

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 5001  
**COMPANY NAME** : MIECO CHIPBOARD BERHAD  
**FINANCIAL YEAR** : December 31, 2021

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

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

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

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

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible for the oversight and overall management of the Company. In order to ensure the effective discharge of its functions and responsibilities, it has established a Board Charter for the Group where specific powers of the Board are delegated to the relevant Board Committees and the Group Managing Director ("GMD"). The Board Committees comprise three Governance Committees (i.e. Audit Committee ("AC"), Nomination Committee ("NC"), and Remuneration Committee ("RC")) as set out in the Board Charter of Mieco Chipboard Berhad ("MIECO") Group, which is available on MIECO's website at <a href="http://www.mieco.com.my">www.mieco.com.my</a></p> <p>(1) The Board, together with the Management, is committed to promoting good corporate governance ("CG") culture within the organisation which reinforces ethical, prudent and professional behaviour.</p> <p>In discharging its duties and responsibilities, the Board is governed by the Board Charter which clearly delineates relevant matters and applicable limits, including those reserved for the Board's approval, and those which the Board may delegate to the Board Committees, the Group Managing Director and the Management.</p> <p>(2) The Board plays an active role in the development of the Company's strategy, monitoring of its performance and implementation. The Group Managing Director and Executive Director formulates strategic vision and business directions for the Company.</p> <p>The Board reviewed and deliberated on the Management's proposals and its own perspectives, as well as challenged the Management's views and assumptions for the proposed targets and corporate strategic plans. The Board provided its guidance and feedback on the business and enterprise initiatives for the</p>

	<p>Management’s takeaways to further refine its plans, bearing in mind the need to engage with the relevant authorities on certain policy issues, given the current and evolving economic climate, opportunities and risks.</p> <p>(3) The Directors promote sustainability through appropriate environmental, social and governance considerations in the Company’s business strategies. They also ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability.</p> <p>(4) The AC assists the Board by reviewing the adequacy and integrity of the Group’s and the Company’s internal control systems and management information systems for compliance with applicable laws, regulations, rules, directives and guidelines to ensure, as far as possible, the protection of its assets and its shareholders’ investment.</p> <p>(5) The NC assists the Board to oversee the selection of candidates for proposed Board appointments and the assessment of the performance of the Board, Board Committees as well as individual Directors. The Board through the NC is responsible to ensure that the Board comprises Directors with the appropriate mix of skills and experience, as well as to ensure a proper balance between Executive Directors and Independent Directors.</p> <p>(6) Stakeholders are updated with the performance and results of MIECO’s Group through engagements and public releases of the relevant information which are also available at MIECO’s corporate website.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

### 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>	:	The Independent Non-Executive Chairman (the "Chairman") is responsible for leadership of the Board, ensuring its effectiveness on all aspects of its role and setting its agenda. The Chairman is also responsible for creating an environment for open, robust and effective debate. This includes ensuring, via the Company Secretary, that the Directors receive accurate, timely and clear information.	
<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 CEO are held by different individuals.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Chairman, Datuk Dr. Roslan Bin A. Ghaffar and the Group Managing Director, Dato' Sri Ng Ah Chai, both holding separate position.</p> <p>The Chairman leads the effective running of the Board, while the Group Managing Director is responsible for implementing the policies and decisions of the Board, overseeing the operations as well as coordinating the development and implementation of business and corporate strategies.</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>Datuk Dr. Roslan Bin A. Ghaffar is the Chairman of the Board while Mr. Cheam Tow Yong is the Chairman of the Audit Committee ("AC") and Dato' Abdul Rashid Bin Mat Amin is the Chairman of the Nomination Committee("NC") and Remuneration Committee ("RC").</p> <p>Datuk Dr. Roslan is only the member of the AC, NC, and RC (collectively known as "sub-committees").</p> <p>Each of these sub-committees operate with clear terms of reference to assist the Board in the execution of its responsibilities.</p> <p>The Board is mindful the dual role of the Chairman in the Board and in the sub-committees.</p> <p>The Board is of the view that the independent directors are sufficient experienced and independently-minded to provide sufficient check and balance on discharging their duties.</p> <p>The Company will review the need for application of this Practice periodically or as and when the need arises to ensure they can discharge their duties effectively.</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> :	

**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>	:	The Company Secretary of MIECO have legal qualification, and is qualified to act as company secretary under Section 235(2) of the Companies Act 2016. She is licensed by the Registrar of Companies.	
<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>	:	Prior to each meeting, members of the Board and the Committees are provided with the meeting agenda and the relevant papers submitted by the management, containing complete, adequate and timely information to enable full deliberation on the issues to be considered at the respective meetings. The minutes of meetings of the Committees are circulated to all Board members.	
<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 Company's Board Charter is reviewed periodically as and when the need arises to ensure that the dynamic needs of the Group are consistently met.</p> <p>The Board Charter is publicly made available on the Company's website at <a href="http://www.mieco.com.my">www.mieco.com.my</a></p> <p>The Board Charter sets out the composition and balance, roles and responsibilities, operation and processes of the Board and is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members.</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>	:	The Company's Code of Business Conduct and Ethics (the "Code") sets forth the standard of conduct and culture required for all officers, managers and employees of MIECO Group.  The Board reviews the Code of Conduct periodically or as and when the need arises to ensure it is kept contemporaneous. The details of the Code is published on company's website at <a href="http://www.mieco.com.my">www.mieco.com.my</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

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 Whistleblowing Policy is to provide an avenue for all employees of MIECO Group and all agents, vendors, contractors, suppliers, consultants and customers of MIECO Group and members of public to raise concerns about any improper conduct within MIECO Group without fear of retaliation and to offer protection for such persons (including the employee of MIECO Group) who report such allegations.</p> <p>The Board together with Management, reviews the Whistleblowing Policy periodically or as and when the need arises to ensure it is kept contemporaneous.</p> <p>The Whistleblowing Policy is published on the company's website at <a href="http://www.mieco.com.my">www.mieco.com.my</a></p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The 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>MIECO recognises the importance of managing sustainable value drivers in driving the future growth of the Group. As stated in MIECO's Board Charter, the Board takes into consideration the environmental, social and governance impact when developing the corporate strategy of the Group as the Board is mindful of the importance of building a sustainable business.</p> <p>All material sustainability matters are driven by the Senior Management assisted by the other members of the Sustainability Management Team.</p> <p>Please refer to page 17 to 28 of the Company's 2021 Annual Report for detailed explanation on how the Board and Management take into consideration sustainability in discharging their duties in managing the Company business.</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>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Currently, the communication on sustainability between the Company and employees are communicated via email newsletter or the Company's intranet system.	
	:	Externally, since year 2018 the updates on sustainability issues were only made known once a year through the sustainability statement which was published in the Company's Annual Report.	
	:	The Board take cognizance of the importance of the communication between the Company and the various stakeholders in relation to the Group's strategic plans to support its long-term sustainability commitments.  Moving forward, the Group will ensure that its communication with the shareholders and various stakeholders are more proactively.	
<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 Group’s risk management and internal control system sets out the approach to the identification, assessment, management, monitoring and reporting of risks. The Group’s Board sets risk appetite and regularly reviews performance against the risk tolerance limits.</p> <p>The above would ensure an appropriate decision could be made in addressing the risk.</p> <p>Apart from the above, the Directors have also always been staying abreast with and understand the sustainability issues relevant to the company and its business through trade fairs, industrial periodicals, and professional journals.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.4**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	A detailed study is required for developing the criteria for the performance evaluations of the Board and the Management to address the material sustainability risks and opportunities.	
		The Board and the Management will review this area in near future.	
<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>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The Group Managing Director and the Executive Director of the Company (collectively known as “Senior Management”) are the designated persons on sustainability.</p> <p>The Senior Management oversees the progress of the sustainability initiatives together with the sustainability strategies set and reports to the Board.</p>



**Intended Outcome**

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

**Practice 5.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In accordance to the Term of Reference of the Nomination Committee (“NC”), the NC will annually assess the experience, the tenure, and diversity required collectively for the Board to ensure the Board can discharge their duties effectively.</p> <p>In MIECO each year, one-third of the Directors will retire and is eligible for re-election during the Annual General Meeting.</p> <p>The Nomination Committee annually reviews the performance and contribution of all directors including those seeking re-election based on competency and independence (for independent directors) via the individual Director’s annual assessment. Only those with satisfactory evaluation are recommended to the Board for re-election.</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>	:	The entire MIECO Board comprises of six (6) directors, of whom four (4) are Independent Directors.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.3

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

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	In the FY2021, none of the independent Directors have served on the Board for more than a cumulative term of nine (9) years.	
		The requirement to seek annual shareholders' approval through a two-tier voting process would be updated in the Board Charter of the Company in year 2022 should the Company intend to retain an independent director who has served the Board beyond nine years.	
<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.

<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>	
<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 recognise that Board diversity optimizes decision-making process and will conscientiously improve on its current diversity.</p> <p>In evaluating the suitability of the candidates for appointment of Board and Senior Management, the Board and the NC considers salient attributes such as mix of skills and experience, strengths, expected contribution, independence (where applicable) and the multiple facets of diversity to ensure a balanced mix of talents on the Board and Management level.</p> <p>The NC is mindful of the Board’s support for boardroom diversity, particularly, in terms of ethnicity and gender. These factors will be given due consideration in the recruitment of new Board members.</p> <p>The appointment of key Senior Management was also made with due regard for diversity in skills, experience, age, cultural background and gender.</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>	:	The Company practice formal and transparent procedures on sourcing and appointment of new directors – either via nominations by Nomination Committees, Board Members, Management, Major Shareholders or independent sources. All appointments of new Directors are subject to evaluation and appropriate recommendation of the Nomination Committee prior to consideration and approval of the Boards.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The details of the Directors interest, position and experience are set out in the Directors' profile in the Annual Report. The performance of the retiring directors is assessed by the Nomination Committee and Board before recommendation is made to the shareholders for consideration.</p> <p>As for independent directors, the Nomination Committee also assess their relationship with the executives that might influence, or reasonably be perceived to influence their capacity to bring an independent judgement and to act in the best interests of the Company as a whole.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.8**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Nomination Committee is chaired by an Independent Director, Dato' Abdul Rashid Bin Mat Amin.	
<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>	:	<p>The Board has not defined the Company's policies on gender diversity, as the Company adheres to the practice of non-discrimination of any form throughout the Company and as such does not set a specific target on the composition of the Board and Management in terms of gender, age or ethnicity.</p> <p>However, the Board acknowledges the best practice of MCCG 2021 that the board should comprises at least 30% women directors or at least one woman director on the board as required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("LR").</p> <p>Although the Company has not reached the women representation target at Board level as required by both MCCG 2021 and LR, the Board decisions are made objectively in the best interest of the Group taking into account diverse perspectives and insights. The Board is of the view that it is important to recruit and retain the best available talent regardless of gender, ethnicity and age to maximize the effectiveness of the Board.</p> <p>The Board shall increase woman board representation as and when there is vacancy as well as when suitable and qualified candidates are identified.</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>	:	

**Intended Outcome**

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

**Practice 5.10**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board has not defined the Company's policies on gender diversity, as the Company adheres to the practice of non-discrimination of any form throughout the Company as such does not set a specific target on the composition of the Board and management in terms of gender, age or ethnicity.	
		However, the Board shall increase women representation in both the board and senior management as and when there is vacancy as well as when suitable and qualified candidates are identified.	
<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 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>	: The NC has a formal assessment mechanism in place to assess on an annual basis, the effectiveness of the Board Committees, the Board as a whole and the contribution of each individual Director, including the independence of the Independent Non-Executive Directors.  The annual assessment criteria of the Board, Board Committees and individual Directors are in accordance with the Bursa Malaysia Berhad's Corporate Governance Guide and aligned with the practices of the Malaysian Code of Corporate Governance taking into consideration the mix of skills, expertise, the composition, size, experience of the Board as a whole and each individual director.  The NC, upon conclusion of the annual assessment exercise was satisfied that the Board and Board Committee composition had fulfilled the criteria required, possess a right blend of knowledge, experience and the appropriate mix of skills.  The Board viewed the current evaluation process is adequate to provide an objective assessment on the effectiveness of the Board, the Board Committees and each individual director.
<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>	:	Applied	
<b>Explanation on application of the practice</b>	:	The RC takes into account the performance of each individual Director as well as the performance of the Company in determining the remuneration of the Directors. The Directors' fees and benefits are recommended for shareholders' approval after review by the RC and the Board of Directors.  As for Senior Management, we have in place an existing Human Resources policy and procedures in determining their remuneration.	
<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 7.2

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board has established Remuneration Committee ("RC") to review and recommend matters relating to the remuneration of Board and including the Executive Directors.  A copy of the RC's Term of Reference is available on the company's website at <a href="http://www.mieco.com.my">www.mieco.com.my</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**

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>	:	Details disclosed on named basis for the remuneration of individual directors is as per below table.

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' Sri Ng Ah Chai	Executive Director	Input info here	Input info here	2,760	Input info here	Input info here	Input info here	2,760	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Ng Wei Ping	Executive Director	Input info here	Input info here	462	Input info here	28	Input info here	490	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Datuk Dr. Roslan Bin A. Ghaffar	Independent Director	50	9	Input info here	Input info here	Input info here	Input info here	59	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Cheam Tow Yong	Independent Director	48	10.5	Input info here	Input info here	Input info here	Input info here	58.5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Dato' Abdul Rashid Bin Mat Amin	Independent Director	41	9	Input info here	Input info here	Input info here	Input info here	50	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
6	Kajendra A/L Pathmanathan	Independent Director	36	10.5	Input info here	Input info here	Input info here	Input info here	46.5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	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
8	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
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The detailed remuneration on a named basis of top 2 Senior Management who are Executive Directors have been disclosed in Practice 8.1 above.	
		There is no disclosure on the remuneration of the Senior Management who are not the Executive Directors due to confidentiality and sensitivity of the information. The Board is of the opinion that it is important for the Company to preserve confidentiality of such information given the competitiveness in the market for talent.  The Board ensures that their remuneration is commensurate with their individual performance, taking into consideration of the Company's performance and achievement of key performance indicators.	
<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>	:		

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

**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

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

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman of the Audit Committee, Mr. Cheam Tow Yong, 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>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	In the FY2021, none of the Audit Committee members were former audit partners of the Company. The requirement to observe the cooling-off period of at least three years before appointment of a former partner of the external audit firm of the Company as a member of the Audit Committee would be updated in the Term of Reference of the Audit Committee in year 2022.	
<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>	:	Based on the Terms of Reference of the Audit Committee, the AC is tasked with the review of the matters concerning the suitability for nomination, appointment and reappointment and the underlying reasons for resignation or dismissal of the external auditor.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Audit Committee comprises wholly of Independent Non-Executive Directors.



### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 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>	:	<p>The existing members of the Audit Committees have vast experience and skills in accounting and finance as well as other relevant fields of expertise. All of them are highly-qualified to review the accuracy of MIECO and the consolidated MIECO Group's financial statements prior to recommending the same to the Boards for approvals.</p> <p>The members of the Audit Committees, on their own efforts, continue to equip themselves with latest knowledge and updates on the relevant developments in accounting and auditing standards, practices and rules and etc. via industrial periodicals, professional journals, and briefed by the External Auditors, Internal Auditors and Company Secretary.</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 10.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Boards have established sound risk management practices to safeguard MIECO Group’s business interests from risk events that may impede the achievement of business strategies and growth opportunities as well as providing assurance to all stakeholders.	
<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 Board has established a framework to formulate and review risk management policies and risk strategies. Further information on MIECO Group’s internal control is presented in the Statement on Risk Management and Internal Control.	
<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>	:	Not Adopted
<b>Explanation on adoption of the practice</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 11.1

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 Internal Audit of the Group is outsourced to an independent professional firm which is independent of the activities and operations of the Group. The role of Internal Audit is to provide objective assurance to the Audit Committees and the senior management that operations and functions are efficient and effective and that processes have a robust control environment.</p> <p>To support the Audit Committee in discharging their responsibilities, the Internal Auditor reports directly to the Audit Committees.</p> <p>The appointment of Internal Auditor is reviewed and endorsed by the Audit Committees. The Internal Auditor has unrestricted access to the Audit Committees, the Board and Management.</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>None of the internal audit personnel has any relationships or conflict of interest that could impair their objectivity and independence in conducting their internal audit functions.</p> <p>Currently, the Internal Audit of the Group is outsourced to an independent professional firm which comprises 2 managerial and executive positions, and 1 non-executive positions.</p> <p>The Internal Audit is led by Mr. Lim Lip Chin, who holds a Degree of Laws from University of London and fellow of the Association of Chartered Accountant. He is also a member of Malaysia Institute of Accountants, Chartered Tax Institute of Malaysia and Malaysian Association of the Institute of Chartered Secretaries and Administration.</p> <p>The internal audit function is carried out in accordance with the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is 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 ensure the Company announces its quarterly results on timely basis to the shareholders and also make necessary announcement to its stakeholders.</p> <p>The Board also ensures stakeholders are given the opportunity to speak and seek clarification during the Company's Annual General Meeting, for effective and transparent communication with its stakeholders.</p> <p>Investor relations activities such as meetings with fund managers &amp; analyst and interview by the media are attended by the designated senior management personnel. The Company also has a website, <a href="http://www.mieco.com.my">www.mieco.com.my</a>, as an avenue for dissemination of corporate and financial disclosures.</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 and agenda of the Annual General Meeting (“AGM”) together with Forms of Proxy are issued to shareholders at least 28 days before the AGM, which gives shareholders sufficient time to prepare themselves to attend the AGM or to appoint proxies to attend and vote on their behalf. For the past five years, 28 days’ notice were issued to shareholders.	
<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>All directors, including the Chair of the Board Committees, attended the 48th AGM held on 27 May 2021 either physically at the broadcast venue or via Remote Participation and Voting (“RPV”) facilities to address any questions from the Shareholders.</p> <p>All directors will attend the 2022 AGM unless illness or another pressing commitment/overseas precludes them from attending the 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

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 normally holds its general meetings within the Klang Valley area, in a venue which is easily accessible by its shareholders.</p> <p>In 2021, in view of the ongoing COVID-19 pandemic, the Company's 48th AGM was conducted entirely on a virtual basis using the Remote Participation and Voting ("RPV") facilities which are available on Metra Management Sdn Bhd's online platform, allowing remote shareholders' participation and voting in absentia.</p> <p>During the 48th AGM, the shareholders used the RPV facilities to pose questions in the deliberations of the resolutions being proposed or on the Group's operations in general.</p> <p>The Company will continue to hold a fully virtual AGM in 2022 and will leverage technology to facilitate communication and engagements with shareholders while enabling voting in absentia and shareholders' participation.</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>	: During the Company's physical general meetings, shareholders were given sufficient time to pose questions after each agenda was presented and before the meeting ended.  The 48th Annual General Meeting (AGM) was a virtual meeting. The Company had issued the Annual Report 2020 for 48th AGM together with administrative notes which encompassed the guidance on the conduct of the virtual meeting, on 28 April 2021.  The shareholders were allowed to submit their questions to the Board of Directors prior to the 48 <sup>th</sup> AGM to the designated email address as stated in the administrative notes commencing from 28 April 2021 or to use the Question and Answer ("Q&A") platform to transmit questions to the Board via Remote Participation and Voting ("RPV") facilities during live streaming.  In view of that shareholders were given sufficient opportunity to pose their questions before the AGM and during the AGM. The Company had ensured that all the questions were answered. Questions received after the close of AGM were answered via emails.
<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>	: At each MIECO’s virtual general meeting, Metra Management Sdn Bhd. (“Metra”) has been engaged by the Group to set up and ensure smooth broadcast of the general meeting through the RPV facilities.  The RPV facilities provided by Metra enables shareholders to participate, pose questions, and vote remotely. The RPV facilities also enable the shareholders experienced real time interaction with the Board during the AGM. Metra has provided adequate tools and infrastructure to the Company for each virtual AGM.  The Chairman of the meeting read and answered accordingly the questions posed by shareholders to all meeting participants during the meeting itself.
<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> :	Departure
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	The Board take cognizance of the new practice guide recommended by MCCG in relation to the circulation of the minutes of the annual general meeting of the Company to its shareholders. The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.
	Therefore, the Company Secretary is authorised to circulate the minutes of the forthcoming general meeting within 30 business days thereafter upon the approval from the Board.
<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.*

Click or tap here to enter text.



