

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5576
COMPANY NAME : Minho (M) Berhad
FINANCIAL YEAR : December 31, 2021

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

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

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has an experienced Board comprising four Executive Directors, three independent non-executive directors and one non-independent non-executive director. The Board of Directors is primarily responsible for charting and reviewing the strategic direction of the Group and delegates the implementation of these directions to the management. The independent non-executive directors are considered independent of any business or other relationship or circumstances that could interfere with the execution of their independent judgement and decision making in the best interests of the Company.</p> <p>The responsibilities of the Board are inclusive of but not limited to:</p> <ul style="list-style-type: none">i. Charting the strategic direction, and setting out short term and long-term plans for the Group.ii. Promoting ethical and best corporate governance culture in the Group.iii. Monitoring and reviewing compliance with internal control policies and risk management systems.iv. Monitoring compliance with relevant laws & regulations and accounting standards within the corporate and business environment.v. Overseeing and reviewing business operations within a systematic and controlled environment.vi. Monitoring the financial performance of the Group.vii. Appointing and determining the remuneration, duration and relevant appointment terms of the Executive Directors.viii. Assessing the performance of and developing the succession plan for the Executive Directors.

	<p>The Board is a synergy of dynamic and experienced individuals from various sectors which reflect many years' experience in logging, manufacturing, services, financial, legal and corporate affairs. The profiles of the members of the Board are set out in the Annual Report.</p> <p>The Board had delegated to the Group Managing Director ('MD') and his management team the day to day management of the Group.</p> <p>The responsibilities of the Management of the Group are inclusive of but not limited to:</p> <ul style="list-style-type: none"> i. Chart the strategic direction. ii. Develop short term & long-term plans. iii. Monitoring financial results, comparison with budget & analysis of variances. iv. Statutory compliance. v. Highlight to the Board key areas needing attention. vi. Manage Investor relations. vii. Engage adequate & suitable qualified personnel. viii. Uphold Corporate Governance; avoid conflicts of interest & unethical practices. <p>The Group MD, Dato Loo Keng An, and his management team are responsible for implementing the plans chartered out and the day to day management of the Group, with clear authority delegated by the Board.</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 Company has a clear distinction and separation of roles between the Chairman and the Group MD, with clear division of responsibilities. The Board of Directors is headed by Tan Sri Datuk Seri Ismail bin Yusof, an independent non-executive chairman, who has broad exposure and extensive experience in the international trade and investment arena.</p> <p>The Chairman leads the Board and facilitates its work. He engages directly with the Group Managing Director to understand and oversee the strategy implementation and performance delivery. He is responsible for ensuring the processes of the Board are effective in carrying out its duties and responsibilities, including the timely provision of sufficient relevant information on financial and nonfinancial matters. The Chairman, in conjunction with the Managing Director and Company Secretary, sets agendas for the meetings of the Board that focus in strategic direction and performance of the Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	The Chairman of the Company is Tan Sri Datuk Seri Ismail bin Yusof, an Independent Non-Executive Director whereas the Group Managing Director of the Company is Dato' Loo Keng An.	
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	:	<p>The Chairman of the Board, Tan Sri Datuk Seri Ismail Bin Yusof, was also a member of the Audit and Risk Management Committee, the Nomination Committee and the Remuneration Committee for the financial year ended 31 December 2021 ("FYE 2021").</p> <p>Nonetheless, with effect from 28 February 2022, Tan Sri Datuk Seri Ismail Bin Yusof has ceased to be a member of the Audit and Risk Management Committee, the Nomination Committee and the Remuneration Committee.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Within 2 years

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company is supported by two suitably qualified and competent company secretary secretaries. Both Company Secretaries are qualified under S235(2)(a) of the Companies Act 2016 and are member of the Malaysian Institute of Accountants.</p> <p>The Company Secretaries support the Board and the relevant Board Committees to ensure their effective functioning in accordance with their terms of reference and best practices, taking into consideration the Corporate Governance ("CG") guide as promulgated by Bursa Malaysia Berhad.</p> <p>For the current financial year, the Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharged of its functions. The Company Secretaries play an advisory role to the Board in the relation to the Company's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations. The Company Secretaries also ensure that deliberations at the Board and Board Committee meetings are well captured and minuted, and subsequently communicated to the relevant management for necessary action.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has timely access to relevant information pertaining to the Group. Prior to each Board meeting, the Agenda for the meeting together with comprehensive management reports & proposal papers are furnished to all Directors for their perusal 3 days before the meeting. Directors can obtain further clarifications from the management and the Secretary. Senior management and external advisors may be invited to attend Board Meetings to provide further details, clarifications and/or advise the Board as and when required on matters to be deliberated. Should any Director be unable to attend any Board meeting, he may give his opinion in advance or through tele or video conferencing, and such opinion will be considered in the decision-making process at the Board meeting.</p> <p>All matters discussed and resolutions passed at each Board meeting are recorded in the minutes of the meeting. These minutes are circulated to all Directors for their confirmation and any Director can request for further clarification on the minutes prior to their confirmation.</p> <p>The members of the Board also evaluate business propositions and corporate proposals that require Board approval. The Board is regularly updated and advised on new regulatory requirements relating to the duties and responsibilities of Directors. Further advice can be obtained from the Company Secretary or from external professionals where necessary.</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 Charter sets out the composition, roles and responsibilities and processes of the Board.</p> <p>The Board Charter, which serves as a strategic guidance and effective oversight of management, is also intended to provide a concise overview of:</p> <p>the roles and responsibilities of the Board, the Chairman, individual directors, the Managing Director and management.</p> <p>delegation of authority by the Board to various committees established in assisting the Board to execute its duties and responsibilities; and</p> <p>Board operating procedures and practices pertaining to meetings, training and development, code of conduct and declarations on conflicts of interest.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has adopted a Code of Conduct and Ethics for the Directors of the Company. The code covers a range of best business practices and procedures and requires all Directors to observe high ethical business standards, and to apply these values to all aspects of the Group's business behaviour and to act in the best interests of the Group and its shareholders.</p> <p>The Company will implement and upload its Anti-Corruption Policy through the Company's website at www.minhomalaysia.com in 2020.</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>1. Policy Statement</p> <ul style="list-style-type: none">a. Minho (M) Berhad is committed to achieving and maintaining high standards of behaviour at work.b. All employees and stakeholders are encouraged to report in good faith genuine concerns about unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements without fear of reprisal.c. Minho views any harassment or retaliation in any form or manner against genuine whistle blowers seriously and will treat such action as gross misconduct, which may lead to dismissal. <p>2. Whistle Blowing</p> <ul style="list-style-type: none">a. Whistle Blowing is a specific means by which a worker or stakeholder can report or disclose through established channels, concerns about unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements.b. Only genuine concerns should be reported under Whistle Blowing procedures. This report should be made in good faith with a reasonable belief that the information and any allegation in it are substantially true, and the report is not made for personal gain. Malicious and false allegations will be viewed seriously and treated as a gross misconduct. <p>The policy is available at the Company's website.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

The 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>One of the duties and responsibilities of the Board of MINHO under its Charter is to ensure that the strategic plan and operation of the Company support long-term value creation and include strategies on economic, environmental and social consideration underpinning sustainability. In this respect, the Executive Committee through the Management Committee, assist the Board in overseeing the formulation, implementation and effective management of MINHO's sustainability strategies.</p> <p>Accordingly, the Board is ultimately accountable for ensuring that sustainability is integrated into the strategic direction of the Group and its operations. To achieve this, the Board continuously ensures that there is an effective governance framework for sustainability within the Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.2

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 ensures that its communication with its internal and external stakeholders are transparent and timely.</p> <p>The Group is committed to being accountable and responsive to the expectations and interests of its stakeholders. The Group identified the key stakeholder groups that impact or are directly having impact by the value creation activities. There are 4 priority areas covering key aspects of the marketplace, environment, workforce and the community. Initiatives within each priority area are driven by relevant departments across the Group.</p> <p>The Group conducts a materiality assessment once in a year as part of the regular sustainability practice to ensure that the material matters remained relevant to the stakeholders.</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 Risk Management framework, policies and procedures set out the approach to the identification, assessment, monitoring and reporting of risks and internal control.</p> <p>The Board regards risk management as an integral part of business operations and continuously update and identify the various risk factors that could have a potentially significant impact on the Group’s mid to long term business objectives, including climate-related risks and opportunities.</p> <p>In addition, regular updates provided to the Board members on Sustainability and Environmental, Social and Governance (“ESG”) matters such as news articles or reports, to ensure the Board is kept abreast on the latest developments and trends, in the local and global scene.</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>In conjunction with the annual evaluation of the Board and in accordance with Practice 4.4 of the MCGG, the Nomination and Remuneration Committee at its meeting held in November 2021 reviewed the questionnaires in which the relevant sustainability related performance measures and questions had been incorporated for the evaluation of the Board/Committee members.</p> <p>Through the reviewed and assessed the result of the evaluation, all the members of the Board had unanimously viewed that the Board had performed its duties effectively in considering sustainability issues during its deliberations on the Group's strategies and business plans. The Management also gave their perspectives in addressing the Company's material sustainability risks and opportunities.</p> <p>Nevertheless, the Board's observations and the Management's feedback had been consistent on the need for focus and attention in Sustainability whereby Environmental, Social and Governance practices will remain as one of the areas requiring ongoing attention for continuous improvement.</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	:	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 5.1

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><u>Refreshing the Board Composition</u> The Nomination and Remuneration Committee ("NRC") is responsible to assist the Board (among other things) in the development and implementation of the policies on the nomination and appointment of Directors and Committee members in the Group, to achieve long-term sustainability of the organisation in accordance with the Charter of the NRC.</p> <p>In this respect, the Board is mindful that for it to be effective, its composition must include the right group of people, with an appropriate mix of skills, knowledge, experience and independence elements that fit the Company's objective and strategic goals.</p> <p><u>Director's Retirement/ Re-election</u> An election of directors shall take place each year. All Directors of the Company for the time being shall retire from office once at least in each 3 years but shall be eligible for re-election. The schedule of retirement by rotation was determined by the NRC and the Director's eligibility to stand for re-election was also being considered their tenure of service.</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 comprised of 3 independent directors, 1 non-independent non-executive director and 4 executive directors. The independent directors' representation on Board was equivalent to 37.5%.</p> <p>The number of independent directors of Minho (M) Berhad complied with the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") where at least 2 directors or 1/3 of the Board members, whichever is higher are independent directors.</p> <p>As alternate practice, the Board operates in the manner that its directors exercise independent judgement and with the interests of the shareholders always in the forefront when important decisions are made by the Board.</p> <p>The independent assessments and opinions of the independent directors are important in ensuring the effectiveness of corporate governance practices of the Company. No individual director can dominate the decision-making of the Board despite the Board has representatives of the substantial shareholders.</p> <p>Additionally, the Board is helmed by an independent non-executive Chairman and the main Board Committees namely the AC, NC and RC comprised majority of independent directors are further indicators of independence.</p> <p>Each independent director of the Company is aware of his responsibilities to the shareholders and stakeholders for the manner in which the affairs of the Company are managed.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.

Timeframe	:	Within 2 years	
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Intended Outcome

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

Practice 5.3

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>As recommended by the MCCG 2017, the tenure of an Independent Director of the Company should not exceed a cumulative term of nine years. An Independent Director may continue to serve the Board subject to re-designation as a Non-Independent Director. In the event the Board intends to retain the Independent Director after serving a cumulative term of nine years, shareholders' Two-Tier voting approval will be sought. The Board believes that valuable contributions can be obtained from directors who have, over a period of time, developed valuable insight of the Company and its business. Their experience enables them to discharge their duties and responsibilities independently and effectively in the decision-making processes of the Board, notwithstanding their tenure on the Board.</p> <p>The Board believes that the independent directors' experience in their own respective fields contributes immensely to the Company. The Board is also unanimous in its opinion that these independent directors' independence has not been impaired or compromised. Hence, the Board resolves to seek the shareholders' two-tier voting approval for them to continue serving as independent directors of the Company.</p>	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	After 21 April 2022, no more Independent Director serve more than nine years.	
Timeframe	:	Within 1 year	

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	:	The Board acknowledges the importance of age, nationality, professional background & gender diversity and recognises the benefits that such diversity can bring. The Nomination & Remuneration Committee ('NRC') considers diversity generally when making appropriate appointments to the Board, taking into account relevant skills, ethnicity, age, experience and knowledge. Notwithstanding the challenges in achieving the appropriate level of diversity on the Board, the Company will work towards addressing this as and when vacancies arise, and suitable candidates are identified. The Company's primary responsibility in new appointments to the Board and management must always be to select the best candidates available.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination & Remuneration Committee does an annual review of the composition of the Board and makes recommendations to the Board accordingly, keeping in mind the need to meet current and future requirements of the Group.</p> <p>The Committee is satisfied with the current size of the Board and with the mix of qualifications, skills & experience of its Board members. Part of the evaluation criteria is the commitment displayed the depth of contribution, ability to communicate and undertake assignments on behalf of the Board.</p> <p>The Committee is also open to referrals from external sources when Board vacancies arise.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	The profiles of Directors are published in the Annual Report and on MINHO's website. These include their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest as well as their shareholdings in the Company.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination & Remuneration Committee comprises of all two independent directors and the MD, Dato' Loo Keng An:-</p> <ol style="list-style-type: none"> 1. Tan Sri Dato' Seri Dr Salleh bin Mohd Nor 2. Tan Sri Datuk Seri Ismail bin Yusof 3. Dato' Loo Keng An 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board practices non-discrimination in any forms whether based on age, gender, ethnicity or religion throughout the organisation. This includes the selection of board members and senior management. In addition, the Group believes that it is utmost important that the Board member comprises the best qualification and skillsets. In identifying suitable candidates for appointment to the Board, the Nomination Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.	
		Appointment of any person to the company or Board will be made when a suitable candidate who can add value to the company or Board is identified. However, the Board would want to avoid the pitfall of tokenism which is not in the best interest of the Group.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	On year 2022, amended Main LR 15.02 Composition of the board of directors which 1 director of the listed issuer is a woman.	
Timeframe	:	Within 2 years	

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board practices non-discrimination in any forms whether based on age, gender, ethnicity or religion throughout the organisation. This includes the selection of board members and senior management. In addition, the Group believes that it is utmost important that the Board member comprises the best qualification and skillsets. In identifying suitable candidates for appointment to the Board, the Nomination Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.	
		Appointment of any person to the company or Board will be made when a suitable candidate who can add value to the company or Board is identified. However, the Board would want to avoid the pitfall of tokenism which is not in the best interest of the Group.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Within 2 years	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application :	Applied
Explanation on application of the practice :	A formal evaluation process has been put in place to assess the effectiveness of the Board as a whole. Results of the Board Evaluation and Individual Director Self/Peer Evaluation to the NRC and Board meetings.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	The Nomination & Remuneration Committee also reviews the remuneration of the Board and Senior Management from time to time with a view to ensuring the company offers fair compensation and is able to attract and retain talent who can add value to the Company. Fees paid to Non-Executive Directors are tabled at the Company's AGM for approval.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC had undertaken the following responsibilities during the year under review:</p> <ul style="list-style-type: none">a) Facilitated annual assessment and performance of individual Directors, effectiveness of the Board as a whole and the Board Committees.b) Facilitated the annual review of the required skills, experience and other qualities including core competencies which Non-Executive Directors should bring to the Board.c) Conducted assessment on Directors who are subject to reappointment or re-election.d) Reviewed the Terms of Reference of the NRC.e) Conducted annual assessment on Independent Directors.f) Assisted the Board in assessing the training needs of the Directors during the year.g) Reviewed and deliberated on the quantum of Directors' fees.h) Reviewed annually the performance of the Managing Director & the Executive Directors and recommended to the Board their remuneration commensurate with their performance and contributions to the Group. <p>A copy of the NRC's Terms of Reference (TOR) is available on the Company's website.</p>

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

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The details of the remuneration of the Directors for the financial year ended December 31, 2021 are as follows:

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' Loo Keng An @ Lee Kim An	Executive Director	-	17,750	-	-	-	-	17,750	403,400	21,750	416,400	150,500	28,000	60,875	1,080,925
2	Loo Say Leng	Executive Director	-	18,750	-	-	-	-	18,750	64,400	20,750	282,905	198,854	20,004	37,291	624,204
3	Yap Leong Seng	Executive Director	-	18,500	-	-	-	-	18,500	40,000	18,500	256,800	52,500	23,950	36,864	428,614
4	Khibir Bin Razali	Executive Director	-	18,750	-	-	-	-	18,750	-	18,750	208,968	65,742	6,500	30,120	330,080
5	Lim Kim Meng (Appointed on November 30, 2021)	Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Tan Choon Hian	Non-Executive Non-Independent Director	20,000	28,000	-	-	-	-	48,000	20,000	28,000	-	-	-	-	48,000
7	Tan Sri Dato' Seri Dr. Salleh Bin Mohd Nor	Independent Director	20,000	25,500	-	-	-	-	45,500	20,000	25,500	-	-	-	-	45,500
8	Tan Sri Datuk Seri Ismail Bin Yusof	Independent Director	20,000	22,000	-	-	-	-	42,000	20,000	22,000	-	-	-	-	42,000
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
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Intended Outcome

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

Practice 8.2

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	:	Not applicable - all members of senior management are members of the board	
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	:		

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	:	The Chairman of the Audit & Risk Management Committee ('ARMC'), Tan Sri Dato' Seri Dr Salleh bin Mohd Nor, is not the Chairman of 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

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	:	The Audit & Risk Management Committee does not include any former key audit partner of the firm of external auditors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is 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>Assessment of External Auditors</p> <p>The Board has a formal and transparent relationship with the external auditors. The ARMC recommends to the Board on the appointment of the external auditors which is subject to the approval of shareholders at the AGM whilst their remuneration is determined by the Board. The role of the ARMC is further set out in their Report. The Board has private sessions and dialogues through the ARMC with the external auditors, in the absence of the executive directors and the management. For the year under review, there was one dialogue session with the external auditors.</p> <p>It is the practice of the ARMC to conduct an annual assessment of the external auditor. Areas of assessment include among others, the external auditor's objectivity and independence, size and competency of the audit team, audit strategy, audit reporting, partner involvement and audit fees. In support of the assessment on independence, the external auditors provide the ARMC with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. Premised on the assessment result, the ARMC will make recommendations for re-appointment of external auditors accordingly.</p> <p>The Group adopted a policy of five (5) years rotation of External Auditors to enhance objectivity and independence. For the year under review, after taking into consideration of the audit performed by the external auditors and also the changes in the accounting standards, the ARMC decided to extend the services of the current external auditor for another rotation.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

There is 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	:	All new appointees to the Board are given an introduction to familiarize themselves with the Group's operations so as to assist them in discharging their duties and responsibilities. They are required to attend the Mandatory Accreditation Programmes by Bursa Malaysia and thereafter to continually upgrade their knowledge and exposure through in-house training programmes as well as courses conducted by external parties. All Directors have completed the Mandatory Accreditation Programmes stipulated by Bursa Malaysia. Training programmes and seminars attended by the Directors of the Company during the financial year ended 31 December 2021 have been set out in the Company's Annual Report.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	<u>RECOGNISE AND MANAGE RISK</u> Relevant Internal control systems are implemented for the day to day operations of the group. The Internal Audit has an independent reporting channel to the Audit & Risk Management Committee and is authorized to conduct independent audits of all the departments and offices within the group. It reports the findings to the Audit & Risk Management Committee at the end of each quarter. The Audit & Risk Management Committee reviews, deliberates and evaluates the effectiveness and efficiency of the internal control systems in the organization which are designed to manage and mitigate rather than eliminate risks in achieving the company's corporate objectives, safeguarding the company's assets as well as investors' interests. Kindly refer Annual Report 2021 for the committee Report and Statement on Risk Management & Internal Control incorporating report on risk management review, internal audit function and conclusion of the review.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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	:	RISK MANAGEMENT FRAMEWORK The Group has in place processes for the identification, evaluation, reporting, treatment, monitoring and review of the major strategic, business and operation risks within the Group, covering both wholly and partially owned subsidiaries (excluding associates and jointly controlled entities). The Audit & Risk Management Committee (ARMC) and the Board of Directors review both the risk management and internal controls on a regular basis. The framework is continually monitored to ensure it is responsive to the changes in the Group's Corporate Structure. Refer statement on Risk Management & Internal Control in Annual Report 2021.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Risk Management Committee has been merged into the Audit Committee. The Committee oversees the integrity of the financial statements, compliance with relevant accounting standards and the group's risk management and internal controls. The Committee comprises the following Independent Non-Executive Directors and Non-Independent Non-Executive Director:-</p> <ol style="list-style-type: none">1. Tan Sri Dato' Seri Dr Salleh bin Mohd Nor2. Tan Sri Datuk Seri Ismail bin Yusof3. Tan Choon Hian (Non-Independent Non-Executive Director)

Intended Outcome

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

Practice 11.1

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

Application	: Applied
Explanation on application of the practice	<p>The Company has outsourced the internal audit (“IA”) function to C.S. Teh & Co., an independent professional firm of consultants.</p> <p>The IA plan was tabled to the AC prior to the execution of the assignment. Findings arising from the IA exercise were reported and discussed at the AC meeting.</p> <p>IA is carried out to assess the adequacy and integrity of the internal control system of the Group based on the IA plan reviewed and approved by the AC. Based on the audits, the internal auditors will advise management on areas of improvement and subsequently, initiate follow-up actions to determine the extent of implementation of their recommendations.</p> <p>The IA engagements were carried out based on the IA plan 2021 as approved by the AC. The results of the audits as disclosed in the IA reports were reviewed by the AC. The relevant Management members were made responsible for ensuring that corrective actions on reported weaknesses were taken within the required timeframes. IA conducted follow-up audits on key engagements to ensure that the corrective actions were implemented appropriately. In this respect, IA has added value by enhancing the governance, risk management and control processes within the Group. The IA Plan 2022 was tabled at the AC Meeting held on 31 March 2022 for approval.</p> <p>During the year under review, the internal auditors have not reported any significant weaknesses in the system of internal controls of the Group.</p> <p>To ensure that the responsibilities of IA Function are fully discharged, the AC reviews, inter alia:-</p> <ul style="list-style-type: none">• the performance of the IA, who has relevant experience and necessary competency to regularly review of the effectiveness of risk management, control, and governance processes within the Group;• the adequate scope and sufficient resources of the IA Function; and• the appraisal or assessment of performance of the IA Function.

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 outsourced its internal audit function to an independent internal audit service provider, C.S. Teh & Co. which reports directly to the AC.</p> <p>The internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;</p> <p>The internal audit is outsourced to maintain objectivity and independence in their audit work.</p> <p>Brief profile of the internal auditors are as follows:</p> <p>Mr. Teh Chor Sin is a member of the Malaysian Institute of Accountants (MIA), Malaysian Institute of Certified Public Accountants (MICPA) and Malaysian Institute of Taxation (MIT). Mr.Teh is managing the sole-proprietor firm, C.S. Teh & Co. and also assist in managing a medium-size accounting firm in Klang, Selangor Darul Ehsan since 1997. C.S. Teh & Co. was formed to provide better services for the clients in Kuala Lumpur. Mr. Teh acquired his vast practical experience in auditing of both public listed and private limited companies involved in various industries while he was attached to Messrs. Ernst & Young, an international accounting firm for more than 10 years.</p> <p>Mr.Chor Wui Seng is a member of the Malaysian Institute of Accountants (MIA) and a member of Association of Chartered Certified Accountants (ACCA). Mr. Chor has been with the firm for more than 10 years and has extensive experience in the fields of external audits covering private and listed companies, internal audit and internal control review.</p> <p>The internal audit function is carried out in accordance with a recognised framework.</p>

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

Intended Outcome

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	:	STRENGTHEN RELATIONSHIP BETWEEN THE COMPANY AND ITS SHAREHOLDERS The Annual General Meeting is the principal forum for dialogue and interaction with the shareholders. The Board is committed to provide shareholders with comprehensive and timely information about the Group's activities and performance to enable investors make informed decisions. Shareholders are encouraged to attend Annual General Meetings and use the opportunity to ask questions on resolutions being proposed and on the progress, performance and future prospects of the company. The Chairman and Board members, with the assistance of the external auditors, are responsible to respond and provide explanations on matters raised. Information on the Group's activities is provided in the Annual Report and Financial Statements which are despatched to shareholders. The Company also encourages shareholders and investors to access online the company's Annual report and up to date announcements, which are made available at the Bursa Malaysia website and the company's own website at www.minhomalaysia.com .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	In accordance with the recommendations of the MCCG 2017, the Company gives its shareholders at least 28 days prior notice of the AGM of the Company.	
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	:	The whole Board of Directors attends the Annual General Meetings of the Company. The Chairman of the Audit & Risk Management and Nomination & Remuneration Committees provide meaningful responses to questions addressed.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company had leveraged on technology to facilitate remote shareholders' participation and electronic voting for the conduct of poll on the resolutions at its virtual Annual General Meeting (AGM) held on September 28, 2021.</p> <p>The entire AGM proceedings were held through Remote Participation and Voting (RPV) facilities provided by Boardroom Share Registrars Sdn. Bhd. via its online meeting platform at https://meeting.boardroomlimited.my. The Administrative Notes of the AGM including the procedures for RPV facilities were published in the Company's website and shared with shareholders.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Thirtieth Annual General Meeting (AGM) was a virtual meeting. The Company had issued the Notification to Shareholders of a Fully Virtual Thirtieth AGM together with Administrative Notes which encompassed the guidance on the conduct of the virtual meeting on August 30, 2021.</p> <p>The shareholders could submit questions to the Board of Directors ("Board") prior to the AGM by emailing to https://investor.boardroomlimited.com.</p> <p>The Chairman of the AGM had also informed the shareholders during the live streaming of the AGM on September 28, 2021 that they could submit their questions to the Board during the AGM via the RPV facilities; and the answers of all the questions were addressed by the Executive Director.</p> <p>In view that shareholders could submit questions commencing August 30, 2021, they were given sufficient opportunity to pose their questions before the AGM and during the AGM. The Company had ensured that all the questions were answered.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: In view of the COVID-19 pandemic, the Company's held its 30 th Annual General Meeting (AGM) as a fully virtual AGM. The Remote Participation and Voting (RPV) facilities provided by Boardroom Share Registrars Sdn. Bhd. via its online meeting platform at https://meeting.boardroomlimited.my allowed shareholders to pose questions to the Board and Chairman of the AGM via typed text in the Q&A platform. The shareholders submitted their questions at any time from the day of notice of AGM and up to the time when the meeting was in progress. At the "Questions and Answered" session in the meeting agenda, the Q&A platform had the facilities to live broadcast the questions and answers; and the shareholders had experienced real time interaction with the Board during the AGM. Questions posed by shareholders had been made visible to all meeting participants during the meeting itself via RPV facilities.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: Minutes of the Thirtieth Annual General Meeting (AGM) have been made available to shareholders no later than 30 business days after the AGM on its website at www.minhomalaysia.com .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

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