

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7228
COMPANY NAME : T7 GLOBAL BERHAD
FINANCIAL YEAR : 2019

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") of T7 Global Berhad recognises and is committed in upholding a high benchmark of corporate governance and ensuring controls, systems and processes are well sustained for the Group.</p> <p>The Chairman ensures smooth and effective functioning within the Board. The Executive Directors are responsible for overseeing the day-to-day operations and affairs of the Group. The Non-Executive Directors, both independent and non-independent, are responsible in providing insights, unbiased and independent views, advice and judgement towards the Board and bring impartiality to Board deliberations and decision making. The Non- Executive Directors play as a vital check and balance role by challenging and scrutinising the Management's proposals and recommendations in an objective manner to the decision-making process at the Board level. The Board is fully aware of its responsibilities and has adopted key roles in strategising the direction of the Group.</p> <p>The Board is the ultimate authority of T7 Global Berhad, which is responsible for authorising and reviewing all long-term and short term business and strategic plans unless the matters require shareholders' approval. Specific goals set up with key performance indicators for management to implement those plans. Along with Independent Director's extensive experiences and expertise in various fields of business and industries, T7 Global Berhad's Management strives to achieve goals so as to protect minority shareholder's rights. Management reviews all matters reserved to the committees comprised solely of Independent Directors, and the Board.</p> <p>The Board is assisted by various Board Committees in discharging its duties which operate within their terms of references. These Board Committees are as follows:-</p> <p>i) Audit and Risk Management Committee ;</p>

	ii) Nomination Committee; iii) Remuneration Committee; and iv) Share Issuance Scheme Committee. The agenda items were deliberated by the respective committees before putting up for recommendation to the Board. The respective Board Committee's Chairman will report to the Board on any significant development and deliberations conducted at the Board Committee level.	
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 1.2

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>T7 Global Berhad is led by YBhg. Datuk Seri Dr. Nik Norzrul Thani Bin Nik Hassan Thani, an Acting Executive Chairman, who joined the Board since 23 March 2015. The profile of the Acting Executive Chairman is available in the Company's 2019 Annual Report.</p> <p>The Chairman ensures smooth and effective functioning within the Board.</p> <p>The key roles and responsibilities of the Chairman include the following:-</p> <ul style="list-style-type: none">• Ensuring the Board's effectiveness in all aspects of its roles and setting of its agenda;• Leading the Company in its relationship with shareholders, financial institutions and media;• Chairing Board and General Meetings;• Ensuring relevant and/or significant issues are on the agenda;• Ensuring all Directors, Executive and Non-Executive, are provided with accurate, timely and clear information/reports to enable and encourage them to play their roles in the Board meeting. This includes making certain that Directors, especially Non-Executive are advised of all likely future developments and trends, provided with relevant information tailored to their needs and they are properly briefed on issues arising at Board meetings to enable the Board to make sound decisions, monitor effectively and to promote the success of the Company;• Ensuring Executive Directors look beyond their executive functions and accept their full share of responsibilities of governance;• Encouraging healthy debate on all issues and maintain independency;• Ensuring Board resolution is put to vote should there be any objection to ensure that it is the will of the majority;• Running the Board and ensuring its effectiveness in all aspects of its roles, including regularity and frequency of meetings;• Ensuring there is appropriate delegation of authority from the Board to executive management;• Ensuring all Directors have sufficient time to consider critical issues and obtain answers to any questions or concerns they may have and are not faced with unrealistic deadlines for decision making;

	<ul style="list-style-type: none"> • Upholding the highest standards of integrity and probity; • Ensuring all the Directors are fully informed about all issues on which the Board will have to make a decision, through briefings with the Group Chief Financial Officer and the Company Secretary, and • Ensuring effective implementation of Board policies and decisions; • Maintaining effective communication that enables the Board to communicate effectively with shareholders; • Interpreting the operations of the Company to the shareholders and accommodate feedback from shareholders; and • Interaction with shareholders and give sufficient opportunity to shareholders to enquire about the Group's activities and performance, and to relate their expectations and concerns. Facilitating questions and answers sessions pertaining to resolution(s) proposed in the General Meeting or during any meeting with shareholders. 	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Board regularly controls and reviews its delegation and authority level to YBhg. Datuk Seri Dr. Nik Norzrul Thani Bin Nik Hassan Thani, the Acting Executive Chairman and YBhg. Tan Sri Datuk Seri Tan Kean Soon, the Executive Deputy Chairman. In order to prevent any abuse of authority, strict procedure of authority and different levels of independence review are followed. Procedures of authority are clearly set up and all operation decisions are made after review.	
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 two (2) suitably qualified and competent Company Secretaries as follows:-</p> <ul style="list-style-type: none">• Ms. Chua Siew Chuan, FCIS• Ms. Tan Loo Ee, ACIS <p>Both of the Company Secretaries are members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016.</p> <p>The brief profile of the Company Secretaries are as follows:-</p> <p>(1) Ms. Chua Siew Chuan, FCIS</p> <p>Ms. Chua has been elected as a Fellow Member of the MAICSA since 1997. She has more than 35 years of experience in handling corporate secretarial matters, with working knowledge of many industries and government services. She is the Past President of MAICSA and currently is the Chairman of the Technical & Professional Practice Committee and the Deputy Chairman of the Membership Committee of MAICSA.</p> <p>Ms. Chua is a Chartered Secretary by profession. She is the Managing Director of Securities Services (Holdings) Sdn. Bhd., a prominent corporate secretarial service provider in Malaysia. Ms. Chua is also the named company secretary for a number of public listed companies, public companies, private limited companies and societies.</p> <p>Ms. Chua has been appointed as a Company Secretary to the Company since 8 August 2008.</p> <p>(2) Ms. Tan Loo Ee, ACIS</p> <p>Ms. Tan has been elected as an Associate member of the MAICSA since 2013. She has more than 9 years of experience in corporate secretarial practice, with working knowledge across a diverse range of industries, including banking, construction, property development, information technology, trading, manufacturing, oil</p>

	<p>and gas, shipping and logistics.</p> <p>Ms. Tan is presently the Company Secretary of several public listed companies in Malaysia and a number of private limited companies and companies limited by guarantee.</p> <p>The Board is regularly updated by the Company Secretaries on new changes to the statutory and regulatory requirements and the resultant implications to the Company and Board in discharging their duties and responsibilities.</p> <p>The Company Secretary attends and ensures that all Board meetings are properly convened, and that an accurate and proper record of the proceedings and resolutions passed are taken and maintained in the statutory registers at the registered office of the Company.</p> <p>The Company Secretaries also undertake the statutory duties as prescribed under the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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 meets at least 4 times a year, with additional meetings are called upon when decisions on urgent matters arise between the scheduled meetings. Papers and documents pertaining to matters on the agenda for the Board and Board Committees meetings are furnished to the Directors at least 5 business days in advance of the meetings to ensure they are fully aware of the upcoming issues. Board Committee meetings are usually held prior to the Board meetings, to allow the Committees to properly convey the matters and reports to the Board.</p> <p>Minutes of each Board meeting are circulated to all Directors on a timely basis before the next succeeding Board meeting for their perusal prior to confirmation of the minutes during the Board 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 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 Charter of the Company is in place and is available on T7 Global Berhad's website at www.t7global.com.my.</p> <p>The Board will review the Board Charter from time to time and make any necessary amendments to ensure they remain consistent with the Board's objectives, current laws/regulations and good governance practices.</p> <p>The duties and responsibilities of the Board Committees are summarised in their respective Terms of References, which is also available on the Company's website at www.t7global.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Code of Ethics and Conduct is represented to the Board, the Management team and all employees as a reference of conduct. The policy of T7 Global Berhad complies with all governmental laws, rules, and regulations applicable to its businesses. The Code of Ethics and Conduct is applied when it is stricter than the local law and regulations.</p> <p>The core areas of the conduct covered in the Code of Ethics and Conduct are conflict of interest, business conduct and employee conduct.</p> <p>The Code of Ethics and Conduct is available on the Company's website at www.t7global.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a whistleblowing policy and procedure is available on the Company's website at www.t7global.com.my, to provide opportunity for all stakeholders including employees, shareholders and others to raise their concerns of any malpractice within the Group. The objective of the policy and procedure is to provide and facilitate a mechanism for whistle-blower to report concern about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or any abuse of power.</p> <p>This will enable each case/issue to be investigated and for appropriate action to be taken to ensure that the matter is resolved effectively and within the Group whenever it is possible.</p> <p>If an employee found any misconduct, wrongdoings, corruption, fraud, waste and/or any abuse of power, he or she should report to immediate supervisor. Each supervisor is expected to be available subordinates for this purpose. And investigation should be conducted by the supervisor. If the employee is dissatisfied the review or investigation from the supervisor, further reviews by the Executive Deputy Chairman and the Chairman are encouraged. Investigation team will be set up to investigate the issue and take actions. Reviews should contribute to the level of management appropriate to resolve the issue. If the issue cannot be resolved, the whistle-blowers can escalate the report to the Audit and Risk Management Committee Chairperson. The Audit and Risk Management Committee will deliberate the matter reported and decide on the appropriate action.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

Application	:	Applied
Explanation on application of the practice	:	For the financial year ended 31 December 2019, the Board consists of seven (7) Directors – the Acting Executive Chairman, the Executive Deputy Chairman, an Executive Director and four (4) Independent Non-Executive Directors. The Board comprises at least 50% of independent directors.
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	:	There were no independent Directors whose tenure exceeds a cumulative term of nine (9) years in the Company thus far.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	None of the Independent Directors have served the Group exceeding a cumulative term of nine (9) years. At present, the Group does not have a formal policy to limit the tenure of independent director to nine (9) years. However, the Board is mindful of the recommendation in the Code to ensure effectiveness of Independent Directors.

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	:	<p>The Nomination Committee consists of entirely Independent Non-Executive Directors. The Nomination Committee would undergo the three-staged nomination process as follows:-</p> <ul style="list-style-type: none">• Stage 1: Review of the potential candidates based on the criteria as follows:-<ul style="list-style-type: none">- Qualifications;- Skills and competence;- Functional knowledge;- Experience;- Character;- Gender diversity;- Integrity and professionalism; and- Time commitment.• Stage 2: Board gaps review<ul style="list-style-type: none">- The overall composition of the Board;- Combination of skills of existing Directors; and- Any regulatory requirements and/or best practices available.• Stage 3: Recommendation to the Board<ul style="list-style-type: none">- The Board approves the appointment of Director <p>The new appointment of senior management would be reviewed by the Nomination Committee on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 4.5

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board currently comprises one (1) women Director, namely, Ms. Tan Sam Eng, who serves as an Independent Non-Executive Director.	
		The Group values woman's contribution to the economy and promoted talented women to management and leadership positions in operations.	
		Alternate Practice:	
		The Board will, from time to time, review its composition and size to ensure it fairly reflects the investments of the shareholders of the Company while at the same time having due regard for diversity in skills, experience, cultural background, gender and age.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.6

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>In identifying new Directors for appointment, the Board would consider recommendation from the existing Board members, management, or major shareholders.</p> <p>In view of cost consideration and effectiveness, taking into account the operational requirement of the Group, the Board did not utilise independent sources to identify suitably qualified candidates.</p> <p>Alternate Practice:</p> <p>Notwithstanding the above, all appointment of Directors would need to undergo the three-staged nomination process by the Nomination Committee as mentioned in Practice 4.4 above, to ensure that the candidate is fit to close the gap in the Board.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.7

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee is chaired by YBhg. Admiral (R) Tan Sri Dato’ Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin, the Independent Non-Executive Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, individual Director and Board Committees are assessed by the Nomination Committee through the following annual assessments once every year:</p> <ul style="list-style-type: none">(a) Effectiveness of the Board as a whole and the Committees of the Board;(b) Contribution and performance of each individual Director;(c) Contribution and performance of the Audit and Risk Management Committee and each individual Audit and Risk Management Committee member; and(d) Independence of Independent Non-Executive Directors. <p>The annual assessments are conducted in yearly basis and each of the Directors are given a chance to provide feedbacks on the effectiveness of the Board as a whole and their individual performance and contribution to the Board. In addition, the Nomination Committee members also assessed the contribution and performance of the Board Committees and each individual Audit and Risk Management Committee member. The results of all the assessments are then collated by the Company Secretaries and tabled to the Nomination Committee for deliberation.</p> <p>In annual assessment of individual Directors by the Nomination Committee, the skills and experience of individual Directors are reviewed to ensure the composition of the Board is appropriate with a good mix of skills and core competencies in order to discharge its duties and responsibilities and to meet the business needs of the Group.</p> <p>The Board is satisfied with the results of the annual assessment. The Board views that the current size and the existing composition of the Board are sufficient and well balanced, cater effectively to the scope of the Group's operations and there is appropriate mix of knowledge, skills, attributes and core competencies in the Board. As presently constituted, the Board has the stability, continuity and commitment as well as capacity to discharge its responsibilities effectively.</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	:	<p>The Board has established a remuneration policy and procedure to facilitate the Remuneration Committee to review, consider and recommend to the Board the levels and elements of remuneration of Directors with executive functions and the senior management. The Board as a whole recommends to shareholders the allowances of the Non-Executive Directors and the Executive Chairman after considering the recommendation of the Remuneration Committee.</p> <p>The Remuneration Committee meets once a year in each financial year and additional meetings may be called any time when necessary.</p> <p>The remuneration packages of the Executive Directors are approved by the Board. The Directors' remuneration scheme is structured to attract, retain and motivate them in order to achieve sustainable growth and business success.</p> <p>The Board reviews the remuneration of the Executive Directors annually subject to their respective service contracts. Whereby the respective Executive Directors are not allowed to involve in the discussion or contribute to any decision making on their own remuneration package.</p> <p>The Remuneration Policy and Procedure is made available for reference on the Company's website at www.t7global.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The 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 Board has a Remuneration Committee to recommend to the Board the framework and remuneration packages of the Non-Executive Directors and Executive Directors, as well as senior management in all forms.</p> <p>The authority, duties and responsibilities of Remuneration Committee are clearly defined in its Terms of Reference which is available on the Company's website at www.t7global.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to 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	:	<div>The details of the remuneration for Directors during the financial year ended 31 December 2019 are as follows:-</div> <div>Company</div> <table><thead><tr><th></th><th>Directors' Fees (RM)</th><th>Salaries (RM)</th><th>Allowance (RM)</th><th>Benefits in-kind (RM)</th><th>Others Emoluments (RM)</th><th>Total (RM)</th></tr></thead><tbody><tr><td colspan="7">Independent Non-Executive Director</td></tr><tr><td>Tan SE</td><td>45,000.00</td><td>-</td><td>16,500.00</td><td>-</td><td>-</td><td>61,500.00</td></tr><tr><td>MN</td><td>32,250.00</td><td>-</td><td>8,250.00</td><td>-</td><td>-</td><td>40,500.00</td></tr><tr><td>DSF</td><td>22,250.00</td><td>-</td><td>10,000.00</td><td>-</td><td>-</td><td>32,250.00</td></tr><tr><td>Ir. Rashid</td><td>22,000.00</td><td>-</td><td>10,000.00</td><td>-</td><td>-</td><td>32,000.00</td></tr><tr><td>TSK</td><td>30,750.00</td><td>-</td><td>5,750.00</td><td>-</td><td>-</td><td>36,500.00</td></tr><tr><td>DSW</td><td>22,875.00</td><td>-</td><td>5,500.00</td><td>-</td><td>-</td><td>28,375.00</td></tr><tr><td>Subtotal</td><td>465,125.00</td><td>-</td><td>56,000.00</td><td>-</td><td>-</td><td>231,125.00</td></tr><tr><td colspan="7">Executive Director</td></tr><tr><td>DS Nik</td><td>-</td><td>-</td><td>300,000.00</td><td>-</td><td>-</td><td>300,000.00</td></tr><tr><td>TS Tan</td><td>-</td><td>1,140,000.00</td><td>-</td><td>-</td><td>243,200.00</td><td>1,383,200.00</td></tr><tr><td>Tan KV</td><td>-</td><td>480,000.00</td><td>84,000.00</td><td>-</td><td>112,480.00</td><td>676,480.00</td></tr><tr><td>Subtotal</td><td>-</td><td>1,620,000.00</td><td>384,000.00</td><td>-</td><td>355,680.00</td><td>2,359,680.00</td></tr><tr><td>Total</td><td>465,125.00</td><td>1,620,000.00</td><td>440,000.00</td><td></td><td>355,680.00</td><td>2,590,805.00</td></tr></tbody></table> <div>Group</div> <table><thead><tr><th></th><th>Directors' Fees (RM)</th><th>Salaries (RM)</th><th>Allowance (RM)</th><th>Benefits in-kind (RM)</th><th>Others Emoluments (RM)</th><th>Total (RM)</th></tr></thead><tbody><tr><td colspan="7">Independent Non-Executive Director</td></tr><tr><td>Tan SE</td><td>45,000.00</td><td>-</td><td>16,500.00</td><td>-</td><td>-</td><td>61,500.00</td></tr><tr><td>MN</td><td>32,250.00</td><td>-</td><td>8,250.00</td><td>-</td><td>-</td><td>40,500.00</td></tr><tr><td>DSF</td><td>22,250.00</td><td>-</td><td>10,000.00</td><td>-</td><td>-</td><td>32,250.00</td></tr><tr><td>Ir. Rashid</td><td>22,000.00</td><td>-</td><td>10,000.00</td><td>-</td><td>-</td><td>32,000.00</td></tr><tr><td>TSK</td><td>30,750.00</td><td>-</td><td>5,750.00</td><td>-</td><td>-</td><td>36,500.00</td></tr><tr><td>DSW</td><td>22,875.00</td><td>-</td><td>5,500.00</td><td>-</td><td>-</td><td>28,375.00</td></tr></tbody></table>		Directors' Fees (RM)	Salaries (RM)	Allowance (RM)	Benefits in-kind (RM)	Others Emoluments (RM)	Total (RM)	Independent Non-Executive Director							Tan SE	45,000.00	-	16,500.00	-	-	61,500.00	MN	32,250.00	-	8,250.00	-	-	40,500.00	DSF	22,250.00	-	10,000.00	-	-	32,250.00	Ir. Rashid	22,000.00	-	10,000.00	-	-	32,000.00	TSK	30,750.00	-	5,750.00	-	-	36,500.00	DSW	22,875.00	-	5,500.00	-	-	28,375.00	Subtotal	465,125.00	-	56,000.00	-	-	231,125.00	Executive Director							DS Nik	-	-	300,000.00	-	-	300,000.00	TS Tan	-	1,140,000.00	-	-	243,200.00	1,383,200.00	Tan KV	-	480,000.00	84,000.00	-	112,480.00	676,480.00	Subtotal	-	1,620,000.00	384,000.00	-	355,680.00	2,359,680.00	Total	465,125.00	1,620,000.00	440,000.00		355,680.00	2,590,805.00		Directors' Fees (RM)	Salaries (RM)	Allowance (RM)	Benefits in-kind (RM)	Others Emoluments (RM)	Total (RM)	Independent Non-Executive Director							Tan SE	45,000.00	-	16,500.00	-	-	61,500.00	MN	32,250.00	-	8,250.00	-	-	40,500.00	DSF	22,250.00	-	10,000.00	-	-	32,250.00	Ir. Rashid	22,000.00	-	10,000.00	-	-	32,000.00	TSK	30,750.00	-	5,750.00	-	-	36,500.00	DSW	22,875.00	-	5,500.00	-	-	28,375.00
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	Total	-	1,620,000.00	440,000.00	-	355,680.00	2,590,805.00
	Notes: Tan SE - Tan Sam Eng TSK - Admiral (R) Tan Sri Dato’ Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (Appointed on 15 April 2019) DSW - Dato' Sri Wan Ahmad Najmuddin Bin Mohd (Appointed on 28 June 2019) MN - Mohd Noor Bin Setapa (Appointed on 3 April 2019) DS Nik - Datuk Seri Dr. Nik Norzrul Thani Bin Nik Hassan Thani TS Tan - Tan Sri Datuk Seri Tan Kean Soon Tan KV - Tan Kay Vin DSF - Datuk Sheikh Fahmi Bin Sheikh Jaafar (Resigned on 28 June 2019) Ir. Rashid - Ir. Abd Rashid Bin Md Sidek (Retired on 26 June 2019)						
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 assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 7.2

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

Application	:	Departure										
Explanation on application of the practice	:											
Explanation for departure	:	<p>The top five (5) senior management includes one (1) Acting Executive Chairman, one (1) Executive Deputy Chairman and one (1) Executive Director of which their detailed remuneration had been disclosed under Practice 7.1 of this Report.</p> <p>Whilst for the remaining senior management, the Board is of that view that the disclosure on named basis would have adverse effect on the Company's talent retention in the competitive industry. All senior management are remunerated based on their scope of duties and responsibilities.</p> <p>Alternate Practice:</p> <p>Practice 7.1 has been applied where there is detailed disclosure on named basis for the remuneration of individual Directors. Therefore, the Intended Outcome in respect of the Directors have been met where the stakeholders would be to assess whether the remuneration of directors is commensurate with their individual performance, taking into consideration the company's performance.</p> <p>The Remuneration Committee will assist the Board to ensure that all Directors and senior management are fairly rewarded for their individual contribution to the Company's overall performance and that the remuneration commensurate with the level of executive responsibility and is appropriate in light of the Company's performance.</p> <p>The remuneration received by the top five (5) senior management (including the Acting Executive Chairman, Executive Deputy Chairman and Executive Director) for the financial year ended 31 December 2019 is as follows:-</p> <table><tr><th>Remuneration Category</th><th>Group RM'000</th></tr><tr><td>Salaries</td><td>2,328,000.00</td></tr><tr><td>Other emoluments and benefits</td><td>515,360.00</td></tr><tr><td>Allowances</td><td>456,000.00</td></tr><tr><td>Total</td><td>3,299,360.00</td></tr></table> <p>The number of top five (5) senior management (including the Acting Executive Chairman, Executive Deputy Chairman and Executive Director)</p>	Remuneration Category	Group RM'000	Salaries	2,328,000.00	Other emoluments and benefits	515,360.00	Allowances	456,000.00	Total	3,299,360.00
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	whose total remuneration falls with the following bands is as follows:-													
	<table><tr><th>Range of remuneration</th><th>Number of top five (5) Senior Management</th></tr><tr><td>RM300,000 and below</td><td>2</td></tr><tr><td>RM300,001 – RM600,000</td><td>-</td></tr><tr><td>RM600,001 – RM900,000</td><td>2</td></tr><tr><td>RM900,001 – RM1,200,000</td><td>1</td></tr><tr><td>Total</td><td>5</td></tr></table>	Range of remuneration	Number of top five (5) Senior Management	RM300,000 and below	2	RM300,001 – RM600,000	-	RM600,001 – RM900,000	2	RM900,001 – RM1,200,000	1	Total	5	
Range of remuneration	Number of top five (5) Senior Management													
RM300,000 and below	2													
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RM900,001 – RM1,200,000	1													
Total	5													
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 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 Chairperson of the Audit and Risk Management Committee, Ms. Tan Sam Eng, is an Independent Non-Executive Director and she is not the Chairman of the Board.	
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	:	<p>None of the Audit and Risk Management Committee Members were former key audit partners.</p> <p>The policy on observation of a cooling-off period at least two (2) years for a former key audit partner prior to the appointment as a member of Audit and Risk Management Committee, had been clearly stated in the Terms of Reference of the Audit and Risk Management Committee .</p> <p>The Terms of Reference of the Audit and Risk Management Committee is available for reference on the Company's website at www.t7global.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

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 has adopted policies and procedures to assess the suitability, objectivity and independence of external auditors and that such assessment has been carried out annually.</p> <p>The Audit and Risk Management Committee conducted an annual assessment of the suitability and independence of the external auditors, Messrs. Grant Thornton Malaysia PLT ("Grant Thornton") in respect of the financial year under review. The Audit and Risk Management Committee was satisfied with the performance and independence of the external auditors as well as the fulfillment of criteria based on several factors, including independence of the external auditors, quality of audit review procedures and adequacy of the firm's expertise and its resources to carry out the audit work that they were tasked with.</p> <p>Grant Thornton had also provided written confirmation to the Audit and Risk Management Committee that they had been independent throughout the audit engagement in respect of the financial under review.</p> <p>Having considered all the above criteria, the Board had upon recommendation by the Audit and Risk Management Committee, approved the recommendation for the re-appointment of Grant Thornton as external auditors of the Company for the ensuing year for the shareholders' approval at the forthcoming 16th 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 Audit and Risk Management Committee comprises solely of Independent Directors and as such, there is a strong and independent element to provide effective oversight for it to function effectively and exercise objective judgements independently.

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 Board regards the members of Audit and Risk Management Committee collectively possess the accounting and related financial management expertise and experience required for Audit and Risk Management Committee to discharge its responsibilities and assist the Board in its oversight over management in the design, implementation and monitoring of risk management and internal control systems. The qualification and experience of the individual Audit and Risk Management Committee members are disclosed in the Board of Directors' Profile in the Annual Report.</p> <p>Members of the Audit and Risk Management Committee attend trainings and talks to keep them updated on developments on financial reporting and accounting standards. Updates and developments in Companies Act 2016, new Accounting Standards and Interpretations are presented by the External Auditors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges its responsibilities for maintaining a sound and reliable system of internal controls within the Group, covering the financial controls, the operational and compliance controls, and risk management. This is a continuing process which includes risk assessments, internal controls reviews, and internal audit checks on all companies in the Group.</p> <p>The Board has through the Audit and Risk Management Committee reviewed the adequacy and integrity of the Group's system of risk management and internal controls. Details of the Audit and Risk Management Committee Report and Statement on Risk Management and Internal Control are disclosed in the Company's 2019 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 9.2

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	:	The key features of risk management and internal control are disclosed in the "Statement of Risk Management and Internal Control" in the Company's 2019 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

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

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

Practice 9.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Risk Management Committee is established on 2 March 2018 and the members of the Risk Management Committee were appointed by the Board.</p> <p>Subsequently, on 21 February 2020, the Board has merged the Audit Committee and Risk Management Committee into a new Committee, to be known as Audit and Risk Management Committee, which comprises of wholly independent directors. The rationale for the merger is to streamline the operations of Board Committees in order to increase the efficiency and effectiveness of the Board Committees.</p> <p>The authority, duties and responsibilities of Audit and Risk Management Committee are clearly defined in its Terms of Reference which is available on the Company's website at www.t7global.com.my.</p>

Intended Outcome

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

Practice 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>One of the Audit and Risk Management Committee's works in the financial year ended 31 December 2019 is the review and approval of the annual internal audit plan, including the scope of works for the financial year.</p> <p>The Group has engaged an internal audit professional firm during the year to perform the internal audit function of the Group. The internal audit firm reports directly to the Audit and Risk Management Committee and administratively to the Group Chief Financial Officer. The works of the internal audit firm are guided by the Code of Conduct that provides its independence in evaluating and reporting on adequacy, integrity and effectiveness of the overall internal control system, risk management and corporate governance in the Group using a systematic and disciplined approach.</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 Company outsourced its internal audit function to an independent professional firm, OAC Consulting Sdn. Bhd. and it reports directly to the Audit and Risk Management Committee.</p> <p>Mr. Leonard Lim, the Senior Director of OAC Consulting Sdn. Bhd. is the Engagement Director responsible for the internal audit of the Company, together with other internal audit personnel. Mr. Leonard Lim is a Member of National Institute of Accountants (MNIA) and Chartered Member of the Institute of Internal Auditors Malaysia (CMIIA). He is assisted by 4 staff.</p> <p>The Audit and Risk Management Committee also received assurance from the outsourced Internal Auditors that all its engagement team personnel remain independent, objective and free from any relationships or conflicts of interest in carrying out their internal audit duties throughout the engagement.</p> <p>OAC Consulting Sdn. Bhd. has informed the Audit and Risk Management Committee that its internal audit works were carried out in accordance with a framework set by a recognised professional body i.e. International Professional Practice Framework issued by Institute of Internal Auditors, of which final communication of internal audit plan, processes and results of the internal audit assessment are supported by sufficient, reliable and relevant information which signifies a satisfactory conclusion of the internal audit work.</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>T7 Global Berhad values every shareholder. The Board acknowledges it is a need to establish high quality, ongoing dialogue and communication with shareholders and maintain trust. Therefore, the shareholder communication policy was created to serve as a guide and management of shareholder's requirements.</p> <p>Information is disseminated through the following channels:-</p> <ul style="list-style-type: none">• Annual Report;• Circulars/Statement to shareholders;• Various disclosures and announcement to Bursa Securities Malaysia Berhad; and• Company's website at www.t7global.com.my <p>In addition, shareholders and investors can have a channel of communication with the Group Corporate Finance to direct any queries and provide feedback to the Group. Email: t7@t7global.com.my</p> <p>Stakeholders may obtain up-to-date information about T7 Global Berhad by assessing the website, http://www.t7global.com.my or by accessing Bursa Malaysia Securities Berhad's website http://www.bursamalaysia.com. Information required by the shareholders such as financial results, Board Charter, Code of Ethics and Conduct and various Company's policies etc. is available at the Company's website at www.t7global.com.my. The shareholders are informed of their rights to demand for poll prior to the commencement of each 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 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 Company is not required to comply with this requirement as it is not a Large Company.</p> <p>Corporate information is disseminated via the Company's website and announcements are published on the website of Bursa Malaysia Securities Berhad. At present, the Board is of the view that the Company's Annual Report and its corporate website are comprehensive enough for stakeholders to make informed decisions.</p> <p>The current Annual Report provides stakeholders with a fairly comprehensive overview on the Company's financial and non-financial information including future prospects. Components such as the Management and Discussion Analysis, Corporate Governance Overview Statement, Statement on Risk Management and Internal Control, as well as the Sustainability Statement, form an integral part of the non-financial information.</p> <p>Once the level of maturity of non-financial reporting practices is adequate and able to comply with global recognised integrated reporting standards, the Company will implement this as soon as it is practicable.</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	:	The Notice for convening the forthcoming 16 th Annual General Meeting of the Company which is scheduled to be held on 26 August 2020 was sent to the shareholders on 18 June 2020, which is more than 28 days before the date of AGM.	
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	:	<p>All the Directors and Chair of the Board Committees were present at the 15th Annual General Meeting of the Company held on 26 June 2019 to engage with the shareholders personally and proactively.</p> <p>All the Directors have committed to attend the forthcoming 16th Annual General Meeting of the Company, scheduled to be held on 26 August 2020.</p> <p>In addition to the above, members of the Key Senior Management and External Auditors of the Company have also attended and will continue to attend the Annual General Meeting to respond to the shareholders' queries.</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 12.3

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><u>15th AGM of the Company held on 26 June 2019</u></p> <p>Upon review, the Board noted that prior to implementing the voting in absentia and remote shareholders' participation at general meeting(s), there are several factors/conditions that need to be fulfilled prior to making such consideration:-</p> <ul style="list-style-type: none">• Availability of technology and infrastructure;• Affordability of the technology and infrastructure;• Sufficient number of shareholders residing/locating at particular remote location(s); and• Age profile of the shareholders. <p>As an alternative practice, for those shareholders who are not able to make the journey to the AGM venue, they are allowed to appoint any person(s) or Chairman of the AGM as their proxies to attend, participate, speak and vote in his stead at the AGM.</p> <p>The 15th AGM of the Company was held fully physical at Open Foyer, Level 17, KI Trillion Corporate Tower, Block C, 338 Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan which was easily accessible and reachable by the shareholders.</p> <p><u>16th AGM of the Company scheduled to be held on 26 August 2020</u></p> <p>The 16th AGM of the Company will be conducted fully virtual, the details as set out in the Notice of the 16th AGM of the Company and the Administrative Details. The shareholders will not be allowed to attend the 16th AGM in person at the broadcast venue on the day of the meeting.</p> <p>The fully virtual AGM will enable the remote shareholders' participation and online remote voting pursuant to Sections 327(1) and (2) of the Companies Act 2016 and Clause 82 of the Constitution</p>

	of the Company.	
<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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