

CORPORATE GOVERNANCE REPORT

STOCK CODE : 4383
COMPANY NAME : JAYA TIASA HOLDINGS BERHAD
FINANCIAL YEAR : June 30, 2022

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES 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 sets the strategic direction of the Group and provides effective leadership through oversight of Management and monitoring the performance in the Group.</p> <p>The roles and responsibilities of the Board are set out in the Board Charter which is published on the Company's website at www.jayatiasa.net. The key responsibilities of the Board include:</p> <ol style="list-style-type: none">i. Formulating strategic plans and policies to ensure that they support long-term value creation through good environment, social and governance ("ESG") practices underpinning sustainability;ii. Overseeing the conduct of the Group's businesses;iii. Ensuring effective risk management and internal control; andiv. Reviewing and approving key matters such as financial results, investments and divestments, acquisitions and disposals, and major capital expenditures. <p>The Board has established the Audit Committee, Nomination Committee, Remuneration Committee and Sustainability Committee to assist in fulfilling its ongoing oversight and stewardship role. The Board Committees have the authority to examine specific issues within their respective terms of reference approved by the Board. The Chairman of the respective Board Committees reports to the Board with their recommendations. The ultimate responsibility for decision making, however, lies with the Board.</p> <p>As the leader of the management, the Chief Executive Officer, who is supported by the Executive Directors and the Senior Management Team, is responsible for the effective implementation of the strategic plans and policies established by the Board, and oversees the day-to-day operations and business of the Group.</p>

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

Intended Outcome

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

Practice 1.2

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 Chairman of the Board, Tan Sri Dato' Sri Mohamad Fuzi Bin Harun, is responsible for instilling good governance practices and providing leadership to the Board.</p> <p>As facilitator at Board Meetings, he ensures that contributions from Directors are forthcoming on matters being deliberated, no Board member dominates discussion, and that Board decisions are made in the best interest of the Company and reflect Board consensus.</p> <p>Details of the responsibilities of the Chairman are set out in the Board Charter which is published on the Company's website at www.jayatiasa.net.</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 Company has different individuals holding the positions of Chairman and CEO.</p> <p>Tan Sri Dato' Sri Mohamad Fuzi Bin Harun is the Chairman whilst Dato' Jin Kee Mou is the CEO. Such separation of positions promotes accountability and facilitates division of responsibilities between them.</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 Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application :	Departure
Explanation on application of the practice :	
Explanation for departure :	The Chairman of the Board of Directors ("the Board"), Tan Sri Dato' Sri Mohamad Fuzi Bin Harun, is also a member of the Audit Committee ("AC") of the Company.
	The Board is of the view that the risk of the Board Chairman exerting overbearing influence on recommendation brought to the Board by the AC was very remote, hence will not create a situation of self-review.
<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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretary, Ms Ngu Ung Huong, is a Fellow Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and has more than 30 years of experience in managing corporate secretarial matters.</p> <p>Key responsibilities of the Company Secretary include:</p> <ul style="list-style-type: none">• updating and advising the Board on regulatory, statutory, corporate governance, policy and procedure requirements relating to the Directors' duties and responsibilities;• managing Board, Board Committees and general meetings, and attending and recording minutes thereof;• monitoring corporate governance development and assist the Board in applying governance practices; and• facilitating Director training and development.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>Meeting papers relevant to the business of the meeting are circulated to all Directors at least five (5) business days prior to the meeting date in accordance with the provision stated in the Board Charter and the respective Board Committees' terms of reference. This is to allow Directors to have ample time to review matters to be deliberated at the meeting and to facilitate informed decision making.</p> <p>Proceedings and decisions of the Board and Board Committees are documented in the minutes, including matters where Directors are required to abstain from voting and deliberation.</p> <p>Minutes of meetings are circulated as soon as possible and confirmed as the correct record by the Board and Board Committees at the following 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 sets out the Board's strategic intent and provides guidance for Directors and Management regarding roles and responsibilities of the Board, Chairman, Executive Directors, Non-Executive Directors, Company Secretary and Board Committees.</p> <p>There is a formal schedule of matters reserved for Board's deliberation and decision to ensure the direction and control of the Company are in its hands. Key matters reserved for the Board include approval of audited financial statements, quarterly and annual financial statements for announcement, investment and divestment, as well as monitoring of the Group's financial and operating performance.</p> <p>The Board Charter, which is periodically reviewed by the Board to be in line with regulatory changes and company policy, was last reviewed and approved by the Board on 18 October 2021. The updated version of the Board Charter is available on the Company's website at www.jayatiasa.net.</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>To inculcate good ethical conduct in the Group's daily business dealings and employees' behaviour at work, the Board has established a Code of Conduct and Ethics setting out core areas of ethical conduct expected from the directors and employees including managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering, protecting company assets and compliance with laws, rules and regulations.</p> <p>The Company and its subsidiaries are committed to conducting business with integrity, honesty and transparency, and have adopted a zero-tolerance approach on bribery and corruption. The Anti-Bribery and Corruption Policy established by the Board essentially sets out the Group's overall position on bribery and corruption and provides information and guidance to ensure that employees understand their responsibilities in complying with the Group's zero-tolerance on bribery and corruption.</p> <p>The Code of Conduct and Ethics and the Anti-Bribery and Corruption Policy are published on the Company's website at www.jayatiasa.net.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company and its subsidiaries have in place a whistle-blowing policy since 2014. It provides an avenue for any employees to raise concerns relating to improper conducts such as possible breaches of business conduct, non-compliance of laws and other malpractices through the formal procedures and confidential channels provided therein, without risk of reprisal.</p> <p>This Policy was last revised in May 2020 to enable any party to raise concern of improper conduct in good faith. The Policy will continue to be reviewed from time to time for enhancement.</p> <p>The whistle-blowing policy is available on the Company's website at www.jayatiasa.net.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company’s sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is responsible for overseeing the development and adoption of sustainability strategies, policies and targets.</p> <p>The Board is assisted by the Sustainability Committee helmed by the Chief Executive Officer and comprising Executive Directors representing the Group’s core business divisions and risk management to coordinate and drive the company’s sustainability initiatives.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company values two-way communication with our stakeholders to fully understand their sustainability concerns and issues to ensure that their key interests are aligned with those of the Group.</p> <p>The Board had in financial year 2022 undertaken various stakeholder engagement as reported in the Sustainability Statement of the Company's annual report in ensuring that the Company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	A Sustainability Committee has been established to develop and formulate sustainability strategies, policies and targets. The business and functional units implements, executes and administers sustainability initiatives and report progress of the sustainability efforts to the Sustainability Committee. The Sustainability Committee, in turn, report the progress to the Board. This enables the Board to stay abreast of, and understand, the sustainability issues relevant to the Company and its business.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company has not assessed the effectiveness of the Directors and Senior Management in addressing the Company's material sustainability risks and opportunities in respect of the financial year ended 30 June 2022.	
		The Directors and Senior Management continue to ensure that the Company's strategies, business plans and risk management take into account sustainability considerations.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Board is assisted by the Sustainability Committee helmed by the Chief Executive Officer and comprising Executive Directors representing the Group's core business divisions and risk management to coordinate and drive the company's sustainability initiatives.</p> <p>The Sustainability Committee ensures that company strategies, business plans and risk management take into account sustainability considerations.</p>

Intended Outcome

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

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination Committee ("NC") evaluates the effectiveness of the Board as a whole, Board Committees and individual Director annually.</p> <p>On 26 August 2022, the NC evaluated the Board mix and composition as well as tenure of individual Director with due regard to Director's performance and contribution to the Board in respect of financial year 2022.</p> <p>The results of this evaluation concluded that the Board, Board Committees and individual Director possess the relevant skill sets, and had effectively discharged their stewardship responsibilities to meet the company's needs. The NC recommended that the retiring directors, namely Tiong Chiong Hee, Dato' Wong Lee Yun and Yong Voon Kar should be re-elected.</p> <p>The Board was satisfied with the favourable evaluation of the performance and contributions of the directors and endorsed the re-election of the retiring directors as recommended by the NC.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>During the financial year, the Board comprised 8 Directors, 3 Executive Directors and 5 Non-Executive Directors. 3 of the 5 Non-Executive Directors were Independent Non-Executive Directors (“Independent Directors”) which constituted 37.5% of the Board composition. MCCG recommended practice of having at least half of the Board to comprise independent directors has not been met.</p> <p>However, the Company had complied with the Main Market Listing Requirements of Bursa Securities which requires at least 2 or 1/3, whichever is higher, of Board members to be Independent Directors.</p> <p>The Company has in place appropriate governance structures and internal controls necessary to safeguard the assets of the Group and protect shareholder value. Sufficient oversight is provided by the Audit, Remuneration and Nomination Committees, all of which are chaired by Independent Directors.</p> <p>The Board is of the view that the current Independent Directors have the experience and business acumen to provide the check and balance and protect the interest of shareholders, in particular the minority shareholders.</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

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

Practice 5.3

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

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

Application	:	Applied
Explanation on application of the practice	:	
Explanation for departure	:	<p>Currently, one (1) Independent Director Dato' Wong Lee Yun had served for a cumulative period of more than nine (9) years.</p> <p>Following an assessment conducted by the Nomination Committee on 26 August 2022, the Board was of the view that the independence of Dato' Wong Lee Yun remains unimpaired. Her judgment in business dealings of the Group is not influenced by the interest of other Directors and substantial shareholders.</p> <p>With the qualification, experience and personal traits, particularly on integrity and objectivity possessed by Dato' Wong Lee Yun, the Board believes that she will continue to discharge her duties and responsibilities as an Independent Director towards meeting the Company's need.</p> <p>Accordingly, the Board recommended retaining her as an Independent Director up to 31 May 2023 subject to shareholders' approval at the forthcoming AGM of the Company.</p> <p>Key justifications for retaining her are disclosed in the Notice of the AGM in the Company's Annual Report 2022.</p> <p>However, the single tier shareholders' approval will be sought for the retention of Dato' Wong Lee Yun instead of the two tier voting process.</p> <p>The Board will seek shareholders' approval at the forthcoming AGM for the continuing of Dato' Wong Lee Yun as Independent Director up to 31 May 2023 by ordinary resolution via the usual single tier voting process. This process allows shareholders to provide the relevant sounding to the Board on the Independent Director who has served beyond the ninth (9th) year.</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

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

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to ensuring that the Directors of the Company possess a broad balance of skills, independence, age diversity (including gender diversity) and sufficient time to devote to the role.</p> <p>The Nomination Committee (“NC”), in making its recommendation on potential candidates for new appointment and those Directors who retire by rotation and offer themselves for re-election at Annual General Meeting will consider suitability of the individual based on the criteria set out in the Directors’ Fit and Proper Policy in line with Paragraph 2.20A of Listing Requirements including the following:</p> <ul style="list-style-type: none">i. Character and integrity;ii. Experience and competence;iii. Time availability with due regards to number of directorship (including directorship on Board of non-listed companies outside the Group) and other external obligations which may affect Director’s commitment;iv. Any other business interests that may result in a conflict of interest; andv. With regards to the candidate for the position of Independent Directors, the NC shall also evaluate the candidate’s ability to discharge such responsibilities as expected from Independent Non-executive Directors. <p>As for the appointment of Senior Management, the Human Resource Department focuses on criteria including character, integrity, experience, competence and commitment in the assessment of the identified candidates before recommending them to the designated Executive Director(s) for approval.</p>
Explanation for departure	:	

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

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>On appointment of new Director, the Board and Nomination Committee ("NC") are guided by the following process and procedures:</p> <ul style="list-style-type: none">(i) Nomination of prospective candidate by Board members or major shareholder;(ii) Evaluation by NC based on the criteria set out in the Directors' Fit and Proper Policy;(iii) Recommendation for Board's consideration and approval if candidate is found suitable; and(iv) Board's deliberation and decision. <p>The Board may also consider sourcing candidates via independent consultant.</p> <p>During the financial year, Dato' Jin Kee Mou was appointed to the Board which followed the procedures stated in (i) to (iv) above. The NC opined that this process provides an adequate basis to source for suitable candidates to fill Board positions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>Detailed information in respect of the Directors seeking re-election, namely Tiong Chiong Hee, Dato' Wong Lee Yun and Yong Voon Kar ("Retiring Directors") can be obtained from the Directors' Profile set out on pages 16 and 18 of the Company's Annual Report.</p> <p>The Board had, through the Nomination Committee ("NC"), conducted performance and "fit and proper" assessment on the Retiring Directors, and concluded that they had effectively discharged their roles as Directors and were able to act in the best interest of the Company. The Board endorsed the NC's recommendation on the re-election of the Retiring Directors.</p> <p>The Board has provided a statement to support the re-election of the Retiring Directors in the Notice of Annual General 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

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	:	During the financial year, the Nomination Committee was chaired by Dato' Wong Lee Yun, an Independent Director of the Company.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	Applied
Explanation on application of the practice	:	Throughout the financial year, three (3) or 37.5% of Board members were female.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has formalised a Board Diversity Policy and set a target of having at least two (2) women directors on the Board. The Board Diversity Policy is available on the Company's website at www.jayatiasa.net.</p> <p>The salient features of the Board Diversity Policy (gender diversity) are set out in the Corporate Governance Overview Statement in the Company's Annual Report.</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 form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Board entrusted the Nomination Committee (“NC”) to undertake annual evaluation on the Board collectively as well as on individual basis.</p> <p>On 26 August 2022, the NC met to assess the effectiveness of the Board and its Committees, performance of each individual Director and independence of the Independent Directors in respect of the financial year ended 30 June 2022. The NC members, facilitated by Company Secretary, jointly evaluated the effectiveness of the Board and the Board Committees via assessment questionnaires. Assessment Questionnaire was also used for the evaluation on the performance of the individual Director on self-evaluation approach.</p> <p>Based on the results of assessment and NC’s recommendation, the Board:</p> <ul style="list-style-type: none">i. was satisfied that the Board and Board Committees and individual Directors have the relevant skill sets, and have effectively discharged their stewardship responsibilities to meet the needs of the Company. The independence of Dato’ Wong Lee Yun who has served for a cumulative period of more than 9 years remained un-impaired.ii. recommended for shareholders’ approval at the forthcoming Annual General Meeting of the Company the following:<ul style="list-style-type: none">(a) re-election of the retiring Directors, namely Tiong Chiong Hee, Dato’ Wong Lee Yun and Yong Voon Kar; and(b) continuation in office of Dato’ Wong Lee Yun as Independent Director of the Company up to 31 May 2023.

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

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has formalised the Policies and Procedures on Remuneration for the Directors and Senior Management. This is in line with the objective to attract, reward, motivate and retain valuable Directors and Senior Management who lead the Company and its subsidiaries towards realizing its corporate strategies and long-term success.</p> <p>In recommending the remuneration of the Executive Directors, the Remuneration Committee take into consideration factors including the performance, experience, skill set, extent of responsibility and the market rate in comparable companies.</p> <p>In the case of Non-Executive Directors, their remuneration shall commensurate with their responsibilities, including their involvement in and contribution to the Board and Board Committees, and attendance at meetings.</p> <p>The Policies and Procedures on Remuneration for the Directors and Senior Management is available on the Company's website at www.jayatiasa.net.</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 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	:	The Remuneration Committee ("RC") is authorised by Board to implement policies and procedures on remuneration of Board and senior management. The Terms of Reference of RC is available on the Company's website at www.jayatiasa.net .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The total remuneration for the Directors of the Company in respect of the financial year ended 30 June 2022 was RM2,361,825.</p> <p>None of the Directors of the Company received any remuneration from any subsidiaries within the Group during the financial year.</p> <p>Details of the remuneration for each of the Directors of the Company distinguishing between executive and non-executive Directors are set out below:</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	Independent Director	86,000	102,400	-	-	-	3,840	192,240	-	-	-	-	-	-	
2	Dato' Jin Kee Mou	Executive Director	-	-	492,000	246,000	23,950	95,940	857,890	-	-	-	-	-	-	
3	Tiong Chiong Hee	Executive Director	-	-	312,000	65,000	-	49,010	426,010	-	-	-	-	-	-	
4	Clara Tiong Siew Ee	Executive Director	-	-	252,000	52,500	-	39,585	344,085	-	-	-	-	-	-	
5	Dato' Sri Dr Tiong Ik King	Non-Executive Non-Independent Director	80,000	6,400	-	-	-	-	86,400	-	-	-	-	-	-	
6	Tiong Choon	Non-Executive Non-Independent Director	83,500	6,400	-	-	-	-	89,900	-	-	-	-	-	-	
7	Dato' Wong Lee Yun	Independent Director	110,500	6,400	-	-	-	145,500	262,400	-	-	-	-	-	-	
8	Yong Voon Kar	Independent Director	96,500	6,400	-	-	-	-	102,900	-	-	-	-	-	-	
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	

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 Board is of the view that the disclosure of the top five (5) Senior Management's remuneration on a named basis with various remuneration components will not be in the best interest of the Company, as it will give rise to recruitment, talent retention and staff morale issues.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Company								
No	Name	Position	Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Company ('000)								
No	Name	Position	Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairperson of the Audit Committee is Dato’ Wong Lee Yun who is not the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Terms of Reference (“TOR”) of Audit Committee had been revised and adopted by the Board to include the observation of a cooling-off period of at least three (3) years before a former partner can be appointed as a member of the Audit Committee.</p> <p>The TOR of the Audit Committee are published on the Company’s website at www.jayatiasa.net.</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 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee ("AC") assesses the suitability of the external auditor on an annual basis based on the following criteria as set out in the Auditors Independence Policy:</p> <ul style="list-style-type: none">i. auditor independence;ii. quality of audit services; andiii. audit fees. <p>The annual assessment is carried out via assessment questionnaires.</p> <p>The AC had in October 2022 reviewed and assessed the suitability of the external auditors, Messrs Ernst & Young PLT ("EY") based on the above criteria and was satisfied with their performance, technical competence and audit independence. The AC received assurance from EY confirming that they are independent in accordance with the By-Laws (on Professional Ethics, Conducts and Practice) of the Malaysian Institute of Accountants, in respect of the financial year 2022.</p> <p>Based on the Audit Committee's recommendation, the Board recommended the re-appointment of EY as the external auditor for the ensuing financial year for approval by shareholders at the forthcoming Annual General Meeting to be held on 25 November 2022.</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 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>During the financial year, all the members of the Audit Committee are Independent Non-Executive Directors:</p> <p><u>Chairperson</u> Dato' Wong Lee Yun</p> <p><u>Members</u> Mr. Yong Voon Kar; and Tan Sri Dato' Sri Mohamad Fuzi Bin Harun</p> <p>They satisfied the independent test based on the criteria set out in the Listing Requirements of Bursa Malaysia Securities Berhad.</p>

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>All the Audit Committee ("AC") members are financially literate and carried out their duties in accordance with the Terms of Reference of the AC approved by the Board. The qualification and experience of the AC Members are disclosed in the Directors' profile in the Company's Annual Report 2022.</p> <p>All members of the AC had attended continuous professional development programmes to keep themselves abreast of relevant development in accounting and auditing standards. Details of their training attended during financial year 2022 are disclosed in the Corporate Governance Overview Statement of the Company's Annual Report.</p> <p>In addition, the AC members had been briefed by the External Auditors on key changes in financial reporting standards and regulatory requirements from time to time during AC Meetings.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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 has formalised and implemented an enterprise-wide risk management framework within the Group and is consistent with the Statement on Risk Management and Internal Control: Guidelines for Directors of Issuers.</p> <p>The Risk Management Committee (“RMC”), led by the Executive Director cum Chief Risk Officer and supported by representatives from key senior management, assists the Board in driving effective risk management through implementation of appropriate controls and risk treatment strategies on identified key risks.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has a Risk Management Framework which sets out the risk management governance, guidelines, processes and control responsibilities and underpins the Risk Management Policy. It seeks to ensure that there is consistency to the methods used in managing risks throughout the Group and that risk management efforts are aligned with the Group's business objectives.</p> <p>The Risk Management Framework includes the core components of the Committee of Sponsoring Organizations of the Treadway Commission's original Enterprise Risk Management-Integrated Framework as its risk management guidelines.</p> <p>Details of the information on risk management and internal control within the Group is disclosed in the Statement on Risk Management and Internal Control in the Company's Annual Report 2022.</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 10.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has in place an in-house internal audit department (“IAD”), which provides the Board, through the Audit Committee, with independent and objective assurance on the adequacy and operating effectiveness of the Group’s system of internal controls and risk management.</p> <p>The IAD, which is independent of the activities it audits, reports directly to the Audit Committee. The IAD executes audit assignments based on audit plan approved by the Audit Committee.</p> <p>The Head of IAD presents key audit findings quarterly at the Audit Committee meeting. The details of actual work carried out by the IAD, together with its scope of coverage, for the financial year under review are set out in the Audit Committee Report in the Company’s Annual Report 2022.</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 11.2

The board should disclose–

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

Application	:	Applied	
Explanation on application of the practice	:	<p>None of the internal audit personnel have any relationships or conflict of interest that could impair their objectivity and independence in conducting their internal audit functions.</p> <p>The Internal Audit Department (“IAD”) of the Group currently consists of fifteen (15) personnel and is headed by Mr Johnny Lu King Ing, a Senior Manager. He is an Associate Member of the Institute of Internal Auditors of Malaysia (IIA Malaysia).</p> <p>The internal audit function is independent of the activities it audits and carries out its work in accordance with the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.1

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

Application :	Applied
Explanation on application of the practice :	<p>The Board recognizes the importance of effective and proactive engagement with the shareholders and stakeholders.</p> <p>The Company's Investor Relations ("IR") Function undertakes ongoing engagement and communication with key institutional investors and analysts. IR Reports containing IR activities and investors' concerns are presented to the Board for deliberations to enable the Company to understand stakeholders' concerns and to take those concerns into account when making decisions.</p> <p>The Board is committed to being transparent and accountable to the Company's stakeholders by ensuring that material information such as the financial results is disclosed to them timely, and the Group's performance and operations information provided on the Company's website is up-to-date.</p> <p>Communication and engagement with stakeholders include:</p> <ul style="list-style-type: none">• quarterly announcement on financial results to Bursa Securities;• other company announcements and circulars to shareholders whenever necessary;• annual report and General Meetings;• ongoing engagement and communication with investors and investment communities; and• the Group's website at www.jayatiasa.net where stakeholders can access corporate information, annual report, financial information, company announcements and share prices of the Company. To effectively address any issues, the Group has dedicated an electronic mail address at inquiry@jayatiasa.net where stakeholders can direct their queries and concerns. <p>The Company has in place the Corporate Disclosure Policies and Procedures which provides guidance for disclosure of material information in accordance with the Listing Requirements of Bursa Securities and sets out the roles and responsibilities of Directors, management, employees and other relevant persons in the handling and disclosure of material information to shareholders, regulators and</p>

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

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Notice of the Company's last year Annual General Meeting ("AGM") held on 26 November 2021 was sent to the shareholders twenty-eight (28) days before the date of the AGM. This notice period is more than the twenty-one (21) days requirement under the Companies Act 2016, Company's Constitution and the Listing Requirements.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	All Directors attended the Company's 61 st Annual General Meeting ("AGM") held on 26 November 2021. The presence of Directors gave shareholders the opportunity to engage with them and made informed decision at the AGM.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's 61st AGM held on 26 November 2021 was conducted fully virtual and had leveraged on technology to facilitate remote shareholders' participation and electronic poll voting including voting in absentia (remote voting) to encourage greater shareholders' participation. Shareholders were able to view the AGM proceedings through live streaming, pose questions to the Board/Management of the Company, and submit their votes remotely.</p> <p>Boardroom Share Registrars Sdn Bhd ("Boardroom") is the 3rd party service provider for the online platform of the Company's virtual 61st AGM. Its LumiAGM system and suppliers' services are ISO/IEC 27001:2013 certified and is hosted on Amazon Web Services (AWS) which has been independently proven to be accurate and secure. LumiAGM system uses industry best-practice encryption techniques and has implemented regular extensive penetration testing to ensure the data privacy and security to prevent cyber threats.</p> <p>Boardroom also assured that the client data will not be used for Question and Answer purposes and is not retained beyond the purpose of processing client's proxy forms for the conduct of the general meetings.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	<p>The Company's Annual General Meeting ("AGM") serves as a principal forum for direct two-way interaction between shareholders and the Board and management as well as for dialogue with all shareholders.</p> <p>At the fully virtual AGM held in November 2021, the shareholders were given opportunities to raise questions before and during the AGM. The Board, senior management and the Company's external auditors were present to answer questions raised. The outcome of the AGM was announced to Bursa on the same day after the conclusion of the AGM. Questions that were not answered during the AGM were replied via email by the Company after the AGM.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Applied
Explanation on application of the practice :	<p>The Annual General Meeting of the Company held on 26 November 2021 (“the AGM”) was conducted on a fully virtual basis via online meeting platform at https://meeting.boardroomlimited.my (Domain Registration No. with MYNIC-D6A357657) provided by the Company’s appointed agent, Boardroom Share Registrars Sdn Bhd (“Boardroom”), which was supported by an experienced technical support team including the required infrastructure and equipment.</p> <p>The Remote Participation and Online Voting Facilities provided by Boardroom allowed shareholders to pose questions to the Board via typed text in the query box. The questions submitted prior to the AGM and during the AGM by the shareholders are made visible to all meeting participants during the AGM.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The minutes of the last Annual General Meeting (“AGM”) held on 26 November 2021 were uploaded to the Company’s website within 30 business days after the AGM.
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 or tap here to enter text.