

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 5576  
**COMPANY NAME** : MINHO (M) BERHAD  
**FINANCIAL YEAR** : December 31, 2022

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board comprehends its overall responsibility for the Group's strategic direction and for monitoring the implementation of the Group's strategies including the business plan, budgets and policies as governed by the Constitution of the Company, the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("MMLR") and other regulatory requirements that are in force. The Board also comprehends its obligations to its shareholders and other stakeholders and strive to act in their best interests by exercising due diligence and integrity in discharging the Board's duties and responsibilities.</p> <p>In effectively discharging its duties and responsibilities, among others, the Board has delegated specific powers of the Board to the Group Managing Director as well as the Board Committees, which comprise the Audit and Risk Management Committee ("ARMC") and the Nomination and Remuneration Committee ("NRC"). These Board Committees are entrusted with specific tasks and operate within their defined Terms of Reference ("TOR").</p> <p>The Board is committed to instil good ethics and values amongst its members and employees. This is clearly reflected through the adoption of a Code of Conduct and the Anti-Bribery and Whistleblowing Policy.</p> <p>The roles and responsibilities of the Board are set out in the Board Charter which serves as a reference point for Board activities. The Board Committees' roles as well as responsibilities in discharging their function as delegated by the Board are set out in the respective Board Committees' TORs. These documents are available on the Company's website at <a href="http://www.minhomalaysia.com">www.minhomalaysia.com</a>.</p>
<b>Explanation for departure</b>	:	

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

### 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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	The Board of Directors ("Board") has yet to appoint a new Chairman since the resignation of Tan Sri Dr. Salleh Bin Mohd Nor on 21 April 2022, and is sourcing for the right candidate to provide leadership to the Board and ensuring smooth and effective functioning of the Board.
		In the absence of a Chairman, the Board elected one of its Independent Non-Executive Directors to chair all the Board meetings and the annual general meeting held after 21 April 2022.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group Managing Director of the Company is Dato' Loo Keng An @ Lee Kim An. The Board has yet to appoint a new Chairman of the Board since the resignation of Tan Sri Dr. Salleh Bin Mohd Nor on 21 April 2022, and is sourcing for the right candidate to hold the position as Chairman of the Company.</p> <p>The roles and responsibilities of the Chairman and Group Managing Director are made clearly distinct to ensure that there is a balance of power and authority.</p> <p>The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board, while the Group Managing Director has overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	The Chairman of the Board is not a member of any Board Committees.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company Secretaries are members of the relevant professional bodies recognised under the Companies Act 2016. The Company Secretaries are responsible for ensuring that Board procedures are followed, the applicable rules and regulations for the conduct of the affairs of the Board and the Company are complied with and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation. The Company Secretaries also advise the Board on any new statutory requirements, guidelines and listing rulings relating to corporate governance as and when it arises.  The Company Secretaries' roles and responsibilities are set out in the Board Charter which is available on the Company's website at <a href="http://www.minhomalaysia.com">www.minhomalaysia.com</a> .	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board and Board Committees materials and information such as agenda, minutes, Board papers and other supporting documents are made available prior to each meeting so that Directors have sufficient time to read and understand the information and obtain further information, clarification or explanation from the Management on the issues to be considered, where necessary.</p> <p>Further, whenever required, the senior management personnel, external auditors and/or internal auditors are invited to attend the meetings to present and brief the Board and/or Board Committees on matters within their expertise, knowledge and provide clarity on the agenda being discussed to enable the Directors to make independent and informed decisions.</p> <p>The Company Secretaries attends all Board and Board Committees meetings and ensures that meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are recorded and maintained accordingly. Meetings of the Board and the Board Committees are properly recorded and subsequently circulated to all Board and Committee members.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company's Board Charter clearly identifies the respective roles and responsibilities of the Board, Board Committees, individual directors, the Group Managing Director and Company Secretary. It also clearly identifies policies, governance and leadership matters including matters reserved for the Board.</p> <p>The Board Charter is reviewed regularly to ensure that it remains relevant to the Group's business environment and continues to reinforce the strategic objectives of the Group.</p> <p>The Board Charter is accessible on the Company's website at <a href="http://www.minhomalaysia.com">www.minhomalaysia.com</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has established a clear Code of Conduct which serves as the basis for the formulation of policies governing accepted corporate behaviour, conduct and practices across the Group to be followed by the Board of Directors and employees of the Group. The Code of Conduct also includes guidance on disclosure of conflict of interests, maintaining confidentiality and disclosure of information, and the duty to report when there is a breach of the Code.</p> <p>The Code of Conduct is available on the Company's website at <a href="http://www.minhomalaysia.com">www.minhomalaysia.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company's Whistleblowing Policy ("Policy") which aims to develop a culture of openness, accountability and integrity within the Group, sets out the procedures which must be followed to enable employees or any external party to voice their concerns without fear of retaliation and with the confidence that their complaints will be acted upon and their identity kept confidential.</p> <p>As outlined in the Policy, employees have free access to the Independent Directors and may raise concerns of non-compliance to them or through the personnel stated in the Policy. Employees may also report observed non-compliance of the Code of Conduct to the Chairman of the Audit and Risk Management Committee ("ARMC").</p> <p>The ARMC is responsible for ensuring that an independent investigation is fairly conducted where necessary. The Chairman of the ARMC is responsible for overseeing all whistleblowing cases from the receipt of cases via the online system or otherwise, to the closure of each investigation. A copy of the Policy is available on the Company's website at <a href="http://www.minhomalaysia.com">www.minhomalaysia.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises corporate responsibility commitments to all of its stakeholders, communities and environment. It also continues to follow the guidelines in the Sustainability Reporting Framework.</p> <p>The Board is aware and committed to integrate social responsibilities into the business strategies for the sustainable growth of the Group.</p> <p>The Board is also mindful of the importance of business sustainability and, in conducting the Group’s business, the impact on the environmental, social, health and safety, staff welfare and governance aspects are taken into consideration.</p> <p>The Board takes heed of go green and energy saving by implementing several measures on sustainability. The Board together with the management takes responsibility for the governance of sustainability in the Company including setting the Company’s sustainability strategies, priorities and targets. The Board works with the management on the sustainable business practices that will have a positive impact on the economy, environment, the community, employees, shareholders and other stakeholders. The Board and the management also oversee the Group’s sustainability practices and is assisted by the respective Heads of Department of the Group.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The sustainability initiatives during the financial year under review are disclosed in the Sustainability Statement in its Annual Report and are communicated to its internal and external stakeholders via various channel.</p> <p>Employees are supportive of the implementation of the sustainability Initiative set out by the management on the day-to-day operations. The Heads of Departments of each business division are responsible for the implementation within their own business divisions.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board is aware of their need to stay abreast with and understand the sustainability issues concerning the Company and its business, including climate-related risks and opportunities.</p> <p>The Board is equipped with sufficient understanding and knowledge of sustainability matters that are relevant and pragmatic to the Group and its key business activities. In order to continuously enhance the Board’s professional development in sustainability area, the Board and senior management are encouraged to attend various trainings, to ensure that their competence and ability to tackle sustainability issues as they arise within the organisation.</p> <p>Further details of the sustainability initiatives are provided in the Sustainability Statement included in the Annual Report.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>The Board is mindful that setting sustainability targets require the Company to carefully examine the attainability of the targets, which should be weighed against the Company's ambitions and goals. And as such, a comprehensive study is required to ensure that the key performance indicators set for the senior management and Board evaluation are appropriate, measurable and aligned to the Company's long-term sustainability strategy.</p> <p>The evaluation of such actions has yet to be embedded in the annual performance evaluation of the Board and senior management.</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>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	



**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>During the year, the Nomination and Remuneration Committee ("NRC") has reviewed the mix of skills, knowledge, professionalism, integrity and experience, and other qualities to enable the Board to function completely and efficiently as well as the size, structure and composition of the Board.</p> <p>The NRC had also carried out Board evaluation on an annual basis to evaluate director's ability to discharge such responsibilities as expected from directors. The Board's evaluation comprises Performance Evaluation of the Board and various Board Committees, Directors' Self-Assessment and Independent Directors' Self-Assessment.</p> <p>Based on the results of the annual assessment, the NRC recommended to the Board the re-election of directors in accordance with the Company's Constitution. For new appointments, the Board regards that a diverse Board is important and will take into consideration not only candidate's background, skills, experience, gender, ethnicity or race, but also whether he/she will be a right fit into the existing Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board currently comprises six (6) directors out of which three (3) are Independent Non-Executive Directors.</p> <p>All three (3) Independent Non-Executive Directors satisfy the independence test under the MMLR and they constitute 50.0% of the Board.</p> <p>Hence, the Company meets the requirement where at least half of the Board comprises Independent Non-Executive Directors.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	None of the tenures of the Independent Directors of the Company have exceeded a cumulative term of nine (9) years.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is committed to ensuring that the Directors of the Company possess a balance of skills, knowledge, experience, independence and diversity.</p> <p>The NRC is tasked with identifying, assessing and recommending the right candidates to the Board as well as reviewing and assessing the composition and performance of the Board. In making its recommendations, the NRC will consider, among others, the individual's capability, integrity, track record, experience and qualifications.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The NRC is tasked by the Board to identify, consider and recommend suitable persons for appointment as Directors. In making the recommendations, the NRC shall assess and consider, among others, the candidates’ skills, knowledge, expertise, experience, professionalism, commitment, performance, character, integrity and competence.</p> <p>The NRC also consider boardroom diversity including gender diversity and in the case of candidates for the position of Independent Non-Executive Directors, the NRC shall also evaluate the candidates’ ability to discharge such responsibilities or functions as expected from Independent Non-Executive Directors.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The profiles of the Directors and key senior management personnel are available in the Annual Report. These include their age, gender, qualification, tenure of service, directorship in other companies, working experience and any conflict of interest as well as their shareholding in the Company, if any.</p> <p>The performance of retiring Directors recommended for re-election at the forthcoming annual general meeting have been assessed through the Board annual evaluation.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The NRC is currently chaired by Mr. Lim Kim Meng who is an Independent Non-Executive Director of the Company.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>As at the date of this report, the Board has one (1) woman director, representing 16.7% (1 out of 6 Board members).</p> <p>The Board comprehends the importance of boardroom diversity in terms of age, gender, nationality, ethnicity and recognises the benefits that it will bring to the Group but is of the view that the standard selection criteria of a director, based on, for example, an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board, should remain a priority.</p> <p>The Board will continuously strive to meet the targets for gender diversity requirements and will take the necessary measures towards promoting a corporate culture that embraces gender diversity in the boardroom, whenever possible.</p> <p>The Board, through the NRC will consider the female representation when a vacancy arises. However, the appointment of a new Board member will not be guided solely by gender but will take into account the skills, experience, expertise, character, time commitment, integrity and other qualities in meeting the needs of the Company.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

**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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board currently does not have a formal policy on gender diversity for the Board and senior management, and did not set specific targets on gender diversity for the Company but endeavours to improve the number of women directors on the Board based on pre-determined skill sets and competencies.	
		As at the date of this report, the Board has one (1) woman Director representing 16.7% (1 out of 6 Directors)	
		The Board is supportive of gender diversity for the Board and senior management and will consider suitable and qualified female candidates for the appointment.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

## 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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The NRC is entrusted by the Board to annually review the effectiveness of the Board and Board Committees, the performance of individual directors as well as the independence of each Independent Non-Executive Director. The evaluation which is internally facilitated is based on a combination of self and peer assessment by Directors via a customised questionnaire circulated to all Directors. Their responses are collected and collated by the Company Secretary on behalf of the NRC.  The outcome of the assessments and comments by all Directors are summarised and discussed at the NRC meeting which are then reported to the Board at the Board meeting held thereafter. All assessments and evaluations carried out by the NRC in the discharge of its duties are properly documented.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board had on 28 June 2022 adopted the Remuneration Policy to support the Company's key strategies, create a strong performance-oriented environment which can attract, motivate and/or retain talents of high calibre. The Remuneration Policy is available on the Company's website at <a href="http://www.minhomalaysia.com">www.minhomalaysia.com</a>.</p> <p>The NRC is entrusted by the Board to review matters relating to the remuneration of the Directors and senior management and consequently, recommend to the Board for approval. When making recommendations for the remuneration of Directors and senior management to the Board, the NRC is guided by the market norms and industry practices.</p> <p>Additionally, the Board as a whole recommends the proposed fees for the Independent Non-Executive Directors with the individual director concerned abstaining from deliberation and voting on their own fees. The payment of Directors' fees, allowance and benefits-in-kind to the Directors are subject to the approval of the shareholders at the Company's annual general meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### Intended Outcome

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

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

### Practice 7.2

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The NRC was established by the Board to assess the remuneration of the Directors and senior management of the Company and operates under its terms of reference, which is available on the Company's website at <a href="http://www.minhomalaysia.com">www.minhomalaysia.com</a> .  As mentioned in 7.1 above, the NRC is entrusted by the Board to review matters relating to the remuneration of Directors and key senior management and consequently, recommend to the Board for approval.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The application of this practice is disclosed in the Corporate Governance Overview Statement in the Annual Report 2022.



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	Input info here	23,000	Input info here	Input info here	Input info here	Input info here	23,000	369,400	25,000	486,800	176,500	-	64,195	1,121,895
2	Loo Say Leng	Executive Director	Input info here	22,500	Input info here	Input info here	Input info here	Input info here	22,500	64,400	26,700	284,116	149,100	-	98,992	623,308
3	Khibir Bin Razali	Executive Director	Input info here	22,500	Input info here	Input info here	Input info here	Input info here	22,500	-	22,500	212,968	61,742	-	32,046	329,256
4	Lim Kim Meng	Independent Director	20,000	36,000	Input info here	Input info here	Input info here	Input info here	56,000	20,000	36,000	Input info here	Input info here	Input info here	Input info here	56,000
5	Haji Mohd Faizal Bin Haji Abdul Majid	Independent Director	13,333	21,500	Input info here	Input info here	Input info here	Input info here	34,833	13,333	21,500	Input info here	Input info here	Input info here	Input info here	34,833
6	Jeannie Lim Li Tein	Independent Director	13,333	21,500	Input info here	Input info here	Input info here	Input info here	34,833	13,333	21,500	Input info here	Input info here	Input info here	Input info here	34,833
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

### Intended Outcome

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

### Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board opined that such disclosure of the key senior management's remuneration on a named basis may not be in its best interest to the Company and such disclosure may cause unhealthy competition resulting in adverse effect on the Company's talent retention. Remuneration packages of the key senior management are based on their scope of duty and responsibilities.</p> <p>The Board nonetheless strives to ensure that the remuneration package of the senior management of the Group is reviewed annually during the Company's annual performance review and measured against the targets set for the financial year and that the remuneration package of the senior management is fair and commensurate with the performance of the Company and the contributions made by the senior management.</p> <p>Equally important, the Board also strives to ensure that the remuneration package of the senior management of the Group is able to retain and motivate the senior management to excel in their respective roles as well as attract qualified personnel from outside to join the Group.</p> <p>The adjustment in the senior management's remuneration is based on the financial performance of the company and the performance of the individual staff.</p> <p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.

<b>Timeframe</b>	:	Choose an item.	
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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.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Presently, the Chairman of the ARMC is Tuan Haji Mohd Faizal Bin Haji Abdul Majid while the Chairman of the Board has yet to be appointed by the Board since the resignation of Tan Sri Dr. Salleh Bin Mohd Nor on 21 April 2022.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company practices the policy requiring any former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC. None of the existing members of ARMC is a former key audit partners of the Company and its subsidiaries.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The ARMC is responsible for assessing the suitability and independence of the external auditors of the Company, annually, based on the relevant professional and regulatory requirements.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The ARMC comprised 3 members, all of whom are Independent Non-Executive Directors and have satisfied the independence test based on the criteria set out in the Main Market Listing Requirements of Bursa Securities.

### 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board strongly believes that the members of the ARMC possess a mix of skills, knowledge and the necessary level of expertise and experience to enable them to satisfactorily discharge their duties and responsibilities pursuant to the Terms of Reference ("TOR") of the ARMC.  The present Chairman of the ARMC is a member of the Malaysian Institute of Accountants, hence, the Company has fulfilled the requirement under Paragraph 15.09(1)(c)(i) of the Main Market Listing Requirements of Bursa Securities, that requires at least one (1) member of the Audit Committee to be a member of the Malaysian Institute of Accountants.  The detailed report on the activities of the ARMC is set out in the Company's Annual Report.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has in place an on-going process for identifying, evaluating and managing significant risks that may materially affect the achievement of its corporate objectives and strategies. The system is supported by an appropriate organisation structure with clear reporting lines from the respective business units up to the Board level. The duties and responsibilities of employees are outlined in their job description respectively. The scheduled and ad-hoc management and operational meetings are held at various business units to deliberate and resolve operational and business matters.</p> <p>The Board, who is responsible for the system of risk management and internal controls throughout the Group, has delegated and entrusted the ARMC with the responsibility for reviewing the adequacy and integrity of the Group's risk management and internal controls system.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The features of the Group’s risk management framework and internal controls system are set out in the Statement on Risk Management and Internal Controls in the Company’s Annual Report.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The ARMC is entrusted by the Board to oversee the Group's risk management framework and policies and as mentioned in Practice 8.4, the ARMC comprises 3 members, all of whom are Independent Non-Executive Directors.

### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The internal audit function is outsourced to Eco Asia Governance Advisory Sdn Bhd (“Eco Asia”), which reports directly to the ARMC. The primary role of PKF is to assess the adequacy and effectiveness of the Group’s risk management and internal control system and carry out their internal audit based on the plan approved by ARMC.  The internal audit function and the summary of activities undertaken by Eco Asia is set out in the Audit and Risk Management Committee Report of the Company’s Annual Report.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Eco Asia internal audit personnel are free from any relationships or conflict of interest which could impair their objectivity and independence. Ms. Kelly Neng, Director of Eco Asia, is the Engagement Director responsible for the internal audit function of the Company. She is a Fellow Member of the Association of Chartered Certified Accountants as well as a member of the Malaysian Institute of Accountants.</p> <p>The internal audit reviews of the Group were conducted in accordance with the International Standards for the Professional Practice of Internal Auditing and the risk-based audit plan approved by the ARMC.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board comprehends the importance of effective, transparent and timely dissemination of information to the Company's shareholders and other stakeholders in particular, to ensure that they are well informed of all major developments in the Company and the Group.</p> <p>The Company leverages on a number of formal channels for effective dissemination of information to its shareholders and other stakeholders by making timely and informative disclosures in the quarterly announcements on financial results and other periodicals or announcements to Bursa Securities, circulars and Annual Report, general meetings of shareholders and the Company's website at <a href="http://www.minhomalaysia.com">www.minhomalaysia.com</a></p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

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

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company's Notice of the 32nd AGM was given to the shareholders on 28 April 2023, at least twenty-eight (28) days prior to the said meeting to be held on 27 June 2023.</p> <p>With the availability of the technology, the Company was able to despatch the notice of the 32nd AGM together with the Annual Report 2022 at least 28 days before the 32nd AGM to give sufficient time to shareholders to make the necessary arrangements to attend and participate in person or through corporate representatives, proxies or attorneys as well as to let the shareholders to consider the resolutions that will be discussed and decided at the 32nd AGM.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	All Directors were present at the 31st AGM of the Company to provide meaningful response to questions addressed to them.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Company’s AGM was held physically at its head office.	
		Shareholders are allowed to appoint proxy(ies)/ representative(s) to attend, speak and vote on his/her behalf. The proxy form is sent to the shareholders together with the notice of general meetings.  The Company will explore the use of technology to allow voting in absentia or remote shareholders’ participation. The Company will assess the necessity and viability for such facility taking into consideration the number of shareholders, the reliability of the technology and cost-benefit to the Company, before adopting this practice.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

### Intended Outcome

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

### Practice 13.4

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>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	The Board recognises annual general meeting ("AGM") as the principal forum for dialogue and interaction with shareholders where shareholders are informed of current development. The shareholders were given the opportunity to raise questions at the meeting and questions raised were answered by the Directors of the Company.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**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>		
<b>Application</b>	:	Not applicable – only physical general meetings were conducted in the financial year
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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>		
<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	The Board is aware of the new MCCG guideline and will ensure the minutes of the forthcoming AGM is uploaded to the Company's website within 30 business days after the AGM.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**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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