

CORPORATE GOVERNANCE REPORT

STOCK CODE : 8176
COMPANY NAME : ATA IMS BERHAD
FINANCIAL YEAR : March 31, 2021

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES 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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is responsible in setting the strategic direction and providing stewardship of ATA IMS Berhad and its subsidiaries (“the Group”) in order to achieve its objectives and goals. The Board is committed in leading and managing the Group in an effective and responsible manner. Each Director has a legal duty to act in the best interests of ATA IMS Berhad (“ATA” or “The Company”). The Directors, collectively and individually, are aware of their responsibilities to all stakeholders for the manner in which the affairs of the Group are managed. The Board sets the Group's values and standards and ensures that its obligations to stakeholders are understood and met.</p> <p>The Board recognises the key role it plays in charting the strategic direction of the Group and has assumed the following specific duties in discharging its fiduciary and leadership functions:</p> <ul style="list-style-type: none">• Reviewing and adopting the strategic plan of the Group;• Overseeing and evaluating the conduct of the Group's businesses;• Identifying principal risks and ensuring that the risks are properly managed;• Establishing a succession plan for the Group;• Developing and implementing an investor relations programme or shareholder communication policy;• Reviewing the adequacy and integrity of the Group's internal control systems and management information systems, including compliance with applicable laws and regulations; and• Ensuring the adequacy and effectiveness of the Group's Anti-Bribery and Corruption (“ABC”) Management and ABC Policy as well as promoting appropriate ABC culture within the Group. <p>In the discharge of its duties, the Board is supported by two Board Committees namely the Audit Committee (AC), and Nominating and</p>

	<p>Remuneration Committee (“NRC”). These Committees examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility of decision making, however, lies with the Board.</p> <p>Whilst the Board is responsible for creating the framework and policies within which the Group should be operating, management is responsible for instituting compliance with laws, regulations, rules, directives and guidelines, including the achievement of the Group’s corporate objectives. This demarcation of roles both complements and reinforces the supervisory role of the Board.</p> <p>The Board is responsible for strategic planning, setting of corporate goals, organising resources, monitoring the achievement of goals and identifying critical business risks. The Board assumes full responsibility for the overall performance of ATA and its subsidiaries by providing leadership and direction as well as management supervision. It also lays down the appropriate policies for managing the related risks to ensure that good internal control is in place for operational efficiency and effectiveness of the Group.</p> <p>The Board reserves full decision making powers on the following matters to ensure the direction and control of the Group to be firmly in the Board’s hand:</p> <ul style="list-style-type: none"> • Conflict of interest issues; • Acquisition and disposal of assets (in the ordinary course or otherwise), including corporate restructuring exercise, which exceed specific thresholds as stipulated in “Financial Level of Delegated Authority Manual”; • Setting of authority levels (i.e. limits of authority), including changes thereof; • Group’s policies i.e Risk Management policy, Anti-Bribery and Corruption policy, Code of Ethics and Conduct, Whistleblowing Policy and all other policies required by LR; • Corporate announcements to Bursa Securities, the SC or other relevant authorities; • Remuneration of Directors (except for fees which are to be approved by shareholders); • Appointment and removal of the Company Secretary; and • Other relevant matters as may be determined by the Board from time to time.
<p>Explanation for departure</p>	<p>:</p>

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 1.2

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 responsibility of the Chairman is to ensure effectiveness of the Board in achieving corporate and business objectives. He is focused on setting the Group's strategic vision and direction and leading the Board in overseeing the proper conduct of the business, whilst the CEO is responsible for the implementation of the Board's decisions.</p> <p>The Board Chairman is responsible for:</p> <ul style="list-style-type: none">a) Leading the Board in setting the values and standards of ATA and providing leadership for the Board so that it can perform its responsibilities effectively;b) Maintaining a relationship of trust between the Executive and Non-Executive Directors and managing interface between the Board and management;c) Ensuring effective communication with shareholders and relevant stakeholders;d) Leading the Board in establishing and monitoring good corporate governance practices;e) Arranging regular evaluation of the performance of the Board, its Committees and individual Directors; andf) Facilitating the effective contribution of Non-Executive Directors and ensuring collegial relationship is maintained between Executive and Non-Executive Directors. <p>The Chairman, in consultation with the Company Secretary, sets the agenda for Board meetings and ensures that relevant issues are on the agenda and information is provided to Directors on a timely basis. The Chairman is also responsible in leading Board meetings, encouraging active participation and allowing dissenting views to be freely expressed by Board members.</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.

Application	:	Applied
Explanation on application of the practice	:	The Board adopted the Practice 1.3 of the MCCG 2017 whereby the Chairman and CEO are held by different individuals in order to promote accountability and facilitate division of responsibilities between them. While the Chairman is responsible in leading the Board towards the Group's objective, the CEO focuses on the business and day to day management of the Group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

Application	: Applied
Explanation on application of the practice	<p>The Board is supported by competent and experienced Company Secretaries who are members of professional bodies and are qualified under section 235(2)(a) of the Companies Act 2016.</p> <p>The Board is regularly updated and advised by the Company Secretaries on statutory and regulatory requirements and the resulting implications of any changes therein to the Group and Directors in relation to their duties and responsibilities.</p> <p>The Company Secretaries are accountable to the Board through the Chairman of the Board and Committees on all governance matters.</p> <p>The Company Secretaries always advise Directors of their obligations to adhere to matters relating to:</p> <ul style="list-style-type: none">• Disclosure of interest in securities;• Disclosure of any conflict of interest in a transaction involving ATA and/or the Group;• Prohibition on dealing in securities;• Restrictions on disclosure of price-sensitive information; and• Changes in regulatory requirements that affect ATA and/or Directors in the discharge of their responsibilities. <p>The Company Secretaries are responsible and entrusted to record the Board's deliberations and discussion during the Board and Committee meetings. All pertinent issues discussed and decisions made by the Board are properly recorded by the Company Secretaries by way of minutes of meetings. The conclusions and the minutes of the previous meeting are distributed to the Board and Committee members prior to the next meeting for their perusal. The Directors may comment or request clarification before the minutes are tabled for confirmation and signed by the Chairman of the meeting as a correct record of the proceedings of the meeting.</p> <p>Directors have unrestricted access to the advices and services of the Company Secretaries to enable them to discharge their duties effectively. The appointment and removal of the Company Secretaries is a matter for the Board as a whole to decide.</p>

Explanation for departure :		
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Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises that the decision making process is highly dependent on the quality of information furnished. As such, Board members have full and unrestricted access to all information pertaining to the Group's businesses and affairs. Directors are supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters for decisions to be made on an informed basis and effective discharge of the Board's responsibilities.</p> <p>Board and Board Committees papers, which are prepared by management, provide the relevant facts and analysis for the convenience of Directors. Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors at least five (5) business days prior to the Board and Board Committee meetings. This enables the Directors to have sufficient time to review and to facilitate effective discussion and decision making by the Board on matters arising.</p> <p>Senior management of the Group and external advisers are invited to attend Board meetings to provide additional insights and professional views, advices and explanations on specific items on the meeting agenda. Besides direct access to management, Directors may obtain independent professional advice at the Group's expense, if considered necessary, in accordance with established procedures set out in the Board Charter in furtherance of their duties.</p> <p>Full minutes of each Board meeting are kept by the Company Secretaries and are made available for inspection by any Director during office hours.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure :		
Timeframe :		

Intended Outcome

There is 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	:	The role and function of the Board, Board Committees, which includes the differing roles of the Executive Director and Non-Executive Directors as well as the schedule of issues and decisions reserved for the Board, are clearly delineated in the Board Charter. The Board Charter is reviewed when it is deemed necessary, in order to ensure the practices of the Group is in line with latest changes in MCCG and Listing Requirement. The Board Charter is available on the Company's website at www.ataims.com.my .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness. The Group recognizes the need to formalise and commit to ethical values through the Code of Ethics and Conduct. The Code of Ethics and Conduct is intended to apply to all employees, customers and vendors of the Group.</p> <p>The Code of Ethics and Conduct establishes standards to ensure that working environments and conditions are safe and healthy, conflicts of interest are avoided, workers are treated with respect and dignity, confidentiality is observed, good personal behaviour is exhibited and business operations are conducted ethically.</p> <p>The fundamental principle in adopting the Code of Ethics and Conduct is to ensure that all business activities are in full compliance with the laws, rules and regulations of the country which it operates in. If a law of the country conflicts with a rule or policy set out in the Code of Ethics and Conduct, affected personnel should comply with the law. Besides, the Code of Ethics and Conduct encourages affected personnel to go beyond legal compliance and adopt internationally recognised standards in order to advance business ethics and conduct.</p> <p>The Group is open to receive inputs from stakeholders with the aim of continued development and implementation of the Code of Ethics and Conduct and to adopt the best practices where possible.</p> <p>This Code of Ethics and Conduct is a general guide to acceptable and appropriate behavior at ATA and it is not intended to be exhaustive. Therefore, there may be other additional obligations that management is expected to comply when performing their duties.</p>

	The Group's Code of Ethics and Conduct is available on the Company's website at www.ataims.com.my .	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistle-blowing.

Application	:	Applied
Explanation on application of the practice	:	<p>All stakeholders (including but not limited to, employees, customers, suppliers, government bodies and financial institutions) are encouraged to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices in the Group at the earliest opportunity, and in an appropriate way.</p> <p>This Whistleblowing Policy and Procedures is designed to:</p> <ul style="list-style-type: none">• Support ATA’s values and Code of Ethics and Conduct;• Ensure stakeholders can raise genuine concerns without fear of reprisals and safeguard such person’s confidentiality;• Protect whistleblower from reprisal consequent to making a genuine disclosure; and• Provide a transparent and confidential process for dealing with concerns. <p>The Whistleblowing Policy and Procedures is available on the Company’s website at www.ataims.com.my.</p> <p>On the other hand, in line with the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 (MACC), the Group has established a Anti Bribery and Corruption (“ABC”) Policy with the objective to take reasonable and proportionate measures to ensure the business environment is free of corruption. The Policy is applicable to the Board of Directors, all employees of the Group and any person associated to the Group.</p> <p>Hence, the Group had developed a comprehensive set of measures to combat bribery and corruption of all forms related to its operations. These measures would be implemented in the form of policies and procedures, communication and enforcement to ensure they are effective at all times.</p> <p>The ABC Policy is available on the Company’s website at www.ataims.com.my.</p>

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

Intended Outcome

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

Practice 4.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board consists of six (6) members comprising three (3) Executive Directors, and three (3) Independent Non-Executive Directors. Therefore, the Board composition is in compliance with Paragraph 15.02(1) of the MMLR of Bursa Securities which stipulates that at least two Directors or one third of the Board, whichever is higher, must be Independent Directors and also the recommendation by the MCCG 2017 to have at least half of the Board comprising of Independent Directors.</p> <p>Independent Directors are independent of management, thereby ensuring independence in the Board deliberation and decision-making. The role of Independent Directors are crucial in ensuring the interest of all shareholders, stakeholders and communities as a whole are taken into account by the Board and that the relevant proposals are fully challenged and subjected to impartial consideration by the Board.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.2

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

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

Application	:	Not applicable - No independent director(s) serving beyond 9 years	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3 - Step Up

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

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	The Group acknowledges the importance of boardroom and management diversity. All selection or appointment will be evaluated and match to the criteria based on individual merits, experience, skill, competency, knowledge and potential contribution. There is an on-going practices to ensure that there is no discrimination on the basis of, but not limited to gender, age, nationality, ethnicity, educational, religion, physical ability or geographic region during the recruitment of Board members and management staffs.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5

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

Application	:	Applied	
Explanation on application of the practice	:	The Board acknowledges the MCCG 2017's call and support for gender diversity in a board's composition. The Board believes that appointment of board members, regardless of gender, should be based on experience, character, integrity and competence as these are the essential criteria for an effective Board. The position of Group CEO is currently held by a female representation, and two (2) out of the six (6) Board members are female.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.6

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has always put its best effort to adhere to the practice to not only solely rely on recommendations from existing board members, management or major shareholders but also refers to external professional advice in selecting and appointment of a director. The Independent Non-Executive Directors currently served on board were selected through recommendation from existing board members and external professional advice.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.7

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

Application	:	Applied	
Explanation on application of the practice	:	The Board combined the Nominating Committee and the Remuneration Committee into the Nominating and Remuneration Committee (“NRC”). All the members in the Group’s NRC consist of independent non-executive directors and is chaired by an Independent Director who leads the appointment and annual evaluation of board members.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out and its outcome.

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year, the Board, through the NRC, has conducted annual evaluation of the effectiveness of individual Directors, the Board as a whole as well as the Committee of the Board via customized questionnaires which included the followings:</p> <ul style="list-style-type: none">• Self evaluation and evaluation of fellow directors• Evaluation on the effectiveness of the Board• Declaration of Independence <p>NRC had gone through all the evaluation forms and made its conclusions. All assessment and evaluations carried out by the NRC in discharging its duties are documented in the minutes of meetings. Overall, NRC was satisfied with the composition of the Board and performance of the Board that all the Directors had met the criteria in terms of their capacity, integrity and commitment towards the Group. All three Independent Directors also had fulfilled the criteria for Independent Director as defined under LR.</p> <p>Board Meetings</p> <p>The Board ordinarily meets at least four (4) times a year at quarterly intervals which had been scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened when urgent and important decisions need to be made between the scheduled meetings.</p> <p>The Board also met on an ad-hoc basis to deliberate urgent issues and matters that required expeditious Board direction or approval. In the intervals between Board Meetings, any matters requiring urgent Board decisions and/or approval were sought via circular resolutions which were supported with all the relevant information and explanations required for an informed decision to be made.</p>

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

Intended Outcome

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

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

Practice 6.1

The board has in place policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	Practice 6.1 of the MCCG 2017 recommended to put in place policies and procedures to determine the remuneration of Directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The policies and procedures are periodically reviewed and made available on the Company's website at www.ataims.com.my .
Explanation for departure	:	
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Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 6.2

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

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

Application	:	Applied									
Explanation on application of the practice	:	<p>The NRC was established as the Board recognises the importance of the role the NRC plays in the selection and assessment of Directors as well as in other aspects of corporate governance in assisting the Board to discharge its fiduciary and leadership functions.</p> <p>Appointment/ Composition of the NRC</p> <ul style="list-style-type: none">• The NRC members shall be appointed by the Board.• The NRC shall consist of not less than three (3) members.• The majority of the NRC members shall be Independent Non-Executive Directors.• The Chairman of the NRC must be a Non-Executive Director and shall be appointed by the Board. In the absence of Chairman of the Nominating and Remuneration Committee, the remaining members present shall elect one of their members to chair the meeting. <p>As at the date of this Statement, the Nominating and Remuneration Committee comprises the following members with the meeting attendance as below:</p> <table><thead><tr><th></th><th><u>Designation</u></th><th><u>Meetings Attended</u></th></tr></thead><tbody><tr><td><u>Chairman</u></td><td></td><td></td></tr><tr><td>Lee Kok Jong</td><td>Independent Non- Executive Director</td><td>1/1</td></tr></tbody></table>		<u>Designation</u>	<u>Meetings Attended</u>	<u>Chairman</u>			Lee Kok Jong	Independent Non- Executive Director	1/1
	<u>Designation</u>	<u>Meetings Attended</u>									
<u>Chairman</u>											
Lee Kok Jong	Independent Non- Executive Director	1/1									

	<p style="text-align: center;"><u>Members</u></p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Koh Win Ton</td> <td style="width: 40%;">Independent Non- Executive Director</td> <td style="width: 30%; text-align: right;">1/1</td> </tr> <tr> <td>Wong Chin Chin</td> <td>Independent Non- Executive Director</td> <td style="text-align: right;">1/1</td> </tr> </table> <p>During the financial year, the Committee carried out its duties in accordance with its terms of reference, which encompassed the following :</p> <ul style="list-style-type: none"> • Conducted the annual assessment of the effectiveness of the individual Directors, the Board as a whole as well as the Board Committees; • Reviewed the composition of the Board with the view to ensure it has the required mix of skills, experience and competencies for the Group’s core business; • Recommended to the Board the Directors’ fee payable to members of the Board which is deliberated at the Board meeting before being presented at the Annual General Meeting for shareholders’ approval; • Reviewed and recommended the re-election and re-appointment of Directors to the Board for recommendation of the same to the shareholders for approval at Annual General Meeting; and • Reviewed and recommended to the Board of Director’s for the approval of Policy and Procedure on Nomination and Selection of Director which will be applied with effect from 23rd February 2021. The objective of this Policy and Procedure is to enable ATA to adhere to required criteria, appropriate evaluation and selection procedures in seeking and recommending candidate that possess the qualification, leadership skills, knowledge, competency and integrity required to direct and oversee the Group in the best interests of its stakeholders. <p>The Board is satisfied that the NRC has effectively and efficiently discharged its duties and responsibilities in respect to its nomination and remuneration functions. As such, it is not necessary to separate the nomination and remuneration functions into distinct nomination and remuneration committees.</p> <p>The Terms of reference of the NRC is available for viewing at the Company’s website at www.ataims.com.my.</p>	Koh Win Ton	Independent Non- Executive Director	1/1	Wong Chin Chin	Independent Non- Executive Director	1/1
Koh Win Ton	Independent Non- Executive Director	1/1					
Wong Chin Chin	Independent Non- Executive Director	1/1					
Explanation for departure	:						

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

Intended Outcome

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

Practice 7.1

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

Application	:	Applied																																																								
Explanation on application of the practice	:	<p>The Breakdown of the total remuneration paid or payable or otherwise made available to all Directors of the Company and the Group who served during the financial year is as follows:</p> <table border="1"> <thead> <tr> <th><u>Name</u></th> <th><u>Designation</u></th> <th><u>Fees</u></th> <th><u>Salaries</u></th> <th><u>Bonus</u></th> <th><u>Defined Contribution</u></th> <th><u>Total</u></th> </tr> <tr> <td></td> <td></td> <th><u>RM'000</u></th> <th><u>RM'000</u></th> <th><u>RM'000</u></th> <th><u>RM'000</u></th> <th><u>RM'000</u></th> </tr> </thead> <tbody> <tr> <td>Dato' Sri Foo Chee Juan</td> <td>Executive Director cum Executive Chairman</td> <td>-</td> <td>2,686</td> <td>544</td> <td>384</td> <td>3,614</td> </tr> <tr> <td>Dato' Fong Chiu Wan</td> <td>Executive Director cum CEO</td> <td>-</td> <td>2,686</td> <td>544</td> <td>384</td> <td>3,614</td> </tr> <tr> <td>Datuk Balachandran A/L Govindasamy</td> <td>Executive Director cum COO</td> <td>-</td> <td>2,241</td> <td>633</td> <td>299</td> <td>3,173</td> </tr> <tr> <td>Koh Win Ton</td> <td>Independent Non-Executive Director</td> <td>100</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Wong Chin Chin</td> <td>Independent Non-Executive Director</td> <td>100</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> </tr> <tr> <td>Lee Kok Jong</td> <td>Independent Non-Executive Director</td> <td>100</td> <td>-</td> <td>-</td> <td>-</td> <td>100</td> </tr> </tbody> </table>	<u>Name</u>	<u>Designation</u>	<u>Fees</u>	<u>Salaries</u>	<u>Bonus</u>	<u>Defined Contribution</u>	<u>Total</u>			<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	Dato' Sri Foo Chee Juan	Executive Director cum Executive Chairman	-	2,686	544	384	3,614	Dato' Fong Chiu Wan	Executive Director cum CEO	-	2,686	544	384	3,614	Datuk Balachandran A/L Govindasamy	Executive Director cum COO	-	2,241	633	299	3,173	Koh Win Ton	Independent Non-Executive Director	100	-	-	-	100	Wong Chin Chin	Independent Non-Executive Director	100	-	-	-	100	Lee Kok Jong	Independent Non-Executive Director	100	-	-	-	100
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Explanation for departure	:																																																									

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

Intended Outcome

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

Practice 7.2

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

Application	:	Applied																
Explanation on application of the practice	:	The key management of the Group who served during the financial year is listed out in the profile of key managements appearing in this Annual Report and their total remuneration fall within the following band: <table border="1"><thead><tr><th rowspan="2"><u>Range of Remuneration (RM)</u></th><th colspan="2"><u>No of Key Management</u></th></tr><tr><th><u>Directors</u></th><th><u>Other Key Senior Management</u></th></tr></thead><tbody><tr><td>350,000 - 400,000</td><td>-</td><td>1</td></tr><tr><td>3,150,000 - 3,200,000</td><td>1</td><td>-</td></tr><tr><td>3,600,000 - 3,650,000</td><td>2</td><td>-</td></tr></tbody></table>			<u>Range of Remuneration (RM)</u>	<u>No of Key Management</u>		<u>Directors</u>	<u>Other Key Senior Management</u>	350,000 - 400,000	-	1	3,150,000 - 3,200,000	1	-	3,600,000 - 3,650,000	2	-
<u>Range of Remuneration (RM)</u>	<u>No of Key Management</u>																	
	<u>Directors</u>	<u>Other Key Senior Management</u>																
350,000 - 400,000	-	1																
3,150,000 - 3,200,000	1	-																
3,600,000 - 3,650,000	2	-																
Explanation for departure	:																	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																		
Measure	:																	
Timeframe	:																	

Intended Outcome

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

Practice 7.3 - Step Up

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

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board established the Audit Committee comprising wholly of Independent Non-Executive Directors whereby the Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee is charged with the responsibility to conduct a formal, transparent and independent review on the financial reporting, risk management, internal control and governance processes. The Committee meets periodically to carry out its functions and duties pursuant to its terms of reference and has unrestricted access to the internal and external auditors and members of the Management. The composition of the Audit Committee, including its roles and responsibilities, are set out in the Audit Committee Report in this Annual Report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.2

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

Application	:	Applied	
Explanation on application of the practice	:	The AC has a policy that requires a former key partner to observe a cooling-off period of at least two (2) years before being appointed as a member of Audit Committee.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee had established the External Auditors policies and procedures with the objective to review, assess and monitor the performance, suitability and independence of external auditor as well as non-audit services to be provided by external auditors and its network firms/companies.</p> <p>The Audit Committee is also empowered by the Board to review any matters concerning the appointment and reappointment, resignations or dismissals of external auditors and review and evaluate factors relating to their independence. The terms of engagement for services provided by the external auditors are reviewed by the Audit Committee prior to submission to the Board for approval.</p> <p>Audit Committee had assessed the independence of KPMG PLT as external auditors of the Company as well as reviewed the level of non-audit services rendered by KPMG PLT to the Company for the financial year under review. The Audit Committee was satisfied with the technical competency and audit independence of KPMG PLT. Having satisfied itself with the performance of and fulfilment of criteria as set out in the Non-Audit Services Policy by the external auditors, the Audit Committee recommended their re-appointment to the Board, upon which the shareholders' approval will be sought at the Company's forthcoming 32nd Annual General Meeting.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure :		
Timeframe :		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The Board established the Audit Committee comprising wholly of Independent Non-Executive Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The AC Chairman, Mr. Koh Win Ton is a director of Opal Corporate Services Sdn Bhd and SK & Associates and has more than 20 years of experience in the accounting and tax profession as well as commercial sector in Malaysia, Singapore, Hong Kong and China. He holds a Bachelor of Business (Accounting) from the University of Technology, Sydney in 1995 and he was admitted to CPA Australia on 30 June 1999 and admitted to Malaysia Institute of Accountants on 27 August 1999.</p> <p>In 2005, he was also admitted to Malaysia Institute of Taxation. He joined one of the big four international accounting firms in 1996 and was exposed to a wide range of professional services including audit, tax and business advisory. In 1999, he joined a manufacturing company as the Financial Controller where he was responsible to oversee the internal control system as well as the finance and accounts departments. In 2001, he extended his exposure to China where he was appointed as the General Manager by a PLC in Malaysia to set up a factory in the southern part of China. In 2003, he was transferred back to Singapore to oversee the Group accounts department, and preparation of PLC's annual report as well as quarterly reporting and the internal audit function.</p> <p>He joined Opal Corporate Service Sdn Bhd as a Director in 2004 and is currently in charge of the day-to-day operation of the business advisory department providing corporate secretarial services, compliance advisory, tax planning advisory, technical training services and internal audit services. In addition, he joined SK & Associates in 2009 to operate a branch office in Johor Bahru to handle audit and tax engagement.</p> <p>AC member, Mr. Lee Kok Jong was appointed to the Board on 24 August 2017. He holds a Bachelor of Business majoring in Accounting from Charles Sturt University, Australia in 1999. He was admitted to CPA Australia in April 2003 and subsequently, he was admitted to the Malaysian</p>

	<p>Institute of Accountants in July 2003 and to the Malaysian Institute of Taxation in 2006.</p> <p>Mr. Lee commenced his career with Lo Hock Ling & Co. in Singapore in 1999 where he started as an Audit Assistant and rose to the rank of Audit Manager. He was assigned and managed the audit portfolios of various industries ranging from trading, manufacturing, service providers, investment holding, sales and marketing and information technologies.</p> <p>He set up his own accountancy practice in Malaysia in the year 2005 and currently provides various services to a wide clientele including corporate secretarial services, compliance advisory and tax planning advisory services.</p> <p>All members of Audit Committee have undertaken continuous professional developments during the year. The detail of training record for Audit Committee and the Board members are disclosed in the Corporate Government Overview Statement of Annual Report 2021.</p>	
<p>Explanation for departure</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>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board regards risk management and internal controls as an integral part of the overall management processes. The following represent the key elements of the Group's risk management and internal control structure:</p> <p>Recognising the importance of having risk management processes and practices, the Board had formalised a Risk Management framework to provide Management with structured policies and procedures to identify, evaluate, control, monitor and report to the Board the principal business risks faced by the Group.</p> <p>The responsibilities of identifying and managing risks are delegated to the respective Head of each department. The Board and the Audit Committee are responsible to review the effectiveness of the processes. Any material risk identified will be discussed and appropriate actions or controls will be implemented. This is to ensure the risk is properly monitored and managed to an acceptable level.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has a Risk Management Framework (“framework”) in place to identify the key risks faced by the Group, the potential impact and likelihood of those risks occurring, the control effectiveness and the action plans being taken to manage those risks. Risk process has been put in place throughout the Group for the year under review and up to the date of this Annual Report.</p> <p>The system of internal control covers areas on financial, operational and compliance controls. Apart from the risk management and Internal Audit Functions, the Board has established key processes to augment the risk management and internal control system which were set out in the Statement of Risk Management and Internal Control in this Annual Report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 9.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year, the Company has outsourced the Internal Audit Function to Needsbridge Advisory Sdn Bhd as Internal Auditors, who reports directly to the AC on the adequacy and effectiveness of the Group's internal controls. This independent external consultant provides assurance to the AC through the execution of internal audit work based on an approved risk-based internal audit plan. Observations and findings together with Management's response and proposed action plans with deadlines, would be presented to the AC for its review and discussion. Internal Auditor will ensure all outstanding issues to be followed up and responded by management and a report in regards to the follow up status and outcome will then be presented for AC's review.</p> <p>The AC evaluates, on an annual basis, the Internal Audit Function to assess its effectiveness in the discharge of its responsibilities. During the financial year, the AC had assessed the performance of the Internal Auditor in terms of its objectivity, independence and capability in addressing significant issues. The AC was satisfied with the work done and performance of the Internal Auditor.</p> <p>The scope of work covered during the financial year under review is provided in the Audit Committee Report set out in the Annual Report 2021.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 10.2

The board should disclose–

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

Application	: Applied
Explanation on application of the practice	<p>The Group's internal audit was outsourced to an independent professional services firm, Messrs.NeedsBridge Advisory Sdn Bhd, who assists the AC to review the governance, risk management and control processes implemented by the management and reports on its findings and recommendations together with management's response to the AC. The Board delegates the task of overseeing the Internal Function to the AC to ensure the adequacy and competency of outsourced internal audit function.</p> <p>The internal audits are guided by, in all material aspects, the International Professional Practices Framework, i.e. Mission, Core Principles for the Professional Practice of Internal Auditing, Code of Ethics and the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors Global. The engagement director of the outsourced internal audit function, Mr. Pang Nam Ming, is accredited by the Institute of Internal Auditors Global as Certified Internal Auditor and for Certification in Risk Management Assurance. He is also a professional member of the Institute of Internal Auditors Malaysia.</p> <p>The audit engagement of the outsourced internal audit function is governed by the engagement letter with key terms which include purpose and scope of works, accountability, independence, outsourced internal audit function's responsibilities, management's responsibilities, authority accorded to the outsourced internal audit function, limitation of scope of works, confidentiality, proposed fees and engagement team. The appointment and resignation of the internal audit function as well as the proposed audit fees are subject to review by the AC and for its reporting to the Board for ultimate approval.</p> <p>During the financial year under review, the resources allocated to the fieldworks of the internal audit by the outsourced internal audit function was one (1) manager assisted by at least one (1) senior consultant per one (1) engagement with oversight performed by the director.</p>

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

Intended Outcome

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

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>ATA recognises the importance of maintaining transparency and accountability to its shareholders. The Board believes that they are not only accountable to shareholders but also responsible for managing a successful and productive relationship with ATA's stakeholders. In this regard, the Board ensures that all ATA's shareholders and stakeholders are treated equitably and the rights of all investors, including minority shareholders, are protected.</p> <p>ATA takes into account Practice 11.0 of the MCGG 2017 which recommends continuous communication between ATA and stakeholders to facilitate mutual understanding of each other's objectives and expectations.</p> <p>ATA takes into consideration the shareholders' rights to access information relating to ATA and has thus, taken measures to enable ATA to communicate effectively with its shareholders, prospective investors, stakeholders and the public with the aim of giving them a clear picture of the Group's performance and operations. The Board has adopted the following measures with regards to communication with ATA's stakeholders:</p> <p>1) ATA's website Through the Group's website (www.ataims.com.my) with a dedicated "Investor Relations" page, shareholders and prospective investors can access corporate information, Annual Reports, press releases, financial information and company announcements. If stakeholders have any questions, they are able to reach out via email at info@ataims.com.my.</p> <p>2) Investor relations The Group typically establishes shareholder communication via its quarterly results announcements, investor briefings and press releases to the media. For this purpose, the Board has identified Mr. Koh Win Ton as the Independent Non-Executive Director to whom queries or concerns regarding the Group may be conveyed.</p> <p>Mr. Koh may be contacted via the following channels:</p>

	<p>Address : ATA IMS Berhad No.6, Jalan Dewani 1, Kawasan Perindustrian Dewani,81100, Johor Bahru, Johor.</p> <p>Telephone No : +607 334 0911</p> <p>Fax No. : +607 334 5912</p> <p>Email : winton.koh@ataims.com.my</p> <p>3) Announcement to Bursa Securities Information with regards to material corporate information, financial report and other updates are published on a timely basis through ATA's announcements to Bursa Securities. The Board is committed to ensure that all information and corporate disclosures comply with disclosure guidelines as stipulated in the Bursa's Listing Requirements.</p> <p>4) Annual Report ATA's Annual Reports serve to inform shareholders about the Group's operations, activities and performance for the past financial year.</p> <p>5) Annual General Meeting (AGM) or Extraordinary General Meeting (EGM) ATA's AGM/EGMs serve as a platform to provide in-person meaningful response or clarification to any question or doubt from shareholders.</p>
<p>Explanation for departure :</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>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

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

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

Practice 11.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board is aware of the importance to adopt integrated reporting based on a globally recognised framework. Therefore, the board had put the best effort to provide a concise and holistic overview of the Group's business strategy, financial performance as well as non financial information, operational activities and future prospects through this Corporate Governance Overview Statement, the Sustainability Statement, the Audit Committee Report, Management Discussion & Analysis and the Chairman Statement in which certain components of integrated reporting had been incorporated, such as organisational overview, governance structure, business model, risk and opportunities and how we dealing with them.</p> <p>The Board is working towards a more in-depth and broad reporting going forward as its commitment towards better recognition and preparation for adopting Integrated Reporting.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 12.1

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	:	<p>The AGM, which is the principal forum for shareholders dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification as well as for the Chairman of the AGM to provide an overview of the Company's progress and receive questions from shareholders.</p> <p>The Company adopted the Practice 12.1 MCCG 2017 whereby the Notice of the 31st AGM was circulated to shareholders twenty-eight (28) days before the date of the meeting.</p> <p>The Notice for the upcoming 32nd AGM on 23rd September 2021 will be provided twenty-eight (28) days in advance to enable them to go through the Annual Report and papers supporting the resolutions proposed.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 12.2

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

Application	:	Applied	
Explanation on application of the practice	:	All Directors will be present at the AGM to provide an opportunity for shareholders to meet and engage in. During the AGM, shareholders are invited and encouraged to participate in deliberating resolutions being proposed. The Chairmen of the respective Board committees, as well as the members of risk management committee, are typically present during the AGM to address any questions and concerns raised by shareholders. During the 31st AGM held last year, all Directors were present and all questions raised by shareholders were addressed in the meeting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 12.3

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company does not have a large number of shareholders. Also, the Company's Annual General Meetings have always been held at easily accessible venues for the convenience of shareholders. The Company has no intention to hold its Annual General Meetings in remote locations in the future.</p> <p>Alternative practice: shareholders are allowed to appoint any person(s) as their proxies to attend, participate, speak and vote in his or her stead at a general meeting, provided that the proxy shall have been appointed by the shareholder himself or by his duly authorised representative provided further that it is filed at the registered office at least 48 hours before the AGM.</p> <p>To be in line with paragraph 8.29A of the Listing Requirements of Bursa Securities, poll voting will be used to facilitate the voting process. An independent scrutineer will be appointed to scrutinize the polling process.</p> <p>The forthcoming 32nd AGM will be conducted in full virtual to support meaningful engagement between the board, senior management and shareholders.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

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