

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 7165  
**COMPANY NAME** : CSH Alliance Berhad  
**FINANCIAL YEAR** : June 30, 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 PERSUANT 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 collectively responsible for the proper conduct of the Company's business and assumes the responsibility of effective stewardship and control of the Company and its subsidiaries ("<b>Group</b>"). In discharging its fiduciary duties and leadership functions, the Board is guided by the Board Charter, which clearly outlines the composition of the Board, roles and responsibilities of the Board, Board Chairman, Chief Executive Officer ("<b>CEO</b>")/Managing Director ("<b>MD</b>"), individual Directors, Board Committees and the Company Secretary, as well as the operations and process of the Board.</p> <p>All the Directors of the Company have objectively discharged their fiduciary duties and responsibilities at all times in the best interests of the Company to oversee the conduct, business activities, and development of the Group.</p> <p>As part of the Board's endeavour to set the tone from the top, the Board evaluates and determines the training needs of its Directors annually and encourages the Directors to attend various professional training programmes necessary to keep abreast on issues and challenges arising from the changing business environment within which the Group operates.</p> <p>The Board is clear on the strategic direction of the Company and discusses, reviews, and adopts various business plans and strategies, both short-term and long-term, as well as allocated resources, and any changes thereto, if required, through constructive discussions with the Executive Directors ("<b>EDs</b>") and Senior Management at least once every quarter. The Board will enquire and probe the Management on the status of projects and proposals as part of its oversight on the Management and sets the appropriate tone at the top while providing</p>

thought leadership and championing good governance and ethical practices throughout the Group.

On a continuous engagement basis, even outside the boardroom, the Non-Executive Directors (“**NEDs**”) are actively engaged in group discussions as and when the need arises and have consistently enquired on the operations of the Group, examined the Management’s plans and proposals for the Group and provided constructive feedback on the Management’s plans. Furthermore, the NEDs follow up closely with the Management on the implementation of the Management’s plans to ensure that the Management follows through with their plans.

As part of the Board’s endeavours to promote sustainability when setting the Company’s business strategies, the Board ensures that the Company’s strategic plan supports long-term value creation and includes strategies on economic, environmental, and social considerations underpinning sustainability. The Board ensures that all strategic and critical issues are considered in formulating and adopting the Company’s strategies.

The Board, together with senior management, promotes good corporate governance culture within the Company, which reinforces ethical, prudent, and professional behaviour. The Board periodically reviews the Board Charter, the Code of Business Conduct and Ethics, and the Terms of Reference of the Board Committees and revises the aforesaid policies in a timely manner to ensure the relevance of these policies. In addition, the Board is also mindful of the need for the development of other appropriate policies and procedures given the ever change in the business landscape and regulatory environment.

To reiterate the Board’s stance against corruption and in conjunction with the implementation of Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the newly appointed Directors were briefed on the said provision to ensure that each member of the Board is well-versed with the Anti-Bribery and Anti-Corruption Policy, thereby facilitating the Board in setting the tone from the top.

The Board encourages good corporate governance by applying sustainability practices throughout the Group. The Group is committed to business and environmental sustainability via the implementation of various policies to minimise the negative impact caused by the Group’s business activities on its ecosystem, encompassing development planning, construction site management, workforce, customer satisfaction and service, compliance, and corporate social responsibility. These policies would be constantly reviewed by the Board from time to time.

Some of the Group’s sustainability practices include:

- compliance with all stipulated regulations, including any conservation requirements.

	<ul style="list-style-type: none"> <li>- committing to more green spaces.</li> <li>- observing the highest standards of Occupational Health and Safety protection in creating a safe and healthy working environment for its employees as well as ensuring that its employees receive the relevant training and exposure for improved working standards.</li> <li>- having a strong focus on customer needs and resolving and handling customers' feedbacks and complaints methodologically.</li> </ul> <p>The Board also assesses the performance of the Management to determine whether the Company's business is well managed. The Audit Committee ("<b>AC</b>") reviews the Company's quarterly unaudited financial results and the Company's business performance in conjunction with the EDs' detailed briefings on the financial and business performance of the Company at the AC Meetings and Board Meetings. During these meetings, and outside these meetings as may be required, the NEDs proactively probed the EDs and Senior Management on the financials and operations of the Group where these questions raised were addressed promptly and accordingly.</p> <p>The Board has established a separate Risk Management Committee ("<b>RMC</b>") to have a separate board level to provide dedicated oversight on risk management matters given the evolving nature of risks in the marketplace. The Company has also established a sound structure for internal controls and policies for risk management, which is detailed under Practices 10.1, 10.2, 11.1, and 11.2 of this Report.</p> <p>On the formal reporting level, the Board consulted the AC, reviewed the Internal Audit Report presented by the outsourced Internal Auditors, and discussed the relevant improvements required to address the internal audit issues raised.</p> <p>The Board also ensures that the Company makes all necessary and material announcements to Bursa Malaysia Securities Berhad ("<b>Bursa Securities</b>") on a timely basis.</p> <p>Shareholders are also encouraged to attend the Company's General Meetings to have open dialogues with the Board. Shareholders who were unable to attend were able to appoint their proxies to attend and speak on their behalf.</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

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 key responsibilities of the Chairman of the Board have been clearly spelled out under Paragraph 5.3.2 of the Board Charter, which has been made available on the Company's website at <a href="https://www.cshalliance.com.my">https://www.cshalliance.com.my</a>.</p> <p>In the financial year ended 30 June 2022, En. Ahmad Ruslan Zahari Bin Zakaria ("<b>En. Ahmad Ruslan</b>") played a pivotal role in ensuring that the Board discharged its duties and responsibilities effectively and steered the Board to be fully committed to maintaining a high standard of corporate governance while pursuing the corporate objectives in enhancing shareholders' value and competitiveness of the Company.</p> <p>As the Chairman of the Board, En. Ahmad Ruslan also managed the interface between the Board and Management.</p> <p>En. Ahmad Ruslan led the Board meetings and discussions while encouraging active participation and allowing dissenting views to be freely expressed to foster a culture of openness in the boardroom. En. Ahmad Ruslan also ensured that no Directors, whether Executive or Non-Executive, dominated the discussion.</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>Clause 5.3.3 of the Board Charter indicated that the positions of the Chairman and CEO/MD are held by different individuals to promote accountability and facilitate the division of responsibilities amongst them while ensuring a balance of power and authority to promote accountability.</p> <p>The distinct and separate responsibilities of the Chairman and ED are clearly defined in the Board Charter to ensure that no one (1) individual has unfettered powers of decision making. The Chairman is responsible for instilling good corporate governance practices and leadership, and for ensuring Board effectiveness and leading the Board in its collective oversight of the Management, while the CEO/MD, together with the other EDs, focuses on the business and daily operations and management of the Group based on their respective areas of operations, while at the same time ensuring organisational effectiveness and implementation of Board policies and decisions.</p> <p>While the Management is not spearheaded by a CEO/MD, the EDs collectively oversee the business and daily operations and management of the Group, while the NEDs of the Company endeavour to preserve the Board's role in exercising objective oversight over the Management by providing constructive scrutiny to deliberations of 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

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

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b>	: Departure
<b>Explanation on application of the practice</b>	:
<b>Explanation for departure</b>	: <p>The Board Chairman, En. Ahmad Ruslan, is currently a member of AC, Remuneration Committee ("RC") and Nomination Committee ("NC"). The Board is fully aware of having the same person assuming the positions of Chairman of the Board and members of AC, NC and RC would give rise to the risk of self-review and may impair the objectivity of the Chairman and the Board when deliberating on the observations and recommendations put forth by the AC, NC and RC respectively.</p> <p>The Company is in the midst of reviewing the composition of its Board committees to enhance the check and balance mechanism at the Board level. In the meantime, the Chairman of the Board who is also a member of the AC, NC and RC observed a high level of governance and abstained from all deliberations and voting for matters he has an interest in to ensure that there is a proper check and balance as well as objective review by the Board.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	: Choose an item.

## Intended Outcome

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>	<p>The Company is supported by two (2) suitably qualified and competent Company Secretaries. Both Company Secretaries are qualified Chartered Secretaries under Section 235(2)(a) of the Companies Act 2016 (“CA 2016”) and possess practising certificate issued by the Companies Commission of Malaysia (“CCM”). They are also members of the Malaysian Association of the Institute of Chartered Secretaries and Administrators (“MAICSA”).</p> <p>The Company Secretaries are external company secretaries from Securities Services (Holdings) Sdn. Bhd. with vast knowledge and experience from being in public practice, and are supported by a team of competent company secretarial personnel.</p> <p>The Company Secretaries support the Board and the relevant Board Committees to ensure their effective functioning in accordance with their terms of reference and best practices and in managing the Company’s corporate governance framework.</p> <p>The Company Secretaries also advise the Directors on their fiduciary and statutory duties, as well as corporate disclosures and compliances with the CA 2016, the Company’s Constitution, the Bursa Securities Main Market Listing Requirements (“MMLR”), the Malaysian Code on Corporate Governance (“MCCG”), adopted policies, and other pertinent regulations governing the Company, including guiding the Board towards the necessary compliances.</p> <p>The Company Secretaries also update the Board on changes in the regulatory requirements in a timely manner to ensure the Company remains compliant with the relevant rules and regulatory requirements and that the Board adheres to the relevant procedural requirements at all times.</p> <p>The Company Secretaries also act as the official liaison party for the Company to prepare and submit statutory returns to the CCM. They also ensure that any change in the Company’s statutory information is notified to the CCM in the relevant prescribed forms in a timely manner.</p>

	<p>The Company Secretaries are responsible for arranging and coordinating meetings of the Board, Board Committees, and shareholders. This involves preparing the agenda, issuing proper notices of meetings, and taking and producing minutes to record the business transacted at the meetings and the decisions taken.</p> <p>For the financial year ended 30 June 2022, the Company Secretary attended the Extraordinary General Meeting (“EGM”) and Twenty-First Annual General Meeting (“AGM”) (“21st AGM”), and at least one (1) of the Company Secretaries, or their representative who has been briefed on the agenda items, attended all Board and Board Committees meetings.</p> <p>In addition, the Company Secretary also attended the recent EGM of the Company, which was held on 3 June 2022. All deliberations at the 21st AGM, EGM and all Board and Board Committees meetings were well minuted, and action plans to be communicated to the Management to work on and report back to the Board.</p> <p>During the general meetings, the Company Secretary coordinated with the Management and Share Registrar/Poll Administrator to manage the processes of the general meetings to ensure orderly proceedings, including the conduct of the poll taken on all resolutions tabled at the general meetings.</p> <p>The Board was also updated by the Company Secretaries on the Directors’ Resolutions in Writing passed, Directors’ dealings pursuant to Chapter 14 of the MMLR, announcements made to Bursa Securities and circulars or correspondences from regulatory bodies at every scheduled Board meeting held quarterly during the financial year ended 30 June 2022.</p> <p>The Company Secretaries had and will continue to constantly keep themselves abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters, and with changes in the same regulatory environment, through continuous training and industry updates. They have also attended many relevant continuous professional development programmes as required by MAICSA for practicing Chartered Secretaries.</p> <p>The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharge of its function and duties.</p>
<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

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>While the Management strives to circulate the meeting materials at least five (5) business days in advance, there were instances where the meeting materials were circulated closer to the meeting.</p> <p>The Management will continue to strive to ensure that the meeting materials are circulated to members of the Board and Board Committees at least five (5) business days prior to each meeting to enable the members of the Board and Board Committees to make an informed decision.</p> <p>The minutes of the meetings are circulated to the Board and Board Committees for review and confirmation to ensure that the minutes accurately reflect the deliberations and decisions of the Board and Board Committees, including any abstention and/or declaration of interest by any interested members of the Board or Board Committees.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

### Intended Outcome

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

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

### Practice 2.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board Charter clearly sets out the respective roles and responsibilities of the Board, Chairman of the Board, individual Directors, Board Committees, and the Company Secretary. With this, the issues and decisions reserved for the Board are made clear and individual Directors are also aware of what is expected from them.</p> <p>This ensures that all Board members are aware of the fiduciary duties and responsibilities, various legislations and regulations affecting their conduct, the need for safeguarding the interests of the shareholders and other stakeholders, and that the highest standards of corporate governance are applied all their dealings in respect and on behalf of the Company.</p> <p>The Board Charter was last reviewed on 18 October 2022 and updated on the Company website at <a href="https://www.cshalliance.com.my">https://www.cshalliance.com.my</a>. Notwithstanding that, the Board Charter is subject to periodic review to ensure its relevance and compliance.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 3.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is committed to maintaining a proper standard of conduct and ethical behaviour for the Board, management, employees, and other stakeholders based on the principles of sincerity, integrity, responsibility, and corporate social responsibility.</p> <p>The Board has formalised ethical standards by adopting a Code of Business Ethics and Conduct for its Board, Management, Employees, and other Stakeholder, which summarises what the Board, Management, Employees, and other Stakeholder must observe.</p> <p>The Code of Business Ethics and Conduct is published on the Company's website at <a href="https://www.cshalliance.com.my">https://www.cshalliance.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 3.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises that whistleblowing can serve as an important tool in preventing misconduct at the early stage and has established a Whistleblowing Policy that sets out avenues for individuals to raise concerns about illegal, unethical, or questionable practices in confidence and without the risk of reprisal.</p> <p>The Board is also cognisant of the fact that, although crucial, the mere existence of the Whistleblowing Policy cannot operate in isolation. As such, the Board, together with the Management, have put mechanisms in place to accord whistleblowers anonymity and the necessary protection. This is evident in the Company's Whistleblowing Policy which sets out guidance on the appropriate communication and feedback channels and actions to facilitate whistleblowing while assuring potential whistleblowers of the protection accorded to them.</p> <p>Employees who wish to raise genuine concern(s) of misconduct or malpractice may bring the issue to the attention of the following designated parties:-</p> <ul style="list-style-type: none"><li>• ED; or</li><li>• Chairman of AC.</li></ul> <p>The Whistleblowing Policy is made available on the Company's website at <a href="https://www.cshalliance.com.my">https://www.cshalliance.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### Intended Outcome

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

### Practice 4.1

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>Our sustainability efforts are governed through our corporate structure with ultimate responsibility from our Board who is responsible for overseeing sustainability roles across the Company. The RMC, chaired by the NED, Mr. Lim Peng Tong, is tasked for driving and managing the sustainability across the business and ensures that key sustainability results are met with the support of the Management. The RMC reports key sustainability matters to the Board. The Management implements sustainability strategies and monitors the progress of the Company's sustainability performance.</p> <p>The degree of significance of the sustainable matters to influence the assessment and decision by internal and external stakeholders was performed by using informal stakeholders' engagement through direct communication with relevant internal and external stakeholders by Head of Departments/Divisions and EDs. In addition, the respective division's management heads are responsible for identifying, evaluating, monitoring, and managing economic, environmental, and social risks and opportunities directly.</p> <p>Our sustainability related activities undertaken and targets set out by the Company have been disclosed in the Sustainability Statement in 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>The Board is constantly looking for opportunities within and outside its industries in order to enhance the Group’s competitiveness and risk management through growth and diversification. The Group believes that continual engagement with our stakeholders is crucial in making our sustainability focus known. The needs and expectations of our stakeholders can be met through open two-way communication, which subsequently enhances trust from our stakeholders and promotes Group’s accountability.</p> <p>For internal stakeholders, the sustainability matters are communicated to the employees in training programs and workshops, townhall meetings, internal newsletters, memos and corporate events.</p> <p>For external stakeholders, the sustainability strategies, priorities, targets and progress are communicated via corporate website, annual report, social media, general meetings, quarterly financial announcements and etc.</p> <p>Further details on the practices that the Group adopted to engage with internal and external stakeholders are disclosed in the Sustainability Statement 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 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board is cognisant that Directors are expected to have a strong understanding and be able to engage with Management in addressing sustainability-related risks. The Board members keep themselves apprised with relevant sustainability developments by presentation of updates, reading and also discussions.</p> <p>The Board is committed to staying abreast with sustainability issues associated with the ever-evolving operating environment which are relevant to its business, including supply-chain risk, supporting labour rights, and others. This may include, but is not limited to periodical updates by Bursa Securities, Securities Commission Malaysia (“<b>SC</b>”) and the training programmes attended by them respectively.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.4**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board had enhanced the performance evaluation form on 18 August 2022 whereby the Board, had through its NC carried out annual performance evaluation on the Board on the aspects of its size, structure, mix of skills, knowledge, experience, qualities, diversity in age, gender, race and ethnicity, effectiveness and frequency of Board Meetings held during the financial year ended 30 June 2022, as well as effectiveness in addressing the Company’s material sustainability risks and opportunities.	
<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>	:	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 5.1

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 NC oversees the overall composition of the Board in terms of size, mix of skills, experience and core competencies and the balance between EDs, NEDs and Independent Directors.</p> <p>The effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board and the contribution of the Board's various committees will be assessed on an annual basis.</p> <p>In addition, the Board Charter provides that the tenure of an independent director does not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board as a non-independent Director, provided the Board shall first justify and obtain annual shareholders' approval via a two-tier voting process as guided by the MCCG, for his or her retention, failing which, he or she may still serve on the Board, but as a Non-Independent Director.</p> <p>An Independent Director shall resign/retire from the Board or be re-designated as a Non-Independent Director when his tenure exceeds a cumulative term of twelve (12) years.</p> <p>The annual re-election of retiring Directors has been contingent on satisfactory evaluation of the Director's performance and contribution to the Board.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board acknowledges the importance of INEDs, who provide objectivity, impartiality, and independent judgement to ensure an adequate check and balance on the Board. The INEDs ensure that business and investment proposals presented by Management are fully deliberated and examined. They perform a key role by providing unbiased and independent views, advice, and judgement, which take into account the interests of the Group and all its stakeholders, including shareholders, employees, customers, business associates, and the community as a whole.</p> <p>The Board currently comprises eight (8) Directors made up of five (5) EDs and three (3) INEDs.</p> <p>Although less than half of the Board comprises INEDs, the Board views the number of its INEDs as adequate to provide the necessary check and balances to the Board’s decision-making process.</p> <p>Nevertheless, the Board is mindful of the recommendation of the MCGG and will continuously identify potential candidates who are independent to be interviewed.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

### Intended Outcome

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>Currently, all Independent Directors, namely, En. Ahmad Ruslan, Mr. Lim Peng Tong, and Mr. Ng Keok Chai have served the Board for less than nine (9) years.</p> <p>The NC and the Board take cognisance that under the MCGG, should the Board wish to retain any of its Independent Directors who have served the Board for a cumulative term of nine (9) years, the Board should seek annual shareholders' approval via a two-tier voting process as guided by the MCGG, in the AGM. However, this does not apply to the Company at this juncture.</p> <p>An Independent Director shall resign/retire from the Board or be re-designated as a Non-Independent Director when his tenure exceeds a cumulative term of twelve (12) years.</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>The Board acknowledges the crucial role that diversity plays in facilitating constructive debates and healthy discussions during the Board's deliberations and believes that diverse senior management is critical in enhancing the Company's overall credibility and driving the Company forward.</p> <p>This can be reflected in the Company's stance as an equal opportunity employer and its stance against discrimination of any form, whether based on age, gender, race, religion, identity or ethnicity throughout the organisation.</p> <p>In this regard, the Directors and senior management personnel are recruited based on objective criteria, merit, and due regard for diversity in skills, experience, age, cultural background, and gender.</p> <p>The Board appoints its members through a formal and transparent selection process. The new appointees will be considered and evaluated by the NC, and the NC will then recommend the candidates to be approved and appointed by the Board. The Company Secretaries will ensure all appointments are properly documented.</p> <p>During the financial year ended 30 June 2022, the NC and the Board had undertaken this process during the appointment of Mr. Chong Koon Meng as ED of the Company.</p> <p>While there is diversity in skills, experience, age, and cultural background on the Board, there is no women Director on the Board. However, the Board will consider this in its recruitment of Board members where necessary while also ensuring that the recruitment is based on objective criteria, merit, and due regard for diversity in skills and experience, not solely gender. Currently, one (1) senior management member is a woman.</p>

	<p>In addition to the above, the Board would take into consideration the following criterias as indicated in the Fit and Proper Policy which was adopted by the Board on 30 June 2022, for assessment of the suitability of candidates to be appointed as Directors of the Company moving forward:</p> <ul style="list-style-type: none"> <li>- Probity, personal integrity and reputation, where the candidate must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness, as well as financial integrity, where the candidate must manage his debts or financial affairs prudently;</li> <li>- Competence and capability, where the candidate must possess the qualifications, skills, working experience, expertise and capability necessary to carry out the role; and</li> <li>- Committed and demonstrates willingness to devote time and effort to understand the business of the Group and participate in board activities, and able to judge independently, objectively and provide constructive comments.</li> </ul>	
<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

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>Although the Board did not utilise independent sources to identify new Board members, when a vacancy exists or when it is considered that the Board would benefit from the services of additional Board members with particular skills, the NC shall recommend to the Board one (1) or more candidates with the appropriate expertise or experience. The NC may source from its peers, networking or recommendation from the Management and within the bounds of practicability, by any Director and by the shareholder or may use the services of a professional recruitment firm. The NC will then make its recommendation on the candidates for submission to the Board for approval.</p> <p>During the financial year ended 30 June 2022, the Board appointed Mr. Chong Koon Meng as an Executive Director on 7 February 2022 as an addition to the Board.</p> <p>Mr. Chong Koon Meng was identified through the recommendation from the Management and the Major Shareholder, MMAG Holdings Berhad, in view that his qualification, relevant experience and specialise (i.e., with twenty five (25) years of corporate experience in the fields of marketing and sales, product and communications that specialising in the telecommunications, device management and automotive sectors, which is also the core businesses of the Group) would help to strengthen the skills and expertise in the Company's Board composition.</p> <p>The Company will utilise independent sources should there be no suitably qualified candidates recommended by the existing board member, shareholders, and senior management.</p>

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

<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

### Intended Outcome

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company has not included a statement in the Notes accompanying the Notice for AGM held on 29 November 2021.</p> <p>Being said so, the profiles of Directors are published in the Company's Annual Report and website. These include their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest as well as their shareholdings in the Company, if any.</p> <p>The performance of retiring directors will be assessed by the NC and the Board before recommendation is made to the shareholders for consideration.</p> <p>For independent directors, the NC assesses their relationship with the executives that might influence, or reasonably be perceived to influence their capacity to bring an independent judgement and to act in the best interests of the listed company as a whole.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.8

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>During the financial year ended 30 June 2022, the NC was chaired by an INED, Mr. Ng Keok Chai, who was re-designated as the Chairman of NC on 29 September 2021.</p> <p>As the Chairman of the NC, Mr. Ng Keok Chai led the selection and nomination process of the new Board members as well as the annual review of the effectiveness of each individual director, ensuring that the performance of each individual Director is objectively assessed during the financial year ended 30 June 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 5.9

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board does not have a specific policy on gender, ethnicity, and age group for candidates to be appointed to the Board and does not have a specific policy on setting a target for women candidates in the workforce.</p> <p>Nonetheless, the Board does not practise discrimination of any form, whether based on age, gender, race, religion, identity or ethnicity throughout the organisation, and due considerations will be given based on objective criteria, merit, and due regard for diversity in skills and experience, and not solely gender.</p> <p>The Board is cognisant of the requirement in the MMLR for the appointment of at least one (1) woman Director by 1 June 2023 and the recommendation of the MCCG on gender diversity policies and targets, as well as the measures to be taken to meet the targets. The Board is committed to appointing a woman Director the Board by 1 June 2023 and where and when appropriate, the Board will prioritise the appointment of women Directors to the Board as per the recommendation of the MCCG.</p> <p>This is disclosed in the Annual Report for the financial year ended 30 June 2022.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

### Intended Outcome

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

### Practice 5.10

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board acknowledges the importance of boardroom diversity and the recommendation of the MCCG pertaining to the establishment of a gender diversity policy.  Insofar as board diversity is concerned, the Board does not have a gender diversity policy but the practice of equal gender composition has been implemented throughout the Group.	
		The Board is cognisant of the requirement in the MMLR for the appointment of at least one (1) woman Director by 1 June 2023 and the recommendation of the MCCG on gender diversity policies and targets, as well as the measures to be taken to meet the targets. The Board is committed to appoint a woman Director the Board by 1 June 2023 and where and when appropriate, the Board will prioritise the appointment of women to the senior management as per the recommendation of the MCCG.  This is disclosed in the Annual Report for the financial year ended 30 June 2022.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

## Intended Outcome

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 Board had, through the NC, conducted annual assessments to determine the effectiveness of the Board, its Committees, and each individual Director for the financial year ended 30 June 2022 on 29 August 2022.</p> <p>The same annual assessment was conducted for the financial year ended 30 June 2021 on 29 September 2021. The independence of the Independent Directors was also assessed on the same dates.</p> <p>The system of assessment is as described below:-</p> <p>(i) <b>Directors' peer assessment</b></p> <p>The annual assessment of the Directors commences with the completion of a set of comprehensive Peer Assessment Forms detailing all assessment criteria, which must be completed by each Director who will evaluate one peer Director selected at random confidentially. The Peer Assessment Form will then be submitted to the Company Secretaries confidentially, who will table the results to the NC. Criteria for the peer assessment include peer ratings on the Director's knowledge, contribution, performance, calibre, and personality.</p> <p>(ii) <b>Evaluation on the effectiveness of the Board as a whole and Board Committees</b></p> <p>The criteria for assessing the performance of the Board as a whole and the Board Committees cover composition, processes, accountability as well as the fulfilment of duties and responsibilities.</p> <p>(iii) <b>Peer evaluation of AC Members</b></p>

The annual assessment commences with the completion of a set of comprehensive assessment forms detailing all assessment criteria that must be completed by each AC member on the performance of their AC peers during the financial year. Such an assessment form will then be submitted to the Company Secretaries confidentially to table the consolidated results to the NC. Criteria for the assessment include ratings on the AC members' knowledge, contribution, performance, calibre, and commitment.

**(iv) Assessment of Independent Directors**

All Independent Directors had signed an undertaking/confirmation that they remain independent. The NC had considered each Independent Director's independence and advised the Board accordingly.

All the above assessment results were reported to the Board for notation, discussion, and further improvements. Based on the aforesaid evaluations conducted for the financial year ended 30 June 2022, the NC and the Board were satisfied with the performance of each Director, the Board as a whole, and the Board Committees.

The Board was also satisfied with the level of time commitment given by all the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at the Board meetings during the financial year ended 30 June 2022 as set out in the table below:-

<b>Name of Director</b>	<b>Attendance</b>
Ahmad Ruslan Zahari Bin Zakaria	5/5
Sim Chiun Wee	5/5
Lim Peng Tong	5/5
Ng Keok Chai	5/5
Tan Yip Jiun	5/5
Peter Yap	5/5
Kenny Khow Chuan Wah	5/5
Chong Koon Meng <i>(appointed w.e.f. 7 February 2022)</i>	2/2

	<p style="text-align: right;">Chan Pak Keong <span style="float: right;">1/1</span>  <i>(resigned w.e.f. 31 August 2021)</i></p> <p>All Directors shall, prior to accepting new directorships in other companies, notify the Chairman of the Board and/or the Company Secretaries, and inform them of the indication of the time that will be spent on the new appointment to ensure that the Director would still have the time to focus and fulfill their roles and responsibilities effectively. The Directors are also required to submit a timely update on their other relevant directorships to the Company Secretaries, who will, in turn, update the Board accordingly. Such information is used to monitor the number of directorships held by the Directors and to notify the CCM accordingly, where required.</p> <p>During the financial year ended 30 June 2022, none of the Directors had directorships in public listed companies that exceeded the maximum limit of five (5) directorships.</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

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 RC has been entrusted by the Board to determine that the level of remuneration is sufficient to attract and retain Directors of quality required to manage the business of the Group. The RC is entrusted under its terms of reference to assist the Board, amongst others, to recommend to the Board the remuneration of EDs. In the case of NEDs, the level of remuneration shall reflect the experience and level of responsibilities undertaken by the NEDs concerned. In all instances, the deliberations are conducted, with the Directors concerned abstaining from discussions on their individual remuneration.</p> <p>The Board had on 18 October 2022 reviewed and updated the Policy and Procedures in determining the Remuneration of Directors and Senior Management, which takes into account the demands, complexities and performance of the Company as well as the skills and experience required of Directors, to guide the Board in ensuring that the levels of remuneration are sufficient to attract, retain and motivate Directors.</p> <p>The policy is published on the Company's website at <a href="https://www.cshalliance.com.my">https://www.cshalliance.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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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 a RC, whose principal objective is to assist the Board in structure and clearly link Directors' and Senior Management's remuneration to the Company's strategic objectives, which rewards contribution to the Company's long-term success in promoting business stability and growth.</p> <p>The RC assists the Board in implementing its policies and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company.</p> <p>The RC has a detailed Terms of Reference in writing, which includes the RC's :-</p> <ul style="list-style-type: none"><li>• Objectives</li><li>• Composition of members</li><li>• Chairman</li><li>• Secretary</li><li>• Meetings</li><li>• Quorum</li><li>• Minutes</li><li>• Circular resolutions</li><li>• Reporting</li><li>• Authority</li><li>• Duties and responsibilities</li></ul> <p>The Board has revised the Terms of Reference of the RC on 18 October 2022 and are published on the Company's website at <a href="https://www.cshalliance.com.my">https://www.cshalliance.com.my</a>.</p>

	<p>During the financial year ended 30 June 2022, the RC is chaired by an INED, namely Mr. Ng Keok Chai, who was re-designated as the Chairman on RC on 29 September 2021.</p> <p>The RC currently consists of all INED, which is in line with the MCCG's guidance.</p> <p>The Directors who are shareholders of the Company would abstain from voting in respect of their fees and benefits at the forthcoming Twenty-Second Annual General Meeting ("<b>22nd AGM</b>").</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**

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 Company discloses in detail, on a named basis, the remuneration of its individual Directors which includes fees, salary, emoluments and benefits.</p> <p>The details of the remuneration of Directors during the financial year ended 30 June 2022 as being tabulated in the table below.</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	Sim Chiun Wee	Executive Director	36.00	-	-	-	-	0.60	36.60	-	-	271.88	-	-	-	271.88
2	Tan Yip Jiun	Executive Director	36.00	-	-	-	-	0.60	36.60	-	-	135.32	-	-	-	135.32
3	Peter Yap	Executive Director	36.00	-	-	-	-	0.60	36.60	-	-	135.32	-	-	-	135.32
4	Kenny Khow Chuan Wah	Executive Director	36.00	-	-	-	-	0.60	36.60	-	-	68.72	-	-	-	68.72
5	Chong Koon Meng <i>(appointed w.e.f. 7 February 2022)</i>	Executive Director	15.00	-	-	-	-	0.30	15.30	-	-	27.43	-	-	-	42.73
6	Chan Pak Keong <i>(resigned w.e.f. 31 August 2021)</i>	Executive Director	6.00	-	-	-	-	-	6.00	-	-	22.55	-	-	-	22.55
7	Ahmad Ruslan Zahari Bin Zakaria	Independent Director	36.00	-	-	-	-	0.60	36.60	-	-	-	-	-	-	-
8	Lim Peng Tong	Independent Director	36.00	-	-	-	-	0.60	36.60	-	-	-	-	-	-	-
9	Ng Keok Chai	Independent Director	36.00	-	-	-	-	0.60	36.60	-	-	-	-	-	-	-
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
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>	:	Not applicable - all members of senior management are members of the board	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

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>During the financial year ended 30 June 2022, the AC is chaired by an INED, namely Mr. Lim Peng Tong, whereas the Chairman of the Board is En. Ahmad Ruslan.</p> <p>These positions being held by two (2) different individuals have ensured that the objectivity of the Board's review of the AC's findings and recommendations is not undermined.</p> <p>As Chairman of the AC, Mr. Lim Peng Tong was responsible for ensuring the AC's overall effectiveness and independence. Together with other members of the AC, they have ensured amongst others that:-</p> <ul style="list-style-type: none"><li>a. the AC is fully informed about significant matters related to the Company's audit and its financial statements, and these matters are addressed;</li><li>b. the AC appropriately communicates its insights, views, and concerns about relevant transactions and events to Internal and External Auditors; and</li><li>c. the AC's concerns on matters that may have an effect on the financial or audit of the Company are communicated to the External Auditors.</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**

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 Board has updated the Policies and Procedures to Assess the Suitability, Objectivity, and Independence of External Auditors on 18 October 2022, which requires a cooling-off period of at least three (3) years to be observed by the former key audit partner of the Company’s External Auditors before being appointed as a member of the AC. This is to safeguard the independence of the audit and preparation of the Company’s financial statements.	
<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 Board has adopted the Policies and Procedures to Assess the Suitability, Objectivity, and Independence of External Auditors, which was last reviewed and updated on 18 October 2022, requires the AC to conduct an annual assessment of the External Auditors' suitability, objectivity, and independence in every financial year.</p> <p>In assessing the suitability, objectivity, and independence of the External Auditors, the AC is required to consider amongst others:-</p> <ul style="list-style-type: none"><li>a. the competence, audit quality, experience, and resource capacity of the External Auditors and its staff assigned to the audit;</li><li>b. the audit firm's other audit engagements;</li><li>c. the adequacy of the scope of the audit plan;</li><li>d. the External Auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;</li><li>e. the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and</li><li>f. obtaining assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</li></ul> <p>Upon conducting the annual evaluation of the performance of the External Auditors, namely Messrs. Folks DFK &amp; Co, the AC was satisfied with the quality of audit, competency, and sufficiency of resources, and audit independence of the External Auditors in respect of the services rendered for the financial year ended 30 June 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 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The AC consists solely of the following INED in line with Practice 8.4 of the MCCG:-  a. Mr Lim Peng Tong b. En. Ahmad Ruslan; and c. Mr. Ng Keok Chai.

## Intended Outcome

There is an effective and independent Audit Committee.

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

## Practice 9.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All members of the AC are financially literate and are able to understand the Company's business and matters under the purview of the AC including the financial reporting process. They have continuously applied a critical and probing view on the Company's financial reporting process, transactions, and other financial information and effectively challenged Management's assertions on the Company's financials. Any inconsistencies or irregularities in the financial and operational reports would be questioned to ascertain that the Quarterly Report and the annual Audited Financial Statements taken as a whole provide a true and fair view of the Company's financial position and performance.</p> <p>In addition to financial literacy, the members of the AC have been proactive in advising the Board of any concerns that have come to the AC's attention and are committed to maintaining high ethical standards in their decisions.</p> <p>All members of the AC have undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules, as and when required.</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 10.1

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 is supported by a RMC, which oversees risk management of the Group. Besides adopting Risk Management Strategy and Policy, the Company has also adopted an Enterprise Risk Management ("ERM") Framework: Integrating with Strategy and Performance to ensure sustainable growth and promote a proactive approach in reporting evaluating and managing risks associated within the respective companies, in line with the agreed risk framework and accepted by the RMC and approved by the Board.</p> <p>The internal audit function is outsourced to an independent professional firm that provides an independent assessment of the adequacy and effectiveness of the Group's risk management and internal control system.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 10.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board had adopted a Risk Management Strategy and Policy that includes key internal control structures that show the Group's commitment to ensuring business growth and promoting a proactive approach in reporting, evaluating, and managing risks associated with the Company.</p> <p>Furthermore, the Board via the RMC oversees the risk management of the Company. The RMC, with the assistance of the senior management team, assesses the Company's risk tolerance, identifies the risk issues faced by the Company, and takes appropriate and prompt actions to manage the identified risks within defined parameters.</p> <p>The Company also engages Internal Auditors to provide independent assessments of the adequacy, efficiency, and effectiveness of the Company's internal control system. The Internal Auditors report directly to the AC on a regular basis, and internal audit plans are tabled to the AC for review and subsequently approved by the Board to ensure adequate coverage.</p> <p>The risk management and internal control are ongoing processes, which are undertaken in each department. The Company will continuously enhance the existing system of risk management and internal control by taking into consideration the changing business environment and regulatory requirements.</p> <p>This is evidenced by the adoption of the ERM Framework: Integrating with Strategy and Performance to ensure sustainable growth and promote a proactive approach in reporting evaluating and managing risks associated within the respective companies, in line with the agreed risk framework and accepted by the RMC and approved by the Board.</p> <p>The review and periodic testing of the Company's internal control and risk management strategy, policy, and ERM framework are conducted as and when required.</p>

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

**Intended Outcome**

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

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

**Practice 10.3 - Step Up**

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

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Board has established a RMC, which comprises two (2) INED, namely Mr. Lim Peng Tong and Mr. Ng Keok Chai and one (1) ED, namely Mr. Kenny Khow Chuan Wah, who was appointed as a member of RMC on 25 October 2021.

### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The internal audit function of the Company is carried out by an outsourced professional service firm that assists the AC and the Board in managing the risks and establishment of the internal control system and processes of the Company by providing an independent assessment on the adequacy, efficiency, and effectiveness of the Company's risk management and internal control system and processes. The Internal Auditors report directly to the AC.</p> <p>To ensure an effective and independent internal audit function, the AC has been entrusted with the following duties and responsibilities:-</p> <ul style="list-style-type: none"><li>• review the adequacy of the scope, competency, and resources of the internal audit function, and that it has the necessary authority to carry out its work;</li><li>• review the internal audit plan and results of the internal audit assessments, investigation undertaken, and ensure that appropriate action is taken on the recommendations of the internal auditors;</li><li>• consider the internal audit reports and findings of the internal auditors, fraud investigations and actions and steps taken by Management in response to the audit findings;</li><li>• appraise or assess the performance of members of the internal audit function; and</li><li>• monitor the overall performance of the Company's internal audit function.</li></ul> <p>In developing the scope of the internal audit function, the AC is satisfied that:-</p> <ol style="list-style-type: none"><li>a. the person responsible for the internal audit has relevant experience, sufficient standing, and authority to enable him to discharge his functions effectively;</li></ol>

	<p>b. the firm appointed to carry out the Company's internal audit function has sufficient resources and is able to access information to enable it to carry out its role effectively; and</p> <p>c. the personnel assigned to undertake internal audits have the necessary competency, experience, and resources to carry out the function effectively.</p> <p>The Internal Auditors have and will continue to keep abreast with developments in the profession, relevant industry, and regulations.</p> <p>The internal audit function is independent of the operations of the Company and provides reasonable assurance that the Company's system of internal control is satisfactory and operating effectively.</p> <p>Areas for improvement are highlighted to the AC, who will report the same to the Board. The implementation of recommendations is consistently and closely monitored. None of the internal control weaknesses has resulted in any material losses, contingencies, or uncertainties that would require disclosure in the 2022 Annual Report.</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

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

### Practice 11.2

The board should disclose–

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group outsourced its internal audit function to an independent professional internal audit service provider. The role of the internal audit function, which reports directly to the AC, is to support the AC by providing it with independent and objective reports on the adequacy and effectiveness of the system of internal control and the extent of compliance with the procedures and by recommending ways to rectify shortfall and improve the existing control environment in relation to the Group's operations. It submits its findings and recommendations to the AC and key senior management of the Group.</p> <p>The internal audit function is outsourced to OAC Consulting Sdn. Bhd. and the internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p> <p>The internal audit lead is Mr. Leonard Lim ("<b>Mr. Leonard</b>"), who is a Professional Member of the Institute of Internal Auditors Malaysia ("<b>IIAM</b>"). Mr. Leonard has over twenty (20) years of experience practice specialising in providing corporate governance, risk assessments and internal audit solutions ranging from small and medium companies up to large public listed companies. He has obtained vast experience and knowledge of internal controls and audits from various public listed companies on Bursa Securities in the following industries, i.e. Banking/Finance, Information Technology, Logistics, Plantations, Education, Multimedia, Property Development, Construction, Manufacturing, Trading, Retailing, Travel and Entertainment <i>etc.</i> He is also well versed in the regulations and requirements for companies listed on the Bursa Securities and the MCGG. He conducts internal audits utilising risk assessment, structured risk management techniques and assessing the adequacy and integrity of internal controls based on the COSO Framework.</p> <p>The number of staff deployed for the internal audit reviews ranges from three (3) to four (4) per visit. The staff involved in the internal</p>

	audit reviews possess professional qualifications and/or a university degree. Amongst the staff, there are members of the IIAM.	
<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 believes that a constructive and effective investor relationship is essential in enhancing shareholder value. The Board, in its best efforts, always keeps the shareholders and various stakeholders informed of the Company's business and corporate developments and ensures that the Company's communication with them is transparent and timely. Announcements and all relevant updates are posted on the Company's website regularly. Shareholders may also communicate with the Company on investor relation matters by emailing to <a href="mailto:corporate@cshalliance.com.my">corporate@cshalliance.com.my</a>. The Company will endeavour to reply to these enquiries in the shortest possible time.</p> <p>The Board is also mindful of the disclosure obligations as stipulated in Bursa Securities MMLR and strives to ensure compliance at all times. The Board endeavours to provide timely and accurate disclosure of all material or price sensitive information of the Company to shareholders and investors and may provide additional disclosure of information on a voluntary basis, where possible and applicable, as soon as practicable through various appropriate channels and announcements made to Bursa Securities. The Board ensures that all material information and corporate disclosures are discussed with Management prior to dissemination to ensure compliance with the MMLR. In deciding on the necessary disclosures and announcements, the Board is also guided by Bursa Securities's Corporate Disclosure Guide as published by Bursa Securities from time to time. All public announcements are electronically published and can be assessed publicly at Bursa Securities' website at <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a> or the Company's website at <a href="https://www.cshalliance.com.my">https://www.cshalliance.com.my</a>.</p> <p>Besides that, the Annual Report to shareholders is also one of the main communication channels between the Company and its shareholders and stakeholders. The Annual Report, which is prepared in accordance with the requirements of the MMLR, communicates comprehensive information on the financial results and activities undertaken by the Company. All information to shareholders is available electronically as soon as it is announced or published.</p>

	Another key avenue of communication with its shareholders is the Company's AGM and EGM, which provide a useful forum for dialogue with shareholders where they may raise questions or seek clarifications on the Company's business and reports from the Company's Directors.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 12.2**

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

<b>Application</b>	:	Not applicable – Not a Large Company	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company has provided all shareholders at least twenty-eight (28) days' notice before the date of the 21st AGM last year and will give all shareholders at least twenty-eight (28) days' notice before the date of the 22nd AGM this year.</p> <p>The Notice of General Meeting provides a detailed explanation for the resolutions proposed along with any background information and reports or recommendation that is relevant, where required and necessary, to enable shareholders to make informed decisions when 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>	:	<p>During the financial year ended 30 June 2022, all Directors of the Company attended the 21st AGM and EGM of the Company held on 29 November 2021 and 3 June 2022, respectively. During the 21st AGM and EGM, the Chairman opened the floor to questions from the shareholders present, and the ED responded to the questions raised by the shareholders or their proxy(ies) during the 21st AGM and EGM.</p> <p>In addition, shareholders were also encouraged to submit their questions ahead of the EGM, which was held on 3 June 2022, and were assured that the Company would endeavour to answer shareholders' questions at the EGM if time permitted or by email after the EGM. Nonetheless, there were no questions received from the shareholders prior to the EGM, and the ED responded to the questions raised by the shareholders or their proxy(ies) during the EGM.</p> <p>All the Directors attended the meeting for the recent EGM on 3 June 2022, which was held on a physical basis. The questions raised by the shareholders during this EGM were addressed accordingly.</p> <p>All Company Directors will endeavour to attend all General Meetings. The Chairman of the Audit, Nomination, Remuneration and Risk Management Committees will provide meaningful responses to questions addressed to them.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>With the health interest of the shareholders in mind amidst the COVID-19 pandemic, aside from the EGM on 3 June 2022, which was held physically, the 21st AGM, was held on a fully virtual basis via live stream webcast and online remote voting using remote participation and voting facilities where shareholders are able to vote and communicate with the Directors via the provided online platform.</p> <p>In accordance with the CA 2016 and the Company's Constitution, the Company may convene a meeting of members at more than one venue using any technology or method that enables the Company's members to participate and exercise the members' rights to speak and vote at the meeting. The main venue of the meeting shall be in Malaysia, and the Chairman shall be present at the main venue.</p> <p>In general meetings which were held virtually, shareholders could participate, speak and vote remotely at the general meeting using remote participation and voting facilities. In addition, the questions and/or remarks submitted by the shareholders and/or proxies were broadcasted and responded to by the Chairman/Board/relevant adviser during the general meeting.</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>During the 21st AGM in 2021, the Chairman ensured that the meeting platform caters as an important opportunity for effective communication with shareholders and constructive feedback from shareholders. Shareholders were given the opportunity to submit questions online to transmit their questions relating to resolutions tabled at the 21st AGM.</p> <p>During the Question &amp; Answer session, the Chairman and the EDs addressed all questions raised by shareholders and ensured sufficient time was allocated for discussions.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

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

### Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>In light of the COVID-19 pandemic conditions and in line with the SC's latest Guidance Note and Frequently Asked Questions on the Conduct of General Meeting for Listed Issuers, the Company's 21st AGM was conducted in a fully virtual manner through live streaming and via remote participation and voting using Remote Participation and Voting Facilities from the online meeting platform of Agmo Digital Solutions Sdn. Bhd. via its Vote2U Online website.</p> <p>The Board had ensured that the required infrastructure and tools were in place to support smooth broadcast and seamless experience for interactive participation by shareholders.</p> <p>Shareholders were allowed to submit their questions electronically through the online platform, via submission of typed text in the query box. The Chairman of the meeting and the Directors responded to the respective questions posed during the meeting.</p> <p>The Board would consider that the questions posed by shareholders are made visible to all participants in future general meetings.</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**

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 21st AGM and are made available on the corporate website within 30 business days after the general meetings.
<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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