

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 5048  
**COMPANY NAME** : YB VENTURES 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors ("<b>Board</b>") collectively leads and is responsible for the long-term success of the Company and its subsidiaries ("<b>Group</b>") by providing leadership and direction as well as supervision of the Management of the Company. Generally, the Board has primary responsibility for the governance and management of the Company, and fiduciary responsibility for the financial and organisational health of the Company.</p> <p>The Board is also responsible for the oversight and overall management of the Group including assessing and agreeing with the Group's corporate objectives, and the goals and targets to be met by the Management.</p> <p>The Board has a formal schedule of matters reserved to itself for decision, which includes the overall Group strategy and direction, investment policy, major capital expenditures, consideration of significant financial matters and review of the financial and operating performance of the Group.</p> <p>A combination of an effective board consists of Executive Directors ("<b>ED</b>") with intimate knowledge of the business and Non-Executive Directors ("<b>NED</b>") from diversified industry/business backgrounds to bring broad business and commercial experience to the Group. Each of the Directors' profile is set out in the Annual Report.</p> <p>The main roles and responsibilities undertaken by the Board are as follows:</p> <ul style="list-style-type: none"><li>• to set strategic directions for the Company to ensure that the Company meet its objectives</li></ul>

- to take responsibility together with the Management for the governance of sustainability in the Company including setting the Company’s sustainability strategies, priorities and targets
- to review and approve strategic initiatives including corporate business restructuring or streamlining and strategic alliances
- to ensure that the Company has appropriate corporate governance structures in place, including standards of ethical behaviour and promoting a culture of corporate responsibility
- to approve the nomination, selection, succession policies, and remuneration packages for the Board, Board Committee members as well as the nomination of Directors on the functional Boards of the subsidiaries and the Principal Officers, the annual manpower budget for the Group and to manage succession planning, appointment, training, fixing the compensation of, and where appropriate, replacing the Management or key personnel
- to review the adequacy and integrity of the Group’s risk management and internal control systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines
- to review and approve the financial statements encompassing annual audited accounts and interim financial reports
- to review and approve the credit facilities offered by the financial institutions and guarantees provided by the Group

The roles and responsibilities of the Independent Non-Executive Directors (“**INED**”)/Non-Independent Non-Executive Directors (“**NINED**”) and ED are clearly defined and properly segregated in the Board Charter. All the INED are independent of the ED, Management and major shareholders of the Company, and are free from any business or other relationship with the Group that could materially interfere with the exercise of their judgement. This offers a strong check and balance on the Board’s deliberations.

As part of its efforts to ensure the effective discharge of its responsibilities, the Board has delegated certain functions and responsibilities to the following Board Committees:

- Audit Committee (“**AC**”);
- Nomination Committee (“**NC**”);
- Remuneration Committee (“**RC**”); and
- Risk Management Committee (“**RMC**”).

The Chairman of each Board Committee will report to the Board on the results of the committee meetings, including key issues considered at the committee meetings. Board Committees perform their duties in accordance with the Terms of Reference (“**TOR**”).

	The Board Charter and TOR for the AC, NC, RC and RMC are available on the Company's website at <a href="https://www.ybventures.com/">https://www.ybventures.com/</a> .	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman of the Company is Dato' Sri Tajudin Bin Md Isa, who is an Independent Non-Executive Chairman of the Company.</p> <p>As the Non-Executive Chairman of the Company, he is responsible for instilling good corporate governance practices, leadership and effectiveness in the Board without limiting the principles of collective responsibility for the Board's decisions. The primary responsibilities of the Chairman include, amongst others, the following:-</p> <ul style="list-style-type: none"><li>• To lead the Board and ensure the Board discharges its roles effectively in all aspects;</li><li>• To lead Board meetings and encourage effective contributions from all Directors at Board meetings;</li><li>• To promote constructive and respectful relations among Directors, and between the Board and Management; and</li><li>• To ensure effective communication with shareholders and relevant stakeholders.</li></ul> <p>The responsibilities of the Chairman of the Board are set out in the Board Charter, which is available on the Company's Website at <a href="https://www.ybventures.com">https://www.ybventures.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.3

The positions of Chairman and Executive Directors are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The positions of Chairman and EDs are held by different individuals.</p> <p>The Chairman is Dato' Sri Tajudin Bin Md Isa and the Executive Directors are Datuk Au Yee Boon, Mr Tan Eik Huang and Mr Lee Boon Siong.</p> <p>A clear division of responsibilities between the two roles is spelt out in the Board Charter to ensure an appropriate balance of power and authority, increasing accountability and allowing the Board to make independent decisions.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Departure
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	<p>The Chairman of the Board is also a member of the Audit Committee and Nomination Committee.</p> <p>Despite Dato' Sri Tajudin Bin Md Isa's role as the Chairman of the Board and member in other committees, he exercises independent and objective opinions and advises the Company based on his vast experiences.</p> <p>In addition, the Chairman is not involved in the Company's managerial and operational matters.</p> <p>Alternatively, the Board will consider the shuffling of the composition of the Board Committees, if it is necessary.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	Choose an item.

### Intended Outcome

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

### Practice 1.5

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by two (2) suitably qualified and competent Company Secretaries. The Company Secretaries play an advisory role to the Board. They are responsible for ensuring all Board procedures and Board management matters are in line as well as in compliance with the Main Market Listing Requirement of Bursa Malaysia Securities Berhad (“<b>Bursa Securities</b>”) (“<b>MMLR</b>”), relevant laws and regulations. The Company Secretaries have constantly kept themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance by attending relevant trainings from time to time.</p> <p>The Company Secretaries attended all Board and Board Committees meetings. They ensured that meetings were properly convened and that accurate and proper records of the proceedings and resolutions passed were taken and recorded accordingly.</p> <p>The Board is satisfied with the performance and supports rendered by the Company Secretaries to the Board in discharging its functions.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.6

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Unless otherwise agreed, notice of each meeting confirming the venue, time, date and agenda of the meeting together with relevant Board papers will be forwarded to each director no later than seven (7) days before the date of the meeting. This is to ensure that Board papers comprising due notice of issues to be discussed and supporting information and documents were provided to the Board sufficiently in advance. Furthermore, the Directors are given sufficient time to read the Board papers and seek any clarification as and when they may need advice or further explanation from the Management and Company Secretaries.</p> <p>The Board's deliberations regarding the issues discussed during the meetings and the Board's conclusions in discharging its duties and responsibilities are recorded in the minutes of meetings by the Company Secretaries and properly documented and maintained at the Registered Office of the Company.</p> <p>All the minutes of meetings are circulated and confirmed as a correct record of proceedings by the Board and Board Committees at their next meetings, respectively.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 2.1**

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

The board charter clearly identifies–

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board Charter's objective is to ensure that the members of the Board practice good corporate governance in their business conducts and dealings in respect of and on behalf of the Group and comply with the various laws and regulations governing them and the Group.</p> <p>The Board Charter has set out the directors' roles and responsibilities, and the Board Committees' roles and responsibilities are stated in their respective TOR.</p> <p>The current Board Charter is accessible for reference on the Company's website at <a href="https://www.ybventures.com/">https://www.ybventures.com/</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 3.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has maintained and adopted the Code of Conduct (“<b>Code</b>”) for all Group employees, executive officers and Board members.</p> <p>The Code is a formal document establishing the behavioural qualities expected of the Group and its employees. The Code has highlighted and reinforced key ethical and legal conduct areas, including personal behaviour, particularly those related to business activities.</p> <p>The Code has covered various areas particularly compliance, conflicts of interest, giving and receiving gifts and entertainment etc.</p> <p>The Board is committed to maintain a corporate culture that engenders ethical conduct through its Code, which summarises what the Company must do proactively to increase corporate value and describes the areas in daily activities that require caution to minimise risks.</p> <p>The Code is available on the Company's website at <a href="https://www.ybventures.com/">https://www.ybventures.com/</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 3.2**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has set up, reviewed and implemented the whistleblowing policy with the Management.</p> <p>The objective of whistleblowing policy is to facilitate the stakeholders, including but not limited to employees, customers, suppliers, business associates, government bodies and financial institutions, to report any genuine concerns or allegations to a senior or independent member of Group's Management about alleged unethical behaviour, actual or suspected fraud within the Group, or improper business conduct affecting the Group. The whistleblowing policy is designed to provide protection for the whistleblowers who report such allegations or misconduct. The whistleblowing policy has detailed the procedures for making a report.</p> <p>The whistleblowing policy is made available on the Company's website at <a href="https://www.ybventures.com/">https://www.ybventures.com/</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.1**

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

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible for developing and growing the business in a sustainable manner. The ED will provide support to manage the integration of sustainability in the Group’s operations.</p> <p>The Management is committed to exploring the benefits of sustainable practices to the business and to implementing such practices to achieve the right balance between the needs of the community, the requirements of shareholders and stakeholders and economic success.</p> <p>The Board aims to create a culture of sustainability within the Group and the community, emphasising integrating the social, environmental and governance considerations into decision making and the delivery of outcomes.</p> <p>Information on Company’s material issues and its social and environmental impacts, as well as key sustainability initiatives, is disclosed in the Sustainability Statement of the Annual Report 2022.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company has established effective and transparent communication channels with stakeholders where the method of engagement was summarised in the Sustainability Statement of the Annual Report 2022.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 4.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company Secretaries regularly update the Board on the changes in the MMLR upon receiving the circulars from Bursa Securities, which are relevant to the Company and provide advice on corporate disclosures and compliances which includes understanding of sustainability issues.</p> <p>The Board also has sufficient knowledge and understanding of sustainability issues relevant to the Company and its business to conduct its responsibilities effectively. It is committed to keeping abreast of sustainability issues related to the changing operating environment relevant to its business.</p> <p>The Board and Management continue to advocate for elements of sustainability in the business, and the Company remains committed to developing and enhancing the practices and initiatives.</p> <p>Further details are set out in the Sustainability Statement of the Annual Report 2022.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.4**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The NC with the assistance of company secretary had carried out a set of performance evaluations annually to review the effectiveness of the Board, Board Committees and individual Directors.</p> <p>The performance evaluations of the Board include a review of the performance in the Company’s material sustainability risks and opportunities. It is part of the procedure to measure progress against the achievement of the sustainability targets in order to promote accountability of the Board and to identify any issues that may require intervention by the Board or the Management, to ensure corrective actions are taken.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.5- Step Up**

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

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

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	Please provide an explanation on how the practice is being applied.

### Intended Outcome

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

### Practice 5.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board empowers the NC to review and evaluate the composition and performance of the Board annually as well as to assess qualified candidates to occupy Board positions.</p> <p>During the financial period under review, NC has reviewed each Director's tenure to ensure that Independent Directors do not serve more than the nine (9) years term limit as suggested by MCCG and twelve (12) years term limit as stated under MMLR.</p> <p>NC evaluates the suitability and performance of individuals running for re-election at the Annual General Meeting ("AGM") through a performance review conducted for the 18-month financial period ended 30 June 2022 ("FPE 2022"). Through the evaluation, the NC was satisfied with the performance and has concluded that the size, composition, the mixture of qualifications, skills and experience among the Board and Board Committees members and the independence of its Independent Directors were all met with requirements.</p> <p>Through the evaluation conducted, the NC will also recommend candidates for re-election to the Board based on the results of the performance appraisal and subsequently, propose to the shareholders at the AGM for their approval.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>As at 30 June 2022, there are three (3) Independent Non-Executive Directors out of a total of six (6) Board members.</p> <p>This composition complied with Paragraph 15.02 of the MMLR whereby the Company must have at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, who are Independent Directors and is in line with the MCCG which recommends the practice of at least half of the Board members are Independent Directors.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.3**

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has adopted a 9-year policy for Independent Directors. Upon completion of 9 years, an Independent Director may continue to serve on the Board subject to the Director's redesignation as a Non-Independent Director. In the event such Director was to retain as an Independent Director, the Board would have to justify in the notice convening the AGM and seek shareholders' approval the retention of such an Independent Director at every AGM through a two-tier voting process.</p> <p>During the FPE2022, none of the Independent Non-Executive Directors has reached the 9-year tenure.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

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

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

**Intended Outcome**

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

**Practice 5.5**

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of diversity in terms of skills, experience, age, gender, cultural background and recognises the benefits of diversity at the leadership and employee levels.</p> <p>Accordingly, the appointment of the Company’s Board and Senior Management are based on objective criteria, merit, and due consideration for diversity in skills, experience, age, cultural background and gender. The Group adheres strictly to the practice of non-discrimination of any form.</p> <p>Regardless, when making recommendations, the NC will consider factors such as skills, knowledge, experience, diversity (including gender diversity), background, integrity, competence, time commitment and independence to achieve strategic objectives and the requirements of the business group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.6

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>During the year under review, sources used to identify suitably qualified candidates for appointment of directors are based on the recommendation by the NC. Qualified candidates are sourced through recommendations and external search networks. Any shortlisted candidates would be considered by the NC according to their profile, professional achievements and personality assessments. The recommendation would be deliberated by the Board prior to the appointment of new Director.</p> <p>However, the NC may also obtain and rely on independent sources such as a directors' registry, open advertisement or use of independent search firms in furtherance of their duties at the Company's expense, subject to approval by the Chairman or the Board, depending on the quantum of the fees involved. If the selection of candidates was solely based on the recommendations made by the Management or the existing Board member(s), then the NC will explain why other sources were not used.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Directors' profiles are disclosed in the Annual Report 2022, including their age, gender, directorships, work experience, and any conflicts of interest, as well as their shareholdings in the Company, if any.  The reasons for the re-election of the retiring directors are also set out in the explanatory notes to the notice of the 22 <sup>nd</sup> AGM of the Company.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.8**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The NC is chaired by the Company's Independent Non-Executive Director, Dato' Sri Gan Chow Tee.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board comprised of six (6) directors, of whom one (1) is woman, representing 16.67% female representation.	
		The Board acknowledges the importance of gender diversity in the Board and will pursue to source for suitable women candidates in the future, subject to the availability of qualified candidates and the requirements of the Board from a skill perspective.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:	Choose an item.	

**Intended Outcome**

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

**Practice 5.10**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	During the FPE 2022, the Company does not practice any form of gender, ethnicity or age group bias as all candidates shall be given fair and equal treatment. The Board believes that there is no detriment to the Company in not adopting a formal gender, ethnicity and age group diversity policy as the Company is committed to providing fair and equal opportunities and nurturing diversity within the Company. The Board is of the view that the appointment of Board members or Management should be determined based on objective criteria, merit and with due regard for diversity in skills, experience and other qualities.	
		The Company strives to achieve the appropriate boardroom diversity and promote diversity, inclusivity and equality regardless of gender, race and sexual orientation to encourage different groups of people to build positive relationships at the workplace.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:	Choose an item.	

### Intended Outcome

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

### Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>During the FPE 2022, NC through the assistance of Company Secretaries conducted an annual assessment of the effectiveness of the Board and Board Committees and each director's performance. The assessment process is based on self-assessment and assessment results were then presented to the Board for deliberation.</p> <p>Feedback and comments provided by Directors in the evaluation form have been properly recorded and discussed for improvement.</p> <p>Based on the summary results obtained for the FPE 2022, the NC was satisfied with the current Board composition and has concluded that each Director has the necessary competencies to serve on the Board and has fully demonstrated their commitment to the Company in terms of time and participation in the meetings. NC has also recommended to the Board to re-elect the retiring Directors at the 22<sup>nd</sup> AGM of the Company.</p>
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### Intended Outcome

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

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

### Practice 7.1

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:	Please provide an explanation on how the practice is being applied.	
<b>Explanation for departure</b>	:	There is no formal Group policy determining Board's and senior's management remuneration. The Board approves or recommends the remuneration of executive and non-executive directors annually based on the RC's review and recommendations.	
		Senior management remuneration is determined by the respective heads of divisions, taking into account their performance, commitment and roles and responsibilities.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 7.2

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In line with MCCG, the Company has an RC comprising a majority of Independent Non-Executive Directors. The RC's responsibilities include, amongst others, which support the Board in structuring the right remuneration package for Directors to be able to attract, retain and motivate Directors of the right calibre in leading and guiding the Group towards the directions that will benefit its shareholders and other stakeholders.</p> <p>Besides carrying out the function described above, the RC shall also review the remuneration packages of the EDs and members of the Committees of the Board and recommend them to the Board for approval.</p> <p>The TOR of RC is accessible on the Company's website at <a href="https://www.ybventures.com/">https://www.ybventures.com/</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 8.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The details of the Directors' remuneration paid to all the Directors of the Company (both by the Company and the Group) were disclosed in the Company's Annual Report 2022.

No	Name	Directorate	Company (RM)							Group (RM)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Sri Tajudin Bin Md Isa	Non-Executive Chairman	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Datuk Au Yee Boon	Executive Director	-	-	-	-	-	-	-	293,580	-	-	-	-	-	293,580
3	Dato' Sri Gan Chow Tee	Independent Non-Executive Director	30,000	-	-	-	-	-	30,000	30,000	-	-	-	-	-	30,000
4	Mr Lee Boon Siong	Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Mr Tan Eik Huang	Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Ms Kok Soke Kuen	Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Tan Sri Dato' Sri Dr Ali Bin Hamsa (Demised)	Non-Executive Chairman	135,000	-	-	-	-	-	135,000	135,000	-	-	-	-	-	135,000

### Intended Outcome

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

### Practice 8.2

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Due to the confidentiality and sensitivity of Senior Management's remuneration package and security concerns, the Company opts not to disclose the top five Senior Management's remuneration on a named basis.	
		The Board believes that the disclosure on a named basis of the top five (5) Senior Management officers may lead to an invasion of privacy and expose named officers to an unwarranted attention.	
		Nonetheless, the remuneration of Senior Management is disclosed on the Annual Report 2022 in the bands of RM100,001 to RM300,000 without reflecting the names of the individuals.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

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

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations.

The company’s financial statement is a reliable source of information.

**Practice 9.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairperson of AC is Ms Kok Soke Kuen. She is not the Chairman of the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations.

The company’s financial statement is a reliable source of information.

**Practice 9.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>During the FPE2022, none of the members of the Board is a former audit partner of the Company.</p> <p>The Company will observe a cooling-off period of at least three (3) years in the event that any potential candidate to be appointed as a member of the AC is an audit partner of the Company’s external auditors.</p> <p>The policy is reflected in the TOR of AC which is available on the Company’s website at <a href="https://www.ybventures.com/">https://www.ybventures.com/</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.

The company's financial statement is a reliable source of information.

### Practice 9.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The AC is responsible for assessing the external auditor's suitability, objectivity and independence and making subsequent recommendations to the Board on the external auditor's appointment, reappointment, or termination.</p> <p>The AC had also obtained written assurance from the external auditors confirming that they were, and had been, independent throughout the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>AC has carried out an annual assessment on the external auditors' for the FPE 2022. The review process includes:</p> <ul style="list-style-type: none"><li>i) assessing the external auditor's independence;</li><li>ii) assessing the external auditor's performance, quality of work and audit fees; and</li><li>iii) adequacy of resources.</li></ul> <p>Through the annual assessment, the AC was satisfied with the performance of the external auditors and has recommended the reappointment of the external auditors for the shareholders' consideration at the forthcoming 22<sup>nd</sup> AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.

The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	During the FPE2022, the Company's AC comprised solely independent directors.

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.

The company's financial statement is a reliable source of information.

### Practice 9.5

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The members of AC are financially literate and possess a mix of skills, knowledge and experience to enable them to discharge their duties and responsibilities.  An assessment of the AC's members was carried out and reviewed by the NC. In addition, the training attended by AC members during FPE 2022 were also disclosed in the Corporate Governance Overview Statement in the Annual Report 2022.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 10.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges that risk management is an integral part of the Group business operations. It is an ongoing process involving different levels of management to identify, evaluate, monitor and manage and mitigate the risks that may affect the achievement of its business and corporate objectives.</p> <p>Significant issues related to risk management and internal controls system are highlighted to the Board. If deemed necessary, the Board will seek advice from external parties on issues which require 3<sup>rd</sup> opinion.</p> <p>Details of the Group's risk management and internal control framework are set out in the Statement on Risk Management and Internal Control in the Company's Annual Report 2022.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 10.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The characteristics of the Group's risk management and internal control framework and the adequacy and effectiveness of this framework are disclosed in the Statement on Risk Management and Internal Control in the Company's Annual Report 2022.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 10.3 - Step Up**

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

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Company has established a Risk Management Committee to oversee the risk management function together with the Management.

### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group's internal audit function is carried out by an outsourced internal audit firm independent of the audits' activities, namely Tricor Axcelasia Sdn Bhd ("<b>internal auditor</b>"). The internal auditor reports directly to the AC and has direct access to the Board through the Chairman of the AC.</p> <p>The internal auditor has adequate resources and appropriate standing to undertake their work independently and objectively to provide reasonable assurance to the AC with regard to the adequacy and effectiveness of risk management, internal control and governance processes.</p> <p>Details of the internal audit function are set out in the AC Report in the Annual Report 2022.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 11.2

The board should disclose–

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group’s internal audit function is outsourced to a professional firm named Tricor Axcelasia Sdn Bhd (“<b>Tricor Axcelasia</b>”). Tricor Axcelasia has a sufficient number of audit staffs deployed for the internal audit reviews, which comprises a total of 65 persons.</p> <p>The Internal Auditor is led by Mr Chang Ming Chew. He is a member of the CISA (USA), CIA (USA), CRMA (USA), CMIIA, ACCA(UK).</p> <p>None of the persons involved has any family relationship with the Directors or Company which could result in a conflict of interest and/or impairment of the objectivity and independence during the internal audit review.</p> <p>Further details are disclosed in the AC Report in the Annual Report 2022.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the need for transparency and accountability to the shareholders as well as other stakeholders of the Company for the performance and operations of the Group. As such, the Board endeavours to ensure that communication with stakeholders is conducted in a regular manner.</p> <p>In providing timely disclosures to the shareholders, the Company will continuously enhance the disclosures on its website for broader and more effective dissemination of information to its stakeholders from time to time. The announcement of the quarterly financial results is also made via Bursa LINK in a timely manner as required under the MMLR to ensure equal and fair access to information by the investing public.</p> <p>The Board also provides a question and answer session during the AGM as one of the platforms for shareholders to voice their concerns on the Company's operating environment.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 12.2**

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

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

**Intended Outcome**

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

**Practice 13.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Notice of the 21 <sup>st</sup> AGM of the Company held in the year 2021 was issued more than twenty-eight (28) days prior to the meeting, which the Notice was served on 28 May 2021 and AGM was held on 30 June 2021. This was to ensure that shareholders were given sufficient time to read and consider the resolutions to be resolved.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges its responsibility to engage shareholders and provide meaningful responses to their questions at the AGM. Therefore, barring any unforeseen circumstances, all the Directors undertake to attend any members' meeting.</p> <p>Meanwhile, all the Directors of the Company attended the 21<sup>st</sup> AGM in a completely virtual manner.</p> <p>The presence of all Directors provides shareholders with an opportunity to engage with each Director and also allows shareholders to raise questions and concerns directly with the Directors.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.3**

Listed companies should leverage technology to facilitate–

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company conducted the 21<sup>st</sup> AGM on a fully virtual basis and entirely via remote participation and voting via vote2u online operated by Agmo Studio Sdn Bhd to facilitate remote participation and voting in absentia.</p> <p>The Company will also continue to conduct the upcoming 22<sup>nd</sup> AGM on a fully virtual and entirely via remote participation and voting.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	All the Directors and the principal officers were present at the 21 <sup>st</sup> AGM to respond to the questions posed by shareholders.  Sufficient time and opportunity were also available for the shareholders to pose questions during the 21 <sup>st</sup> AGM using the RPV facilities.  The Executive Chairman has answered all the questions posted by the shareholders during the 21 <sup>st</sup> AGM.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

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

### Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Company conducted the 21 <sup>st</sup> AGM on 30 June 2021 on a fully virtual basis and entirely via remote participation and voting by way of online operated by Agmo Studio Sdn Bhd.  During the AGM, the question and answer (“ <b>Q&amp;A</b> ”) session is an interaction between Directors, Management and shareholders. Shareholders who attended the 21 <sup>st</sup> AGM have posted their questions through the Q&A platform.  During the live streaming, the shareholders select “ <b>Voting</b> ” button and indicate their votes for the resolutions that are tabled for voting. The voting session commenced once the Chairman of the meeting declared that the voting platform was activated and announced the completion of the voting session of the 21 <sup>st</sup> AGM.  The poll results were verified by the Scrutineers, Aegis Communication Sdn Bhd. The poll results of all the resolutions were displayed on the screen during the virtual 21 <sup>st</sup> AGM.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**Intended Outcome**

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

**Practice 13.6**

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The minutes of the 21 <sup>st</sup> AGM was circulated to the shareholders via the Company's website within 30 business days after the AGM was held.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

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

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

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