			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																				
Measure	:																			
Timeframe	:																			

Intended Outcome

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	: Departure
Explanation on application of the practice	:
Explanation for departure	: <p>The Board engaged the Institute of Corporate Directors of Malaysia, an independent expert, in conducting the Board Effectiveness Evaluation for FY2022. However, for FY2025, this evaluation was conducted internally with the support of the Company Secretary.</p> <p>The FY2025 evaluation process involved the Board members completing online questionnaires that encompassed various parameters to evaluate the Board’s performance against best practices. Board members were also invited to provide feedback and suggestions for enhancements.</p> <p>The NRC reviewed the feedback and the suggestions provided by the Board members, and reported to the Board on areas of improvement and focus for 2026 at the Board Meeting held in February 2026. A summary of the outcome of the evaluation for FY2025 is reported in the Corporate Governance Overview Statement in the Annual Report 2025.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: The Board will continue to assess the need for engaging an independent expert to facilitate the Board Effectiveness Evaluation.
Timeframe	: 3 years

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The remuneration matters of the Group fall under the purview of the NRC. The NRC is guided by the following principles as stipulated in the Company's Remuneration Policy which is <i>available on the Company's website</i> at https://www.heinekenmalaysia.com/corporate-governance/:</p> <ul style="list-style-type: none">▪ Remuneration should reflect performance, complexity and responsibility with a view to attracting, motivating and retaining high performance individuals whilst enhancing the Company's value for its shareholders.▪ Remuneration practices are benchmarked against external market data using remuneration surveys to ensure fair compensation for staff.▪ The process of remuneration management shall be transparent, conducted in good faith and adhere to appropriate levels of confidentiality. <p>The remuneration of the Management Team including the Managing Director, is determined based on the HEINEKEN Global Senior Management Reward Policy. Their remuneration includes fixed pay, performance-linked components and a long-term incentive plan. The Managing Director's salary excludes commissions and any share of the Group's revenue. Additionally, the Managing Director does not receive any annual fee nor meeting allowances for attending Board and Board Committees Meetings. Each year, the Managing Director's performance is evaluated based on both corporate and individual performance metrics.</p>

	<p>The remuneration for Non-Executive Directors is determined based on a standard fixed fee structure. The Chairman of the Board and the Board Committees receive additional allowance in recognition of their additional responsibilities and commitments. Non-Executive Directors serving on the Board Committees are also entitled to an extra fee. Meeting allowances are provided for attendance at the Board and Board Committees Meetings.</p> <p>The NRC is responsible for reviewing the remuneration package for Non-Executive Directors to ensure it adequately reflects their expertise, level of responsibilities, contributions, and alignment with prevailing market standards. Any proposed changes to the remuneration package will be presented to the Board for consideration and approval.</p> <p>The Board collectively determines the remuneration of Non-Executive Directors, based upon recommendation from the NRC. Individual Non-Executive Directors are required to refrain from deliberating and voting on their own remuneration. Director fees and any benefits payable to Non-Executive Directors are subject to shareholders' approval at the AGM.</p> <p>Below is an overview of the remuneration package for the Non-Executive Directors approved by the shareholders:</p> <table border="1" data-bbox="549 1043 1383 1368"> <thead> <tr> <th colspan="2">Remuneration for Non-Executive Directors</th> <th>RM</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Annual fee</td> <td>Non-Executive Director</td> <td>75,000</td> </tr> <tr> <td>ARMC member</td> <td>5,000</td> </tr> <tr> <td>NRC member</td> <td>4,000</td> </tr> <tr> <td rowspan="3">Annual allowance</td> <td>Board Chairman</td> <td>242,000</td> </tr> <tr> <td>ARMC Chairman</td> <td>8,000</td> </tr> <tr> <td>NRC Chairman</td> <td>6,000</td> </tr> <tr> <td>Meeting attendance allowance</td> <td>All Non-Executive Directors</td> <td>1,200 per meeting</td> </tr> </tbody> </table>	Remuneration for Non-Executive Directors		RM	Annual fee	Non-Executive Director	75,000	ARMC member	5,000	NRC member	4,000	Annual allowance	Board Chairman	242,000	ARMC Chairman	8,000	NRC Chairman	6,000	Meeting attendance allowance	All Non-Executive Directors	1,200 per meeting
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<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

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 Board has a combined Nomination & Remuneration Committee (NRC) comprised of five (5) Non-Executive Directors, with a majority being Independent Directors. The NRC is responsible for reviewing and recommending the remuneration package for Non-Executive Directors to the Board, ensuring alignment with the Group's business strategy and long-term objectives to attract and retain Directors.</p> <p>The NRC's roles and functions are outlined in its Terms of Reference which is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	The remuneration package of the Non-Executive Directors is disclosed under Practice 7.1 with the details of the remuneration paid to individual directors for FY2025 outlined on the following page. The Managing Director's remuneration are also disclosed on the same page.

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	Dato' Sri Idris Jala	Independent Director	323	7.2	0	0	17.4	0	347.6	323	7.2	0	0	17.4	0	347.6
2	Choo Tay Sian, Kenneth	Non-Executive Non-Independent Director	84	10.8	0	0	0	0	94.8	84	10.8	0	0	0	0	94.8
3	Seng Yi-Ying (Resigned on 1 January 2026)	Non-Executive Non-Independent Director	75	3.6	0	0	0	0	78.6	75	3.6	0	0	0	0	78.6
4	Lau Nai Pek	Independent Director	87	12	0	0	0	0	99	87	12	0	0	0	0	99
5	Carmen Chua	Independent Director	84	10.8	0	0	0	0	94.8	84	10.8	0	0	0	0	94.8
6	Erin Sakinah Atan	Non-Executive Non-Independent Director	79	6	0	0	0	0	85	79	6	0	0	0	0	85
7	Martijn Rene van Keulen	Executive Director	0	488	1,214	360	240.	236	2,538	0	488	1,214	360	240.	236	2,538

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	:	Given the confidentiality and sensitivity of the information, as well as the competitive talent market in the beer industry, the Board is of the view that disclosing the remuneration of key senior management members by name would not be in the best interest of the Company and the Management Team.									
		The remuneration of the top five (5) senior management, excluding the Managing Director, is disclosed as follows in the bands of RM50,000 but not on a named basis:									
		<table border="1"> <thead> <tr> <th>Range of Remuneration (RM)</th> <th>Top 5</th> </tr> </thead> <tbody> <tr> <td>1,300,000 - 1,350,000</td> <td>2</td> </tr> <tr> <td>1,400,000 - 1,450,000</td> <td>2</td> </tr> <tr> <td>1,850,000 – 1,900,000</td> <td>1</td> </tr> </tbody> </table>		Range of Remuneration (RM)	Top 5	1,300,000 - 1,350,000	2	1,400,000 - 1,450,000	2	1,850,000 – 1,900,000	1
Range of Remuneration (RM)	Top 5										
1,300,000 - 1,350,000	2										
1,400,000 - 1,450,000	2										
1,850,000 – 1,900,000	1										
		Such information is deemed adequate to enable stakeholders to assess the reasonableness of the remuneration paid to the senior management of the Company.									
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>											
Measure	:	The Company has a comprehensive internal process that consistently benchmarks remuneration practices against external market data using remuneration surveys. This ensures that the remuneration of Directors and senior management members is fair. The Board will monitor market developments and review the appropriateness of such disclosure in the future.									
Timeframe	:	Others	The Board intends to maintain the current practice.								

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Mr Lau Nai Pek, a Senior Independent Director, is the Chairman of the ARMC. He does not hold the position of Chairman of the Board.</p> <p>The duties and responsibilities of the ARMC Chairman are detailed in the ARMC's Terms of Reference available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	None of the current Board members of the Company has previously served as a key audit partner. The Board will impose a three-year cooling-off period for any potential candidate who has previously served as a key audit partner before being considered for appointment to the ARMC. This requirement is outlined in the ARMC's Terms of Reference which can be accessed on the Company's website at https://www.heinekenmalaysia.com/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

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 Board, through the ARMC, maintains a professional and independent relationship with external auditors. The ARMC has direct communication authority and meets with them twice yearly to review audit plans, findings, and financial statements. It also holds private meetings without management to address concerns, confidential matters, and audit observations.</p> <p>The ARMC evaluated the independence and objectivity of external auditors for statutory audits and prior to non-audit engagements. The external auditors, KPMG PLT, have confirmed compliance with both the Malaysian Institute of Accountants' By-Laws (on Professional Ethics, Conduct and Practice) (By-Laws) and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code). They have also affirmed that they have fulfilled their ethical responsibilities according to the By-Laws and IESBA Code.</p> <p>The ARMC reviewed the non-audit services and related fees to ensure they do not compromise the auditors' independence, guided by the established policies on permissible and non-permissible services. For FY2025, the external auditors were primarily engaged to perform statutory audit on the Group's financial statements and review the Company's Statement on Risk Management and Internal Control (SORMIC). The fees for these services were disclosed in the Audit & Risk Management Committee Report. The ARMC also reviewed the audit firm's Annual Transparency Report.</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

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	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC comprises three (3) Non-Executive Directors, the majority of whom are Independent, including the Chairman. All members are financially literate, possess relevant expertise and experience, understand the Group's business and are able to objectively review, analyse, challenge and provide recommendations on matters within the ARMC's jurisdiction, including the financial reporting process. Two (2) of the members including the ARMC Chairman are Chartered Accountants.</p> <p>All members of the ARMC engaged in continuous professional development to enhance their capability in discharging their duties and responsibilities. The training attended by the ARMC members during 2025 is listed below:</p>
	Lau Nai Pek	<ol style="list-style-type: none"> 1. Financial Institutions Directors' Education Programmes 2. Khazanah Megatrends Forum 2025 3. Cybersecurity Security Awareness 4. Anti-Money Laundering, Counter Terrorism Financing, and Counter Proliferation Financing 5. Anti Bribery and Corruption – the next frontier
	Choo Tay Sian, Kenneth	<ol style="list-style-type: none"> 1. HEINEKEN Commerce Forum <ul style="list-style-type: none"> - How to win in market place? - EverGreen Growth Strategy 2. Water Sustainability Workshop 3. HEINEKEN Accelerate Leadership Workshop
	Chua Carmen	<ol style="list-style-type: none"> 1. Commercial Tenancies in Practice: A Legal & Practical Guide 2. E-Invoicing Compliance
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has in place a robust risk management and internal control framework which enables Management to identify, assess, prioritise and manage risks on a continuous and systematic basis. The framework is embedded within the Group's Business Framework and aligned with the Committee on Sponsorship Organisations (COSO) Enterprise Risk Management and Internal Control Frameworks, ensuring a structured and consistent approach across the Group.</p> <p>Risk management is an integral part of business decision-making, supported by a defined risk appetite set by HEINEKEN Global Functions, quarterly risk assessment cycles, and continuous monitoring of principal and emerging risks, including ESG, climate-related, cybersecurity, data governance and supply chain risks.</p> <p>The Group applies the Three Lines Model, ensuring clear accountability and alignment of roles across the Board, Management, Process & Control Improvement, Internal Audit, and external assurance providers. Further information regarding the Three Lines Model is provided in the SORMIC in the Annual Report 2025.</p> <p>Internal controls are underpinned by mandatory standards, annual control self-assessments, the Risk and Control Matrix compliance programme, and regular reporting to Management, ARMC and the Board. Collectively, these features enable timely identification of issues, effective remediation, and provide the Board with reasonable assurance on the adequacy and effectiveness of the Group's risk management and internal control systems.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application :	Applied	
Explanation on application of the practice	<p>The key features of the Group’s risk management and internal control systems are disclosed in the SORMIC in the Annual Report 2025.</p> <p>The Board, through the ARMC regularly reviews the adequacy, integrity and effectiveness of the systems. For FY2025, the Board concluded, based on management attestations, internal audit findings, and remediation tracking, that the Group’s risk management and internal control systems were operating adequately and effectively, with no material failings identified.</p>	
Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>Risk management is under the purview of the ARMC which comprises a majority of Independent Directors, with two (2) out of the three (3) committee members being Independent Directors.</p> <p>The principal responsibilities of the ARMC concerning risk management are outlined in its Terms of Reference.</p>

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 Internal Audit function operates in-house, headed by Eugene Ding Diew Ping who reports functionally to the ARMC and administratively to the Managing Director. The team does not have any direct operational responsibilities over audited activities, nor has it engaged in any activity that might impair their judgement. All the internal audit staff confirm annually that there were no conflicts impairing their objectivity and independence.</p> <p>The Head of Internal Audit has over 20 years of internal audit experience. Currently, he is supported by an Internal Audit Manager and an Internal Audit Executive. In FY2025, the team attended relevant trainings to enhance their competencies.</p> <p>The Internal Audit function is guided by an Internal Audit Charter approved by the ARMC, which outlines its purpose, scope, responsibility and authority. Activities are conducted based on the approved Internal Audit Plan, which is developed based on the risk profiles from the Group's Risk Management Framework and in consultation with the Management Team. The ARMC reviews the audit scope, coverage and resource adequacy. At the quarterly ARMC meetings, the Head of Internal Audit reports to the ARMC on internal audit activities, resource requirements and significant risks, including fraud risks, control or governance issues requiring attention.</p> <p>In carrying out the audit activities, the Internal Audit function has adopted the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the International Internal Audit Standards Board. The internal audit staff adhere to the Code of Ethics adopted by the IIA which sets out, among others, the principles relevant to the profession and practice of internal auditing and the rules of conduct expected of internal auditors.</p> <p>The Internal Audit function also collaborated with the Process & Control Improvement Team to assess the Group's risk management process.</p> <p>The ARMC evaluated the performance of the Internal Audit function for FY2025 and concluded that it was effective in discharging its duties. The Internal Audit team contributed valuable recommendations, which enhanced internal controls, improved process efficiency, and enabled cost savings. The function operated independently throughout the year.</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 Company has disclosed the following information concerning its Internal Audit function in the Audit & Risk Management Committee Report within the Annual Report 2025:</p> <ul style="list-style-type: none"> ▪ Independence of internal audit personnel; ▪ number of resources in the Internal Audit function; ▪ name and qualification of the person responsible for internal audit; and ▪ audit activities are performed in accordance with the recognised standards. 	
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 prioritises timely and fair dissemination of material information to shareholders, investors and the public. It maintains proactive communication to foster mutual understanding among all stakeholders.</p> <p>The Company is guided by the disclosure requirements stipulated under the Bursa Malaysia’s Main Market Listing Requirements (MMLR), Bursa Malaysia’s Corporate Disclosure Guide, HEINEKEN Media Policy, and Financial Disclosure Guidelines. These guidelines specify the authorised spokespersons and outline how material information is shared, confidentiality is maintained, and information is disseminated.</p> <p>The Company’s Annual Report serves as a key communication tool with the Group’s stakeholders, providing a comprehensive review of the Group’s financial and non-financial performance. It is published on a timely basis and made available electronically to shareholders immediately upon release.</p> <p>The Company leverages various communication platforms to engage with shareholders and stakeholders. These include announcements via Bursa LINK, publication on the Company’s website, bi-annually results briefings with analysts, fund managers and media, engagements through the Investor Relations function and the Company’s social media. In 2025, the Company conducted several engagement activities with its stakeholders. Details of the engagement activities are reported in the Stakeholder Engagement section within the ESG Review within the Annual Report 2025.</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

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

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

Practice 12.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's Annual Report 2025 has been developed based on the integrated reporting approach, demonstrating how the Company's strategy, actions, performance, governance and prospects contribute to the creation of stakeholder value. The report is prepared in accordance with applicable rules, regulations, guidelines and best practices, including:</p> <ul style="list-style-type: none"> ▪ Companies Act 2016 ▪ Bursa Malaysia's Corporate Governance Guide 4th Edition ▪ MMLR ▪ MCGG ▪ Malaysian Financial Reporting Standards ▪ International Financial Reporting Standards (IFRS) <p>As for the sustainability reporting, the Company's ESG Review has been prepared in compliance with the MMLR and with reference to the following frameworks, reflecting the Group's ongoing efforts to strengthen ESG practices in line with recognised market-based sustainability benchmarks:</p> <ul style="list-style-type: none"> • United Nations Sustainable Development Goals • Global Reporting Initiative Standards 2021 • IFRS Sustainability Disclosure Standards: ☐ IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information; and IFRS S2 Climate-related Disclosures • MCGG • Science-Based Targets initiative • FTSE4Good Bursa Malaysia (F4GBM) Index
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 Company's Annual Report 2024, along with the Notice of the 61st AGM, was issued on 8 April 2025, more than 28 days prior to the AGM held on 7 May 2025. Notification on the publication of the Annual Report and the AGM notice on the Company's website was disseminated to shareholders on the same day.</p> <p>The AGM notice includes the following:</p> <ul style="list-style-type: none">(i) Explanatory notes to shareholders regarding their entitlement to attend the AGM and their right to appoint proxies, as well as detailed explanations for each motion to be tabled at the AGM to enable shareholders to make informed decisions in exercising their voting rights; and(ii) Administrative details regarding the AGM to allow shareholders to plan and make necessary arrangements to participate in the AGM; and instructions for proxy's appointment and lodgement of proxy forms.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	Except for one Board member who was absent due to a family matter, all Board members attended the 61 st AGM in person. The Management Team including the Finance Director, the Company Secretary and External Auditors, were also present at the meeting on 7 May 2025 to address shareholder questions.	
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 61 st AGM was conducted physically.
		<p>The 61st AGM was held at a venue located centrally within Kuala Lumpur city centre, accessible via public transport. Shareholders were informed of the meeting well in advance, and all pertinent reports were made available on both the Company's website and Bursa Malaysia's website at least 28 days prior to the event, allowing them to plan and decide whether to attend the meeting. Shareholders who could not attend the AGM in person are allowed to appoint more than one proxy to attend, participate and vote on their behalf at the AGM.</p> <p>The Company has a Privacy Policy and a Cybersecurity Policy which ensures good cyber hygiene, and protect the confidentiality, integrity and availability of information and systems. This Policy is available on the Company's website at https://www.heinekenmalaysia.com/privacy-policy/.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board will re-evaluate the feasibility of holding a hybrid AGM, with careful consideration given to the cost effectiveness of this option.
Timeframe	:	Within 3 years

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 Chairman chaired the 61st AGM held on 7 May 2025 and briefed the meeting on the meeting agenda and reminded shareholders of their rights to vote and submit questions to the Board during the meeting. He also explained the Board's recommendations and the rationale behind each motion tabled at the meeting.</p> <p>At the AGM, the Managing Director presented a comprehensive review of the Group's business performance with insights into the Group's activities including new product launches, key challenges, market outlook and strategies and priorities for the ensuing year whilst the Finance Director provided an overview of the Group's financial performance.</p> <p>During the Q&A session, shareholders and proxies were invited to raise questions and provide feedback and suggestions. There was active participation by the shareholders and proxies with more than 20 questions received, covering business performance and outlook, key opportunities and challenges impacting the Group and the industry. The Chairman and the Managing Director addressed all the questions, including those from the Minority Shareholder Watch Group.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Not applicable – the 61 st AGM was held physically in 2025.	
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	: The minutes of the 61 st AGM held on 7 May 2025 detailing the attendance of Directors and the meeting proceedings were published on the Company's website within 30 business days after 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="width: 100%; height: 20px;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></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.

Not applicable
