

CORPORATE GOVERNANCE REPORT

STOCK CODE : 3476
COMPANY NAME : Keck Seng (Malaysia) Berhad
FINANCIAL YEAR : December 31, 2020

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is responsible for the overall performance of the Group.</p> <p>The Board's roles, responsibilities and authorities are set out in the Board Charter which is available at the Company's website – https://my.keckseng.com.</p> <p>Besides being responsible for its statutory obligations, the Board collectively is also responsible for:</p> <ul style="list-style-type: none">➤ the Group's overall plan and business strategy;➤ ensuring policies and practices are in place to manage principal risks;➤ providing leadership to management;➤ reviewing management's performance and control mechanism;➤ monitoring the Group's financial position and performance;➤ ensuring that adequate systems of risk management and internal control are in place;➤ ensuring that succession planning is in place; and➤ ensuring that the Company's strategies are aligned to the interest of the shareholders and other stakeholders. <p>During the financial year ended 31 December 2020, the Board's main focus were on:</p> <ul style="list-style-type: none">➤ the Group's business performance.➤ the integrity of financial and non-financial reporting.➤ promoting good corporate governance.➤ managing succession planning.➤ reviewing year end corporate statements/report, internal audit and risk assessment analysis reports.➤ Board and Board Committee evaluation.

	<ul style="list-style-type: none"> ➤ strengthening anti-bribery and anti-corruption measures. ➤ enhancing existing reporting and information systems. ➤ overseeing the compliance of COVID-19 standard operating procedures and guidelines. ➤ adopting the use of digital tools for communication and shareholders' engagement. <p>Moving forward, the Board will focus on:</p> <ul style="list-style-type: none"> ➤ evaluating potential business opportunities. ➤ managing succession planning for Directors and Key Senior Management. ➤ strengthening policies and procedures in line with new laws and regulations. ➤ enhancing digitalisation. 	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is led by Mr. Ho Kim Swee @ Ho Kian Guan, an experienced Executive Chairman.</p> <p>The Executive Chairman's roles and responsibilities are to:</p> <ul style="list-style-type: none">➤ provide leadership to the Board.➤ preside over Board meetings.➤ ensure that the Board effectively discharges its fiduciary duties.➤ ensure that a constructive relationship between the Board members is maintained.➤ ensure open, healthy and effective debates are held and that sufficient time is given for these debates. <p>The Chairman, with the assistance of the Company Secretary:</p> <ul style="list-style-type: none">➤ schedules Board meetings.➤ ensures board papers are disseminated on a timely basis. <p>The roles and responsibilities of the Chairman are clearly specified in the Board Charter, which is available on the Company's website.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>The positions of the Executive Chairman and Managing Director are held by different individuals. Mr. Ho Kim Swee @ Ho Kian Guan is the Executive Chairman whilst Dato' Ho Cheng Chong @ Ho Kian Hock is the Managing Director. Their roles and responsibilities are separated and clearly defined in the Board Charter to ensure proper balance of power and authority and no individual has unfettered powers of decision and control.</p> <p>The Executive Chairman is primarily responsible for the Board's effectiveness and conduct whereas the Managing Director oversees the Group's day-to-day operations and is primarily responsible for the Group's performance and development.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by three (3) suitably qualified Company Secretaries in discharging their duties. The Company Secretaries act as a key resource support and play an advisory role to the Board. They are members of the Malaysian Institute of Chartered Secretaries and Administrators and qualified under Section 235(2) of the Companies Act 2016, experienced and competent in performing their duties. The Company Secretary(ies) attend(s) all Board meetings and ensures that all Board procedures are adhered to.</p> <p>The Company Secretaries' responsibilities are to update and advise the Board on:</p> <ul style="list-style-type: none">➤ company constitutional matters.➤ board obligations.➤ governance matters.➤ professional development requirements.➤ compliance matters applicable to the Company.➤ latest regulatory developments. <p>The Company Secretaries constantly keep themselves abreast with the regulatory changes and corporate governance development through attending relevant conferences and training programmes. The Directors have ready and unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
------------------	---	--	--

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>Board papers are furnished to the members of the Board at least seven (7) days prior to each Board meeting. Information to the Board is not restricted to quantitative information but may include other suitable information.</p> <p>Sufficient time is given to enable the Directors to solicit further explanation and/or information, where necessary, prior to meetings.</p> <p>Board members are also accessible to Management for information or to exchange views. They can also seek independent professional advice where necessary and in appropriate circumstances, at the expense of the Company to discharge their responsibilities effectively.</p> <p>All pertinent issues discussed at the Board and Board Committees meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries, including matters where Directors abstained from voting and deliberation. The minutes are circulated to all Directors for perusal prior to confirmation at the next meeting.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter acts as a source of reference for the Board and Management. It sets out the roles and responsibilities of the Board (individually and collectively).</p> <p>Among others, the Board reserves full rights to decide on:</p> <ul style="list-style-type: none">➤ conflict of interest issues relating to a substantial shareholder or director including approving related party transactions;➤ material acquisitions and disposals not in the ordinary course of business including significant capital expenditures;➤ strategic investments, mergers and acquisitions and corporate exercises;➤ authority limits;➤ treasury policies;➤ risk management policies; and➤ key human resource issues. <p>When deemed necessary, the abovementioned matters maybe amended by the Board.</p> <p>The Board has formed three (3) Board Committees, namely Audit Committee, Nominating Committee and Remuneration Committee to assist in discharging its responsibilities. Each Board Committee is guided by its respective charter which spells out its duties and authority.</p> <p>The Charters are available for reference on the Company's website, https://my.keckseng.com.</p>
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>All Directors and employees are required to uphold high ethical standards and professional conduct at all times and are guided by the Company's Code of Conduct ("COC").</p> <p>The COC covers the following:</p> <ul style="list-style-type: none">➤ employment and behavioural standards.➤ work environment.➤ fairness, ethical standards, anti-bribery and anti-corruption.➤ safety, health and environmental. <p>In line with the enforcement of the corporate liability provision under the Malaysian Anti-Corruption Commission Act 2009 effective 1 June 2020, the Company had on 27 February 2020 established an independent Anti-Bribery and Anti-Corruption ("ABAC") Policy. The ABAC Policy sets out rules and guidance to Directors, employees and stakeholders who work for and/or act for or on behalf of the Group on how to deal with improper solicitation, request for bribes and other corrupt activities and issues that may arise in the course of business.</p> <p>The Group will embark on anti-corruption compliance programme and corruption risk assessments on periodic basis as to identify, analyse, assess and prioritise corruption risks within the organisation in order to evaluate the effectiveness of the Group's policy against corruption.</p> <p>The COC and ABAC are available on the Company's website.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>Employees are encouraged to raise genuine concerns on any breach in the Company's Code of Conduct or incidences of suspected and/or misconduct, wrongdoings, corruption, fraud, waste and/or abuse of resources. The Company's Whistleblowing Policy provides an avenue on which complaints can be raised and channelled to the Head of Internal Audit, who is responsible to handle whistleblowing cases according to a defined process as outlined in the Whistleblowing Policy.</p> <p>The Board, via the Audit Committee, reviews the Whistleblowing Policy periodically as and when necessary to ensure that it is kept contemporaneous.</p> <p>The Whistleblowing Policy is available on the Company's website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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 current Board comprises ten (10) Board members, including the Executive Chairman, Managing Director, one (1) Non-Independent Non-Executive Director, two (2) Executive Directors, five (5) Independent Directors and four (4) Alternate Directors.</p> <p>The Independent Directors, make up of 50% of the composition of the Board. The current composition meets the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Their presence provides checks and balances on the Board as they are independent and free of any relationship with the Executive Directors, major shareholders or Management of the Company. Thus, they are able to provide unbiased and independent views in Board deliberations and decision making, taking into account the interests of the Group and minority shareholders.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.2

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 justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board and Nominating Committee are aware that shareholders' approval is required to retain an independent director, who has served in that capacity for more than nine (9) years and a two-tier voting process is required for the re-appointment of independent directors that have served for more than twelve (12) years.</p> <p>The Company does not have a policy which limits the tenure of its independent directors to nine (9) years and does not advocate for a two-tier voting process as the Board is of the view that the ability of an Independent Director to exercise judgement is not affected by the length of his service as an Independent Director.</p> <p>Notwithstanding that, the Board has adopted the best practice for assessing the independence of independent directors who has served in that capacity for more than nine (9) years. The Board, via the Nominating Committee, will conduct an assessment on the independent directors before seeking shareholders' approval at each Annual General Meeting ("AGM"), substantiated with justifications.</p> <p>At the forthcoming 51st AGM, the Board will seek the approval of the shareholders to retain Mr. Too Hing Yeap @ Too Heng Yip and Maj-Gen (R) Dato' Muhammad Bin Yunus to continue to serve as Independent Non-Executive Directors ("INED") of the Company based on the following justifications:</p> <ul style="list-style-type: none">➤ they met the criteria of "Independence" under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.➤ they are able-bodied and mentally alert.➤ their familiarity with the Group's operations allowing them to

	<p>actively participate in deliberations.</p> <ul style="list-style-type: none"> ➤ they have performed their INED role diligently. ➤ they are knowledgeable, committed and have applied their vast experience and exercised due care during their tenure as INED of the Company. ➤ they remain independent during their tenure in office, as they: <ul style="list-style-type: none"> • have not developed, established or maintained any personal or social relationship with the Executive Directors, major shareholders or Management of the Company. • have never transacted or entered into any transactions with, or provided services to the Executive Directors, major shareholders or Management of the Company. • have not been offered or granted any options by the Company other than Director's fees and allowance which have been the norm. 	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
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 4.3 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 4.4

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Nominating Committee ("NC") is responsible for ensuring that suitable candidates are admitted to the Board. The NC recognises that the current Board composition consists of members that bring about diverse gender, skills, knowledge, expertise, experience, professionalism, integrity, competencies and independence.</p> <p>The current Board comprising Directors with various professional backgrounds in the fields of:</p> <ul style="list-style-type: none">➤ leadership and strategic planning.➤ banking.➤ accounting, financial reporting and taxation.➤ legal and regulatory.➤ information technology.➤ corporate governance, risk management and internal control.➤ property development.➤ general management/business.➤ plantation.➤ project management.➤ health, safety and environment. <p>The Board has adopted a Diversity Policy setting the approach to a diverse Board's composition including but not limited to skills, industrial experience, background, race and other qualities.</p> <p>The Diversity Policy is made available on the Company's website.</p> <p>The appointment of Senior Management falls under the purview of the Managing Director who is aware that a diverse workforce allows the Group to be competitive.</p> <p>The diversity of the Board is set out in the Corporate Governance Overview Statement of Annual Report 2020.</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 4.5

The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

Application	:	Applied
Explanation on application of the practice	:	<p>In reviewing the Board's composition, the Nominating Committee will consider all aspects of diversity including gender diversity with emphasis on achieving an effective blend of competencies, skills, experience and knowledge for the Board.</p> <p>The Board's female to male percentage currently stands at 10% to 90%. Even though the Company does not set any specific target for boardroom diversity, female representation will be considered when suitable candidates are identified.</p> <p>The Group understands that maintaining a diverse and inclusive workforce is the key to improving services to customers and returns for shareholders. The Group's employees spread across all age brackets, represents a variety of nationalities, genders, work style, viewpoints and expectations. An analysis of the Group's manpower can be found in the Sustainability Statement of Annual Report 2020.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.6

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.

Application	:	Applied
Explanation on application of the practice	:	<p>Candidates for appointment of directors may be facilitated through recommendations from the Directors, Management, advisors or external parties including business associates.</p> <p>The Nominating Committee may seek professional advice and/or conduct search by utilising a variety of independent sources to identify potential candidates.</p> <p>During the financial year, there were no changes to the composition of the Board.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.7

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

Application	:	Applied	
Explanation on application of the practice	:	The Nominating Committee comprises exclusively of Independent Non-Executive Directors and is chaired by Mr. Too Hing Yeap @ Too Heng Yip, the Senior Independent Non-Executive Director.	
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 form an opinion on the overall effectiveness of the board and individual directors.

Practice 5.1

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 and its outcome.

For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has in place a formal process for assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution by each Director to the effectiveness of the Board and the Board Committees, facilitated by the Company Secretaries making reference to the guides available and the good corporate governance compliance. No external facilitator has been used.</p> <p>The Nominating Committee ("NC") conducts an annual assessment and evaluation on the effectiveness of the Board, Board Committees and the contribution of each individual director. The evaluation process is based on self and peer assessments whereby the Directors assessed each other and themselves, the Board as a whole and the performance of each Board Committees.</p> <p>The assessment results will be deliberated by the NC and presented to the Board. The outcome of the assessment will be properly documented.</p> <p>Based on the recent assessment, the NC is satisfied that the Board and the respective Board Committees continue to operate effectively and each Director have demonstrated commitment to their role and continue to operate effectively.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
------------------	---	--	--

Intended Outcome

The 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 6.1

The board has in place 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 policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has in place a Remuneration Policy for Directors and Senior Management which sets out the criteria applied in recommending the remuneration package of the Directors (including the remuneration of Non-Executive Directors which requires shareholders' approval) and Senior Management ("SM") of the Group.</p> <p>The Remuneration Committee is responsible for reviewing the remuneration package of the Directors annually. The Directors' remuneration packages are structured to ensure that they are competitive and sufficient to attract, retain and motivate people of calibre to manage the Company successfully.</p> <p>Directors' fee and benefits paid reflect the individual director's responsibilities, membership of the Board and Board Committees as well as their attendance at Board and Board Committee meetings.</p> <p>The remuneration of the Executive Directors ("ED") and SM is based on the responsibilities undertaken by the respective ED and SM. Consideration is also made to ensure that the package is competitive, able to attract, retain and motivate the ED and SM. Review of the existing SM's remuneration package is under the purview of the Managing Director which is performed annually and coincides with the employees' annual performance appraisal / increment review.</p> <p>The Remuneration Policy is available at the Company's website.</p>
Explanation for departure	:	

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

Intended Outcome

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 6.2

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 Committee ("RC") consist of five (5) Independent Non-Executive Directors.</p> <p>The RC reviews and recommends the remuneration of the Executive Directors of the Company for Board's approval pursuant to the RC's Charter as well as the remuneration of Non-Executive Directors for shareholders' approval. The RC's Charter which deals with its duties and authority is available on the Company's website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 7.1

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

Application	:	Applied																																																																																																																																																																																																						
Explanation on application of the practice	:	<p>The details of the remuneration of Directors of the Company comprising remuneration received/receivable from the Group and the Company during the financial year ended 31 December 2020 are as follows:</p> <table><tr><th></th><th colspan="2">Salaries RM'000</th><th colspan="2">Fees RM'000</th><th colspan="2">Bonus RM'000</th><th colspan="2">Others (*) RM'000</th><th colspan="2">Total RM'000</th></tr><tr><th></th><th>Group</th><th>Company</th><th>Group</th><th>Company</th><th>Group</th><th>Company</th><th>Group</th><th>Company</th><th>Group</th><th>Company</th></tr><tr><td colspan="11">Executive Directors</td></tr><tr><td>Mr. Ho Kim Swee @ Ho Kian Guan</td><td>865</td><td>720</td><td>119</td><td>115</td><td>654</td><td>717</td><td>80</td><td>71</td><td>1,718</td><td>1,623</td></tr><tr><td>Dato' Ho Cheng Chong @ Ho Kian Hock</td><td>2,036</td><td>1,598</td><td>101</td><td>85</td><td>1,466</td><td>1,591</td><td>318</td><td>289</td><td>3,921</td><td>3,563</td></tr><tr><td>Mr. Chan Lui Ming Ivan</td><td>264</td><td>264</td><td>101</td><td>85</td><td>232</td><td>232</td><td>81</td><td>81</td><td>678</td><td>662</td></tr><tr><td>Ms. Lee Huee Nan @ Lee Hwee Leng</td><td>339</td><td>339</td><td>101</td><td>85</td><td>174</td><td>174</td><td>76</td><td>76</td><td>690</td><td>674</td></tr><tr><td>Mr. Ho Chung Kain (He ChongJing) [N1]</td><td>293</td><td>197</td><td>16</td><td>-</td><td>174</td><td>174</td><td>63</td><td>63</td><td>546</td><td>434</td></tr><tr><td>Mr. Ho Chung Hui [N2]</td><td>293</td><td>197</td><td>16</td><td>-</td><td>174</td><td>174</td><td>63</td><td>63</td><td>546</td><td>434</td></tr><tr><td colspan="11">Non-Executive Directors</td></tr><tr><td>Mr. Ho Eng Chong @ Ho Kian Cheong</td><td>-</td><td>-</td><td>85</td><td>85</td><td>-</td><td>-</td><td>6</td><td>6</td><td>91</td><td>91</td></tr><tr><td>Mr. Too Hing Yeap @ Too Heng Yip</td><td>-</td><td>-</td><td>140</td><td>140</td><td>-</td><td>-</td><td>15</td><td>15</td><td>155</td><td>155</td></tr><tr><td>Maj-Gen (R) Dato' Muhammad Bin Yunus</td><td>-</td><td>-</td><td>130</td><td>130</td><td>-</td><td>-</td><td>15</td><td>15</td><td>145</td><td>145</td></tr><tr><td>Mr. Tai Lam Shin</td><td>-</td><td>-</td><td>120</td><td>120</td><td>-</td><td>-</td><td>14</td><td>14</td><td>134</td><td>134</td></tr><tr><td>Encik Mahathir Bin Mohamed Ismail</td><td>-</td><td>-</td><td>120</td><td>120</td><td>-</td><td>-</td><td>14</td><td>14</td><td>134</td><td>134</td></tr><tr><td>Mr. Liew Foong Yuen</td><td>-</td><td>-</td><td>120</td><td>120</td><td>-</td><td>-</td><td>14</td><td>14</td><td>134</td><td>134</td></tr><tr><td>Mr. Ho Chung Tao</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>Mr. Ho Chung Kiat, Sydney (He ChongJie, Sydney)</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr></table> <p>(*) Others – Include benefits-in-kind, allowances and EPF contributions on salary and bonus by employer. [N1] – Mr. Ho Chung Kain (He ChongJing) only act as Executive Director for certain subsidiaries of the Group, his remuneration was paid by virtue of his position as General Manager of Keck Seng (Malaysia) Berhad. [N2] – Mr. Ho Chung Hui only act as Executive Director for certain subsidiaries of the Group, his remuneration was paid by virtue of his position as Commercial/Corporate Director of Keck Seng (Malaysia) Berhad.</p> <p>The disclosure is made on a Group and Company level, in accordance with Paragraph 11, Part A, and Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p>		Salaries RM'000		Fees RM'000		Bonus RM'000		Others (*) RM'000		Total RM'000			Group	Company	Group	Company	Group	Company	Group	Company	Group	Company	Executive Directors											Mr. Ho Kim Swee @ Ho Kian Guan	865	720	119	115	654	717	80	71	1,718	1,623	Dato' Ho Cheng Chong @ Ho Kian Hock	2,036	1,598	101	85	1,466	1,591	318	289	3,921	3,563	Mr. Chan Lui Ming Ivan	264	264	101	85	232	232	81	81	678	662	Ms. Lee Huee Nan @ Lee Hwee Leng	339	339	101	85	174	174	76	76	690	674	Mr. Ho Chung Kain (He ChongJing) [N1]	293	197	16	-	174	174	63	63	546	434	Mr. Ho Chung Hui [N2]	293	197	16	-	174	174	63	63	546	434	Non-Executive Directors											Mr. Ho Eng Chong @ Ho Kian Cheong	-	-	85	85	-	-	6	6	91	91	Mr. Too Hing Yeap @ Too Heng Yip	-	-	140	140	-	-	15	15	155	155	Maj-Gen (R) Dato' Muhammad Bin Yunus	-	-	130	130	-	-	15	15	145	145	Mr. Tai Lam Shin	-	-	120	120	-	-	14	14	134	134	Encik Mahathir Bin Mohamed Ismail	-	-	120	120	-	-	14	14	134	134	Mr. Liew Foong Yuen	-	-	120	120	-	-	14	14	134	134	Mr. Ho Chung Tao	-	-	-	-	-	-	-	-	-	-	Mr. Ho Chung Kiat, Sydney (He ChongJie, Sydney)	-	-	-	-	-	-	-	-	-	-
	Salaries RM'000		Fees RM'000		Bonus RM'000		Others (*) RM'000		Total RM'000																																																																																																																																																																																															
	Group	Company	Group	Company	Group	Company	Group	Company	Group	Company																																																																																																																																																																																														
Executive Directors																																																																																																																																																																																																								
Mr. Ho Kim Swee @ Ho Kian Guan	865	720	119	115	654	717	80	71	1,718	1,623																																																																																																																																																																																														
Dato' Ho Cheng Chong @ Ho Kian Hock	2,036	1,598	101	85	1,466	1,591	318	289	3,921	3,563																																																																																																																																																																																														
Mr. Chan Lui Ming Ivan	264	264	101	85	232	232	81	81	678	662																																																																																																																																																																																														
Ms. Lee Huee Nan @ Lee Hwee Leng	339	339	101	85	174	174	76	76	690	674																																																																																																																																																																																														
Mr. Ho Chung Kain (He ChongJing) [N1]	293	197	16	-	174	174	63	63	546	434																																																																																																																																																																																														
Mr. Ho Chung Hui [N2]	293	197	16	-	174	174	63	63	546	434																																																																																																																																																																																														
Non-Executive Directors																																																																																																																																																																																																								
Mr. Ho Eng Chong @ Ho Kian Cheong	-	-	85	85	-	-	6	6	91	91																																																																																																																																																																																														
Mr. Too Hing Yeap @ Too Heng Yip	-	-	140	140	-	-	15	15	155	155																																																																																																																																																																																														
Maj-Gen (R) Dato' Muhammad Bin Yunus	-	-	130	130	-	-	15	15	145	145																																																																																																																																																																																														
Mr. Tai Lam Shin	-	-	120	120	-	-	14	14	134	134																																																																																																																																																																																														
Encik Mahathir Bin Mohamed Ismail	-	-	120	120	-	-	14	14	134	134																																																																																																																																																																																														
Mr. Liew Foong Yuen	-	-	120	120	-	-	14	14	134	134																																																																																																																																																																																														
Mr. Ho Chung Tao	-	-	-	-	-	-	-	-	-	-																																																																																																																																																																																														
Mr. Ho Chung Kiat, Sydney (He ChongJie, Sydney)	-	-	-	-	-	-	-	-	-	-																																																																																																																																																																																														

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

Intended Outcome

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

Practice 7.2

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	:	<p>The Board is of the view that it is not in the best interest of the Company to disclose on a named basis the remuneration of the top five Senior Management's ("SM") remuneration component as it could give rise to unnecessary staff rivalry.</p> <p>Disclosure is made for the top five SM in bands of RM50,000 but excludes the breakdown of remuneration component.</p> <p>The total remuneration paid to employees are also made available in the Notes to the Financial Statements (Annual Report) which allows stakeholders to make an appreciable link between the Company's overall remuneration structure and the Company's performance.</p> <p>The Board ensures that the remuneration of the SM commensurate with their individual performances and level of responsibility as well as the demand, complexities and performance of the Company, with due consideration to attract, retain and motivating the SM.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	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 7.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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 8.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Mr. Too Hing Yeap @ Too Heng Yip, the Senior Independent Non-Executive Director is the Chairman of the Audit Committee (“AC”), whilst Mr. Ho Kim Swee @ Ho Kian Guan is the Executive Chairman of the Board.</p> <p>Having the positions of Board Chairman and Chairman of the AC assumed by different individuals allows the Board to objectively review the AC’s findings and recommendations.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the need to uphold the independence of the external auditors from the Board and Management. To avoid any conflict of interest and independence issues, a former key audit partner can only be appointed as a member of the Audit Committee ("AC") after a cooling off period of at least two (2) years. The AC Charter specifically sets out the requirement for a former key audit partner to observe a cooling off period of at least two (2) years before being appointed as a member of the AC.</p> <p>None of the members of the AC are former key audit partners of external audit firm(s) servicing the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee ("AC") on an annual basis, assesses the External Auditors' independence and effectiveness in performing the audit before recommending their re-appointment as the Company's External Auditors. Besides, the AC reviews the nature and extent of non-audit services rendered by the External Auditors during the financial year to ensure that the provision of these services did not compromise their independence and objectivity.</p> <p>Guided by its Charter, the AC had on 27 April 2021 assessed the External Auditors, Ernst & Young PLT on their quality of services, sufficiency of resources, communication and interaction, independence, objectivity and professional scepticism for the financial year ended 31 December 2020.</p> <p>During the 2020's audit plan review, the External Auditors have also confirmed their independence in accordance with the By-laws of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants' independence requirements.</p> <p>Based on the assessment results, the AC was satisfied with the suitability of Ernst & Young PLT in terms of professional staff assigned to the audit, the quality of services and sufficiency of resources provided to the Group.</p> <p>The External Auditors' Independence Policy can be found on the Company's website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The Audit Committee comprises solely of Independent Non-Executive 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 8.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate 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 current members of the Audit Committee ("AC") possess a range of skills and the requisite financial literacy to discharge its duties effectively. The qualification and experience of the individual AC members are disclosed in the Directors' Profile in the Annual Report.</p> <p>All members of the Board are committed to upgrading their knowledge and professional development. During the financial year 2020, the Directors, including the AC members have kept abreast with issues and trends through articles, periodicals and online seminars.</p> <p>Details of the Board members' training and professional development for 2020 can be found in the Corporate Governance Overview Statement of Annual Report 2020.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is responsible for establishing and maintaining a sound system of risk management and internal control to safeguard the interest of its shareholders and stakeholders.</p> <p>The Audit Committee ("AC") assist the Board in:</p> <ul style="list-style-type: none"> ➤ overseeing the Group's risk management and internal control function; ➤ evaluating the adequacy and effectiveness of the system of risk management and internal control; and ➤ reviewing the key risks identified and ensuring that measures are in place to mitigate. <p>Risk and Sustainability Committees ("RSC") formed by the respective operating business units to assist the Managing Director in ensuring that risk and sustainability management processes are in place. The RSC identify, rate and evaluate their own risks. Measures taken to mitigate those risks are recorded in the risk assessment analysis reports. The identified risks are then reported to the AC for review and deliberation.</p> <p>For detailed information, please refer to the Statement on Risk Management and Internal Control of Annual Report 2020.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	The current risk management and internal control framework is formulated based on the Group's culture, needs, size and business diversity. The key features of the risk management and internal control system and framework of the Group are disclosed in the Statement on Risk Management and Internal Control of the Company's Annual Report 2020.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 9.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	Please provide an explanation on the adoption.

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 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The internal audit function is carried out by the Group's in-house Internal Audit Department ("IAD"), who reports directly to the Audit Committee ("AC") and support the AC in discharging its duties and responsibilities. The IAD is governed by the Internal Audit Charter and performs its duties independently.</p> <p>Annually, the AC will approve the IAD's annual audit plan and assess:</p> <ul style="list-style-type: none">➤ the internal auditors' independence, performance and effectiveness.➤ the adequacy of the IAD's resources. <p>In addition, the AC meets the Head of IAD at least once annually without the presence of Management. The Head of IAD has unfettered access to the AC, the Board and Management as well as the Group's documents, records, properties and personnel.</p> <p>During the financial year ended 31 December 2020, one (1) private meeting was held with the AC to discuss audit related matters.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 10.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Internal Audit Department (“IAD”) consists of five (5) members, of which three (3) are qualified professionals and two (2) are accounting degree holders. The IAD is headed by Ms. Suenitha Chupaya, a qualified accountant registered with the Malaysian Institute of Accountants and The Institute of Internal Auditors, Malaysia. The appointments and resignations of the internal auditors are under the purview of the Audit Committee.</p> <p>None of the IAD members have any family relationship with any Director and/or major shareholder of the Company or any conflict of interest which could impair their objectivity and independency.</p> <p>The IAD adopts a risk-based audit approach in evaluating the adequacy and effectiveness of internal controls, reliability of information, effectiveness and efficiency of operations and compliance with laws and regulations. The conduct of internal audit review was guided by the International Professional Practice Framework (IPPF).</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 11.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the importance of timely and effective dissemination of material information to the shareholders and stakeholders. The Board ensures that the Company's website which is accessible to the public contains all information relating to the Company, corporate announcements, quarterly financial results, Annual Report, Company's policies and procedures and/or operation reviews so as to promote a closer association with its stakeholders.</p> <p>The Board regards the Annual General Meeting ("AGM") as the principal forum for the Board and Management to interact with shareholders. Shareholders are encouraged to ask questions and seek clarifications during the AGM. The Annual Report contains vital source of information for existing and potential investors and stakeholders.</p> <p>In addition, the Company has adopted the Corporate Disclosure Policies and Procedures.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 11.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Not applicable as the Company does not fall under the definition of "large companies" as defined under the Malaysian Code on Corporate Governance.</p> <p>The Annual Report provides stakeholders with a fairly comprehensive overview on the Company's financial and non-financial achievements in the financial year. In addition, Management Discussion and Analysis, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control form an integral part of non-financial information.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>In 2020, the Companies Commission of Malaysia had granted an approval to the Company's application on extension of time to hold its 2020 Annual General Meeting ("AGM") due to the outbreak of COVID-19 pandemic.</p> <p>The Notice of AGM was issued and made available on the Company's website on 29 July 2020 which was at least 28 days prior to the AGM held on 27 August 2020.</p> <p>The AGM Notice includes details of the resolutions proposed along with relevant explanatory notes to enable shareholders to make informed decisions in exercising their voting rights.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 12.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Due to the COVID-19 pandemic, the 50th Annual General Meeting ("AGM") was convened fully virtual through live streaming from the broadcast venue at Menara Keck Seng, Kuala Lumpur on 27 August 2020.</p> <p>Three (3) out of ten (10) Directors attended the 50th AGM at the broadcast venue whilst the remaining seven (7) Directors attended the AGM using remote platform due to travel restrictions.</p> <p>Even though the 50th AGM was conducted virtually, all Directors, the Group Accountant and External Auditors were present to provide meaningful responses to questions raised.</p> <p>To encourage participation of shareholders at general meetings, shareholders were invited to ask questions both about the resolutions being proposed before putting them to vote as well as matters relating to the Company's operations in general.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 12.3

Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate—

- including voting in absentia; and
- remote shareholders' participation at General Meetings.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's Annual General Meeting ("AGM") have always been held at an easily accessible venue and at a convenient time.</p> <p>The 50th AGM was conducted virtually through live streaming from the broadcast venue at Menara Keck Seng, Kuala Lumpur.</p> <p>During the 50th AGM, poll voting in respect of all resolutions was carried out via Remote Participation and Voting ("RPV") facilities. All shareholders were duly briefed on the voting procedures by the poll administrator prior to poll voting. Shareholders were encouraged to ask questions, clarify facts and provide feedback to the Board and Management using RPV facilities. The forthcoming 51st AGM will be held at the same broadcast venue using RPV facilities.</p> <p>In addition, shareholders are allowed to appoint proxies to attend, speak and vote in their stead at a general meeting if they are unable to attend in person.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

Click here to enter text.