

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7412
COMPANY NAME : SHH Resources Holdings Berhad
FINANCIAL YEAR : 30 June 2021

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is responsible for the performance and affairs of the Group and the provision of leadership and guidance for setting the strategic direction to ensure the long-term success and sustainability of the Group.</p> <p>The Board has adopted a Board Charter which sets out the composition, roles and responsibilities, leadership, delegation, and conduct and procedures of the Board and the management to ensure performance and accountability.</p> <p>The Board has delegated the daily management of the Group's affairs to the Managing Director. Managing Director provide the leadership, supervision and monitoring of the efficiency and effectiveness of the conduct of the Group's business activities.</p> <p>The Managing Director is responsible for developing corporate strategies, operational plans and targets and managing a team of executives responsible for the execution of the functions to attain the desired corporate and business targets as set by the Board in a sustainable manner.</p> <p>The Managing Director is assisted by members of the Management team, who themselves are responsible for certain specific areas of the Group's operations. The management team assesses business opportunities and threats and, where appropriate, develop strategies to capitalise on such opportunities and put in place risk management and internal control practices to mitigate risks inherent in or associated with such opportunities. The Board, as part of its succession plan, has also appointed a Chief Executive Officer ("CEO") to assist the Managing Director.</p>

	<p>The Board has established and is supported by the following Board Committees which consist of a majority of Independent Non-Executive Directors to provide independent oversight on management and to ensure that there are appropriate checks and balances while discharging its oversight function:-</p> <ol style="list-style-type: none"> 1. Audit Committee (“AC”) 2. Remuneration Committee (“RC”) 3. Nominating Committee (“NC”) 4. Risk Management Committee (“RMC”) <p>Each of the Board Committee operates within its respective terms of reference (“TOR”) that also outlines its respective functions and authorities. The TOR of the respective Board Committee are periodically reviewed by the Board Committee and approved by the Board to ensure that the TOR remains relevant and adequate.</p> <p>The Board is also committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The Group’s Code of Conduct, together with the Employees Handbook and Anti-Bribery and Corruption Policy guide the Directors, management and employees in with regard to policies and ethics standards to be adhere to in the conduct of the daily affairs and businesses of the Group.</p> <p>The Board is also mindful of the importance of business sustainability, stakeholder inclusivity and sound values of good corporate governance in the conduct of the Group’s activities. The Board believes in striking a balance between achieving operational profitability whilst simultaneously managing sustainability-related risks in the areas of economic, environmental and social to create long term value for our stakeholders including the society. The Group’s sustainability efforts encompass material sustainability, product safety and quality, occupational safety and health and manufacturing impact on the environment.</p> <p>The Board has adopted a Whistle Blowing Policy for the Group where all queries or concerns regarding the Group may be convey to the Senior Independent Director or the Company Secretary at the registered office of the Company.</p> <p>The Board Charter, Code of Conduct and Whistle Blowing Policy are subject to periodical review to ensure consistency with the Board’s strategic intent as well as relevant new regulations and standards of corporate governance that may have an impact in discharging the Board’s responsibilities. Details of the Board Charter, Code of Conduct, Anti-Bribery and Corruption Policy and Whistle Blowing Policy can be found on the Company’s website at www.shh.com.my</p>
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Explanation for departure	:			
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Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

Intended Outcome

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

Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of the Company, Dato' Haji Obet Bin Tawil is an Independent Non-Executive Director of the Company. He was appointed to the Board on 31 March 2017.</p> <p>The Chairman is primarily responsible for ensuring the effective conduct of the Board including the efficient organisation and conduct of the Board's function and meetings; fostering good relationship and communication amongst board members, effective communication with shareholders and relevant stakeholders; and the evaluation of the performance, composition and ongoing development of all members of the Board.</p> <p>The roles and responsibilities of the Chairman of the Board is set out in the Board Charter which is available on the Company's website at www.shh.com.my</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The positions of Chairman and Managing Director, the key person responsible for the daily management of the Group business are held by two different individuals.</p> <p>The Chairman of the Company, Dato' Haji Obet Bin Tawil is an Independent Non-Executive Director of the Company. The Chairman is primarily responsible for ensuring the effective conduct of the Board including the efficient organisation and conduct of the Board's function and meetings; fostering good relationship and communication amongst board members, effective communication with shareholders and relevant stakeholders; and the evaluation of the performance, composition and ongoing development of all members of the Board.</p> <p>The Managing Director of the Company, Dato' Teo Wee Cheng holds the primary executive responsibility for developing corporate strategies, operational plans and targets and managing a team of executives responsible for the execution of the functions to attain the desired corporate and business outcomes as set by the Board.</p> <p>The roles and responsibilities of the Chairman and the Managing Director as contained in the Board Charter are clearly separated to ensure that there is a balance of power and authority.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretary of the Company is a member of CPA Australia and the Malaysian Institute of Accountants ("MIA"). She is qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016 ("the Act") and holds a practising certificate issued by the Companies Commission of Malaysia with more than 15 years of corporate secretarial experience.</p> <p>The Company Secretary advises the Board on any updates relating to their duties and responsibilities as directors; corporate governance and compliance with Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities").</p> <p>The Company Secretary is responsible to ensure the proper conduct of the meetings according to the rules and regulations and also ensure that the Board's deliberations at meetings are properly minuted.</p> <p>Board and Board Committee members have access to the advice and services of the Company Secretary, management representatives and, if deemed necessary, other independent professionals at the expense of the Company in the discharge of their duties.</p> <p>The Company Secretary has attended the necessary training programmes, conferences, seminars and/or forums to keep herself abreast with the latest changes in laws and regulatory requirements that are relevant to their profession and to provide the necessary advisory role to the Board.</p>

	The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging its functions.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied	
Explanation on application of the practice	:	<p>All Board and Board Committee members are provided with the requisite notice, agenda and board papers as soon as practical before the convening of each meeting. The Board members are given time to review and, where necessary, obtain additional information or clarification prior to or during the meeting to ensure effectiveness of the proceeding of the meeting.</p> <p>The Company Secretary also prepares the Board/ Board Committee meeting minutes, properly recording issues deliberated and decisions and conclusions are arrived at, as well as dissenting views or abstention by any Director, if any. The minutes of meetings are timely circulated and subsequently confirmed by the members of the Board and Board Committee(s) at the next meeting.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

The board charter clearly identifies–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's Board Charter was first adopted by the Company on 30 November 2015.</p> <p>The Board Charter sets out the respective roles and responsibilities of the Board as a whole, Board Committees, the Chairman, Executive Directors and Non-Executive Directors as well as the list of matters and issues reserved for the Board.</p> <p>The Board had in 2020 reviewed and updated the Board Charter from time to time so as to be in line with the Act, requirements of the Malaysian Code on Corporate Governance and amendments to the Listing Requirements of Bursa Securities.</p> <p>The Board Charter is available on the Company's website at www.shh.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice		<p>The Group has established and adopted a Code of Ethics and Conduct covering core areas of conflicts of interest; confidential information; insider information and securities trading, protection of assets; gifts, gratuity and bribes; workplace safety, sexual harassment; discriminations and misconducts. The Group has in June 2020 adopted an Anti-Bribery and Corruption Policy in line with Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act, 2009 (Amendment 2018) to further clarify the standards of ethics and conduct acceptable by the Group when dealing with external stakeholders.</p> <p>The purpose of the Code of Ethics and Conduct and Anti-Bribery and Corruption Policy is to ensure that all employees and Directors maintain and enforce the highest standards of ethics and conduct in the performance of their duties and responsibilities throughout the organisation. The Board would periodically review these policies from time to time .</p> <p>The Code of Ethics and Conduct and Anti-Bribery and Corruption Policy are available on the Company's website at www.shh.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has established its Whistle Blowing Policy.</p> <p>This policy aims to provide and facilitate a mechanism to enable staff and other members of the Group to voice concerns in a responsible and effective manner.</p> <p>This policy is designed to enable employees to raise concerns internally and at a high level and to disclose information which the individual believes shows malpractice or impropriety. This policy is intended to cover concerns which are in the public interest and may at least initially be investigated separately but might then lead to the invocation of other procedures e.g. disciplinary.</p> <p>Whistle-blowers can report any improper conduct to the Senior Independent Director, Dato' Haji Obet Bin Tawil at obettawil@shh.com.my or the Company Secretary at the registered office of the Company.</p> <p>The Whistle Blowing Policy is available on the Company's website at www.shh.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board of Directors of the Company currently comprises six (6) members of whom two (2) are Executive Directors and four (4) are Non-Executive Directors. Out of the four (4) Non-Executive Directors, two (2) are being Independent Directors.	
		The Company complies with Paragraph 15.02(1) of the Listing Requirements of Bursa Securities which states that at least two (2) directors or one-third (1/3) of the Board members of a listed issuer, are Independent Directors.	
		The Board had, via NC assessed the performance and independence of the Independent Directors and concluded that the current Board is able to exercise independent and objective judgement and act in the best interests of the Company even though the existing Independent Directors do not form a majority of the Board members.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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 justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.

Application	:	Not applicable - No independent director(s) serving beyond 9 years	
Explanation on application of the practice	:	<p>At present, none of the Independent Directors has served the Board for more than nine (9) years.</p> <p>The Board has prescribed in the Board Charter that all Independent Directors provide an annual confirmation of his/her independence to the Board based on its policy on criteria of assessing independence as prescribed by the Listing Requirements.</p> <p>For Independent Directors who has served the Company for more than nine (9) years, the Board has in place a policy that it will seek annual shareholders’ approval for the continuing in office of the director as an Independent Director. To retain an Independent Director after the twelfth (12) year, the Board will seek annual shareholders’ approval through a two-tier voting process at the Company’s shareholders’ meeting as follows:</p> <p>Tier 1: Only the large shareholder(s) of the Company votes; and Tier 2: Shareholders other than large shareholder(s) votes.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 4.4

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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The Company does not have a formal set of criteria for the identification, evaluation and appointment of directors and senior executives.</p> <p>The above notwithstanding, the Board has established a NC which is responsible for identifying the need and evaluating the suitability and, if required, recommending the appointment of new member(s) onto the Board or Board Committees.</p> <p>In the assessment of the composition of the Board, the NC takes into consideration the need for a balanced composition in terms of skill mix, qualification, professional background, age and gender representation vis a vis the role and responsibilities of the Board and the business in which the Group is in.</p> <p>The NC takes into considerations the qualification, competence, experience, track record and background in evaluating and recommending candidates for appointment to the Board.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5

The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

Application :	Departure	
Explanation on application of the practice :		
Explanation for departure :	The Company does not have formal gender diversity policy. This notwithstanding, the Board recognises the importance and benefits of gender diversity takes this into consideration as one of the selection criteria of a Director which also include competences, skills, experience and knowledge should remain a priority so as not to compromise on mix of capabilities, experience and qualification in the Board.	
	The Board currently comprises 2 female directors among its 6 members and has already attained the 30% threshold as stipulated for Large Companies.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.6

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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The NC is responsible for identifying the need, evaluating the suitability and recommending the appointment of any new Director.	
		The Company did not use independent sources to identify candidates for its previous board appointments. Candidate(s) for new appointment shall be primarily identified and recommended by existing Directors and/or major shareholders.	
		In the evaluation and appointment of new board member(s), Board and NC are guided by the following process and procedures for the appointment of a new director:- <div><div>(i)</div><div>Evaluate the suitability of candidates for in accordance to his/her competency, experience, commitment, contribution and integrity of the candidates, and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidate’s independence;</div></div> <div><div>(ii)</div><div>Recommend the appointment of the candidate as a member and where necessary, Board Committees, where necessary; and</div></div> <div><div>(iii)</div><div>Decision to be made by the Board on the appointment, including appointment to the Board Committee, where necessary.</div></div>	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC of the Company currently comprises three (3) members, two (2) of which are Independent Non-Executive Directors and the remaining is a Non-Independent Non-Executive Director.</p> <p>The Chairperson of the NC is Ms Ng Sai Goey, an Independent Non-Executive Director.</p> <p>The TOR of the NC is available on the Company's website at www.shh.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.1

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 and its outcome.

For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

Application	:	Applied
Explanation on application of the practice	:	<p>The NC is primarily responsible for an effective Board and the assessment of the performance of the members of the Board.</p> <p>The criteria used, amongst others, for the annual assessment of individual Directors include an assessment on their roles, responsibilities, qualification, competency, expertise and participation.</p> <p>For Board and Board Committees, the assessment will be based on their progress in implementing the policy and/or on achieving those objectives set in their respective TOR.</p> <p>In respect of the assessment for the financial year ended 30th June 2021, the Board, Board Committees and individual Directors conducted self-assessment based on the following criteria:-</p> <ul style="list-style-type: none">• Assessment of performance of individual board members; board committees and the Board as a whole;• Assessment of experience, competence and time commitment of board members;• Assessment on board size, structure and balance in terms of skill and experience; and• Evaluation of level of independence of independent directors. <p>The NC is satisfied that the Board members and Board Committees have discharged their duties and responsibilities effectively. The NC is also satisfied with the Board composition in terms of structure, size, the balance between Executive, Non-Executive and Independent Directors and diversity in terms of skills, experience knowledge and gender.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 6.1

The board has in place 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 policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Group has a Remuneration Policy which primary objective is to attract, retain and motivate directors. However, this policy does not cover the remunerations of senior management staff. The remuneration shall be based on terms that are market competitive and at the same time aligned with shareholders' interests.</p> <p>The remuneration of the Managing Director and Executive Director(s) is made up of basic salaries, directors' fees, allowances, annual bonus and other benefits and are set according to:-</p> <ul style="list-style-type: none">• the nature of job;• the level of skills, experience and scope of responsibilities;• the performance, contribution and commitment devoted to the company; and• market and industry's rate. <p>The remuneration of the Non-Executive Directors consists of allowances and directors' fees. The level of remuneration for the Non-Executive Directors must reflect:-</p> <ul style="list-style-type: none">• Qualification and experiences; and• Level of responsibilities and time commitment. <p>Remuneration of the Executive Directors shall be structured to link rewards to corporate and individual performance and shall take into consideration remuneration paid to them of other similar companies, whether in size and /or industry, the individual's performance and responsibility, market competitiveness as well as the Group's overall performance.</p> <p>Remuneration for the services of Non-Executive Directors shall be aligned with market terms, taking into consideration remuneration paid</p>

	<p>to directors of other similar companies, whether in size and/or industry, the individual's performance and responsibility, market competitiveness as well as SHH's overall performance.</p> <p>While the remuneration of the senior executives are not covered under the Group's Remuneration Policy, their remuneration packages comprising salaries, annual bonus and other benefits, shall be determined by the Managing Director and Executive Director.</p> <p>The RC will periodically review the Remuneration Policy and recommend the amendment and/or revision for approval by the Board, if any from time to time.</p> <p>The Remuneration Policy of the Company is available at the Company's website at www.shh.com.my</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 6.2

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The RC is primarily responsible for matters relating to the remuneration of the Board.</p> <p>The main functions of the RC include the following:-</p> <ul style="list-style-type: none">(a) Review the adequacy and effectiveness of the Remuneration Policy of the Company and its subsidiaries based on terms that are market competitive and at the same time aligned with shareholders' interests;(b) Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity;(c) Review the performance of individual Executive Directors and recommend to the Board for approval, the total remuneration package;(d) Review and recommend the remuneration package of Non-Executive Directors for approval by the Board; and(e) Prepare the annual remuneration report and communicate with shareholders on directors' remuneration. <p>The TOR of the RC is available on the Company's website at www.shh.com.my</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	The details of the Directors' Remuneration on a named basis and paid by the Company and its subsidiaries (including the components of directors' fees, salary, bonus, benefits in-kind and other emoluments) for the financial year ended 30 June 2021 are disclosed in the Corporate Governance Overview Statement of the Company's 2021 Annual Report.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 7.2

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

Application	:	Departure							
Explanation on application of the practice	:								
Explanation for departure	:	<p>While the Board is cognisant on the importance of transparency, given the competitive search for talent within the industry, as well as other sensitive considerations, the Board is of the view that the transparency and accountability aspects of corporate governance applicable for the top five Senior Management staff are adequately served by the disclosure of the remuneration packages of these individuals on a non-name basis in successive bands of RM50,000.</p> <p>As two of the top five senior management are Executive Directors, their detailed remuneration on named basis have been disclosed. The remuneration of the remaining 3 Senior Management on a non-name basis in successive bands of RM50,000 are as follows:</p> <table border="1"><tr><td>RM200,001 to RM250,000</td><td>1</td></tr><tr><td>RM250,001 to RM300,000</td><td>1</td></tr><tr><td>RM350,001 to RM400,000</td><td>1</td></tr></table>		RM200,001 to RM250,000	1	RM250,001 to RM300,000	1	RM350,001 to RM400,000	1
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RM350,001 to RM400,000	1								
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>									
Measure	:								
Timeframe	:								

Intended Outcome

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

Practice 7.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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 8.1

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The AC currently comprises of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director.</p> <p>The Board on 22 March 2021 appointed Ms. Ng Sai Goey to fill the vacancy caused by the resignation of Mr. Lim Swee Chong, the former Chairperson of the AC. As a transitional measure, the Board has decided to appoint Dato' Hj Obet Bin Tawil, who is the Chairman of the Company, as the AC Chairperson while giving opportunity for Ms. Ng Sai Goey to first gain familiarity with the existing internal control systems, risk management and audits processes of the Group.</p> <p>The duties and responsibilities of the Chairperson of the AC are defined in the Terms of Reference of the AC, which is available on the Company's website at www.shh.com.my</p> <p>The TOR of the AC has recently been reviewed and updated in order to be in line with the additional requirements and expanded scope of the AC as prescribed by the Malaysian Code on Corporate Governance and Listing Requirements.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
Measure	:		
Timeframe	:		

Intended Outcome

There is 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 8.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The TOR of the AC has been updated to include a cooling-off provision that a former partner or team member of the Company’s existing auditing firm shall be prohibited from acting as a member of the Audit Committee for a period of three (3) years commencing on the date of his ceasing:</p> <ul style="list-style-type: none">• to be a partner or employee of the firm; or• to have any financial interest in the firm; <p>whichever is later.</p> <p>In this context, none of the current members of the AC is a former key audit partner involved in auditing the Company and/or its subsidiaries.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is 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 8.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has delegated to the AC to undertake an annual assessment of the quality of audit which encompassed the performance and calibre of the External Auditors and their independence, objectivity and professionalism.</p> <p>The TOR of the AC also requires the AC to assess the suitability, objectivity and independence of the External Auditors annually. The areas of assessment include among others, the External Auditors' independence, calibre, quality processes, audit team and resources, audit plan and scope, audit communication, audit governance, audit and non-audit fees paid to Auditors and audit outcome and recommendation.</p> <p>At the AC meeting held on 25 June 2021, the External Auditors namely, Messr. Peter Chong & Co has presented to the AC its 2021 Audit Plan which included a confirmation that they were independent throughout the conduct of the audit engagement in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.</p> <p>The External Auditors will rotate their engaging partner in charge of the audit of the Company's Audited Financial Statements at least once every five (5) years to maintain their independence from the Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is 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 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The members of the AC possess a mix of skill, knowledge and appropriate level of expertise and experience to enable them to discharge their duties and responsibilities pursuant to the TOR of the AC.</p> <p>The AC comprises of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director.</p> <p>The members of the AC have a combination accounting, business and economic tertiary qualifications, and are financially literate and have experienced in the fields of accounting and finance; public administration; and investment research and analysis.</p> <p>Dato' Hj Obet Bin Tawil, the AC Chairperson, has a Bachelor of Economic Degree with Honours, majoring in Analytical Economics is financially literate and has considerable experienced in the public administration at various agencies in the state of Johor, the last position being the State Secretary of Johor.</p> <p>Mr. Tan Siong Sun, possessed business/economic tertiary qualification and has been involved in conducting research, collecting and analysing data, monitoring economic trends and developing forecasts in relation to investment environment.</p> <p>Ms. Ng Sai Goey has a Bachelor of Economics (majoring in Accounting) and is a chartered member of the Malaysian Institute of Accountants. She has a wide range of working experiences in professional and commercial practices having worked with a local and an international public accounting firms prior to joining several public listed companies in Malaysia where her job responsibilities were in the areas of, inter-alia accounting, financing/budgeting, taxation and corporate</p>

	<p>management. Her last position was as Group Financial Controller of a Main Board company listed on Bursa Securities.</p> <p>The AC is aware of the need to continuously develop and to broaden their knowledge in the areas of accounting and auditing in order to carry out their roles and duties effectively. The training attended by the AC members during the financial year ended 30 June 2021 are set out in the Corporate Governance Overview Statement under “Directors’ Training” in the Company’s 2021 Annual Report.</p> <p>For the financial year ended 30 June 2021, the Board through the NC had reviewed the effectiveness of the AC via an evaluation questionnaire. The Board is satisfied with the performance of the AC and that the skills, experience, knowledge and other relevant field of expertise of the AC members had contributed to the overall effectiveness of the AC.</p> <p>The detailed report on the activities of the AC for the financial year ended 30 June 2021 is set out in the Company’s Annual Report 2021.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises that effective risk management framework is an integral part of good business management. It is an on-going process to identify, evaluate, monitor, manage and mitigate the risks that may affect the Group's ability to achieve its business objectives and strategies.</p> <p>Although the Board retains responsibility for establishing and assessing the effectiveness of the Company's systems for management of material business risks, the Board has delegated the responsibility to assess the effectiveness and efficiency of the Group's internal control and risk management framework to the RMC.</p> <p>The risk management framework comprises the Group's Management Policy, Risk Management Processes and Corporate Culture and Risk Management Philosophy.</p> <p>The Board believes that the risk management framework will benefit the Group in terms of:-</p> <ul style="list-style-type: none">• Effective strategic planning with due consideration of the opportunities and risks;• Better cost control and utilisation of resources;• Increased knowledge and understanding of exposure to risk;• Systematic and well-informed methods of decision making; and• Enhancing shareholder value by minimising losses and maximising opportunities. <p>In addition to the activities undertaken by the RMC, the AC meets regularly to evaluate the adequacy and effectiveness of the Group's internal control systems by reviewing the audit findings and recommendations by the internal auditor to improve any weaknesses or non-compliance and the respective responses from the business unit thereto, to ensure that all key risks and control weaknesses are being properly addressed.</p>

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

Intended Outcome

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

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Risk Management Framework</p> <p>The Group has adopted a formal risk management framework which describes the manner in which the Group identify, assesses, monitors and manages risk. The risk management framework comprises the Group's Management Policy, Risk Management Processes and Corporate Culture and Risk Management Philosophy.</p> <p>The implementation of the Group's Risk Management Processes entails the following:</p> <ul style="list-style-type: none">• establishing and implementing across the group a formal risk management and internal control processes;• identifying functions and related risks in key operating units which may impact upon the group;• regularly monitoring and assessment of the performance and effectiveness of the risk management and internal control processes;• constant communication between Executive Directors and Management (Heads of Department) through management of daily operations and regular scheduled management meetings and reports; and• ensuring the risk management and internal control processes is overseen by the RMC. <p>In terms of implementation of the risk management process, the RMC together with the Internal Auditor has in the previous years assessed and updated the SWOT analysis and risk profiling of some key departments of operating companies within the Group, namely the Marketing, Account & Finance and Human Resources departments.</p> <p>In light of the economic and social repercussions brought on by the Covid-19 pandemic, the Group has during the financial year under review concentrated its risk management efforts on assessing, identifying and mitigating the potential operational risks faced by the Group's furniture manufacturing operations. In this process, the Group has identified key risks and implemented mitigation measures in the following areas:-</p>

	<p>a) contagious disease Risk b) supply chain risks; and c) market risks.</p> <p>The RMC intends to resume the SWOT analysis and risk profiling of the other departments in time to come so that a Group wide risk assessment and profile can be established with risk management measure for key risk factors identified.</p> <p>Internal Control and Internal Audit Function The Internal Audit function is considered an integral part of the risk management framework and its primary objective is to provide assurance on the adequacy and effectiveness of the risk, control and governance framework of the Group. The Group's internal control system and monitoring procedures include:-</p> <ul style="list-style-type: none"> defined systems and procedures for key operational and financial departments, including maintenance of good operational and financial records and controls and the production of timely and accurate financial and management information and reports; monitoring and control of key financial risks through clearly laid down authorization levels and proper segregation of accounting duties; detailed reporting of trading results, balance sheets and cash flows, with regular review by the management, AC and Board of Directors; regular independent internal audit activities to monitor compliance with operational procedures and assess the integrity of operational and financial information provided; and regular information provided to the management, covering operational performance, key business indicators and financial and cash flow reports. 	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 9.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Board has established a RMC comprising 2 Independent Directors and 1 Non-Executive Non-Independent Director to oversee the risk management framework and sustainability strategies and initiatives of the Group, review the risk management and sustainability policies and procedures formulated by Management and make relevant recommendations to the Board for approval.

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 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company has employed a full time experienced in-house internal audit personnel to undertake the internal audit function of the Group. The Internal Auditor operates independently from the operating units and undertakes independent regular and systematic reviews of the systems of internal control within the Group so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.</p> <p>It is the responsibility of the Internal Auditor to provide the AC with independent and objective reports on the state of internal control of the various operating units within the Group.</p> <p>During the financial year ended 30 June 2021, the Internal Auditor evaluated the adequacy and effectiveness of key controls within the Group's operating units in responding to the risk within the Group's governance, operations and information systems regarding the:</p> <ul style="list-style-type: none"> • maintenance of proper accounting records; • reliability of financial information used within the business or for publication; • safeguarding of assets against unauthorized use or disposition; • efficiency and effectiveness of the running of the businesses and operations; and • compliance with laws and regulations. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 10.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year under review, the Company employed one (1) full time experienced internal audit personnel, namely Encik Mohd Firdaus bin Md Zain. Encik Mohd Firdaus bin Md Zain holds a Diploma in Accountancy and has more than 5 years of experience in the field of internal audit in the public and private sectors. In September 2021, the Group employed Ms. Gui Lee Ser to fill the vacancy caused by the resignation of Encik Firdaus bin Md Zain.</p> <p>Ms. Gui Lee Ser is member of Association of Chartered Certified Accountants and MIA. She holds a Master of Science degree in Accounting and Finance from Birmingham City University, United Kingdom. She has more than 6 years of audit experiences in public accounting firms.</p> <p>The Internal Auditor is free from any relationship or conflict of interest, which could impair his objectivity and independence. The Internal Auditor reports directly to the AC.</p> <p>A risk-based approach has been adopted by the Internal Auditor in establishing the internal audit program where major risk areas has be identified. The audits are carried out based on the detailed audit procedures as stated on the audit program designed for each of the audit area based on the level of risks identified.</p> <p>The internal audit activities are carried out in accordance with the internal audit plan which is designed to assess the adequacy, efficiency and effectiveness of the Group's internal control and management reporting system.</p> <p>During the financial year under review, the Internal Auditor conducted and presented the Internal Audit Reports to the AC on the following audit areas in accordance with the Internal Audit Plan as approved by the Audit Committee:</p> <ul style="list-style-type: none">- Maintenance and Engineering Processes

	<ul style="list-style-type: none"> - Information Technology System - Environment, Safety and Health Processes - Loading Processes - Research & Development Processes and Sample Processes - Purchasing Processes - Costing Processes - Human Resource Processes <p>The direct expenditure incurred for the internal audit function for the financial year ended 30 June 2021 is approximately RM50,492.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company acknowledges the importance of timely and equal dissemination of all material business, corporate and financial developments affecting the Group to all stakeholders.</p> <p>The main channels of communications with stakeholders are through the following:-</p> <ul style="list-style-type: none">• the quarterly announcements on financial results and other periodical or relevant announcement to Bursa Securities;• Shareholders' circulars and annual report;• general meetings of shareholders;• meetings with investors, analysts and fund managers and briefing where appropriate; and• the Company's website at www.shh.com.my where shareholders can access information and developments on the Group's business and the Company's corporate information such as the Board Charter, TOR of the Board Committees, Company Policies, press releases, financial information, Company's announcements and others. <p>The Board will ensure that it adheres to and comply with the disclosure requirement of Listing Requirements as well as the Corporate Disclosure Guide issued by Bursa Securities.</p> <p>The Company has designated its Chief Financial Officer who has the appropriate level of competency and authority to prepare and release of material disclosures.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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 11.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Group, which is not a Large Company under the definition of Paragraph 2.6 of the Malaysian Code of Corporate Governance, does not intend to adopt integrated reporting.	
		To enable stakeholders to make informed decisions, the Company has disclosed various statements in accordance with the Listing Requirements of Bursa Securities. These include the Management Discussion and Analysis, Corporate Governance Overview Statement, Statement on Risk Management and Internal Control, Audit Committee Report as well as the Sustainability Statement covering the aspects of economic, environment and social responsibility of the Company’s 2021 Annual Report .	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 12.1

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

Application	:	Applied	
Explanation on application of the practice	:	Notices of general meetings of the Company together with relevant circular to shareholders are issued at least 28 days before the meeting.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 12.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company's 26th AGM, held on 30 November 2020 was conducted entirely through live streaming from the Broadcast Venue at 12th Floor, Menara Symphony, No 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan as part of the Company's effort to curb the spread of Covid-19.</p> <p>Certain directors of the Company attended the 26th AGM at the Broadcast Venue while other directors (save for Mr. Lim Swee Chong due to unfit condition), attended remotely and were available to respond to any questions or queries submitted by shareholders via Broadcast's video conferencing. Certain members of the Senior Management of the Company also attended the 26th AGM at the Broadcast Venue.</p> <p>During the 26th AGM, the Chairman conducted a brief presentation on the Group's performance for the financial year under review and its business outlook. Shareholders who participated at the 26th AGM were able to submit questions during the meeting for the Company to respond. Answers and clarifications, where appropriate, were provided by the Directors and Senior Management of the Company.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 12.3

Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate–

- including voting in absentia; and
- remote shareholders' participation at General Meetings.

Application	:	Applied
Explanation on application of the practice	:	<p>As at the date of this Report, the Company has less than 1,200 shareholders. Notwithstanding the relatively small shareholder base, the Board will consider leveraging on technology to facilitate electronic poll voting and/or remote shareholder participation as and when the situation warrants so from time to time.</p> <p>In view of the movement control order and health safety requirements, the Company's 26th AGM held on 30 November 2020 was conducted entirely through live streaming from the Broadcast Venue at 12th Floor, Menara Symphony, No 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan as part of the Company's effort to curb the spread of Covid-19 via the Remote Participation and Electronic Voting ("RPEV") facilities provided by Boardroom Share Registrars Sdn Bhd.</p> <p>Shareholders who participated in the 26th AGM remotely were able to view live, submit questions and vote on resolutions tabled at the AGM via RPEV facilities. Answers and clarifications, where appropriate, were provided by the Directors and Senior Management of the Company live during the virtual AGM.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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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