

CORPORATE GOVERNANCE REPORT

STOCK CODE : 3026
COMPANY NAME : DUTCH LADY MILK INDUSTRIES BERHAD
FINANCIAL YEAR : December 31, 2021

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board plays an active role in the development of the Company's strategy. At each Board meeting, the Managing Director reports to the Board on various management issues such as the Company's business performance, marketing strategies, commercial performance, risk management, sustainability initiatives and other matters of strategic importance and the Board reviews and deliberates on these matters. The Audit & Risk Committee and the Board also receives a comprehensive summary of the Company's financial performance from the Finance Director for each quarterly reporting period.</p> <p>In November 2021, the Board together with Management deliberated on the financial budget for the financial year ending 31 December 2022 and the same was approved for implementation. The Board also took part in a Strategy Workshop to discuss and provide guidance to the Management on the Company's strategy for FY2022.</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	:	The Chairperson ensures that the Company is guided by good corporate governance practices. She facilitates robust dialogue during Board meetings and draws out diverse perspective from the Board members. She always encourages input and Board members are comfortable to challenge recommendations brought forth by Management. The Chairperson ensures that there is a good balance between the time allocated to governance matters and discussions on business performance and strategies during Board meetings. She also ensures that meetings focuses on key issues and are not side tracked by unnecessary topics.
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	:	The roles of the Chairperson and the Managing Director are separate and there is a clear division of responsibilities between them. The Managing Director is an appointee of the major shareholder and heads the Management Team. She is primarily responsible for the day to day management of the business and operations of the Company. The Chairperson is an independent director who has never assumed an executive position in 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

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	: Applied
Explanation on application of the practice	: Commencing from 27 September 2021, the Chairperson is no longer a member of any of the Board committees. The Chairperson does not attend or otherwise participate in any of these committee meetings either.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.5

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	:	The Company Secretary is a licensed secretary qualified to act as Company Secretary under Section 235 of the Companies Act 2016. She is a qualified lawyer and provides legal and company secretarial advice to the Board and the Company's Management Team. All Board members have access to the advice and services of the Company Secretary in carrying out their duties. The Company Secretary facilitates overall compliance with the Listing Requirements, the Companies Act 2016 and the recommendations in compliance with the Malaysian Code on Corporate Governance (as amended from time to time).
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	:	For each Board Meeting, the agenda and Board papers are distributed at least seven days in advance to enable Directors to have sufficient time to review the Board papers and to obtain further explanation or clarification to facilitate the decision-making process and the meaningful discharge of their fiduciary duties. All proceedings of Board meetings are minuted and circulated to the Board members in advance of the next Board meeting for their comments and input.	
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	:	The Board has adopted a Board Charter which sets out the Board's strategic intent and outlines the Board's roles and responsibilities, the vision, mission, shared values and principles, as well as the policies and strategic development of the Company. The Board Charter specifies clearly the roles and responsibilities of the Board, the Board Committees, individual directors and Management. The Charter is updated from time to time and the latest update was reviewed in 2021 to ensure that it is in line with the latest requirements of the Code. The updated Charter was approved by the Board on 25 November 2021 and is available for reference at the Company's website at www.dutchlady.com.my
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>Specific principles and procedures in the manner the Company conducts its business are clearly spelt out in Royal FrieslandCampina N.V.'s ("RFC") Code of Business Conduct which has been adopted by the Company. The Code of Business Conduct is known as "Compass" and is designed to set a certain standard for all employees and officers of the Company. It promotes integrity in the workplace with focus on safety, rights of employees and human rights, sustainability and avoidance of conflicts of interest. Compass also promotes integrity in business practices with focus on anti-bribery and anti-corruption, gifts and hospitality, fair competition, and fair communication. Finally, Compass focusses on the protection of the Company's interests with focus on protection of confidential information, data protection, integrity of financial reporting and the prevention of fraud.</p> <p>In addition to Compass, the Company has adopted RFC's anti-bribery and corruption policy known as the Doing Honest Business Policy ("DHB Policy"). The DHB Policy is a policy to conduct business in an honest and ethical manner. The policy has been localized to set out values in Malaysian Ringgit for easier application by the Company's employees and stakeholders. The Company's business partners are also required to conduct business in the manner set out in RFC's Business Practices for Business Partners, which the Company has adopted. Moreover, the Company also takes steps to be in compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, which are in line with the Guidelines for Adequate Procedures as prescribed by Section 17A.</p> <p>A copy of Compass and the DHB Policy is available on the Company's website at www.dutchlady.com.my.</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	:	Under Compass, employees and other stakeholders have access to the Speak-Up Procedure, which serves as an avenue for employees and other stakeholders to voice out their concerns on matters relating to Compass. The Speak-Up Procedure clearly sets out a well-defined process upon which Compass-related matters can be raised in confidence and in good faith and without fear of reprisal. The Company has also established a procedure whereby certain Speak Up Reports which are of a financial or fraudulent nature will be escalated to the Company's Audit & Risk Committee. A copy of the Speak Up Procedure is available on the Company's website at www.dutchlady.com.my .
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	:	Management is conscious and serious about the Company’s responsibility towards sustainability issues and its role in the Company’s long-term strategic plans. Management is committed towards ensuring responsible corporate conduct is demonstrated and practised in the Company’s daily activities across all aspects of the Company’s operations. Details on the Company’s sustainability strategies, priorities, targets and performance is shared in the Company’s Sustainability Statement in the Annual Report.	
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	:	The Board ensures that information on the Company’s sustainability strategies, priorities, targets and performance is shared in the Company’s Sustainability Statement in the Annual Report.	
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	:	The Board, in partnership with Management and other stakeholders, are committed towards ensuring that responsible corporate conduct is demonstrated and practiced in the Company’s daily business activities across all aspects of its operations. The Company’s sustainability goals and initiatives are discussed with Management at every Board meeting. Management provides updates the Board every quarter on its sustainability roadmap, challenges, goals and achievements.	
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	:	Applied	
Explanation on application of the practice	:	The performance evaluation of senior management is carried out in accordance with human resource policies of RFC group. DLMI's performance (which includes reaching goals under its sustainability strategy) is a part of the assessment. The Board Evaluation for FY2021 included consideration as to whether conversations on Environmental, Social and Governance (ESG) form part of the Board Agenda and monitoring progress on sustainability initiatives by 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

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	:	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 5.1

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	:	The Nominating & Remuneration Committee performs an annual evaluation of the performance and contribution of every director and board committee, which was rated as satisfactory in 2021. In addition, the Board has adopted a policy to limit the tenure of an independent director to 9 years without further extension.	
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>Currently the board consists of 4 independent and 4 non-independent directors. Of the 4 non-independent directors, 3 are nominees of Royal FrieslandCampina N.V ("RFC"), and 1 is a nominee of Permodalan Nasional Berhad. As such 5 out of 8 of the Board members represents the Company's minority shareholders.</p> <p>The Company's major shareholder is a foreign co-operative of farmers. The Board considers that the current composition fairly reflects the foreign direct investment and the investment of the minority shareholders. The proportion of independent directors ensures effective checks and balances on the Board and the independent directors effectively safeguard the interest of the minority shareholders.</p>	
		<p>The Company has an equal number of independent and non-independent directors. However a majority of the Board members represents the Company's 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	:	The Company has an equal number of independent and non-independent directors. However a majority of the Board members represents the Company's our minority shareholders.	
Timeframe	:	Others	More than 3 years - The Board will monitor and review this in the future

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	:	Not applicable - Step Up 5.4 adopted	
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

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.

<i>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.</i>	
Application	: Adopted
Explanation on adoption of the practice	: On 25 Nov 2021, the Board has adopted a policy to limit the tenure of an independent director to 9 years without further extension. The policy is available on www.dutchlady.com.my

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	:	The Company's Board consists of qualified individuals with a good mix of operational and commercial experience. In the appointment of Board members, the Nominating & Remuneration Committee will consider whether members of the Board have both local and international experience and that together, they bring a wide range of competencies, capabilities, technical skills and relevant business experience.	
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	:	In respect of the appointment of all directors, the Nominating & Remuneration Committee considers shortlisted candidates based on their profiles, professional achievements and personality assessments. Appropriate candidates for independent directors are sourced through recruitment firms based on the needs of the Board. The Nominating & Remuneration Committee then ensures that the candidates are suitable and of sufficient calibre for recommendation for the approval 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

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>The Board through its Nominating & Remuneration Committee (“NRC”) had assessed each of the retiring Directors, and considered the following: (i) If there is any evidence of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect, the Directors’ capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole; and (ii) The Director’s performance and contribution based on the Directors’ Peer Assessment results.</p> <p>For item (i) the NRC considered and did not find evidence of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect the respective Directors’ capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole, save and except that Mr. Bernardus Hermannus Maria Kodden and Ms. Ramjeet Kaur Virik are Board representatives of RFC and as such Mr. Bernardus Hermannus Maria Kodden and Ms. Ramjeet Kaur Virik are Non-Independent Board members. None of the retiring Directors hold any shares in the Company whether directly or indirectly, have any family relationships with any other director or substantial shareholder of the Company nor do they have any personal interest in any business arrangement involving the Company. For item (ii), the NRC found that each of the retiring Directors had performed well based on the performance criteria evaluated.</p> <p>Based on the above, the Board approved the NRC’s recommendation and supports the re-election of Mr. Bernardus Hermannus Maria Kodden and Ms. Saw Chooi Lee who retire in accordance with Rule 105 of the Company’s Constitution, and the re-appointment of the Ms. Ramjeet Kaur Virik who retires in accordance with Rule 86.3 of the Company’s Constitution.</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	:	The Chairperson of the Nominating & Remuneration Committee since 25 May 2021 is Ms. Saw Chooi Lee, the Company's Senior Independent Director.	
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	:	Out of the 8 members currently on the Board, 5 are women. As such the Board comprises of 63% women directors.	
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	:	The Company's policy on gender diversity for the Board and its Management Team is disclosed in the Annual Report.	
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	: The Board undertakes an internal annual evaluation of the Board's effectiveness. In FY2020, a review on Board effectiveness was carried out using External Consultants. Moving forward, an evaluation by External Consultants will be carried out on a periodic basis. In FY2021, an internal evaluation was carried out which was led by the NRC Chairperson and facilitated by the Company Secretary. The evaluation was conducted on the Board, the Nominating & Remuneration Committee, the Audit Committee, the Managing Director and on each individual Board member through a peer evaluation. Key findings are set out in the Corporate Governance Overview Statement in the Annual Report.
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 policy for Directors' remuneration is to provide a remuneration package needed to attract, retain and motivate directors of quality required to supervise and/or manage the business of the Company. The Non-Executive Directors are paid fixed annual directors' fees as members of the Board and these are approved by shareholders at the Annual General Meeting.</p> <p>Remuneration for the Managing Director of the Company is approved by the Board in consultation with the RFC Group. The remuneration for the Managing Director is based on the human resource policies and procedures of the RFC Group. The Company follows the performance appraisal system and compensation and benefits scheme of the RFC Group. For the Managing Director, corporate and individual performance are rewarded through the use of an integrated pay benefits and bonus structure. Market competitiveness, business results and individual performance are also considered by the RFC Group in evaluating the Managing Director's remuneration.</p> <p>The Company's Remuneration Policy which was updated on 25 November 2021 is available on the Company's website at www.dutchlady.com.my.</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	:		
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Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has a Nominating & Remuneration Committee. The Committee's primary responsibilities include periodically reviewing and implementing policies governing the remuneration for Non-Executive Directors and to make recommendations to the Board on all elements of remuneration and terms of employment for the Non-Executive Directors.</p> <p>The Nominating & Remuneration Committee's Terms of Reference was updated on 25 November 2021 and is available on the Company's website at www.dutchlady.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 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	:	The detailed disclosure on named basis for the remuneration of individual directors for FY2021 is disclosed below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Zainal Abidin bin Putih (up to 25 May 2021)	Independent Director	64,930	7,800	-	-	-	-	72,730	-	-	-	-	-	-	-
2	Tarang Gupta (up to 1 July 2021)	Executive Director	-	-	615,668	446,000	128,133	147,163	1,336,963	-	-	-	-	-	-	-
3	Datin Seri Sunita Mei-Lin Rajakumar	Independent Director	101,906	13,000	-	-	-	-	114,906	-	-	-	-	-	-	-
4	Ramjeet Kaur Virik (from 2 July 2021)	Executive Director	-	-	373,819	-	16,918	55,749	446,486	-	-	-	-	-	-	-
5	Saw Chooi Lee	Independent Director	73,501	13,000	-	-	-	-	86,501	-	-	-	-	-	-	-
6	Dato' Dr. Rosini binti Alias	Non-Executive Non-Independent Director	75,506	13,000	-	-	-	-	88,506	-	-	-	-	-	-	-
7	Tengku Nurul Azian binti Tengku Shahrman	Independent Director	76,938	15,600	-	-	-	-	92,538	-	-	-	-	-	-	-
8	Darren Kong Kam Seong (from 14 April 2021)	Independent Director	56,630	11,700	-	-	-	-	68,330	-	-	-	-	-	-	-
9	Bernardus Hermannus Maria Kodden	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Jean Serge Krol	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The most senior member of Management is the Executive Director of the Company and her remuneration is disclosed in this report and in the Corporate Governance Overview Statement of the Annual Report. Details of the remaining members of senior Management will be shared on general terms and on an aggregated basis only as the Board is of the view that it would not be in the best interest of the Company to disclose these details given the competitiveness in the market for good senior managers in the consumer goods industry. The Board feels that the details provided are sufficiently transparent and allows stakeholders to assess the reasonableness of remuneration paid to members of senior management.</p> <p>The Board is of the view that the disclosure of remuneration details may be detrimental to its business interests, given the competitive landscape for key personnel with the requisite knowledge, technical expertise and working experience in the Company's business activities, where intense headhunting is a common industry challenge. Accordingly, such disclosure of specific remuneration information may give rise to recruitment and talent retention issues.</p> <p>Alternative: Remuneration details of the most senior member of Management is disclosed in the CG Overview Statement and the remuneration of the other members of Management will be shared on general terms and on an aggregated basis only.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The alternative is sufficiently transparent and allows stakeholders to assess the reasonableness of remuneration paid to members of senior Management.

Timeframe	:	Others	More than 3 years - The Board will monitor and review the appropriateness of such disclosure in the future
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No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairperson of the Audit & Risk Committee is Tengku Nurul Azian binti Tengku Shahrman. Tengku Nurul Azian is an Independent Non-Executive Director. She is not the Chairperson 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	:	The Board has not appointed any of the Company's former key audit partners as a member of the Audit & Risk Committee. The Audit & Risk Committee will observe a minimum three (3) year cooling-off period before any former key audit partner can be appointed as a member of the Audit & Risk Committee. This requirement is set out in the Audit & Risk Committee's Terms of Reference.	
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	:	The Audit & Risk Committee met with the Company’s External Auditor at least twice without the presence of management, considered the performance of the External Auditor, quantum of non-audited related fees and reviewed the “suitability, objectivity and independence of the External Auditor.	
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 :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 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	:	The members of the Audit & Risk Committee are all financially literate and have a full understanding of the financial reporting process and the financial matters discussed. The members also attend training on new rules or standards relating to the accounting standards, tax rulings or corporate governance changes. The Chairperson of the Audit & Risk Committee plays an active role in updating the other members on such new developments. The Chairperson, Tengku Nurul Azian binti Tengku Shahrman, is an Advocate and Solicitor of the High Court in Malaya, a Barrister of Law of the Honourable Society of Inner Temple, and has an LLB (Hons) from the School of Oriental & African Studies, University of London. She has over 19 years of broad experience in investment banking and corporate finance and was previously the Executive Vice President & Partner of PEMANDU Associates Sdn Bhd, a management consulting firm which is focused on public sector transformation and business turnaround with global experience. She sits on the Boards and Audit and Risk Committees of other companies in Malaysia.
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 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	This role is taken up by the Audit & Risk Committee. The Company adopts the Enterprise Risk Management program based on the framework that was developed and issued by RFC which in turn is which is based on COSO’s internal control – integrated framework model. The program establishes an Enterprise Risk Assessment (ERA) for identifying, evaluating, monitoring, reporting and managing significant business risks.	
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 10.2

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 Enterprise Risk Assessment (ERA) categorises the risk in the following way:</p> <ul style="list-style-type: none"> ● Strategic, which are risks that affect the overall direction of the business. ● Operational, which are risks that impact the delivery of the Company’s products. ● Financial, which are risks associated with financial processes and reporting. ● Compliance, which are risks associated in relation to legal, statutory and corporate governance. <p>The risk profile of the Company is established during the annual risk assessment session facilitated by RFC. Risks identified are categorised and rated based on:</p> <ul style="list-style-type: none"> ● Impact on the relevant business objectives ; ● Likelihood of the risks occur ; and ● Potential for improvement of the way the risk is being managed, <p>taking into account the existing internal control framework and risk management measures implemented.</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	:	Adopted
Explanation on adoption of the practice	:	Since 27 September 2021, this role has been assumed by the Audit Committee and the committee is now known as the Audit & Risk Committee.

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 Company’s Internal Controls Framework is based on the Internal Control Framework (“ICF”) established by RFC. ICF requires controls to be tested either quarterly, half yearly or yearly, depends on their criticality, to ensure its effectiveness, adequacy and integrity.</p> <p>The Internal Audit function reports to the Audit & Risk Committee. During the year, the Internal Auditor had 4 meetings with the Audit & Risk Committee. The Internal Auditor reports on the Company’s system of internal and operational controls with focus on key area of business risks.</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>At every Audit & Risk Committee meeting the Internal Auditor updates the Audit & Risk Committee on the internal audit plan which includes the nature and scope of the internal audit activities to be covered. The Audit & Risk Committee will review the plan and to ensure that the internal audit plan benefits and compliments the external audit work plan.</p> <p>Further information on this is set out in various sections of the Corporate Governance Overview Statement, Statement of Risk Management & Internal Control and the Audit & Risk Committee 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

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	:	<ul style="list-style-type: none"> • The Company disseminates information to its stakeholders through the AGM, its Annual Report and the announcements made on Bursa. • The Company's corporate website provides quick access to information about the Company. The information on the corporate websites includes the corporate overview, information on the Board of Directors and the Management team, Compass and other Company policies, the Board Charter and Board Committee Terms of References, financial results, announcements to Bursa, minutes of general meetings, the Company's Annual Reports and Circulars to shareholders, the Company's products, media releases, and other corporate news. • The Annual Report provides a comprehensive report on the Company's operations and financial performance. An online version of the full Annual Report is available and downloadable from the Company's website. • The Board shares information to its shareholders during general meetings and encourages shareholders to ask questions which are addressed during the meeting. Minutes of the general meetings, together with a summary of the questions discussed during the meeting are shared on the Company's website within one month of the date of the meeting. • The Company also organizes meetings with investment analysts and fund managers periodically. The Company also actively responds to requests for discussions with institutional shareholders and analysts, locally and abroad, to provide them better insights into the Company.
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

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Annual Report adopts the format of an integrated report where it communicates comprehensive information of the financial results, management and discussion analysis on the operations of the Company, governance and sustainability measures and activities. The full adoption of the integrated report framework requires substantial expertise and resources. The Company shall seek to adopt the integrated reporting framework fully at an appropriate time.	
		Integrated reporting as set out above.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Board and Management have taken reasonable steps to ensure that the reporting in the Company's Annual Report provides comprehensive information to its stakeholders. The Company shall seek to adopt the integrated reporting framework fully at an appropriate time.	
Timeframe	:	Within 3 years	

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 Company's Notice of AGM is published in a local newspaper and is issued to shareholders at least 28 days prior to the date of 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 13.2

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	:	The Company's AGM in May 2021 was fully virtual and attended by all Directors. In accordance with the guidelines and standard operating procedures imposed during the Movement Control Order (MCO) in FY2021, only the Managing Director, the Chairman and the Company Secretary were physically present at the Broadcast Venue of the meeting. The other directors joined virtually. For the Company's Extraordinary General Meeting which was held on 1 July 2021, all the Board members and the Company Secretary attended the meeting virtually in accordance with the MCO regulations in place at the time.	
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	:	Since FY2020, the Company’s general meetings have been held virtually through live streaming and online remote voting due to the COVID-19 pandemic. For virtual meetings, only shareholders who have registered and who have been verified by the poll administrator were allowed to participate in the meetings. The meeting and online voting was conducted using a system which contains data privacy and security features. Information on how the shareholders can register, participate and vote during the virtual meeting was provided in the notice of meetings which were delivered to each shareholder in accordance with the terms of the Company’s Constitution.	
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 :	The Board takes reasonable steps to encourage shareholder participation at general meetings. Shareholders are always encouraged to provide questions on the resolutions being proposed or on the Company's operations and performance in general via email before the meeting and via the Q&A portal during the meeting. Answers to questions received beforehand will be dealt with during the Managing Director's presentation or answered verbally during the meeting. During the virtual general meetings, shareholders are encouraged to participate via the Q&A portal during the meeting. Questions received from MSWG were also presented and answered during the meetings.
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 :	The broadcast of the virtual general meetings held in FY2021 ran smoothly and shareholders were able to see and hear the meeting proceedings clearly. Shareholders were also able to participate in the meetings by asking questions via the Q&A portal. These questions were either answered via the portal which was visible to the shareholders or answered verbally by the Managing Director during the meeting.
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 full minutes of meeting which includes answers to the shareholders' questions were available on the company website within 30 days after the general meeting.
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 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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