

# **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 7025  
**COMPANY NAME** : WOODLANDOR HOLDINGS 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 is responsible to the shareholders for the strategic direction and proper management of the business of the Company and the Group with the objective of creating and enhancing shareholders' value.</p> <p>To achieve that objective, the Board reserves certain strategic and financial matters for its collective decisions.</p> <p>The Company is led and managed by an experienced and yet sleek Board comprising five (5) members with a wide spectrum of diverse skills and expertise in business, accounting, finance and consultancy sectors.</p> <p>The Board currently consists of the Executive Chairman (also Chief Executive Officer), one (1) Executive Director and three (3) Independent Non-Executive Directors. The Company has met the Listing Requirements in respect of having at least one third (1/3) of the membership of the Board comprising independent directors. The composition of the Board reflects a sufficiently wide and relevant mix of backgrounds, skills and experience vital for the successful direction and management of the Group's business operations. A brief profile of each Director is set out on pages 7 and 8 of this Annual Report.</p> <p>The Executive Directors have the responsibility of making and implementing operational decisions and running of the Group's business. The Non-Executive Directors play key supporting roles, contributing their knowledge, skills and experience towards the formulation of strategies and policies and in the decision making process. Where a potential conflict of interest may arise, it is mandatory practice for the director concerned to declare his interest and abstain from deliberations of the Board on the matter.</p>

	<p>Presently, the Board is supported by three (3) Board Committees namely, Audit Committee, Nomination Committee and Remuneration Committee that are delegated with specific responsibilities to oversee the Group's affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference ("TOR"). Each Board Committee will review, report and make recommendation to the Board during the Board meeting on matters relevant to their roles and responsibilities. The Board Committees also table the minutes of the Board Committees meetings at the quarterly Board meetings as to keep the Board abreast of the decision and discussion made by each Board Committee.</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

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

### Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Executive Chairman assumes the position of Chief Executive Officer as he brings with him a wealth of about 22 years experiences in wood working industry and a calibre to ensure that strategies and policies approved by the Board are effectively implemented.</p> <p>The Chairman ensures all Directors are properly briefed on issues arising at Board meetings and ensure that sufficient time is allowed for the discussion of complex or contentious issues.</p> <p>In instilling good corporate governance practices, the Chairman also ensures that Executive Directors look beyond their executive functions and accept their full share of responsibilities on governance matters.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>The Executive Chairman assumes the position of Chief Executive Officer as he brings with him a wealth of about 22 years experiences in wood working industry and a calibre to ensure that strategies and policies approved by the Board are effectively implemented.</p> <p>Nonetheless, the high representation of Independent Directors has brought strong independent views, judgement, knowledge, experience and support to the Board’s deliberation to ensure a balanced Board decision making process.</p>	
	:	<p>Taking into consideration the experience of the Executive Chairman/Chief Executive Officer, the relatively small business operations of the Group and other factors stated above, the Board considers that the departure from the recommended practice of separating the functions of the Chairman and that of the Chief Executive Officer is appropriate in the circumstances.</p>	
	:	<p>Based on the review of the Board composition in October 2022, the Board is of the view that the current size and composition of the Board are appropriate and effective for the control and direction of the Group’s strategy and business. The composition of the Board also fairly reflects the investment of shareholders in the Company.</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>	:	The Company does not have any alternative plan to meet the intended outcome.	
<b>Timeframe</b>	:	Others	No specific timeline set

## 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>	:	The Chairman of the Board is not a member of the Audit Committee, Nominating Committee or Remuneration Committee, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.5

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company Secretary of the Company has the requisite credentials, and suitably qualified and licensed to act as company secretary under Section 235(2) of the Companies Act 2016 ("the Act"). She is a member of the Malaysian Institute of Chartered Accountant (MIA) and holds a practising certificate issued by the Companies Commission of Malaysia.</p> <p>The Company Secretary attended programmes and seminars to keep abreast with inter alia, regulatory requirements, the Act and corporate governance best practices. With that, the Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging its functions.</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 1.6

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board and its committees are provided with notices and written reports and supporting information covering various aspects of the Group's operation and performance at least 7 days before the meeting date to ensure that they have sufficient time to study them and be prepared for discussion. The Board has access to all staff for any information pertaining to the Group's affairs.</p> <p>All Directors have access to the advice and services of the Company Secretary who is responsible for ensuring that Board procedures are followed. In addition, Directors have access to independent professional advice in appropriate circumstances at the Company's expense in furtherance of their duties in accordance to procedure set by the Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

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

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

**Practice 2.1**

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has approved a board charter (“Board Charter”) which sets out the composition, roles and responsibilities and processes of the Board and those delegated to Management. It is a reference and induction literature in providing the Board members and Management insight into the functions of the Board.</p> <p>The Board Charter is made available for reference on the Company’s website at <a href="http://www.woodlandor.com.my">www.woodlandor.com.my</a>.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

The 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>	:	A Code of Ethics is formalised through the Company’s Code of Conduct, which summarises what the Company must endeavour to do proactively in order to increase corporate value, and which describes the areas in daily activities that require caution in order to minimise any risks that may occur. To ensure relevancy, the Code of Ethics will be reviewed at least once a year.  The Code of Conduct is made available for reference on the Company’s website at <a href="http://www.woodlandor.com.my">www.woodlandor.com.my</a> .	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 3.2**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board also has a separate Whistle-Blowing Policy stating the appropriate communication and feedback channels to facilitate whistleblowing. The implementation of such policy is in line with Section 587 of the Act where provisions have been made to protect the Company's officers or stakeholders who make disclosures on breach or non-observance of any requirement or provision of the Act or on any serious offence involving fraud and dishonesty.</p> <p>The Whistle-Blowing Policy is made available for reference on the Company's website at <a href="http://www.woodlandor.com.my">www.woodlandor.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board will be setting the Group's sustainability strategies, priorities and targets with the management team. Nevertheless, several existing initiatives by the Group have been identified as key areas in economic, environmental, and social sustainability matters. The Group is committed to create long term sustainability value and governance structure in the coming years.  Please refer to the Sustainability Statement in the Annual Report 2022 for further information on the existing initiatives made by the Group.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.2**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board would ensure that the Group's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders, once the sustainability strategies, priorities and targets are set.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 4.3

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board is committed to keep itself abreast with and understand the sustainability issues relevant to the Company and its business by attending several training and development programmes, whether internal and external training, as well as reading materials from international guidance and standards released.	
<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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The performance evaluations did not include a review of the performance of the Board and senior management in addressing the Company’s material sustainability risks and opportunities.	
		The Board will develop the key performance indicators linked to sustainability risks and opportunities for annual performance evaluations of the Board and senior management once the Group has established the sustainability strategies, priorities and target.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**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 duties of the Nomination Committee include considering candidates for Board vacancies and recommending all appointments to the Board. The Board will consider such recommended appointment and approve if they are found to be appropriate and suitable. The terms of reference of the Nomination Committee have been adopted by the Board and can be obtained from the Company's website at <a href="http://www.woodlandor.com.my">www.woodlandor.com.my</a>.</p> <p>During the financial period under review, the Nomination Committee met one (1) time and the summary of the activities of the Nomination Committee during the financial year are as follows:-</p> <ul style="list-style-type: none"><li>• Reviewed the mix of skill and experience and other qualities of the Board.</li><li>• Assessed the effectiveness of the Board as a whole, the Board committees and the Directors.</li><li>• Discussed the Directors subject to retirement by rotation.</li><li>• Discussed the retention of the Independent Director who had served the Company for more than nine (9) years..</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.2

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The high representation of Independent Directors constituting 60% of the Board has brought strong independent views, judgement, knowledge, experience and support to the Board's deliberation to ensure a balanced Board decision making process.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.3

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

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

Application	:	Applied - Two Tier Voting	
Explanation on application of the practice	:	<p>The Board has implemented a nine-year policy for Independent Non-Executive Directors. Upon completion of the 9 years, an Independent Director may continue to serve on the Board subject to the Director’s re-designation as a Non-Independent Director. In the event such Director was to retain as an Independent Director, the Board would have to justify in the notice convening the annual general meeting (“AGM”) and seek shareholders’ approval the retention of such Independent Director at every AGM.</p> <p>The Board should seek annual shareholders’ approval through a two-tier voting process if the retention of such Independent Director was after the nine years.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 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 does not set specific criteria for the assessment and selection of candidate. The assessment/evaluation process may include, at the Nomination Committee's discretion, reviewing the candidate's resume, curriculum vitae and other biographical information, confirming the candidate's qualifications and conducting legal and other background searches as well as formal or informal interview at the Nomination Committee's discretion.</p> <p>The Nomination Committee would also assess the candidate's integrity, wisdom, independence, ability to make independent and analytical inquiries, ability to work as a team to support the Board, understanding of the business environment and the willingness to devote adequate time and commitment to discharge the duties/functions 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

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

### Practice 5.6

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board does not set specific criteria for the assessment and selection of candidate. The assessment/evaluation process may include, at the Nomination Committee's discretion, reviewing the candidate's resume, curriculum vitae and other biographical information, confirming the candidate's qualifications and conducting legal and other background searches as well as formal or informal interview at the Nomination Committee's discretion. The Nomination Committee would also assess the candidate's integrity, wisdom, independence, ability to make independent and analytical inquiries, ability to work as a team to support the Board, understanding of the business environment and the willingness to devote adequate time and commitment to discharge the duties/functions of the Board.</p> <p>The Nomination Committee may also obtain and rely upon independent sources such as a directors' registry, open advertisement or use of independent search firms in furtherance of their duties at the Company's expense, subject to approval by the Chairman or the Board, depending on the quantum of the fees involved. If the selection of candidates was solely based on the recommendations made by the Management, the existing Board member(s) or major shareholder(s), the Nomination Committee will explain why other sources were not used.</p> <p>Upon completion of the assessment and evaluation of the potential candidate, the Nomination Committee would make its recommendation to the Board. Based on the recommendation of the Nomination Committee, the Board would evaluate and decide on the appointment of the potential candidate.</p> <p>The Chairman of the Board would then make an invitation or offer to the potential candidate to join the Board as a director. With the acceptance of the offer/invitation, the potential candidate would be appointed as director of the Company.</p>

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

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The information on the appointment and re-appointment of a Director are available to the Shareholders on the Company's website and Bursa Malaysia Securities Berhad's website.</p> <p>The Company will release an immediate announcement to Bursa Malaysia Securities Berhad in accordance with the prescribed format whenever there is an appointment of new Director. The re-election of Director will be set out in the notice of AGM and announcement to Bursa Malaysia Securities Berhad with a statement as to whether the Board supports the election or re-election of the candidate and the reasons why.</p> <p>The profile of Directors are published in the Annual Report, which includes their age, gender, date of appointment, qualification, working experience, any conflict of interest with the Company and shareholdings in the Company, if any.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

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

**Practice 5.8**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Nominating Committee is chaired by an Independent Director.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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>	:	The Board currently has 20% female representation, i.e. 1 female director whom is the Executive Director. During selection process, any list of proposed candidates to the Board shall consist of woman candidates, wherever reasonably possible. The Nomination Committee is responsible in ensuring that diversity objectives are adopted in board recruitment, board performance evaluation and succession planning processes. However, the appointment of a new Board member will not be guided solely by gender but will also take into account the skills-set, experience and knowledge of the candidate.	
		The Board will advocate the Company’s policy of identifying and recruiting qualified candidates including women candidates via equal opportunities to serve on its Board and key management in the event of recruitment.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	The Company does not have any alternative plan to meet the intended outcome.	
<b>Timeframe</b>	:	No specific timeline set	

**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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board endeavours to have diversity of the Board as well as its workforce in terms of experience, qualification, ethnicity and age, in the context of the needs of the Company.</p> <p>The Board currently has 20% female representation, i.e. 1 female director whom is the Executive Director. During selection process, any list of proposed candidates to the Board shall consist of woman candidates, wherever reasonably possible. The Nomination Committee is responsible in ensuring that diversity objectives are adopted in board recruitment, board performance evaluation and succession planning processes. However, the appointment of a new Board member will not be guided solely by gender but will also take into account the skills-set, experience and knowledge of the candidate.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

## Intended Outcome

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 effectiveness assessment for FY2022 was conducted by the Nomination Committee before recommendation was made to the Board and shareholders for the re-election and/or re-appointment of a director. The Company Secretary facilitated the Nomination Committee in carrying out the annual assessment exercise.</p> <p>The Board's effectiveness was assessed in the following key areas of composition, administration and process, accountability and responsibility, Board conduct, communication and relationship with Management, performance of the Chairman, the time commitment in discharging their role and responsibilities through attendance at their respective meetings as well as the application of good governance principles to create sustainable shareholder's value.</p> <p>Criteria on independence for directors and existing directors was based on the guidelines set out in the Main Market Listing Requirements.</p> <p>The Independent Directors also confirmed their independence by completing the annual independence checklist.</p> <p>The results, in particular the key strength and weaknesses identified from the evaluation, were tabled to the Board to allow enhancements to be undertaken.</p>
<b>Explanation for departure</b>	:  

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

<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Remuneration Committee evaluates the remuneration packages of Executive Directors and Senior Management executives and recommends for the Board's approval, the framework of executive remuneration of the Executive Director's remuneration package. The components of the remuneration package for the Executive Directors and Senior Management are linked to corporate and individual performance.</p> <p>To uphold the corporate governance and public confidence in the Company, Executive Directors should not be involved in deciding their own remuneration.</p> <p>For Non-Executive Directors, the level of remuneration is reflective of their experience and level of responsibilities. The remuneration payable to Non-Executive Directors are in respect of Directors' fees paid to Independent Non-Executive Directors only and also includes fees for chairman/chairperson and members of the Board Committees, who are Independent Directors. Non-Executive Directors' fees are determined by the Board as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his/her fee.</p> <p>The fees of Directors, including Non-Executive Directors, are enclosed by the Board for approval by the Shareholders of the Company at the AGM.</p>

	No remuneration policy is formulated and made available on the Company's corporate website as the Board is of the view that the confidentiality and sensitivity of the features of the Company's remuneration structure which are in supportive of the strategies and long-term vision of the Company, should be safeguarded.		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	The Company does not have any alternative plan to meet the intended outcome.	
Timeframe	:	Others	No specific timeline set

### 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 duty of the Remuneration Committee is to ensure that the remuneration of the Executive Directors and key management commensurate with their skills, experience and responsibility. The directors concerned would abstain from discussion pertaining to their own remuneration. The terms of reference of the Remuneration Committee has been adopted by the Board and can be obtained from the Company's website at <a href="http://www.woodlandor.com.my">www.woodlandor.com.my</a>.</p> <p>During the financial period under review, the Remuneration Committee met one (1) time and the activities undertaken by the Remuneration Committee during the financial year under review were as follows:</p> <ul style="list-style-type: none"><li>• Discussed and recommended the remuneration packages for the executive members of the Board for the Board's approval.</li></ul> <p>It is the responsibility of the entire Board to approve the remuneration of Executive Directors (as full-time employees of the Group), with the individual Directors concerned abstaining from deliberation and voting for the respective remuneration. As for the fees and allowances of Non-Executive Directors, the Board deliberated (with the abstention of the Non-Executive Directors) before recommending for the same to be approved by shareholders at the Company's AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		



<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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> :	The aggregate remuneration of all the Directors of the Company and the Group during the financial year ended 30 June 2022 on a named basis with the detailed remuneration is set out in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Seri Mun Weng Sum	Executive Director	24	-	264	-	16	33	337	24	-	686	-	16	85	811
2	Mun Li Choo	Executive Director	24	-	264	-	7	33	328	24	5	561	-	7	70	667
3	Dato' Teh Boon Sing	Non-Executive Directors	24	-	-	-	-	-	24	24	-	-	-	-	-	24
4	Chay Ng	Non-Executive Directors	24	-	-	-	-	-	24	24	-	-	-	-	-	24
5	Soo Keng Wah	Non-Executive Directors	24	-	-	-	-	-	24	24	-	-	-	-	-	24

### Intended Outcome

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

### Practice 8.2

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	While the Board is cognisant on the importance of transparency and retaining talents that are instrumental to the Company’s business operations, the Board of Directors’ believes that individual disclosure on a named basis for the remuneration of the top five Senior Management Personnel is not in the best interest of the Group.	
		The Company believes that the interest of the shareholders will not be prejudiced as a result of the non-disclosure of the top five Senior Management Personnel’s remuneration.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	The Company does not have any alternative plan to meet the intended outcome.	
<b>Timeframe</b>	:	Others	Not specific timeline set

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1								
2								
3								
4								
5								

**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								
2								
3								
4								
5								

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The positions of Chairman of the Audit Committee and the Board are held by 2 different individuals. Hence, the objectivity of the Board's review of the Audit Committee's findings and recommendations will be able to preserve.</p> <p>Mr. Soo Keng Wah was appointed to the Board on 29 March 2021 and assumed the role as the chairperson of the Audit Committee. Mr. Soo Keng Wah is a Chartered Accountant, Malaysian Institute of Accountants and Certified Public Accountant, MACPA since 2002. He has more than 25 years of experience in finance and audit.</p> <p>The Board is of the view that the chairperson of the Audit Committee has performed the duties as defined and his judgement was not impaired as he is sufficiently independent from Management in leading the discussion on the matters being deliberated and findings as well as recommendations made by the Audit Committee objectively in the Board 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>	:	



### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.2

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Audit Committee has adopted a 3-year cooling-off period policy for a candidate whom is a former audit partner before being appointed as a member of the Audit Committee.</p> <p>However, the said policy currently does not apply to the Audit Committee given none of the Audit Committee nor Board members is a former audit partner of the retiring external auditors as at the date of this Corporate Governance (“CG”) Report.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Audit Committee meet with the external auditor, HLB AAC PLT to discuss their audit plan, audit findings and the Company's financial statements and also had 2 private sessions with the external auditors without the presence of Executive Board members or management personnel.</p> <p>The Audit Committee assessed the suitability, objectivity, and independence of HLB AAC PLT as the external auditor of the Company as well as reviewed the quality of service and the level of non- audit services rendered to the Company for the financial year under review.</p> <p>The Audit Committee has obtained 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.</p> <p>Following the successful merger of the audit practices of HLB AAC PLT and HLB Ler Lum Chew PLT recently, HLB AAC PLT streamlined the audit practice under the name of HLB Ler Lum Chew PLT. Accordingly, HLB AAC PLT have indicated intention to retire.</p> <p>With the consent to act given by HLB Ler Lum Chew PLT, the Board had endorsed Audit Committee's recommendation for shareholders' approval to be sought for the appointment of HLB Ler Lum Chew PLT as external auditors for FYE 2023, at the forthcoming AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**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>	:	<p>The Board has established an effective and independent Audit Committee. The Committee consists of three (3) members, all of which are Independent Non-Executive Directors.</p> <p>The Board is of the view that the Audit Committee is able to assist the Board in reviewing and scrutinising the information in terms of accuracy, adequacy and completeness for disclosure to ensure reliability and compliance with applicable financial reporting standards.</p>

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Audit Committee chairperson, Mr. Soo Keng Wah together with all Audit Committee members, reviewed the Company's financial statements and Annual Audited Financial Statements in the presence of external auditors, prior to recommending them for the Board's approval and issuance to stakeholders.</p> <p>To assist the Board in reviewing and scrutinising the information in terms of accuracy, adequacy and completeness for disclosure to ensure reliability and compliance with applicable financial reporting standards, all the Audit Committee members will undertake continuous professional development to keep abreast of relevant developments in accounting and auditing standards, practices and rules.</p> <p>In addition to the duties and responsibilities set out under its terms of reference, the Audit Committee contributes to the Board's review of the effectiveness of the Group's internal control and risk management systems.</p> <p>The Board, through the recommendation of the Nomination Committee and with the exception of the Directors who are also Audit Committee is generally satisfied that all the Audit Committee members are financially literate and have sufficient understanding of the Company's business.</p> <p>Further details on the external programs attended by the Audit Committee are set out in the Corporate Governance Overview Statement of the Annual Report.</p>
<b>Explanation for departure</b>	:	

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

## Intended Outcome

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

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

## Practice 10.1

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges that risk management and internal control is an integral part of achieving the Group's objectives. The Board is committed to maintain a sound system of risk management and internal control and responsible for reviewing its adequacy and effectiveness.</p> <p>The Board exercises its oversight of risk management and internal control through the Audit Committee which meets on a quarterly basis and supported by an outsourced independent assurance provider.</p> <p>Management is accountable to the Board for the risk management and internal control system and for the implementation of processes to identify, evaluate, monitor and report risks and controls.</p> <p>Further details on the management and reporting of the risks and the controls in place to mitigate and manage those risks are provided in the Statement on Risk Management and Internal Control set out in the Annual Report.</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 is responsible of identifying principal risks and ensures the implementation of a dynamic system to manage risk exposure within the acceptable level of tolerance. To fulfil its oversight responsibility, the Board, as a whole or through delegation to the Audit Committee reviews the adequacy and integrity of the Group's risk management system which encapsulates the key processes of risk identification, assessment, mitigation, monitoring and reporting.</p> <p>The Group has an on-going process of identifying, evaluation and managing key risks and the Board reviews the key risks highlighted on a regular basis to ensure appropriate actions are taken to mitigate the risks of the Group for continuous sustainable growth.</p> <p>Investigation or special review will be carried out at the request of the Audit Committee on specific areas of concern when necessary. Significant breaches and deficiencies identified will be discussed at the Audit Committee meetings where appropriate course of actions will be recommended to the Board for consideration.</p> <p>The Statement of Risk Management and Internal Control is set out in the Annual Report. It provides an overview of the state of risk management and internal control within the Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

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

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

**Practice 10.3 - Step Up**

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

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

### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board has outsourced its internal audit function to an independent assurance provider to provide an independent appraisal over on the adequacy, efficiency and effectiveness of the system of internal control of the Group and recommendations for improvement of the control procedures to the Audit Committee.</p> <p>The Audit Committee reviewed and approved the internal audit plan in order to ensure that the internal audit function was effective and adequate to minimise and manage the overall risk exposure of the Group.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

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 has outsourced its internal audit functions to an independent assurance provider, Vaersa Advisory Sdn Bhd (“Vaersa”). Vaersa is free from any relationship or conflicts of interest with those involved within the Group which could impair their objectivity and independence and is capable of carrying out internal audit reviews.</p> <p>Premised on the performance assessment by the Audit Committee and feedback from the Management Team, the Audit Committee is of the opinion that Vaersa is independent and able to objectively carry out its role as internal auditors. Areas for improvement had been communicated to the Head of Internal Audit of Vaersa. The internal audit costs incurred for FYE 2022 was RM32,000.00.</p> <p>The audit team consists of 5 members, is headed by a member of the Malaysian Institute of Accountants and also Associated of Chartered Certified Accountants.</p> <p>The internal auditors adopted the International Professional Practices Framework advocated by the Institute of Internal Auditors Inc. USA and have performed their work in accordance with the international internal auditing standards. The internal audit engagement was carried out based on an annual internal audit plan as approved by the Audit Committee.</p> <p>The internal audit activities are aligned with the Group’s business risks and the Internal Audit Charter which has been adopted by the Company for the internal auditors.</p> <p>Further details of the Internal Audit Charter are set out in the Report of the Audit Committee of the Annual Report.</p>
<b>Explanation for departure</b>	:	

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

### Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company recognises the importance of continuous communication with shareholders and investors to inform about the Group's latest financial performance and business / corporate matters. Such information is made available to shareholders and investors through Annual Reports, disclosures and announcements made to Bursa Securities and on the Company's website.</p> <p>Apart from general meetings, the Company encourages shareholders to provide feedback and raise queries to the Company through the Company's website <a href="http://www.woodlandor.com.my">www.woodlandor.com.my</a>.</p> <p>As part of the Group's commitment towards communication with its stakeholders, experienced members of Management are directly involved in the Group's investor relations activities. The contact information of the Executive Chairman cum Chief Executive Officer, Management and the Company Secretary are made available in the Company's Annual Report to encourage stakeholders to channel their concerns.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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>	:	The Group, which is not a Large Company under the definition of Paragraph 2.6 of the Malaysian Code of Corporate Governance, does not intend to adopt integrated reporting.	
<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.

Application	:	Applied	
Explanation on application of the practice	:	The Notice of the 25 <sup>th</sup> AGM that was held on 26 November 2021 was issued on 28 October 2021 with a notice period of at least 28 days as to ensure sufficient time is given to shareholders to make the necessary arrangement to attend the AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

### Practice 13.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All the Directors shall endeavour to present in person to engage directly with, and be accountable to the shareholders for their stewardship of the Company at the AGM. The Executive Chairman, Executive Director and/or Key Management Personnel may also hold discussions with the press and analysts when necessary, to provide information on the Group's strategy, performance and major developments.</p> <p>After the Chairman's address, the Executive Chairman or Executive Director will give a presentation which includes details on the performance, key developments and financial results for the reporting year and comments on outlook for the following year. The Executive Chairman will share the Company's responses to questions posed by the Minority Shareholders Watch Group, if any before engaging the shareholders on Q&amp;A session.</p> <p>All Directors attended the last AGM held on 26 November 2021.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

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

### Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company will always makes sure that its general meeting is to be held at an accessible location but not in remote areas in order to encourage shareholders to attend and participate in the meeting.</p> <p>As a precautionary measure amid Covid-19 outbreak, the 25<sup>th</sup> AGM of the Company were conducted entirely on a fully virtual basis through the online meeting platform operated by Shareworks Sdn. Bhd..</p> <p>The Administrative Guide for the 25<sup>th</sup> AGM of the Company set out the procedures for online registration and remote participation and voting was issued together with the Notice of 25<sup>th</sup> AGM to shareholders. In addition, a step-by-step guide together with a short audio clip on the online voting module was played prior to the commencement of poll voting.</p> <p>The Company has not adopted, but will continue to explore, the practice of using technology to enable voting in absentia and remote shareholder participation at shareholders' 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>	:	

## 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>All the Directors of the Company, the Company Secretary and Senior Management attended the fully virtual 25th AGM held on 26 November 2021.</p> <p>During the Questions &amp; Answers ("Q&amp;A") session, the shareholders were allowed to raise their queries and have real-time interaction with the Board and Senior Management as well as the External Auditors.</p> <p>The Chairman and the Board responded to all the questions raised by shareholders pertaining to the agenda and resolutions tabled.</p>
<b>Explanation for departure</b>	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

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

## Practice 13.5

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

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The 25<sup>th</sup> AGM of the Company were conducted entirely on a fully virtual basis through the online meeting platform at <a href="http://www.swsb.com.my">www.swsb.com.my</a> operated by Shareworks Sdn. Bhd..</p> <p>The online meeting platform allowed attendance of shareholders and proxies via remote participation and voting in absentia as well as real-time interaction with Board and Senior Management during the meetings. Questions submitted in advance and through the real time submission of typed texts during the proceedings of the meetings were duly addressed by the Chairman and the Board.</p> <p>The Board would consider questions posed by shareholders are made visible to the participants for 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>	:	

### Intended Outcome

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

### Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	The minutes of the 25 <sup>th</sup> AGM of the Company held on 26 November 2021 were published on the Company's website after the prescribed timeline.
		In the coming the Company will publish minutes of the 26th AGM no later than 30 business days after the AGM on the Company's website.
<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  
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.*

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