

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 7293  
**COMPANY NAME** : YINSON HOLDINGS BERHAD  
**FINANCIAL YEAR** : January 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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board of Directors ("<b>Board</b>") is responsible for the proper stewardship of the Company's and its subsidiaries' ("<b>Group</b>") businesses and the creation of long-term stakeholders' value. To ensure effective discharge of the Board's functions and responsibilities, the Board delegates specific responsibilities and functions to various committees, namely Audit Committee ("<b>AC</b>"), Board Risk and Sustainability Committee ("<b>BRSC</b>"), Nominating and Remuneration Committee ("<b>NRC</b>") and Employees' Share Scheme Committee ("<b>ESSC</b>") (collectively referred to as "<b>Board Committees</b>"). The function, roles and responsibilities of the Board Committees, as well as the authorities delegated by the Board are clearly defined in the respective terms of reference, which are reviewed periodically as and when necessary.</p> <p>The key responsibilities of the Board are summarised as follows:</p> <ul style="list-style-type: none"> <li>▪ reviews and adopts a strategic plan, as developed by Management, taking into account the sustainability of the businesses of the Group, with attention given to climate-related and environmental, social, and governance ("<b>ESG</b>") aspects of the operations.</li> <li>▪ oversees the conduct of the Group's businesses, including monitoring Management's performance to determine whether the business is being properly managed.</li> <li>▪ identifies principal business risk faced by the Group and ensures the implementation of appropriate internal controls and mitigating measures to manage such risks.</li> <li>▪ succession planning – ensures that all candidates appointed to Board and Senior Management positions are of sufficient calibre and that there are programs deployed to provide for the orderly succession of members of the Board and Senior Management.</li> <li>▪ oversees the development and implementation of an Investor Relations Programme or Stakeholder Communication Policy &amp; Procedure.</li> </ul>

- reviews the adequacy and integrity of the Group’s management information and internal control systems, ensuring there is a sound framework of reporting internal controls and regulatory compliance.
- ensures the integrity of the Group’s financial and non-financial reporting.

The Board, in discharging its responsibilities in meeting the goals and objectives of the Company, has during the financial year under review, performed the following:

**Promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour**

The Company has reviewed and approved policies and procedures which promote good corporate governance culture within the company including but not limited to Limit of Authority (“**LOA**”), Insider Trading Policy & Procedure, Investments Policy, Corporate Disclosure Policy & Procedure, Stakeholder Communication Policy & Procedure, Succession Planning and Management Policy & Procedure, Human and Labour Rights Policy, Information Security Policy & Procedure, Data Privacy Policy & Procedure, Sanction Policy and Compliance Charter. The Company has continued emphasize on its core values namely, Reliable, Open, Adaptable, Decisive and Sustainable (“**ROADS**”) and organised Group-wide workshops to instil **ROADS** to its employees. The **ROADS** value system is designed to empower employees at all levels to think and make decisions that will align towards achieving the Group’s Vision and Mission. Various aspects of the Company are covered to reinforce ethical, prudent and professional behaviour within the Group.

**Review and approve various proposals presented by Management, followed by supervision and assessment of Management’s performance in said proposals and overall management of the Group’s businesses.**

The Group adopted a three-year Strategic Business Plan and Annual Operating Budget (“**Business Plans**”), prepared by the respective Heads of Business Divisions/Units (HOD), both local and overseas. The Business Plans were presented to the Board and Management Committee for review, approval and adoption at the beginning of the financial year. Business Plans for financial years ending 31 January 2023-2025 were approved on 27 January 2022.

The Board deliberated on and discussed all major business proposals, according to the **LOA**, tabled by Management, with justification and decision points clearly recorded in the minutes of meetings. The Board received regular status reports, updates and briefings by Management on on-going projects within the Group. The regular status updates allowed the Board to evaluate and make informed and timely decisions for the benefit of the Group.

**Ensure strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability**

The Sustainability Committee was established, with members comprising Senior Management team. The Sustainability Committee supports and advises the Board in relation to embedding sustainability principles and practices throughout the Group's overall business strategies, policies, processes and practices to ensure the continuity of the Group. The Sustainability Committee is formally constituted with written terms of reference.

The Sustainability Policy approved by the Board establishes clear sustainable development objectives and guidelines for the Group in every aspect of business, from strategic decisions being made down to day-to-day operations in the respective regions. The Group believes that long-term stakeholder value can be enhanced through the Group giving due regard to the environmental, economic, social and governance aspects.

The Board has adopted a revised Terms of Reference of BRMC in April 2020 which has been further amended as Terms of Reference of BRSC in December 2021 comprising the following additional duties and responsibilities assigned by Board:

- i. Review and recommend strategies to appropriately manage climate-related risks;
- ii. Review and recommend strategies and initiatives relating to the Corporate Sustainability function to ensure Group-wide alignment with relevant global corporate best practices, as well as ESG ratings;
- iii. Review the Group's Anti-Bribery Management System to ensure the Group has put in place adequate measures to mitigate bribery risk; and
- iv. Review regular compliance reports from the Governance, Risk Management and Compliance Department to confirm the adequacy and effectiveness of the Group's corporate governance.

**Ensure sound framework for internal controls and risk management**

The Board acknowledges its responsibility towards maintaining an effective risk management and internal control system to safeguard shareholders' investments and the Group's assets. The Board is responsible for reviewing the adequacy and effectiveness of the Group's current risk management and internal control system to ensure that the system remains relevant and applicable for the Group.

The Board, led by our vision of leading the Company to a greater height, has continued the engagement of professional adviser, namely Ernst & Young Consulting Sdn Bhd as joint Internal Auditors with the existing Internal Audit team of the Company. Various initiatives and proposals

took place in financial year ended 31 January 2022 (“FYE 2022”) for improvement in internal controls and risk management of the Group.

**Understand principal risks of the Company’s business and recognised that business decisions involve taking of appropriate risk**

The Board has overall responsibility for risk oversight management of the Group, while the BRSC and the Management Committee cum Risk Management Committee play the main roles in the direction and oversight of the Group’s risk management framework and policies. The Risk Management Committee reports risk matters to the Board through the BRSC. The principal risks are identified through the risk profiling of the Group, performed and considered by the BRSC.

**Set risk appetite within which the Board expects Management to operate and ensure appropriate risk management framework to identify, analyse, manage and monitor significant financial and non-financial risks**

The Board has implemented an on-going process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives and strategies throughout the period. The Board via the BRSC has identified top five (5) risks of the Group and the key risk indicators and action plans were in place and constant monitoring by the Risk Management Department to mitigate the risk. The Board via the BRSC has also set the Corporate Risk Profile and the Crisis Management Plan of the Group.

**Ensure Senior Management has necessary skills and experience, and measures are in place to provide for the orderly succession of Board and Senior Management**

The Board relies on a strong executive management team of individuals, forming the Management Committee of the Group, who possess rich industry experience to lead and manage the business of the Group on an overall basis. The Board has reviewed and adopted a revised Succession Planning & Management Policy and Procedure for Board and Senior Management with effect from 1 January 2021. Subsequently, the Board has approved a senior executive succession plan tabled at the Board meeting on 25 June 2021, to ensure there are programs deployed to provide for the orderly management transition for upward or lateral movement and strategic continuity for every critical position in the Group.

**Ensure the Company has in place procedures to enable effective communication with stakeholders**

The Stakeholder Communication Policy & Procedure adopted by the Company provides guidance to ensure a full, fair and timely disclosure of relevant information to Stakeholders which are consistent and accurate on a broad and non-exclusive basis. On 21 December 2020, the

	<p>Board approved an enhanced version with new section on digital and social media platform as well as updated privacy information in line with the new Data Privacy Policy &amp; Procedure.</p> <p><b>Ensure integrity of the Company's financial and non-financial reporting</b></p> <p>The Board members have undertaken and will undertake continuous professional development to keep themselves abreast of the relevant developments in accounting and auditing standards, practices and rules. These include briefings by the external auditors on the development or changes in accounting, financial and auditing standards and the practicable rules under the Malaysian Financial Reporting Standards, International Financing Reporting Standards and the Companies Act 2016.</p> <p>The Board via AC constantly ensures that there is a sound framework on corporate reporting, including financial and non-financial reporting, disclosures on corporate governance, sustainability and other non-financial aspects.</p>	
<p><b>Explanation for departure</b></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><b>Timeframe</b></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>	:	<p>The Chairman of the Board is Mr Lim Han Weng. As an Executive Chairman of the Board, Mr Lim Han Weng provides overall effective leadership to the Board and continues driving the Group's directions and overall performance. His key responsibilities are clearly defined in the Board Charter, which are available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p>Despite being an Executive Chairman, the Board is satisfied that Mr Lim Han Weng has continued to discharge his duties effectively and has shown tremendous commitment, playing an integral role in the stewardship of the Group.</p> <p>The revised Board Charter adopted in December 2021 set out that the Non-Executive Directors / Independent Directors shall meet among themselves at least annually to discuss among others, strategic, governance and operational issues, without the presence of the Executive Directors and Management. A private session among Non-Executive Directors has been scheduled on 28 April 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

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 Chairmanship is held by Mr Lim Han Weng and the Group Chief Executive Officer role is held by Mr Lim Chern Yuan. Their key roles and responsibilities are clearly defined in the Board Charter, which is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p>Mr Lim Han Weng provides leadership and direction to the Board to achieve Board effectiveness and focuses on liaison between Board and Management as well as Shareholders. Mr Lim Chern Yuan focuses primarily on formulation and implementation of the Group's business strategies, oversees the implementation of policies and decision adopted by the Board as well as supervises the day-to-day management, operations and business development of the Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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> :	Applied
<b>Explanation on application of the practice</b> :	The Chairman of the Board is Mr Lim Han Weng. He is not the member of AC and NRC, which avoids risk of self-review and the objectivity of the Chairman and the Board being impaired when deliberating on the observations and recommendations put forth by the Board Committees.
<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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board is assisted by qualified and competent Company Secretaries whose appointments and removals are determined by the Board. The roles and responsibilities of the Company Secretaries are clearly defined in the Board Charter. The Company Secretaries provide updates and advice on statutory and regulatory requirements, and the resulting implications of any changes therein to the Company and directors in relation to their duties and responsibilities.  The Company Secretaries organise and attend all Board and Board Committees meetings and ensure accurate and proper records of the proceedings and resolutions passed are maintained. The Company Secretaries constantly keep abreast of regulatory changes and developments in corporate governance through attending trainings and conferences.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

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

## Practice 1.6

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In consultation with the Group Chief Executive Officer and Company Secretary, the Chairman set the schedule and agenda of the Board meeting which take full account for all matters to be deliberated/ approved by the Board, and allocate adequate time for thorough deliberation throughout the meeting. Board meeting and Board Committee meeting are held separately to enable objective and independent discussion during the meeting.</p> <p>Directors are supplied with relevant information and reports to enable informed decisions to be made and responsibilities to be effectively discharged.</p> <p>Board and Board Committee meetings are scheduled and communicated in advance prior to each calendar year to encourage maximum attendance rates.</p> <p>Meeting notices and papers are uploaded to a digital meeting software and disseminated to Board and Board Committees' members at least seven (7) days before meetings, allowing convenient direct access and sufficient time to review, consider and prepare for meetings. The deliberations and decisions of the Board and Board Committees including any dissenting views and whether any director had abstained from voting or deliberating on a particular matter are recorded in minutes and circulated for confirmation/notation. The Board has direct access to the Senior Management and Company Secretaries and may obtain independent professional advice, if necessary, in accordance with procedures in the 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>	:		
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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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>A clear demarcation of responsibilities between the Board, Board Committees and Management-level Committees are defined in the Board Charter. The Board Charter outlines the governance structure, authority and reserved matters for the Board. The Board Charter is available on the Company’s website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p>The respective Board Committees and Management-level Committees roles and responsibilities are described in their respective terms of reference.</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.

<p><b>Application</b></p>	<p>: Applied</p>
<p><b>Explanation on application of the practice</b></p>	<p><b>The Group’s Core Values</b>                  The Group achieves its vision and mission through the implementation of a strong corporate culture that revolves around five Core Values: Reliable, Open, Adaptable, Decisive and Sustainable.</p> <p><b><u>Code of Conduct and Business Ethics (“COBE”) Policy &amp; Procedure</u></b>                  The Group’s COBE Policy &amp; Procedure outlines the foundation and expectations in relation to ethical standards and personal conduct. The COBE Policy &amp; Procedure, which includes other references such as the Group’s Anti-Bribery and Anti-Corruption (“<b>ABAC</b>”) Policy &amp; Procedure, Anti-Money Laundering Policy and Whistleblowing Policy &amp; Procedure, aims to guide employees and the Board on good corporate behaviour and ways to resolve ethical dilemmas at work by:</p> <ul style="list-style-type: none"> <li>▪ Upholding the highest ethical standards of business conduct;</li> <li>▪ Encouraging ethical decision-making and rewarding integrity;</li> <li>▪ Being a role model and leading by example;</li> <li>▪ Ensuring employees are given guidance to understand the ABAC Policy &amp; Procedure and other applicable policies;</li> <li>▪ Creating a positive and transparent environment where questions and concerns may be raised comfortably; and</li> <li>▪ Ensuring those who raise genuine concerns do not suffer retaliation.</li> </ul> <p>The Board recognises the importance of adhering to the COBE Policy &amp; Procedure and has taken measures to ensure its compliance. The areas covered are as follows:</p> <ul style="list-style-type: none"> <li>▪ Work environment;</li> <li>▪ Health and safety environment;</li> <li>▪ Anti-bribery and anti-corruption;</li> <li>▪ Anti-money laundering;</li> <li>▪ Competition laws and regulations;</li> <li>▪ Intellectual property and proprietary information;</li> <li>▪ Insider trading;</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Email, internet and information systems;</li> <li>▪ Managing internal and external communication; and</li> <li>▪ Company resources.</li> </ul> <p>The Board and employees constantly observe the COBE Policy &amp; Procedure and uphold integrity to exercise good judgement when carrying out their duties. The COBE Policy &amp; Procedure is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

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

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

### Practice 3.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<b>Whistleblowing Policy &amp; Procedure</b> The Whistleblowing Policy & Procedure was enhanced to allow anonymous reporting, in line with the ISO 37001 Anti-Bribery Management System standards. The Whistleblowing Policy & Procedure facilitates the disclosure of improper conduct (wrongdoings or criminal offences) within the Group and provides guidance on how disclosures shall be made. Whistleblowers are encouraged to use official whistleblowing channels to express these concerns without fear of unfair treatment or reprisal. The Company provides assurance of protection for genuine whistleblowers. The Whistleblowing Policy & Procedure is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a> .
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

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>Yinson has put a sound and efficient governance structure in place to guide and manage sustainability-related matters as part of its existing corporate governance structure. The success of the governance structure is the result of sustainable leadership from our Board and Senior Management, which collectively forms our leadership team.</p> <p>The leadership team supports our Climate Goals, which is to be carbon neutral by 2030 and net zero by 2050. This has enabled Yinson to focus on good environmental stewardship and strive towards achieving sustainability leadership within our industry. We believe this strategic focus will preserve our long-term value to our stakeholders and support our successful transition into the low-carbon economy.</p> <p>Yinson has updated several internal governance documentations to enhance sustainability and climate-related risk governance at Board and Management level. The updated documents include Board Charter, Committee-level Terms of Reference and Sustainability Policy. Subsequently, Board Risk Management Committee has also been renamed to BRSC to reflect the enhanced responsibilities of the committee on managing sustainability, including climate-related risks and opportunities. To ensure effective management of the Board's functions and duties on climate-related issues, the Board has delegated climate-related responsibilities to BRSC, with ultimate accountability tied to the Chairman of BRSC. In turn, the BRSC receives input from the Management Committee and Sustainability Committee.</p> <p>In FYE 2020 and FYE 2021 Yinson established its Renewables and Green Technologies Divisions. At the same time, Yinson launched various decarbonisation initiatives towards achieving our Climate Goals. One example is the development of a fully electrified harbour craft concept model by the Green Technologies Division, powered by advanced hydrofoil technology. Upon commercialisation, Yinson is working on</p>

	<p>providing harbour craft and inland waterways industry with an option that significantly reduces energy costs and carbon footprint</p> <p>For the financial year under review, Renewables Divisions has received Letter of Award to construct and operate a grid-connected solar photovoltaic (“PV”) project at the Nokh Solar Park, India; entered an agreement to collaborate with Verano Capital (now Verano Energy) for development of renewable energy projects in Chile, Colombia and Peru; and entered a collaboration agreement with Plus Xnergy to jointly invest in and develop solar PV projects within and beyond Malaysia. Post year end, two large wind farms under development were acquired in Brazil. Significant strides was also made in Green Technologies segment during the financial year under review, amongst others, Yinson was awarded funding to develop, deploy and commercialise a fully electric cargo vessel with interoperable swappable battery infrastructure solutions, became a cornerstone investor into Shift Clean Energy, a Canada-based energy storage solutions company working to lower or eliminate dependence on fossil fuels in marine and industrial applications, and formed a joint venture with GTMA to develop and operate chargEV, Malaysia’s largest EV charging network. The development in Renewables and Green Technologies Divisions plays significant role in Yinson’s Climate Goals to be carbon neutral by 2030.</p> <p>Sustainability forms the key strategic direction in Yinson to align society’s expectations and enhance shareholders’ value. Our Group-wide Sustainability Policy contains principles that form the foundation of our way of doing business and how we interact with the communities where we operate. Further details of sustainability disclosure for the financial year under review is disclosed in Sustainability Statement as contained on pages 120 to 135 of the Annual Report 2022.</p>	
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>		
<b>Timeframe</b>		

**Intended Outcome**

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

**Practice 4.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Yinson’s sustainability strategies, priorities and targets as well as performance towards these targets are communicated to its internal and external stakeholders regularly via:</p> <ul style="list-style-type: none"> <li>• Annual Report</li> <li>• Yinson Townhall by Senior Management</li> <li>• Analyst and Investors Presentation updates</li> <li>• Media release</li> <li>• Corporate website</li> <li>• Trainings</li> </ul> <p>In addition, Yinson’s commitment to climate initiatives has also been set out in its Annual Report 2022 and Yinson Climate Report for the information of its internal and external stakeholders.</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 4.3

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>	:	The Board through the NRC assessed the training programmes attended by each Director during the financial year to ensure they stay abreast with the latest developments in the industry as well as the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities.  With the ever-growing emphasis on sustainability as well as the increased expectations for the Company to behave responsibly, the Board will continue be engaging with subject matter experts from external and internal to ensure that the Board have the knowledge in supporting the Company to lift their sustainability focus to a sustainable strategy.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 4.4

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board Effectiveness Evaluation (“BEE”) for FYE 2022 has included the performance and effectiveness assessment on sustainability for the first time. The BEE for FYE 2022 has among others, assessed the following areas:-</p> <ul style="list-style-type: none"> <li>• Effectiveness of the Board to deal with material matters of the Company and set strategies, priorities and targets for sustainability;</li> <li>• Key learning needs on sustainability; and</li> <li>• Effectiveness of the Board in addressing the Group’s material sustainability risks and opportunities.</li> </ul> <p>Human Resource Department has set the key performance indicators (“KPI”) for Senior Management where the aforesaid KPI will take into consideration the Company’s performance in managing material sustainability risks and opportunities.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.5- Step Up**

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

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

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>Group Chief Executive Officer chairs the Sustainability Committee. The Corporate Sustainability function reports to Group Chief Strategy Officer.</p> <p>General Manager, Head, Governance, Risk &amp; Sustainability is the designated person being identified by the Board to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the respective business divisions of Yinson.</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>The Board believes an appropriate balance and mix of skills, knowledge, experiences, backgrounds and gender contributes to the effectiveness of the Board. The NRC evaluates the effectiveness and performance of the Board, Individual Directors and Board Committees via Board Evaluation Exercise annually.</p> <p>Currently, the Board comprises members from diverse backgrounds which provide the Group with diverse views and a wealth of expertise, experiences and networks to draw upon.</p> <p>The tenures of all six (6) Independent Directors, namely Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon, Dato' Mohamad Nasir bin Ab Latif, Datuk Abdullah bin Karim, Raja Datuk Zaharaton binti Raja Zainal Abidin, Puan Sharifah Munira bt. Syed Zaid Albar and Mr Gregory Lee are less than six (6) consecutive years. The profiles of the Directors are provided on pages 20 to 25 and Board diversity charts can be found on page 20 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

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

### Practice 5.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board currently comprises eleven (11) members of whom three (3) are Executive Directors, two (2) are Non-Independent Non-Executive Directors and six (6) are Independent Non-Executive Directors. The composition of the independent directors is 54.5% and four (4) out of eleven (11) Directors (36.4%) are women. Hence, the Company meets the requirement of having a majority of independent directors.</p> <p>In addition, Employees Provident Fund Board (“EPF”), a statutory institution who is managing funds belonging to the general public, being a major shareholder of the Company has nominated Puan Rohaya binti Mohammad Yusof for appointment as Non-Independent Non-Executive Director of the Company as per her nomination letter from EPF. Puan Rohaya binti Mohammad Yusof, acting in the interest of general public, provides independent deliberation, review and decision making to 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>None of the tenures of Independent Directors exceed a cumulative term limit of 9 years. Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon and Raja Datuk Zaharaton binti Raja Zainal Abidin were appointed as Independent Non-Executive Directors on 11 August 2016. Datuk Abdullah bin Karim, Puan Sharifah Munira bt. Syed Zaid Albar and Mr Gregory Lee were appointed as Independent Non-Executive Directors on 16 October 2018, 1 January 2020 and 1 October 2021 respectively.</p> <p>Dato' Mohamad Nasir bin Ab Latif, a Non-Independent Non-Executive Director appointed on 11 August 2016 was re-designated as Independent Non-Executive Director on 1 January 2020. All six (6) Independent Non-Executive Directors have served less than six (6) consecutive years in the Company.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

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

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

## Intended Outcome

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

## Practice 5.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p><b>Nominating Policy &amp; Procedure</b> The Company has adopted the Nominating Policy &amp; Procedure that sets out the nominating principles and framework, provide a guide to identify, evaluate, and recommend candidates for the Board, Board committees and Senior Management, as well as to ensure the Board and senior management comprised of individuals who are best able to discharge their responsibilities. The Nominating Policy &amp; Procedure is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p><b>Diversity, Equality and Inclusion Policy &amp; Procedure</b> The Diversity, Equality and Inclusion Policy &amp; Procedure approved and adopted in December 2021 outlines the approach to achieve equity, diversity and inclusion across the business, communities and with all stakeholders. This policy applies to the Board, Senior Management, officers and employees of the Group. In designing the composition of the Board and Senior Management, diversity is considered from several aspects including age, colour, disability, ethnicity, family or marital status, gender, language, national origin, physical and/or mental ability, race, religion, status, and other characteristic. The Board delegates the responsibility of promoting a corporate culture that embraces diversity to the Human Resource Department and Group Chief Executive Officer. The Diversity, Equality and Inclusion Policy &amp; Procedure is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p>The members of the Senior Management consist of male and female gender, the Senior Management team is equipped with diverse skills, expertise and industry experience to lead the business direction of the Group. The Company has formulated a comprehensive succession plan which has taken into consideration the aspect of gender diversity.</p>
<b>Explanation for departure</b>	:	

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

## Intended Outcome

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

## Practice 5.6

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nominating Policy &amp; Procedure adopted by the Company promotes transparency and effectiveness of the selection and procedure for the appointment of new directors. The Nominating Policy &amp; Procedure is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p>The NRC keeps the Board's balance of skills, knowledge, experience and the length of service of members of the Board under constant review and as recommended by the Malaysian Code on Corporate Governance 2021 ("MCCG") and Corporate Governance Guide (4<sup>th</sup> Edition) of Bursa Malaysia Berhad ("CG Guide"). The NRC takes into consideration of independent sources in identifying suitable qualified candidates including but not limited to, Women Directors' Registry and Institute of Corporate Directors Malaysia. The NRC will conduct proper screening and selection of candidates prior to the appointment of any new Directors.</p> <p>The selection and procedure for appointment of new Directors are rigorous and transparent. During the financial year under review, in cognisant of the importance of continuous development and keeping pace with transformation of technology, the NRC, after due consideration on the potential candidate who was solicited through an autonomous technology platform by Group Chief Executive Officer, had recommended to the Board the appointment of Mr Gregory Lee as Independent Non-Executive Director of the Company. Mr Gregory Lee with his exceptional knowledge and experience particularly in information technology, strategy and investment with proven and consistent track records in his senior roles in multinational corporations and conglomerates, would strengthen the composition, dynamic and diversity of the Board and consequently, continue to uplift the effectiveness of the Board by discharging his duties and responsibilities as well as enhance the quality of decision making and performance of the Board 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 5.7

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>In order to assist the shareholders in their decision on appointment and/or reappointment of a director, the information of the Directors such as their personal profile, record of attendance of meetings and the shareholdings of each Director (where applicable) are disclosed in the Annual Report 2021.</p> <p>There is no Director standing for election at the forthcoming Annual General Meeting (“AGM”).</p> <p>During the financial year under review, the assessment relating to reappointment of directors was reviewed by NRC and recommended to the Board for approval. The Board approved the proposal, based on the performance and calibre of the directors as well as additional consideration of the BEE 2021 before recommended the resolution to shareholders at the 29<sup>th</sup> AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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>	:	<p>The NRC is led by Raja Datuk Zaharaton binti Raja Zainal Abidin, an Independent Non-Executive Director of the Company. The role of the Chairman of the committee is indicated in the NRC's Terms of Reference which includes but is not limited to the following:</p> <ul style="list-style-type: none"><li>i. Leading in succession planning and appointment of directors, and oversee the development of a diverse pipeline for Board and management succession, including future Chairman, Executive Directors and Chief Executive Officer;</li><li>ii. Leading in governance issues, particularly the annual review of the effectiveness of the Board and Board Committees and ensuring that the performance of individual directors and Chairman of the Board are independently assessed; and</li><li>iii. Chairing meetings of NRC and taking reasonable steps for the proper functioning of the NRC.</li></ul>
<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>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of gender diversity in Board and Senior Management positions and fully support policy of government of Malaysia to have at least 30% female Directors on the Board.</p> <p>The Board comprised of eleven (11) Directors, of whom four (4) are female directors, representing 36.4% of the total composition of the Board.</p> <p>To enhance the Board’s effectiveness, the Board ensures its members have the relevant skills experience, expertise and time commitment. Although the Board takes into consideration gender diversity in the appointment of Board and Senior Management, the Board believes that selection of directors should not be based on any gender discrimination or preferences, as it is equally important to have the right mix of skills at the Board and Management level in order to enable the Board, Board Committees and Senior Management team to carry out their duties effectively.</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 5.10**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company has adopted Diversity, Equality and Inclusion Policy &amp; Procedure that outlines the approach to achieve diversity in the Board composition and Senior Management positions. The Company recognises and embraces the benefits of having a diverse Board and Senior Management to enhance the quality of its performance. In designing the composition of the Board and Senior Management, diversity is considered from several aspects including age, colour, disability, ethnicity, family or marital status, gender, language, national origin, physical and/or mental ability, race, religion, status, and other characteristic.</p> <p>NRC shall review and assess candidates for Board and Senior Management positions from time to time based on the range of diversity perspectives, including but not limited to the above aspects. The ultimate decision will be based on merit, contribution and potential that the selected candidates will bring to the Board and its workforce.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

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

### Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The NRC conducted an annual evaluation on the effectiveness of the Board and Board Committees, evaluation of the individual performance of Directors, as well as assessed the independence of Independent Directors. Additionally, the attendance of Directors at the Board and Board Committees meetings, time commitment and trainings attended were reviewed and considered.</p> <p>The Board has approved the engagement of an independent consultant, Boardroom Corporate Services Sdn Bhd to facilitate Board Evaluation for FYE 2020. The aim is to form an objective and candid evaluation of the Board and Board committees, facilitated through evaluation forms and one-to-one interviews. Results were tabled to the NRC which subsequently reported the findings to the Board. The evaluation of the Board by the independent consultant will be conducted at least once every three years or as and when required.</p> <p>Directors' Evaluation for FYE 2022 was facilitated by our in-house Corporate Secretary Department. An executive summary of Board Evaluation for FYE 2022 was generated and results were tabled at the NRC meeting held on 28 March 2022, which in turn reports the findings and action plans for Board's approval. The assessment of the Board is based on four (4) main areas relating to Board structure, Board operations, Board and Chairman's roles and responsibilities and Board Committees' role and responsibilities. The Company has adopted new AC Members' Self and Peer Evaluation form as well as Board Skills Evaluation form in line with the recommendation from the CG Guide.</p> <p>For evaluation of the individual performance of Directors, the assessment criteria include abilities and competencies, contribution and performance, calibre and personality, technical knowledge, objectivity and the level of participation at Board and Committee meetings including the contribution to Board processes, business</p>

strategies and performance of the Group. The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Group and his/her involvement in any significant transaction with the Group according to the criteria set in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

None of the Directors exceed five (5) listed companies’ directorships. All Directors achieved full attendance in Board Meetings held in FYE 2022.

The Board is satisfied with the overall performance of individual Directors, Group CEO, Board and Board Committees for the financial year under review, with improvement seen for the performance of the Board and Board Committees.

The following are steps/enhancements undertaken to mitigate/address the weaknesses identified:

No.	Action to be taken	Status
1.	<b>Boardroom diversity and succession planning</b>	
	<ul style="list-style-type: none"> <li>▪ Develop an orderly succession plan for Senior Management, which gives a clear direction as to what the Company is facing and the type and depth of experience required in order for Management to continue functioning effectively.</li> <li>▪ To revisit the Key Performance Indicators set for Senior Management.</li> <li>▪ Lack of focus on formulating a clear succession plan for the orderly succession for appointments to Senior Management. There is a need to enhance boardroom diversity in light of current technological advancements and the expansion of the Group’s businesses overseas. Furthermore, Board noted the departure from the recommendation of MCGG which recommend Board to comprise of a majority Independent Directors for Large Companies.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Human Resource Department has tabled the succession plans for the Group CEO and the Senior Management for NRC review in the NRC Meeting held on 17 June 2021 and the same was approved by the Board in Board meeting held on 25 June 2021. Consideration would now be given on how to address gaps in the succession plans.</li> <li>➤ Key Performance Indicators for Senior Management covering financial performance, sustainability, business areas function, values and employee engagement were tabled and deliberated in the Special NRC Meeting held on 9 December 2021 and approved by Board members in the Board Meeting held on 17 December 2021.</li> <li>➤ Mr Gregory Lee was appointed as Independent Non-Executive Director in Yinson on 1 October 2021. He has exceptional knowledge and experience particularly in information technology, strategy and investment with proven and consistent track records in his senior roles in multinational corporations and conglomerates. With this, his appointment would strengthen the composition, dynamic and diversity of the Board and consequently, continue to uplift the effectiveness of the Board by discharging his duties and responsibilities as well as enhance the quality of decision</li> </ul>

	<p>making and performance of the Board as a whole.</p> <ul style="list-style-type: none"> <li>➤ Yinson being a large company, shall apply the best practices under the MCCG of having a majority of independent directors in the Board. The composition of the independent directors upon the above appointment is 54.5%. Hence, the Company meets the requirement of having a majority of independent directors.</li> </ul> <hr/> <p>2. <b>Risk oversight</b></p> <ul style="list-style-type: none"> <li>▪ Board shall reassess the current risks management oversight of the Company. Whilst much focus has been given to projects/commercial and financial risks, other critical risks such as technological, environmental risks are not given emphasis.</li> <li>➤ IT team is building towards a security posture through adoption of appropriate cybersecurity standard or framework based on the suggested Cybersecurity Roadmap, timeline and organization. As part of Yinson’s Cybersecurity Risk Management, Astaara had been appointed as the external consultant to manage the cybersecurity risks of the Group. The objectives of Cybersecurity Risk Management are (a) to conduct a comprehensive cybersecurity risk assessment for Yinson; and (b) to enhance Yinson’s cybersecurity hygienic. The proposal in relation thereto was tabled and approved by Board members in the Board Meeting held on 17 December 2021.</li> <li>➤ The Sustainability Team together with the Risk Management Team is the midst of establishing and integrating the climate risk assessment to the Enterprise Risk Management (“ERM”) Process. The documentation of the integration has been completed in December 2021 within the ERM Framework. At present, both the teams are in the process to establish the climate risk assessment process together with the relevant stakeholders (i.e. project managers, etc.) to be in line with the Task-force on Climate-related Financial Disclosure (“TCFD”) Framework.</li> <li>➤ Sustainability Team is in the midst of engaging external service providers to conduct TCFD benchmark analysis and climate scenario modelling. The purpose of the exercise is to understand the gap of current climate initiatives and identify any improvement plans. The climate scenario modelling will also benefit the business by providing detailed analysis on the impacts of carbon risk which the process is targeting to be completed by Q2 2022.</li> <li>➤</li> </ul>
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	<p>3. <b>Information flow and Board administration</b></p> <ul style="list-style-type: none"> <li>▪ Shareholders’ feedback during General Meeting shall be compiled and tabled to the Board for notation and taking necessary follow-up actions, if required.</li> </ul> <p>➤ Shareholders’ feedback during General Meeting, if any, shall be obtained from Investor Relations / Group Communication unit, and tabled to the Board for notation. The Board shall ensure that the information is communicated in an effective and timely manner to enable Directors to discharge their statutory duties by taking necessary follow-up actions.</p> <hr/> <p>4. <b>Information system, technological adeptness and resilience</b></p> <ul style="list-style-type: none"> <li>▪ Board still lacks certain skill sets particularly those pertinent to the areas of information technology (i.e. potential threats to cyber security, system integrity and data breach). There could be more weightage placed on keeping Directors well-informed, particularly in technological advancements and breakthroughs within the marine, offshore, oil &amp; gas, renewables and green technologies industry.</li> </ul> <p>➤ Board members have been provided the access to <b>Learn@Yinson</b>, Yinson’s Learning Management System, which allows Board members to leveraging on digital technologies to gear towards future growth, long-term business sustainability and improve their skill sets. <b>Learn@Yinson</b> is a continuous professional course for Executive Directors, Management personnel and staff as a common learning management system to host learning resources across Yinson Group. There are over 8,000 LinkedIn Learning courses the Board can access ranging from courses relevant to their current professional roles and functions to personal interests and passion. Relevant notifications will be received by the Board on the learning courses from time to time to kept them informed of the updated courses in <b>Learn@Yinson</b>.</p> <p>➤ On-going trainings from experts to Directors would be provided at least once every year and as and when required. During the year under assessment, Directors’ Trainings have been conducted as follows:</p> <ul style="list-style-type: none"> <li>▪ Anti-Bribery &amp; Anti-Corruption training on Section 17(A) by Malaysian Anti-Corruption Commission (MACC) on 7 May 2021;</li> <li>▪ Adapting to the New Normal: Lessons for the Board by Ernst &amp; Young (EY) on 5 August 2021; and</li> <li>▪ Environmental, Social and Governance (ESG) training by PricewaterhouseCoopers PLT (PwC) on 1 October 2021.</li> </ul>
<p><b>Explanation for departure</b></p>	<p>:</p>

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<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>	:	<p>The Remuneration Policy &amp; Procedure for Directors and Senior Management is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>. The Remuneration Policy &amp; Procedure of the Company aims to support the Company's key strategies and create a strong performance-oriented environment in attracting, motivating and retaining talent towards achieving the long-term vision of the Company.</p> <p>In March 2022, the NRC had reviewed the fees and benefits of the Board and Board Committees taking into consideration the market trends for similar positions, time commitment and responsibilities of the respective Directors. No revision of Directors' fees and benefits have been recommended by the NRC. In April 2022, taking into consideration the importance of improving knowledge and skills of Board members and with the recommendation from NRC, the Board had further resolved to seek shareholders' approval at the 29th AGM, an additional Directors' benefits of RM500,000, being annual training budget for the Board 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>	:		
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### Intended Outcome

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

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

### Practice 7.2

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established a combined NRC comprising of three (3) Independent Directors. The combined committee will increase the effectiveness and efficiency of the committee in discussing and reviewing both nomination and remuneration function from an overall perspective.</p> <p>The Terms of Reference of the NRC clearly spells out the roles and responsibilities of the committee. The Terms of Reference of NRC are available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p>The Directors and person connected with the said Directors, who are shareholders of the Company had abstained from voting at the 28<sup>th</sup> AGM on resolutions relating to their directors' fees, benefits and 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

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>	:	<p>The detailed disclosure on named basis for the remuneration of individual directors in FYE 2022 are set out in below table.</p> <p>Remark for the table below:</p> <p>(a) Other emoluments comprise employer's provident fund contribution, social security welfare contributions and Employees' Insurance Scheme.</p> <p>(b) 50% of the Director's fees for Puan Rohaya Binti Mohammad Yusof as nominee of EPF on the Board of the Company is paid directly to EPF.</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Lim Han Weng	Executive Director	70.0	17.0	4,144.5	980.1	-	923.0	6,134.6	70.0	17.0	4,144.5	980.1	-	923.0	6,134.6
2	Bah Kim Lian	Executive Director	50.0	16.0	534.6	148.2	-	123.5	872.3	50.0	16.0	534.6	148.2	-	123.5	872.3
3	Lim Chern Yuan	Executive Director	80.0	21.0	3,461.9	823.7	-	772.3	5,158.9	80.0	21.0	3,461.9	823.7	-	772.3	5,158.9
4	Lim Han Joeh	Non-Executive Non-Independent Director	200.0	16.0	-	-	-	-	216.0	200.0	16.0	-	-	-	-	216.0
5	Dato' Mohamad Nasir bin Ab Latif	Independent Director	250.0	25.0	-	-	-	-	275.0	250.0	25.0	-	-	-	-	275.0
6	Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon	Independent Director	280.0	30.0	-	-	-	-	310.0	280.0	30.0	-	--	-	-	310.0
7	Raja Datuk Zaharaton binti Raja Zainal Abidin	Independent Director	270.0	30.0	-	-	-	-	300.0	270.0	30.0	-	-	-	-	300.0
8	Datuk Abdullah bin Karim	Independent Director	260.0	29.0	-	-	-	-	289.0	260.0	29.0	-	-	-	-	289.0
9	Rohaya binti Mohammad Yusof	Non-Executive Non-Independent Director	200.0	16.0	-	-	-	-	216.0	200.0	16.0	-	-	-	-	216.0
10	Sharifah Munira bt. Syed Zaid Albar	Independent Director	200.0	16.0	-	-	-	-	216.0	200.0	16.0	-	-	-	-	216.0
11	Gregory Lee	Independent Director	67.4	4.0	-	-	-	-	71.4	67.4	4.0	-	-	-	-	71.4
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				
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				

14	Input info here	Choose an item.	Input info here													
15	Input info here	Choose an item.	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>	:	<p>The detailed remuneration of the Group Chief Executive Officer, who is an Executive Director, is disclosed in the Annual Report 2022. The Board recognises the need for corporate transparency in the remuneration of the Senior Management, however, the Board has decided to depart from this Practice as the disclosure would affect the competitiveness of the Group due to the niche market and expertise required for the industry.</p> <p>Alternative Approach: The remuneration of the Senior Management (Group basis) for FYE 2022 are as follows:</p> <table border="1"> <thead> <tr> <th>Group Level</th> <th>Salary RM'000</th> <th>Benefits in Kind RM'000</th> <th>Other Emoluments<sup>^^</sup> RM'000</th> <th>Total RM'000</th> </tr> </thead> <tbody> <tr> <td>Senior Management **</td> <td>17,746.5</td> <td>3,217.0</td> <td>10,827.5</td> <td>31,791.0</td> </tr> </tbody> </table> <p><sup>^^</sup> Comprises bonuses, allowances, employer's provident fund contributions, social security welfare contributions and Employees' Insurance Scheme. <sup>**</sup> Inclusive of Group CEO who is also an Executive Director.</p>	Group Level	Salary RM'000	Benefits in Kind RM'000	Other Emoluments <sup>^^</sup> RM'000	Total RM'000	Senior Management **	17,746.5	3,217.0	10,827.5	31,791.0
Group Level	Salary RM'000	Benefits in Kind RM'000	Other Emoluments <sup>^^</sup> RM'000	Total RM'000								
Senior Management **	17,746.5	3,217.0	10,827.5	31,791.0								
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>												
<b>Measure</b>	:	The Board via NRC reviewed the remuneration of the Senior Management by comparing companies (within industry, similar market capitalisation and financial performance) in Malaysia and internationally.										
<b>Timeframe</b>	:	Others The Board will continue to review this Practice annually.										

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.				
2	Input info here	Input info here	Choose an item.	Choose an item.				
3	Input info here	Input info here	Choose an item.	Choose an item.				
4	Input info here	Input info here	Choose an item.	Choose an item.				
5	Input info here	Input info here	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						
2	Input info here	Input info here						
3	Input info here	Input info here						
4	Input info here	Input info here						
5	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>	:	<p>The Chairman of AC and Chairman of the Board are separate persons.</p> <p>The Chairman of the AC is chaired by Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon, a Senior Independent Non-Executive Director, who is a member of The Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants.</p> <p>All members of the AC are Independent Non-Executive Directors and the composition of the AC are as follows:</p> <ul style="list-style-type: none"><li>▪ Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon (Chairman)</li><li>▪ Raja Datuk Zaharaton binti Raja Zainal Abidin (Member)</li><li>▪ Datuk Abdullah bin Karim (Member)</li><li>▪ Dato' Mohamad Nasir bin Ab Latif (Member)</li></ul> <p>The Terms of Reference of the AC, which are available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>, includes the details roles and responsibilities of the Chairman and committee, which encompasses risk management and internal controls, financial reporting, internal audit, external audit and other matters. A summary of work performed by the AC during the financial year under review is disclosed in the AC Report contained on pages 205 to 206 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**

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>	:	The Terms of Reference of AC requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as an AC member.  Currently, no AC members are former key audit partners of the Company.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The AC is responsible for reviewing, assessing and monitoring the performance, suitability and independence of external auditors annually, in accordance with requirements set out in the revised External Auditor Policy &amp; Procedure adopted on 17 December 2021, to ensure continuing independence and objectivity of the external auditors. The External Auditors Policy &amp; Procedure is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p>The AC evaluated the performance of the external auditors for financial year ended 31 January 2021 based on the External Auditor Performance and Independence checklist recommended in the CG Guide. The assessment was satisfactory and subsequently, PricewaterhouseCoopers PLT were re-appointed as External Auditors for the FYE 2022 at the 28<sup>th</sup> AGM of the Company.</p> <p>In accordance to the External Auditor Policy &amp; Procedure, the External Auditor shall observe and fully comply with Section 600 of the MIA By-laws in connection with non-audit services. The External Auditor is prohibited from rendering the following non-audit services:</p> <ol style="list-style-type: none"><li>Accounting and bookkeeping services;</li><li>Valuation services;</li><li>Internal audit services;</li><li>Information technology systems services;</li><li>Litigation support services;</li><li>Recruitment services; and</li><li>Corporate finance services.</li></ol> <p>Individual non-audit service engagements with fees exceeding the prescribed approval threshold of RM150,000 shall be approved by the AC before they are rendered by the External Auditor and its affiliates.</p> <p>On a quarterly basis, the AC shall review all non-audit services rendered by the External Auditor to ensure that the consequent threats of audit independence deterioration arising from the non-audit services provided are reduced to an acceptable level.</p>

	<p>In addition, annual confirmation from the External Auditor shall be obtained that the independence of the External Auditor will not be impaired by the provision of non-audit services.</p> <p>During the financial year under review, the assessment relating to reappointment of External Auditor was reviewed by AC and recommendation be made to the Board for consideration and approval. The Board approved the proposal for reappointment of External Auditor, based on their calibre, performance, audit team skills and expertise, independency, audit scope, planning and communication as well as the appropriateness of audit fee as per the External Auditor Evaluation Form before recommended the resolution for reappointment of External Auditor to shareholders at the 28<sup>th</sup> AGM.</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**

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 current AC comprises of four (4) 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>	:	The members of the AC possess a mix of skills, knowledge and experience to enable the AC to discharge their duties and responsibilities as addressed in the terms of reference. The Chairman of the AC, Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon is a member of The Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants.  All members of the AC are financially literate, with extensive corporate experience and equipped with the required business skills to effectively challenge management's decisions and proposals.	
<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 a stewardship responsibility to understand the risk of the Group, provide guidance on dealing with these risks and to ensure risks are managed proactively, in a structured and consistent manner. The Board via BRSC assumes the responsibility of identifying principal risk, ensuring the implementation of an effective risk management system and reviewing the adequacy and integrity of the Company's internal control and management information system.</p> <p>The policies of the Board for ERM are:</p> <ul style="list-style-type: none"><li>▪ to inculcate the risk management philosophy and process into the management culture, business activities and decision-making processes</li><li>▪ to anticipate and respond to the changing operational, social, environmental, and regulatory requirements proactively</li><li>▪ to manage risks pragmatically and reduce the risk to an acceptable level</li><li>▪ to ensure the adequacy of the risk governance and risk controls in place in relation to any investment that the Group is undertaking or considering to embark or participate</li><li>▪ to continuously strive towards strengthening the risk management practices through continuous learning and improvement</li></ul> <p>The ERM Policy Statement and Framework is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**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 features of the risk management and internal control framework and its adequacy and effectiveness can be found in the Statement on Risk Management & Internal Control, contained on pages 199 to 204 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

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

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

### Practice 10.3 - Step Up

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

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The BRSC comprises of a majority of Independent Non-Executive Directors.</p> <p>The composition of the BRSC is as follows:</p> <ul style="list-style-type: none"><li>• Dato' Mohamad Nasir bin Ab Latif (Chairman)</li><li>• Lim Chern Yuan (Member)</li><li>• Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon (Member)</li><li>• Raja Datuk Zaharaton binti Raja Zainal Abidin (Member)</li><li>• Datuk Abdullah bin Karim (Member)</li></ul> <p>The Terms of Reference of the BRSC, a revision was approved by the Board in December 2021, is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p>

### 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 carried out through a co-sourcing engagement between the in-house Internal Audit Department and Ernst & Young Consulting Sdn Bhd, who reports directly to the AC.  Internal compliance team will conduct half yearly audit on the anti-bribery system which is in line with ISO 37001 Anti-Bribery Management Systems (ABMS).  The AC is responsible for the appointment and reviewing of the Internal Audit Function's performance. The scope of work for the Internal Audit function is as set out in the Report on AC as found on pages 205 to 206 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

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>In December 2020, the role of Head of Internal Audit became vacant and the task of overseeing the outsourced Internal Audit function was then managed by General Manager, Head of Governance, Risk &amp; Sustainability. Hence, for the FYE 2022, the aforesaid General Manager has been tasked to oversee the outsourced Internal Audit function performed by Ernst &amp; Young Consulting Sdn Bhd.</p> <p>On 1 February 2022, Mr Ho Guan Ming, a Chartered Accountant with the Malaysian Institute of Accountants, assumed his role as Head of Internal Audit, which is supported by a Senior Manager, a member of Association of Chartered Certified Accountants (ACCA), to provide independent assurance that the Company's risk management, governance and internal control processes are operating effectively.</p> <p>The Internal Auditors, both in-house and external consultant are free from any relationships or conflicts of interest, which could impair their objectivity and independence. Further details of the Internal Audit functions are disclosed in the Report on AC as contained on pages 205 to 206 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

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

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

## Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of being transparent and accountable to the stakeholders and prospective investors. The communication channels between stakeholders and the Company include, but are not limited to the following:</p> <ul style="list-style-type: none"><li>▪ Meetings with institutional shareholders and investment communities.</li><li>▪ Quarterly announcements on financial results to Bursa Securities.</li><li>▪ Relevant announcements and circulars, when necessary.</li><li>▪ Annual and Extraordinary General Meetings.</li><li>▪ Company's website at <a href="http://www.yinson.com">www.yinson.com</a> where shareholders and prospective investors can access corporate information, annual reports, press releases, financial information, company announcements and share prices of the Company.</li></ul> <p><b>Stakeholder Communication Policy &amp; Procedure</b> The Stakeholder Communication Policy &amp; Procedure, a revision of which was approved by the Board in December 2020, promotes effective communication and provides stakeholders with complete and timely information that represent the Group fairly and accurately. This enables investors and potential investors to make proper informed investment decisions, and for other parties to have a balanced understanding of the Group and its objectives. The Stakeholder Communication Policy &amp; Procedure is available on the Company's website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p><b>Corporate Disclosure Policy &amp; Procedure</b></p> <ul style="list-style-type: none"><li>▪ The Corporate Disclosure Policy &amp; Procedure sets out how sensitive and material information is determined and disseminated to investors, stakeholders, local media, investing public and other relevant persons in accordance with applicable statutory and regulatory requirements. The Corporate Disclosure Policy &amp; Procedure was reviewed and enhanced in December 2020, which included the following insertion: exceptional circumstances that the Company may withhold or delay disclosure of material information temporarily provided that complete confidentiality is maintained,</li></ul>

	<ul style="list-style-type: none"> <li>▪ measures to minimise leakage of information in ensuring that the Company maintain confidentiality at all times; and</li> <li>▪ policy on thorough public dissemination.</li> </ul> <p>The Corporate Disclosure Policy &amp; Procedure is available on the Company’s website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p>The Company via its Investor Relations team, conducts periodic analyst briefings and issues press releases as and when necessary, including its quarterly financial results and major contracts. The press releases, announcements issued to Bursa Securities and corporate presentations are available on the Company’s website at <a href="http://www.yinson.com">www.yinson.com</a>.</p> <p>To maintain transparency and effectively address concerns, the Company has dedicated electronic mails – <a href="mailto:info@yinson.com">info@yinson.com</a> to which stakeholders can direct their queries or concerns, and <a href="mailto:ir@yinson.com">ir@yinson.com</a> for investor relations purposes.</p> <p>Employee engagement survey will be performed by external service provider annually to gain a better understanding of the expectations and concerns of employee and the company’s impact on them.</p> <p>Stakeholders’ engagement exercise was conducted over the month of September 2021 to refresh the Materiality Matrix. The results of the exercise will be a new Materiality Matrix that will serve as new focal points for the Group’s sustainability narrative moving forward.</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>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company recognises that the success of the Company will increasingly depend on its ability to create value while being mindful of how the Group utilises resources, and that shareholders are keen to be made aware of how the Company connects its business strategy with its financial and non-financial performance. Therefore, the Company has taken initiatives to meet the disclosure standards by ensuring its Annual Report 2020 adhered to the International Integrated Reporting Framework set by the International Integrated Reporting Council.</p> <p>The Company has engaged Rethink Sdn Bhd as the design agency and worked closely with all teams and Senior Management to achieve full integrated report status.</p> <p>The Company has won silver placing in the Asia Integrated Reporting Awards, in the Asia's Best Integrated Report (First Time) category.</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 13.1

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>	:	<p>The notice of the 28<sup>th</sup> AGM has been given to the shareholders at least 28 days prior to the meeting, in accordance with the Board Charter and the Company's Constitution.</p> <p>The notice of the 28<sup>th</sup> AGM dated 31 May 2021, which set out the businesses to be transacted at the AGM, was published in the Annual Report 2021, advertised in The Star newspaper, released to Bursa Securities and uploaded onto the Company's website. The notice was accompanied by an Administrative Details which provides administrative guide of fully virtual General Meeting including but not limited to the usage of the Remote Participation and Voting ("RPV") facilities, General Meeting Record of Depositors, Proxy, Poll Voting and Procedures for the RPV facilities.</p> <p>The notes to the notice of AGM also provided detailed explanations for each resolution proposed as special business to enable shareholders to make informed decisions in exercising their voting rights.</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 13.2

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 28 <sup>th</sup> AGM held by the Company on 15 July 2021 via remote participation. The Chairs of the AC, BRSC, NRC as well as ESSC were present to response to any questions addressed to them.	
<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 AGM is the principal communication forum for Shareholders. In light of the Covid-19 pandemic and as part of the initiatives to curb the spread of Covid-19, the 28<sup>th</sup> AGM of the Company held on 15 July 2021 was conducted on a fully virtual basis via online meeting platform of Securities Services e-Portal provided by SS E Solutions Sdn. Bhd. in Malaysia via its website at <a href="http://www.sshsb.net.my">www.sshsb.net.my</a> and online remote voting via RPV facilities. The fully virtual AGM was conducted in accordance with the Guidelines Notes on Conduct of General Meetings issued by the Securities Commission on the conduct of general meetings by listed issuers and the standard operating procedures issued by Majlis Keselamatan Negara (MKN).</p> <p>The RPV facilities has enabled the shareholders of the Company to exercise their right to participate and vote in absentia through the e-Services in accordance with the Company's Constitution which allows electronic voting and remote shareholders participation.</p> <p>All shareholders were required to participate and vote in absentia at the Company's 28<sup>th</sup> AGM via the Company's Share Registrar, Securities Services (Holdings) Sdn. Bhd. online platform, Securities Services e-Portal.</p> <p>Voting by poll was implemented for all resolutions set out in the notice of the 28<sup>th</sup> AGM and Commercial Quest Sdn Bhd was appointed as the independent scrutineers to observe the polling procedures and verify the results.</p> <p>IT Department has taken necessary steps with respect to the enhancement of data security, which is a new incorporated IT security measure in the Company.</p>
<b>Explanation for departure</b>	:	

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

## Intended Outcome

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>Shareholders and proxies were allowed to pose questions at the beginning of the AGM where the Chairman provided ample time for the Questions and Answers sessions during AGM.</p> <p>During the Questions and Answers session of the AGM, the Chairman and the Board responded to all the questions raised by the shareholders pertaining to the agenda and resolutions tabled before putting them for voting. The Directors, including the Group Executive Chairman, Group Chief Executive Officer, Management and External Auditors were in attendance to respond to the shareholders' online queries.</p> <p>The Company has also dedicated the electronic mails - <a href="mailto:info@yinson.com">info@yinson.com</a> to which stakeholders can direct their queries or concerns, and <a href="mailto:ir@yinson.com">ir@yinson.com</a> for investor relations purposes, to maintain transparency and effectively address concerns.</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.

*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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The 28<sup>th</sup> AGM of the Company held on 15 July 2021 was conducted on a fully virtual basis via online meeting platform of Securities Services e-Portal provided by SS E Solutions Sdn. Bhd. in Malaysia via its website at <a href="http://www.sshsb.net.my/login">www.sshsb.net.my/login</a>.</p> <p>The Company provided the information of online meeting platform in the notice of 28<sup>th</sup> AGM in accordance with Section 327 of the Companies Act 2016 and Clause 49(E) of the Company's Constitution.</p> <p>The published notice included Administrative Details which provided a guide for shareholders and proxies to understand and participate in a fully virtual General Meeting including but not limited to guidelines detailing the usage of RPV facilities, General Meeting Record of Depositors, Proxy, Poll Voting and Procedures for the RPV facilities. Shareholders are given sufficient time to make the necessary arrangements for appointing proxy/(ies) to attend the 28<sup>th</sup> AGM.</p> <p>The Chairs of the Board Committees attended the 28<sup>th</sup> AGM to provide meaningful responses to various questions addressed to them. The shareholders were allowed to submit questions for the Chairman/Board through a chat box embedded within the online meeting platform. The Group Chief Financial Officer and the External Auditors were also attended the 28<sup>th</sup> AGM to respond to any queries from shareholders/proxies. Questions that were not addressed during the Question and Answer session due to time constraint were responded to via email to the respective shareholder/proxy after the meeting.</p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<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 28 <sup>th</sup> AGM including the Question and Answer session posed by the shareholders are made available on the corporate website within 30 business days of the 28 <sup>th</sup> AGM.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**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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