



## **MEDIA STATEMENT:**

### **FIRST PSMB BOARD MEETING FOR 2024, 2023 PERFORMANCE AND GOVERNANCE UPDATES**

Today, Pembangunan Sumber Manusia Berhad (PSMB) also known as HRD Corp, held its first Board of Directors meeting for 2024. The meeting was chaired by Yang Berbahagia Datuk Abu Huraira Abu Yazid who was appointed as Chairman on 22 January 2024. Datuk Abu Huraira is a seasoned financial professional with over 47 years of experience in the financial securities industry where he oversaw payment systems for businesses, private banking and fund management, chaired board audit and risk management committees, and headed a full-fledged consumer bank as its Chief Executive Officer.

PSMB enjoyed a solid year in 2023, with record-breaking performances across all key indicators. These included the highest levy collection of RM2.20 billion and approved financial assistance of RM1.78 billion, bringing the levy utilisation rate to 81%, one of the best in PSMB's history. The organisation also approved 2.30 million training places for 1.25 million trainees, benefiting the greatest number of Malaysian workers and talents in any given year. At the same time, HRD Corp also increased the number of levy-paying registered employers to 89,912, covering over 4.59 million employees.

To sustain the momentum of 2023 and ensure that the organisation continues to deliver its best to its fast-growing stakeholder base in 2024, the Board of Directors have made the following decisions at its meeting today:

- 1) To further refine PSMB's corporate governance, the Board has decided to segregate "Risk and Audit Committee" into two (2) separate "Risk" and "Audit" Board Committees. Each of these two (2) Committees will comprise different members of the board of directors and be headed by two different independent, non-executive members of the board with experience in the key areas within both functions.

The **Audit Committee** will serve an independent oversight function with a focus on internal controls and financial risks. The **Risk Management Committee** will oversee and provide guidance on risk management, governance, sustainability and code of ethics. We believe the separation will enhance transparency and ensure PSMB's adherence to the highest standards of good governance.

- 2) The Board has also decided to establish a **Strategic Initiative Account (SIA)** to support the upskilling and reskilling of small and medium enterprises (SMEs), micro-SMEs and underserved communities. The initiatives will be funded by HRD Corp's

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Accumulated Profits. This was done to heed the Ministry's call for PSMB to go beyond supporting its registered employers and stakeholders through their levy, to channelling more financial support and expanding access to training and development opportunities to more organisations and communities.

At PSMB we have always adhered strictly to the highest standards of ethics and integrity. All levies collected from registered employers have been strictly utilised for their employee training and development purposes only.

Moving forward, we believe the two (2) key decisions will strengthen PSMB's governance while boosting public and stakeholder confidence that all levies and funds collected by PSMB are managed and utilised transparently, guided by strict processes and policies.

PSMB would also like to congratulate Yang Berbahagia Datuk Abu Huraira Abu Yazid for successfully chairing the first meeting of the Board of Directors for 2024. We look forward to achieving stronger results in 2024 with our Chairman and Board, for the benefit of all our stakeholders.

**PEMBANGUNAN SUMBER MANUSIA BERHAD (PSMB)**

**27 FEBRUARY 2024**