

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 3018  
**COMPANY NAME** : Olympia Industries 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has a pivotal role in the stewardship of its direction and operations of the Group toward enhancing shareholders' value and ensuring long term sustainable development and growth of the Group.</p> <p>In discharging their responsibilities, the Board considers all aspects of the operations of the Group and in particular the following areas:</p> <ul style="list-style-type: none"><li>• Reviewing strategies to ensure viability of business.</li><li>• Overseeing the performance of the business of the Group.</li><li>• Identifying and implementing appropriate measures to manage risks.</li><li>• Reviewing the adequacy of the Group's management information and internal control system.</li><li>• Group's management information and internal control system.</li></ul> <p>The Board Charter sets out the specific responsibilities to be discharged by the Board members collectively, and the individual roles expected from them. It is also to regulate how business is to be conducted by the Board in accordance with the principles of good corporate governance. The Board Charter is available on the Company website at <a href="http://www.oib.com.my">www.oib.com.my</a></p> <p>To ensure the effective discharge of its function and responsibilities, the Board has delegated specific responsibilities to the following Committees:</p> <ol style="list-style-type: none"><li>1. Audit Committee</li><li>2. Nomination Committee</li><li>3. Remuneration Committee</li><li>4. Risk Management Committee</li></ol>

	The activities of each Committee are set out in the Corporate Governance Overview Statement of the Annual Report 2021.	
<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.

Application	:	Applied	
Explanation on application of the practice	:	Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar, the Chairman of the Board is responsible for instilling good corporate governance practices and providing leadership in ensuring effectiveness of the Board. He is also responsible for the orderly conduct of meetings and facilitating matters between the Company and its investors.	
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

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 positions of the Chairman and the Group Managing Director are held by two different individuals. The Chairman, Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar is an Independent Non-Executive Director while the Group Managing Director is Tan Sri Dato' Yap Yong Seong.</p> <p>The Chairman is responsible for instilling good corporate governance practices and providing leadership in ensuring effectiveness of the Board, orderly conduct of meetings and facilitating matters between the Company and its investors.</p> <p>The Group Managing Director is responsible for the development and implementation of policies/strategies approved by the Board and managing the day-to-day operations of the Group. He is also responsible in ensuring integrity and effectiveness of the corporate governance process of the Board.</p> <p>The respective duties and responsibilities of the Chairman and the Group Managing Director are specified in the Board charter.</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 Board Chairman is not a member of the Audit Committee, Nomination Committee or Remuneration. The Chairs of the Committees are held by other Independent Non-Executive Directors.
<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>	:	<p>The Board is supported by qualified Chartered Secretaries who are Associate members of The Malaysian Institute of Chartered Secretaries and Administrators.</p> <p>The Company Secretaries will update the Board on any regulatory changes and developments in corporate governance and the Main Market Listing Requirements of Bursa Securities and any other rules and regulations which is relevant to the Company.</p> <p>The Company Secretaries have attended training programmes and seminars during the year under review for continuous professional development and technical knowledge enhancement.</p> <p>The Company Secretaries’ responsibilities are also set out in the Board Charter.</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 1.6

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>	:	All Board and Board Committee meetings follow an agenda which, together with set of meeting papers containing information for each item on the agenda, are distributed to the Board / Board Committee members within a reasonable period prior to the meeting to ensure that Directors have sufficient time to evaluate the matters and be prepared for discussion at the meetings. However, sensitive or urgent matters may be tabled during the meetings. All proceedings of meetings including issues raised, deliberations and decisions of the Board as well Directors who abstained from deliberating or voting, are properly recorded. Minutes of the meetings are usually circulated to appropriate Directors including the Chairman of the meeting for comments before confirmation by the Board/ Board Committees at their subsequent respective meetings.	
<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 Board Charter specifies the roles and responsibilities of the Board, Board Committees, Chairman, Group Managing Director, Executive Director, Non-Executive Directors, Independent Directors including Senior Independent Director and Company Secretaries. There is also a schedule of Matters Reserved for the Board in the Board Charter.</p> <p>The Board Charter is available on the Company's website at <a href="http://www.oib.com.my">www.oib.com.my</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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has the Code of Conduct of Directors to assist the Directors in defining ethical standards in the performance of their duties and is available on the Company’s website at <a href="http://www.oib.com.my">www.oib.com.my</a></p> <p>The Company has a set of Code of Conduct and Discipline for its employees to observe as it seeks to establish and maintain appropriate administrative procedures to provide efficient and effective operation within the Company.</p> <p>The above Codes have included managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.</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 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	:	The Group has a Whistle-Blowing Policy which aims to encourage reporting by employees in good faith, of any suspected and/or known instances of misconduct, wrongdoings, corruption, fraud, waste and/or abuse involving the resources of the Group and the employees making such reports will be protected from reprisal. Details of the Policy are available on the Company’s website at <a href="http://www.oib.com.my">www.oib.com.my</a>	
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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board recognises that the long-term interests of shareholders are advanced by responsibly addressing the concerns of stakeholders. The Board is responsible to exercise business judgement to act in what it reasonably believes to be in the best interests of the Company and its stakeholders to build long-term sustainable value. The senior management, guided by the Board, leads the Company's sustainability journey, including setting the Company's strategies, priorities and targets on all material sustainability matters.</p> <p>The sustainability matters were assessed based on their relevance to the stakeholders and the Group's business. Our methodology is still driven by the Bursa Malaysia Sustainability Reporting Guidelines and Toolkits, as well as the Global Reporting Initiatives (GRI) standards which include compilation and mapping material matters to a materiality matrix.</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 4.2

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	:	The Board recognises the importance of engaging with stakeholders as their views/feedbacks are critical in keeping the Group’s sustainability activities on track.	
		Ongoing and consistent engagement with our diverse stakeholders is crucial for creating a clear and positive mutual understanding and building effective long-term relationships. Stakeholders' views, priorities and expectations help us identify risks and opportunities, balance interests and make informed decisions. We also proactively communicate with our internal and external stakeholders on the Company's sustainability strategies, priorities, targets and performance, gaining valuable feedback on our initiatives.	
		Details on engagement with stakeholders are available under Sustainability Statement in Annual Report 2021.	
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 4.3

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>Climate change, resource scarcity and the improper management of waste and effluents are pressing global environmental issues that can pose regulatory, physical and reputational risks to any company's operations.</p> <p>The Company has embarked on several initiatives such as energy management, waste management, water management and efficient electricity consumption in relation to climate change.</p> <p>The Board will continue to constantly keep abreast on the relevant requirements and matters concerning the sustainability, including the latest developments in industry as well as the sustainability issues relevant to the Group.</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>	:	At present, the performance evaluations of the Board and senior management does not directly address the Company's sustainability risks and opportunities.	
		Currently, the primary focus and priority is to stay afloat and keep on its trajectory of being an economically and financially sustainable entity, which itself is one of the sustainability goals. The Company will continually seek out and assess opportunities for enhancements in its practices towards ESG and sustainability goals whenever and wherever feasible to do so in order to effect a tangible and meaningful change. However, at present, the process is often done on an informal basis rather than as a KPI or direct link to bonuses/ remuneration.	
		In future, once the Company is ready to do so, the performance evaluations of the Board and senior management may include addressing the Company's sustainability risks and opportunities, which shall be enhanced where necessary through periodical review.	
<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>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	At this juncture, the General Manager of Group Finance is the designated person who helps the Sustainability Working Group in addition to his existing responsibilities in managing the Group's finances.



### 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>The Nomination Committee continues to discharge its function in ensuring that the Board composition and tenure of each director are reviewed periodically.</p> <p>With the appointment of the 2 Independent Non-Executive Directors in 2021 which included a female Director, the Board views that its composition in terms of size, diversity in skills, experience, age, background and gender are well balanced to facilitate effective decision making.</p> <p>Among the annual evaluations/assessments carried out, the Nomination Committee would table the findings and recommendations of individual Directors to the Board for discussions, notation and where appropriate, to recommend to shareholders on the re-election of the Director concerned at the annual general meeting or retaining the Director concerned as an Independent Director.</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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has 7 members; out of which 4 members (57%) are Independent Directors.</p> <p>The presence of Independent Non-Executive Directors helps in providing independent and constructive views, advice and opinions to the benefit of the investors, customers and other stakeholders.</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

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar has served as an Independent Non-Executive Director for a cumulative term of more than 13 years.</p> <p>The Board, through the Nomination Committee, had carried out annual evaluation and assessment and is satisfied that Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar has fulfilled the criteria under the definition of Independent Director as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. He has been able to demonstrate his independence and exercise objective judgement during Board deliberations. The length of his services does not in any way impair his objective and independent judgement nor his ability to act in the best interest of the Group.</p> <p>The Board endorsed the recommendation of the Nomination Committee for Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar to continue in office as Independent Non-Executive Director at the forthcoming 41<sup>st</sup> Annual General Meeting of the Company.</p> <p>Notwithstanding Practice 5.3 of the MCCG to seek shareholders' approval through a two-tier voting process for retention of independent director beyond nine years, the Board recommends that irrespective of the length of service in the Company, the resolution be voted through a single-tier voting process to enable every shareholder to exercise their voting rights on the same level/ platform and to be decided by a simple majority for ordinary resolution as provided in the Companies Act 2016.</p> <p>Y.A.M. Tunku Naquiyuddin ibni Almarhum Tuanku Jaafar has abstained from Board deliberation and decision in recommending to shareholders on his continuation in office as Independent Non-Executive Director.</p>

	The Board opted to maintain its current practice on single tier voting as there might be potential legal implication for two-tier voting which could be inconsistent with Companies Act 2016.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	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 5.4 - 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 Nomination Committee is delegated with the responsibility of assessing, considering and recommending to the Board, suitable candidates for appointment as Directors. The appointment of senior management is through selection and evaluation by the Group Managing Director or Executive Director and is governed by the Company's Staff Policies and Procedures. Due regard for diversity in skills, experience, age, gender, and cultural background for any proposed appointment will also be given.</p> <p>With the exception of the Directors appointed during the year, the Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. The attendance record of the Directors for 2021 was satisfactory. There was no new appointment of senior management during the year.</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 process on Board appointment is based on the recommendation of the Nomination Committee. The candidates are assessed thoroughly based on the required mix of skills, knowledge, experience, expertise and other required qualities.</p> <p>During the year, the Nomination Committee reviewed the credentials of both Dato' Syed Sultan bin Mohd Idris and Ms Wong Siew Si and concluded that they are suitably qualified to replace Tan Sri Dato' Nik Hashim bin Ab. Rahman who retired as an Independent Director at the last Annual General Meeting and to increase the number of Independent Directors in the composition of Board Committees.</p> <p>While the selection of Dato' Syed Sultan as a candidate for Board appointment was based on the recommendation of an existing Director, Ms Wong submitted her application for the position of an Independent Non-Executive Director via email to the Company.</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 Nomination Committee had carried out annual evaluations on the effectiveness of the Board as a whole, Board Committees, individual Directors of the Company and assessed the independence of the Independent Directors during the financial year under review.</p> <p>The findings/outcome from the annual evaluations/assessment of the Board, Board Committee and individual Directors were tabled to the Board by the Nomination Committee for discussions, notation and where appropriate, to recommend to shareholders on the re-election of Directors retiring by rotation or casual vacancy or retaining the Director concerned as an Independent Non-Executive Director.</p> <p>Based on the assessment conducted on individual Directors, the Board is satisfied each Director has the experience, competence, integrity and character in discharging their respective roles as Board members.</p> <p>As such, the Board has recommended the re-election of Dato' Sri Yap Wee Keat and Encik Izaddeen bin Daud as Directors retiring by rotation at the 41<sup>st</sup> AGM. The re-election of Dato' Syed Sultan bin Mohd Idris and Ms Wong Siew Si who were appointed during the year are also recommended as the Board is confident that they will further strengthen the Board composition and dynamics.</p> <p>The profiles of the abovenamed Directors are disclosed under Profile Of Directors of the 2021 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**

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	:	The Nomination Committee is chaired by Dato’ Syed Sultan bin Mohd Idris, an Independent Non-Executive Director of the Company.	
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**

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 comprises one female Director which represents less than 30% of the Board composition. The Board views that its composition in terms of size, diversity in skills, experience, age, background and gender are well balanced to facilitate effective decision making.	
		Additional female candidate for Board appointment may be considered when there is further expansion of the Board composition.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	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 Company currently does not have a gender diversity policy for the Board and senior management.	
		The Board believes in providing equal opportunity to candidates and adheres to the practice of non-discrimination of any form whether based on age, race or gender throughout the Group.	
<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>	<p>During the financial year, the Nomination Committee had amongst others, carried out annual evaluations facilitated by the Company Secretary on the effectiveness of the Board as a whole, Board Committees and individual Directors (including peer assessment) of the Company. The evaluation forms provide ratings from 1 to 4 or 'Yes' or 'No' with indicators thereto, to be responded in relation to the nature of the questions.</p> <p>The Board and Board Committees were evaluated in the areas of composition, quality of information and decision making, boardroom/board committee activities, Board relationship with management as well as sustainability.</p> <p>Individual Directors will be evaluated on fit and proper criteria, contribution and performance, caliber and personality as well as sustainability. On Peer Assessment, the evaluation was based professional experience, industry knowledge, specific competencies, business acumen, strategic vision, integrity, attendance of and preparation for board meetings, teamwork, active participation and general contributions. The Independent Directors were assessed based on criteria defined in the Listing Requirements of Bursa Securities, their ability to exercise independent judgement at all times and contribution to the effective functioning of the Board.</p> <p>On the assessment of individual Directors including peer assessment, each Director should answer the evaluation questions for each of his/her fellow Board members including himself/herself.</p>

	<p>Based on the findings, the average rating on each evaluation was relatively high with scores of between 3 and 4 (full score is 4).</p> <p>The Board is satisfied with the level of performance and effectiveness of the Board, Board Committees and individual Directors of the Company. The Board is also satisfied with the level of independence demonstrated by all Independent Directors and their ability to act in the best interest of the Company. The Board and Board Committees had generally fulfilled their primary responsibilities and obligations and each Director has the experience, competence, integrity and character in discharging their respective roles as Board members.</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 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>Directors' remuneration are decided and reviewed in line with the objective of attracting and retaining directors of the calibre, expertise and experience needed to lead the Group successfully. Remuneration for Executive Directors is aligned to individual and corporate performance.</p> <p>Non-Executive Directors are paid fees and benefits which are reflective of their responsibilities. As for senior management, yearly performance appraisal will be conducted by the Group Managing Director.</p> <p>Directors' fees and benefits payable to Non-Executive Directors recommended by the Remuneration Committee are subject to the approval of the shareholders at the annual general meeting ("AGM") of the Company. A director who is also a shareholder will abstain from voting on the proposed resolution at the AGM.</p> <p>The Remuneration Policy and Procedures for Directors and senior management is available on the Company's website at <a href="http://www.oib.com.my">www.oib.com.my</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>	:		
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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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The remuneration of Directors and senior management is set to attract and retain individuals of necessary calibre. The Board has in place the policy and practices to determine the Directors and senior management’s remuneration taking into consideration the Company’s performance as well as the performance of the individuals.</p> <p>The authority, duties and responsibilities of the Remuneration Committee are set out in its Terms of Reference, which is available on the Company’s website at <a href="http://www.oib.com.my">www.oib.com.my</a></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**

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 remuneration breakdown of individual Directors for the financial year ended 31 December 2021 is tabulated in the prescribed format on the following page.

[illegible]

[illegible]

### Intended Outcome

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

### Practice 8.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The top key senior management whose total remuneration (including benefits in-kind and other emoluments) under each band of RM50,000 is set out below:	
		Total remuneration in bands of RM50,000	Number of Key Senior Management
		RM150,000 – RM200,000	1
		RM201,000 – RM250,000	1
		The remuneration of the key senior management is on an aggregated basis as the Board is of the view that it would not be in the best interest of the Company to make detailed disclosure of each key senior management personnel in view of the competitiveness in the employment market and the Company’s efforts in attracting and retaining executive talents.	
		In maintaining confidentiality, the Board is of the view that the disclosure on a named basis for the Senior Management would not be in the best interest of the Group.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

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>	:	

[illegible]



**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 Chairperson of the Audit Committee, Ms Wong Siew Si, is not the Chairman of the Board.	
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 9.2**

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 Board has in place an Assessment Policy for External Auditors setting out amongst others, the cooling period of at least 3 years on any proposed appointment of a former key audit partner as a member of the Audit Committee.	
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 9.3**

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>	:	<p>The Audit Committee has obtained annual assurance of independence from external auditors for the audit of each financial year.</p> <p>During the financial year, the Audit Committee had carried out an evaluation of external auditors’ performance and independence. The evaluation covers the areas of calibre of the audit firm, quality processes/performance, audit team, independence and objectivity, audit scope and planning, audit fees and audit communications.</p> <p>The Board has in place an Assessment Policy for External Auditors setting out the guidelines and procedures for the Audit Committee to assess, among others, the suitability, objectivity and independence of the external auditors.</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 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 Audit Committee comprises solely of Independent Directors.

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Audit Committee members have a mix of financial, commercial and other fields of expertise. Miss Wong Siew Si and Encik Izaddeen bin Daud have fulfilled the qualification requirement under paragraph 15.09(1)(c)(iii) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>In order to strengthen the financial literacy of each member and the ability to understand matters under the purview of the Audit Committee including the financial reporting process, all members of the Audit Committee will balance their participation in continuous professional development programmes on accounting and auditing standards, practices and rules.</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**

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

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

**Practice 10.1**

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board maintains a sound risk management framework and system of internal control to safeguard the Group’s assets, shareholders’ investments and the interests of customers, employees and other stakeholders.</p> <p>Significant risks and their control plans to mitigate the risks to achieve the objectives would be documented for monitoring in the risk register and to be deliberated by the Risk Management Committee.</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

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 risk management and internal control system of the Group, comprising the respective frameworks, procedures, management processes, monitoring processes are described in the Statement on Risk Management and Internal Control ("SRMIC"). While the Board acknowledges that the risk management and internal control system does not eliminate the possibility of collusion or deliberate circumvention of procedures by employees, human errors and/or other unforeseen circumstances that might result in poor judgement, an assurance was received from the Group Managing Director and the General Manager, Group Finance that the risk management and internal control system of the Group is operating adequately and effectively.  The features of its risk management and internal control framework, and the adequacy and effectiveness of this framework are detailed in the SRMIC included in the Annual Report 2021.	
<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>	:	<p>The Board has established a Risk Management Committee ("RMC") to oversee the company's risk management framework and policies. The RMC assists the Board in their responsibilities to identify, assess and monitor key business risks of the Group</p> <p>The RMC currently consists of 3 Independent Non-Executive Directors and 1 Executive Director. The Chairman of the RMC is an Independent Non-Executive Director.</p>



### Intended Outcome

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

### Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Audit Committee is responsible for monitoring and reviewing the effectiveness of the Group’s Internal Audit function. The internal audit department is headed by a qualified internal auditor. The internal audit is independent of the activities it audit and the Internal Auditor attends and reports at each Audit Committee meeting on reviews conducted during each quarter.  Details on internal audit functions are disclosed in the Audit Committee Report of the Annual Report 2021.	
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

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>The Board has established an internal audit function within the Company, which is carried out by the Internal Audit Department (IAD) and is headed by Mr Lim Hui Leong, a graduate from the Association of Chartered Certified Accounts (ACCA). Mr Lim is a member of the Institute of Internal Auditors Malaysia with Certified Internal Auditor (CIA) certification and Malaysian Institute of Accountants. Mr Lim reports directly to the Audit Committee and he has accumulated over 24 years' experience in internal audit function.</p> <p>Following the resignation of Mr Lim on 30 September 2021, Ms.Harnirmaljit Kaur has taken over for the time being and is currently heading the department. Miss Kaur holds professional qualification from Association of International Accountants (AIA-UK) and Masters of Finance from RMIT University (Melbourne). She is a member of Institute of Internal Auditors Malaysia. She reports directly to the Audit Committee and has accumulated over 20 years of experience in internal audit function and 5 years in external audit.</p> <p>A total of 2 staff had carried out the internal audit assignments of the Group for 2021.</p> <p>The internal audit department carries out the audit in accordance with the principles of the international professional practices framework on internal auditing.</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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company recognises the importance of timely dissemination of material information including financial results, corporate proposals etc. to shareholders, investors and the public.</p> <p>All such information relating to annual reports, quarterly results, announcements are accessible at Bursa Securities’ website at <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a> and the Company’s website at <a href="http://www.oib.com.my">www.oib.com.my</a></p> <p>The Company also has a general email address for shareholders to direct their queries.</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 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>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Not applicable as the Company is not a Large company as defined in MCCG 2017.	
		Integrated reporting based on globally recognised framework shall be considered when the Company becomes a Large Company.	
<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 13.1**

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 Notice of the 40<sup>th</sup> Annual General Meeting ("AGM") was sent to shareholders 28 days prior to the meeting. The Company will continue to observe the notice period of 28-days for the forthcoming AGM.</p> <p>Notification on the forthcoming 41<sup>st</sup> AGM will be sent to shareholders via electronic mails and by post (for those without email addresses) informing them on the AGM and that that the Company's Annual Report ("AR"), Corporate Governance Report, Circular to Shareholders ("Circular"), Notice of 41<sup>st</sup> AGM, Form of Proxy, Administrative Guide on 41<sup>st</sup> AGM and request form for AR/Circular are available on the Company's website.</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>	:	<p>With the exception of the Director who retired at the conclusion of the 40<sup>th</sup> AGM in 2021, all other Directors and senior management were present at the 40<sup>th</sup> AGM.</p> <p>Shareholders were able to raise questions at the 40<sup>th</sup> AGM in real time by transmitting question via the Query Box and voted remotely at the AGM via Remote Participation and Voting facilities ("RPV"). The Board responded to all relevant questions submitted before and during the 40<sup>th</sup> AGM.</p> <p>It has been the practice for all Company Directors to be present at general meetings. The Chairman and all other Board members, senior management personnel and external auditors are available to respond to shareholders' questions during the 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>	:	

### 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>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The 40<sup>th</sup> AGM in 2021 was conducted fully virtual through the meeting platform of TIIH Online provided by Tricor Investor &amp; Issuing House Services Sdn Bhd in Malaysia via its website at <a href="https://tiih.online">https://tiih.online</a>. This was due to the full lockdown nationwide during the period concerned and also to adhere to the revised Guidance Note issued by the Securities Commission on the Conduct of General Meetings for Listed Issuers.</p> <p>Shareholders were able to raise questions at the 40<sup>th</sup> AGM in real time by transmitting question via the Query Box and voted remotely at the AGM via RPV.</p> <p>As stated in the notice of annual general meeting ("AGM"), shareholders are entitled to appoint proxies/corporate representatives/ attorneys to attend and vote on their behalf via RPV.</p> <p>The 41<sup>st</sup> AGM will be conducted fully virtual as in the manner above as Covid-19 remains a threat to the health and safety of all.</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 13.4

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>	:	<p>At the commencement of the fully virtual 40<sup>th</sup> AGM in 2021, amongst the briefing and notification mentioned, the Chairman also invited shareholders/ proxies to raise questions in real time by transmitting their questions via the query box.</p> <p>The Chairman informed the meeting that the Company had received questions from shareholders before the 40<sup>th</sup> AGM. The Company's replies to the questions were then shared to the meeting on the screen.</p> <p>On questions posed during the meeting, where appropriate, the Chairman, the Group Managing Director and the General Manager of Group Finance, have responded accordingly.</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 13.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company's 40<sup>th</sup> AGM in 2021 was conducted fully virtual through the online meeting platform at <a href="https://tiih.online">https://tiih.online</a>, provided by Tricor Investors and Issuing House Services Sdn. Bhd.</p> <p>Shareholders/ proxies were given ample time and opportunity to submit questions before the AGM as well as to pose questions to the Board during the AGM.</p> <p>Replies to the questions submitted before the AGM were shared to the meeting on the screen while questions posed during the meeting, where appropriate, were addressed by the Chairman, the Group Managing Director and the General Manager of Group Finance.</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 13.6**

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>	:	Applied
<b>Explanation on application of the practice</b>	:	Minutes of the 40 <sup>th</sup> Annual General Meeting held on 23 June 2021 were published/ uploaded on the Company's website no later than 30 business days after the meeting.
<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>	:	

## **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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