

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 9113  
**COMPANY NAME** : Iconic Worldwide Berhad  
**FINANCIAL YEAR** : March 31, 2022

## OUTLINE:

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

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

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES 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.

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| <b>Application</b>                                | : | Applied  |
| <b>Explanation on application of the practice</b> | : | <p>The Board of Iconic Worldwide Berhad is responsible for the oversight and overall management of the Company. In accordance with the corporate governance framework established for a public listed company, the Board had delegated specific powers to the various Board Committees and to the management. The Board Committees comprises the Audit and Risk Management Committee, the Nomination Committee and the Remuneration Committee. Risk Management Working Committee which was formed in November 2019, reports to the Audit and Risk Management Committee.</p> <ul style="list-style-type: none"><li>i. The Board meets regularly and ad hoc meetings are held as and when required to set various policies, strategic directions and corporate governance as well as engaging with the management for performance monitoring and evaluation of operational matters requiring Board input and decision.</li><li>ii. The Board reviewed and assessed the Annual Business Plan presented by the management and monitored the performance via the quarterly financial reports.</li><li>iii. The Board met and discussed with the External Auditors as well as the Internal Auditors to ascertain and ensure governance compliance.</li><li>iv. During the financial year under review, the Board reviewed its Board Charter, the Terms of Reference of the various Board Committees as well as its Statement on Risk Management and Internal Control to ensure that they are in line with the Malaysian Code on Corporate Governance. These documents serve as a reference and guide to the directors in the discharge of their duties and responsibilities.</li></ul> |

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

### Intended Outcome

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

### Practice 1.2

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

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| <b>Application</b>   | : | Applied   |
| <b>Explanation on application of the practice</b>  | : | <p>Dato' Ir Zainurin bin Karman is the Chairman of the Board. His profile is detailed in page 24 of Iconic's Annual Report 2022.</p> <p>The Chairman is responsible for the overall leadership and effective functioning of the Board. His key roles amongst others are:</p> <ul style="list-style-type: none"><li>i. To ensure that the Board functions effectively and independently of the management;</li><li>ii. Leading the Board in establishing and monitoring good corporate governance practices within the entire Iconic Worldwide Group; and</li><li>iii. Ensuring that there are effective communication between the Company and all its shareholders including the various stakeholders.</li></ul> <p>His detailed roles and responsibilities are further described in the Company's Board Charter.</p> |
| <b>Explanation for departure</b>   | : |   |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |   |
| <b>Measure</b>   | : |   |
| <b>Timeframe</b>   | : |   |

### Intended Outcome

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

### Practice 1.3

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

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| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | The Chairman of the Board is Dato' Ir Zainurin bin Karman and the Group Managing Director is Dato' Seri Tan Kean Tet.<br><br>Both roles are distinct and clearly defined in the Board Charter. |  |
| <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>   | : |  |  |
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### 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

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| <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> :   | Applied   |
| <b>Explanation on application of the practice</b> :  | The Chairman of the Board is Dato' Ir Zainurin bin Karman. He is not a member of the Audit and Risk Management Committee, Nomination Committee or Remuneration Committee. |
| <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 1.5

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.

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| <b>Application</b>   | : | Applied   |  |
| <b>Explanation on application of the practice</b>  | : | One Company Secretary is an Associate of the Malaysian Institute of Chartered Secretaries and Administrators while the other is licensed by the Companies Commission of Malaysia. |  |
| <b>Explanation for departure</b>   | : |   |  |
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| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |   |  |
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**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.

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| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | All Directors are provided with an agenda and a set of board papers issued at least 5 business days prior to the date of Board Meetings so as to ensure that the Directors can understand and appreciate the issues to be deliberated and to obtain further explanations, where necessary. The minutes of meetings will be circulated within one (1) month to the directors. |  |
| <b>Explanation for departure</b>   | : |  |  |
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| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |  |  |
| <b>Measure</b>   | : |  |  |
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**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.

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| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | The Board has formally established a Board Charter that clearly sets out the roles and responsibilities, composition and processes related to key governance activities. The Board will periodically review the Board Charter which is published on the corporate website: <a href="http://www.iconicworldwide.com.my">www.iconicworldwide.com.my</a> The Board last reviewed the Board Charter on 24 August 2021. |  |
| <b>Explanation for departure</b>   | : |  |  |
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| <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.

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| <b>Application</b>   | : | Applied   |
| <b>Explanation on application of the practice</b>  | : | All Directors, management and employees of the Iconic Worldwide Group are expected to behave ethically and professionally at all times to protect and promote the reputation and performance of the Group.<br><br>The Code of Conduct and Ethics was adopted by the Board on 2 July 2018 and is made available for reference on the Company's website at <a href="http://www.iconicworldwide.com.my">www.iconicworldwide.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.

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| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | <p>The Group has established a Whistleblowing Policy underlining its objectives, scope of policy, Policy Statement, reporting procedures and action in the Board Charter which is published on the corporate website, <a href="http://www.iconicworldwide.com.my">www.iconicworldwide.com.my</a></p> <p>The Anti-Bribery and Anti-Corruption Handbook is also made available on the corporate website.</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.

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| <b>Application</b>   | : | Applied  |
| <b>Explanation on application of the practice</b>  | : | In line with good corporate governance practices, the Board, together with the Management, recognises the importance of ensuring sustainability risks and opportunities are considered in the development of business strategies and plans. The Management oversees the sustainability approach, management and implementation of material economic, environmental and social risks and presents them to the Board. The Sustainability Report is presented in Page 42 of the Annual Report 2022. |
| <b>Explanation for departure</b>   | : |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |  |
| <b>Measure</b>   | : |  |
| <b>Timeframe</b>   | : |  |

**Intended Outcome**

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

**Practice 4.2**

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.

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| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | The Company’s Annual Report 2022 includes a Sustainability Report which discloses the Company’s sustainability strategies, priorities and goals as well as engagement with stakeholders. |  |
| <b>Explanation for departure</b>   | : |  |  |
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| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |  |  |
| <b>Measure</b>   | : |  |  |
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**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.

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| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | <p>The Board is keeping themselves informed and updated with sustainability developments, disclosures and guidelines by way of formal training including webinars, presentation of updates, structured reading and discussions.</p> <p>The Board is committed to staying abreast with sustainability issues associated with the evolving global environment, social and governance aspect of 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>   | : |  |  |
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**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.

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| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | The Board undertakes an objective annual evaluation to ascertain the effectiveness of the Board and its Committees. The evaluation process takes into consideration of the performance of the Board in addressing the Company’s sustainability risks and opportunities. It also covers the conduct of the Board in staying abreast with the on-going sustainability issues relevant to the Company’s business plans. |  |
| <b>Explanation for departure</b>   | : |  |  |
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| <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.*

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| <b>Application</b>                             | : | Adopted  |
| <b>Explanation on adoption of the practice</b> | : | Iconic has established a Sustainability Committee. It is headed by an Executive Director and assisted by members of key management team of the respective business segments. |



## 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.

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| <b>Application</b>   | : | Applied   |  |
| <b>Explanation on application of the practice</b>  | : | The Nomination Committee is responsible to assist the Board in the development and implementation of the policies on the nomination and appointment of Directors and Committee members in the Company. Annual assessment of individual Directors covers their roles, duties, responsibilities, competency and contribution. The results of the assessment are reported to the Board by the Chairman of the Nomination Committee. With regards to the assessment for the financial year ended 31 March 2022 which was done internally, the Nomination Committee and the Board were satisfied that all duties and responsibilities were carried out effectively and satisfactorily. |  |
| <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>   | : |   |  |
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**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.

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| <b>Application</b>   | : | Applied   |  |
| <b>Explanation on application of the practice</b>  | : | <p>The Board currently comprises 8 directors, out of which 4 are Independent Non-Executive Directors.</p> <p>These Independent Directors provide independent judgment, experience and objectivity without being subordinated to operational considerations. They help to ensure that the interests of all shareholders are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.</p> |  |
| <b>Explanation for departure</b>   | : |   |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |   |  |
| <b>Measure</b>   | : |   |  |
| <b>Timeframe</b>   | : |   |  |

### Intended Outcome

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

### Practice 5.3

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

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

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| <b>Application</b>   | : | Applied  |
| <b>Explanation on application of the practice</b>  | : | <p>The Board has recommended for re-appointment of an Independent Director, namely Dato' Ir Zainurin, whose tenure has exceeded 12 years via a 2-tier voting process at the coming AGM to be held in September 2022.</p> <p>The Board has also recommended for re-appointment of another Independent Director, Mr Lim Thian Loong at the coming AGM as his tenure has exceeded the 12 years term limit. Mr Lim Thian Loong will be subject to the 2-tier voting.</p> |
| <b>Explanation for departure</b>   | : |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |  |
| <b>Measure</b>   | : |  |
| <b>Timeframe</b>   | : |  |

**Intended Outcome**

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.

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| <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.

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| <b>Application</b>   | : | Applied   |
| <b>Explanation on application of the practice</b>  | : | <p>In the best interest of the Company, the Board recognises that a Board composition comprising a mix of skills, competence and diverse background will bring different and added value dimensions to decision making.</p> <p>In this regard, the Nomination Committee has been tasked to assess and recommend to the Board, new Board appointments as well as the appointment of Senior Management. The Terms of Reference of the Nomination Committee is detailed at the Company's website, <a href="http://www.iconicworldwide.com.my">www.iconicworldwide.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

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.

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| <b>Application</b>   | : | Applied  |
| <b>Explanation on application of the practice</b>  | : | <p>The Nomination Committee is responsible for evaluating and recommending suitable candidates for Directorships to the Board. The responsibilities of the Nomination Committee in this regard are outlined in its Terms of Reference.</p> <p>In evaluating potential candidates, the Nomination Committee will assess directorship suitability based on objective criteria, including qualifications; desired competencies, skills, expertise and experience; and time commitment to the Company.</p> <p>In searching for suitable candidates, the Nomination Committee may receive suggestions from existing Board Members, Management and major shareholders. The Committee is also open to referrals from external sources available, such as industry and professional associations, as well as independent search firms.</p> |
| <b>Explanation for departure</b>   | : |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |  |
| <b>Measure</b>   | : |  |
| <b>Timeframe</b>   | : |  |

### Intended Outcome

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

### Practice 5.7

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

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| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | Details of the Directors seeking for re-election is set out in the Notice of the 53 <sup>rd</sup> Annual General Meeting. Directors' profile, details of attendance at Board Meetings and shareholdings are set out in the Annual Report 2022. |  |
| <b>Explanation for departure</b>   | : |  |  |
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| <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.

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| <b>Application</b>   | : | Applied   |  |
| <b>Explanation on application of the practice</b>  | : | The Chairman of the Nomination Committee is Mr Leow Chan Kiang. He is also the Senior Independent Non-Executive Director. |  |
| <b>Explanation for departure</b>   | : |   |  |
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| <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>   | : |   |  |
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**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.

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| <b>Application</b>   | : | Departure  |  |
| <b>Explanation on application of the practice</b>  | : |  |  |
| <b>Explanation for departure</b>   | : | At present, women directors comprise 25% of the total number in the Board.   |  |
|  |   | The Board is supportive of gender diversity recommended by the Code and will strive towards introducing more female Board members when it reviews its Board composition. |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |  |  |
| <b>Measure</b>   | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice.   |  |
| <b>Timeframe</b>   | : | Within 3 years   |  |

**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.

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| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | The Company has a gender diversity policy for Board. The Company's Boardroom Diversity Policy can be viewed at the Company's website. The Company does not practise discrimination in any form with regards to gender, ethnicity and age group as the Company is an equal opportunity employer and all appointments and employment are strictly based on merits and suitability. |  |
| <b>Explanation for departure</b>   | : |  |  |
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| <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>  | : Every Board member carries out his/her own self-assessment by completing a Director's Performance Evaluation Self-Assessment Form to assess his/her own level of competencies. The Board members are encouraged to provide feedback and comments to assist the Board as a whole and its members in their performances in the areas of competencies, conformance and/or compliance and improve effectiveness. The Nomination Committee will then evaluate the Director's Self-Assessment Forms at the Nomination Committee Meeting.<br><br>The Audit and Risk Management Committee and the Remuneration Committee each carry out its evaluation with the view to maximize the performance of the individual committees in the interest of the Company. Each Chairman of the committee will complete the assessment forms which cover the purpose, composition and process of the respective committees. The Nomination Committee will evaluate both committees at the Nomination Committee Meeting. |
| <b>Explanation for departure</b>   | :<br><br>  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>   |  |
| <b>Measure</b>   | :<br><br>  |
| <b>Timeframe</b>   | :<br><br>  |

### 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>  | : | <p>The Board has in place policy and procedures to determine the level of remuneration of its Director which enables the Group to attract, retain and motivate Directors with relevant experience and expertise needed and after considering the recommendations of the Remuneration Committee to assist in managing the Group effectively.</p> <p>Executive Directors are remunerated based on their roles and levels of responsibilities, Group's performance and market conditions whilst the remuneration of Non-Executive Directors is determined in accordance with their experience, level of responsibilities assumed in the Board Committees and the Board, their special skills and expertise that they bring to the Board. The Directors do not participate in decisions regarding their own remuneration packages. The Senior Management is remunerated in accordance with the respective qualifications, skills, experience and levels of responsibilities.</p> <p>The Remuneration Policy &amp; Procedures is made available on the Company's website.</p> |
| <b>Explanation for departure</b>   | : |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |  |
| <b>Measure</b>   | : |  |

|                  |   |  |  |
|------------------|---|--|--|
| <b>Timeframe</b> | : |  |  |
|------------------|---|--|--|

### Intended Outcome

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

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

### Practice 7.2

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 Terms of Reference is available on the Company's website <a href="http://www.iconicworldwide.com.my">www.iconicworldwide.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> | : | In line with the best corporate governance practise, the detailed disclosure on named basis for the remuneration of individual basis has been made in the Company's Annual Report 2022. The said detailed disclosure is set out in the Corporate Governance Overview Statement on page 56 of the Annual Report 2022. |

| 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' Ir Zainurin Bin Karman | Independent Director | 36              | 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  | 36              |
| 2  | Dato' Seri Tan Kean Tet      | Executive Director   | 36              | Input info here | 225             | Input info here | Input info here  | 28.15            | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here  | Input info here  | 289.15          |
| 3  | Tan Cho Chia                 | Executive Director   | 36              | Input info here | 150             | 15              | Input info here  | 20.95            | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here  | Input info here  | 221.95          |
| 4  | Tan Seok Ying                | Executive Director   | 36              | Input info here | 150             | 15              | Input info here  | 23.68            | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here  | Input info here  | 224.68          |
| 5  | Jason Chung Wei Chiun        | Executive Director   | 36              | Input info here | 150             | 15              | Input info here  | 21.13            | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here  | Input info here  | 222.13          |
| 6  | Lim Thian Loong              | Independent Director | 36              | 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  | 36              |
| 7  | Leow Chan Khiang             | Independent Director | 36              | 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  | 36              |
| 8  | Ong Lay See                  | Independent Director | 36              | 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  | 36              |
| 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 |



### 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 Company did not disclose on a named basis the top five senior management's remuneration. The Company is of the view that it is not in its best interest to disclose details of remuneration due to the confidentiality and sensitive nature of such information. |  |
|  |   | The Board will continue to review the application of this practice and consider the appropriateness of such disclosure in the 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>   | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice.   |  |
| <b>Timeframe</b>   | : | Choose an item.  |  |

| 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 and Risk Management Committee Chairman is Mr Lim Thian Loong who is an Independent Non-Executive Director.<br><br>Hence, the Chairman of the Board and the Chairman of the Audit and Risk Management Committee are 2 separate and distinct individuals. |  |
| <b>Explanation for departure</b>   | : |   |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |   |  |
| <b>Measure</b>   | : |   |  |
| <b>Timeframe</b>   | : |   |  |

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.2**

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

|  |   |  |  |
|--|---|--|--|
| <b>Application</b>   | : | Applied  |  |
| <b>Explanation on application of the practice</b>  | : | <p>The policy on observation of a cooling-off period of at least 3 years for a former key audit partner prior to the appointment as an Audit and Risk Management Committee member is incorporated in the Terms of Reference of Audit and Risk Management Committee.</p> <p>Presently, no member of the Audit and Risk Management Committee is former key audit partners of Iconic Worldwide's external 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 an effective and independent Audit Committee.

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

**Practice 9.3**

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

|  |   |   |  |
|--|---|---|--|
| <b>Application</b>   | : | Applied   |  |
| <b>Explanation on application of the practice</b>  | : | <p>The Audit and Risk Management Committee has evaluated the performance of BDO PLT based on the following during the FY2022:-</p> <p>a) tenure;<br/> b) independence and objectivity;<br/> c) technical competency;<br/> d) audit quality and adequacy of resources.</p> <p>The Company adopted the External Auditors Assessment Policy which is available on the Company's website.</p> |  |
| <b>Explanation for departure</b>   | : |   |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |   |  |
| <b>Measure</b>   | : |   |  |
| <b>Timeframe</b>   | : |   |  |

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

|  |   |  |
|--|---|--|
| <b>Application</b>                             | : | Adopted  |
| <b>Explanation on adoption of the practice</b> | : | The Audit and Risk Management Committee comprises 3 members, all of which are 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 Chairman of the Audit and Risk Management Committee, Mr Lim Thian Loong, is a graduate member of the Chartered Institute of Management Accountants (CIMA), London. He is also a member of the Chartered Global Management Accountants (CGMA), Malaysian Institute of Accountants (MIA) and the Chartered Tax Institute of Malaysia (CTIM).</p> <p>Mr Leow Chan Khiang is a Chartered Accountant. He is member of MIA and ACCA. Ms Ong Lay See was an established banker with extensive experience in the financial and banking industry. All AC members are financially literate.</p> <p>It is Iconic Worldwide's policy that all members of the Audit and Risk Management Committee undertake continuous professional development to ensure that they are kept informed and updated of the latest developments. The members continue to update their knowledge and skills by way of on the job training, attendance of various workshops, seminars and briefing sessions.</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>   | : | <p>The Board has established the appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems.</p> <p>In this regard, the Board has adopted a formal Statement on Risk Management and Internal Control which is set out on pages 74 to 76 of the Company's Annual Report 2022.</p> <p>The Board is responsible towards the overall effectiveness of the Iconic Worldwide Group's risk management and internal control systems. The Audit and Risk Management Committee as an independent party is delegated to review and determine the levels of different categories of risk and to also provide assurance to the Board on the effectiveness of the internal control systems and risk management in the Group.</p> <p>The daily running of the business is entrusted to the Group Managing Director and Senior Management team. This close-to-operations management style enables timely identification and reporting of significant matter.</p> <p>The Audit and Risk Management Committee is also supported by the Group's internal audit function which has been outsourced to JWC Consulting Sdn Bhd, an independent professional firm, who will provide an independent assessment on the adequacy and effectiveness of the internal control systems operating within the Group.</p> |
| <b>Explanation for departure</b>  | : |  |
| <p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p> |   |  |

|                  |   |  |  |
|------------------|---|--|--|
| <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>  | : | <p>The Company has established Risks Registers for all segments, namely Corporate, Property Development, Hospitality, Manufacturing, Tourism. These Risks Registers are presented at the Audit and Risk Management Committee Meetings and Board Meetings.</p> <p>The Key Management team of each segment will identify the risks category, area of risks, nature of risks, impact and assess those risks and take action with the existing controls and management action plan.</p> <p>Further details on the management and reporting of risks as well as controls in place to mitigate and manage those risks are provided in the Statement on Risk Management and Internal Control included as pages 74 to 76 of the Annual Report 2022.</p> |
| <b>Explanation for departure</b>   | : |   |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |   |
| <b>Measure</b>   | : |   |
| <b>Timeframe</b>   | : |   |

**Intended Outcome**

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>  | : | The internal audit function of the Group is outsourced to an independent professional firm, JWC Consulting Sdn Bhd and reports directly to the Audit and Risk Management Committee.<br><br>The internal auditors carry out internal audits on the Group based on a risk plan approved by the Audit and Risk Management Committee. Audit findings are then circulated to the Audit and Risk Management Committee for their review and further action if necessary.<br><br>During the year, the Audit and Risk Management Committee also reviewed the performance of the internal auditors and evaluated their suitability and independence before making recommendation to the Board for their re-appointment and 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

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

## Practice 11.2

The board should disclose–

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

|  |  |   |  |  |
|--|--|---|--|--|
| <b>Application</b>   | :  | Applied   |  |  |
| <b>Explanation on application of the practice</b>  | :  | <p>The Group's internal audit function is outsourced to an independent professional firm JWC Consulting Sdn Bhd (JWC). The Audit and Risk Management Committee had evaluated the firm and concluded that the audit personnel assigned to the Group were adequate to carry out the work and did not have any relationships or conflicts of interest with the Iconic Worldwide Group.</p> <p>The team from JWC are led by:-</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 40%; vertical-align: top;"> <p>Ms Joyce Wong<br/><i>(Director)</i></p> <p>Mr Koh Cheang Yew<br/><i>(Manager)</i></p> </td> <td style="width: 60%; vertical-align: top;"> <p>Member of Malaysian Institute of Accountants (MIA)<br/>Member of CPA Australia<br/>Member of The Institute of Internal Auditors Malaysia (IIA)</p> <p>Member of CPA Australia<br/>Member of The Institute of Internal Auditors Malaysia (IIA)</p> </td> </tr> </table> <p>The Internal auditor carried out the internal audits of the Group based on a risk based plan approved by the Audit and Risk Management Committee which meet the objectives of the internal audit framework relevant and applicable to the industry.</p> | <p>Ms Joyce Wong<br/><i>(Director)</i></p> <p>Mr Koh Cheang Yew<br/><i>(Manager)</i></p> | <p>Member of Malaysian Institute of Accountants (MIA)<br/>Member of CPA Australia<br/>Member of The Institute of Internal Auditors Malaysia (IIA)</p> <p>Member of CPA Australia<br/>Member of The Institute of Internal Auditors Malaysia (IIA)</p> |
| <p>Ms Joyce Wong<br/><i>(Director)</i></p> <p>Mr Koh Cheang Yew<br/><i>(Manager)</i></p>   | <p>Member of Malaysian Institute of Accountants (MIA)<br/>Member of CPA Australia<br/>Member of The Institute of Internal Auditors Malaysia (IIA)</p> <p>Member of CPA Australia<br/>Member of The Institute of Internal Auditors Malaysia (IIA)</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>At our annual AGM, all shareholders are invited to raise questions to the members of the Board. The Board provides the necessary explanation to address the questions from the shareholders.</p> <p>The Company keeps shareholders informed by announcements and timely release of quarterly financial results through Bursa Link, press releases, annual report and circular to shareholders.</p> <p>The Company encourages employees and stakeholders to report any improper conduct on the part of employees, management, directors and vendors in particular with respect of their obligation to the Company’s interest. Employees and stakeholders who have been aggrieved or have concerns to raise can raise them through the grievance procedure or to the Audit and Risk Management Committee Chairman.</p> <p>The Company’s website also serves as a forum to communicate with stakeholders and to provide information on the Group’s business activities.</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>   | : | Departure  |  |
| <b>Explanation on application of the practice</b>  | : |  |  |
| <b>Explanation for departure</b>   | : | The Company is not a large company and hence, it can opt not to apply the recommended practice.  |  |
|  |   | However, the Annual Report of the Company has included a Management Discussion and Analysis Statement with comprehensive financial and non-financial information disclosures, as a way to promote greater transparency and accountability to all our stakeholders. |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |  |  |
| <b>Measure</b>   | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice.   |  |
| <b>Timeframe</b>   | : | Choose an item.  |  |

**Intended Outcome**

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

**Practice 13.1**

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

|  |   |   |  |
|--|---|---|--|
| <b>Application</b>   | : | Applied   |  |
| <b>Explanation on application of the practice</b>  | : | The Notice of the 52 <sup>nd</sup> AGM which was dated 28 August 2021 was despatched to all shareholders at least 28 days prior to the AGM held on 28 September 2021. |  |
| <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>  | : | All directors attended the AGM on 28 September 2021. Senior management and the Group's External Auditors were in attendance to respond to shareholders' enquiries. |  |
| <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’s AGM was conducted on a fully virtual basis through live streaming in view of the COVID-19 pandemic conditions. The Company took the necessary precautions and preventive measures in complying with the directives issued by the Malaysian Ministry of Health.</p> <p>The Chairman of the Company and Managing Director addressed substantially all the questions received from shareholders prior to the AGM as well as during the AGM.</p> <p>The Company had leveraged on technology to facilitate remote shareholders’ participation and electronic voting for the conduct of poll on all resolutions for the virtual 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 13.4

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> :  | <p>The 52<sup>nd</sup> AGM was a virtual meeting. The Company had issued the Notification to Shareholders of a fully virtual AGM together with the Administrative Notes which encompassed the guidance on the conduct of the virtual meeting.</p> <p>The shareholders could submit questions to the Company prior to the AGM by emailing to the corporate website or via TIIH online. The shareholders were also informed that they could submit questions in real time during the AGM.</p> <p>The Chairman, all Board members, Senior Management and External Auditors were present at the live streaming of the 52<sup>nd</sup> AGM. The Chairman briefed the members, corporate representatives and proxies who were present of their rights to speak and vote at the meeting. Shareholders were encouraged to raise any queries they had to the Board into the text box given in the live stream. The Chairman and Executive Director had actively responded to the queries raised.</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 13.5

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

|  |  |
|--|--|
| <i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i> |  |
| <b>Application</b> :   | Applied  |
| <b>Explanation on application of the practice</b> :  | The 52 <sup>nd</sup> AGM was successfully conducted by way of live streaming from the Broadcast Venue on 28 September 2021 without any disruptions. The Company had considered the stability and capacity of meeting platform to support smooth live streaming and participation remotely. The Company also worked with its share registrar to ensure that there was adequate back-up plan to mitigate risk of inability to access the meeting platform. Participants were given opportunity to pose questions in the form of typed texts. The Chairman attended substantially to all the questions posed accordingly. |
| <b>Explanation for departure</b> :   |  |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>   |  |
| <b>Measure</b> :   |  |
| <b>Timeframe</b> :   |  |

**Intended Outcome**

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

**Practice 13.6**

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

|  |   |
|--|---|
| <i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>         |   |
| <b>Application</b>   | : Applied   |
| <b>Explanation on application of the practice</b>  | : Minutes of the 52 <sup>nd</sup> AGM held on 28 September 2021 were published on the Company's website no later than 30 business days after the general meeting. |
| <b>Explanation for departure</b>   | :<br><br>   |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> |   |
| <b>Measure</b>   | :<br><br>   |
| <b>Timeframe</b>   | :<br><br>   |

**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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