

## CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 0206  
**COMPANY NAME** : GAGASAN NADI CERGAS BERHAD  
**FINANCIAL YEAR** : December 31, 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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board of Directors ("Board") of Gagasan Nadi Cergas Berhad ("Gagasan Nadi Cergas" or "the Company") is responsible for the oversight and overall management of the Company and its subsidiaries ("Group"). To ensure the effective discharge of its functions and responsibilities, the Board meets regularly to review corporate strategies, operations and performance of business segments within the Group. All Board members bring their independent judgement to bear on issues of strategy, performance, resources and standards of conduct.</p> <p>The Board has oversight on matters delegated to the Management whereby updates are periodically reported. All Board authority conferred on Management is delegated through the Group Managing Director ("GMD") so that the authority and accountability of management are considered to be the authority and accountability of the GMD so far as the Board is concerned.</p> <p>The Board also assumes its principal responsibilities which include reviewing and adopting a strategic plan, overseeing the conduct of business, risk management, succession planning, developing and implementing investor relations and reviewing adequacy of internal controls. Towards this, the Board has delegated specific responsibilities to the following Board Committees: -</p> <ul style="list-style-type: none"><li>i. Audit &amp; Risk Management Committee ("ARMC")</li><li>ii. Nomination Committee ("NC")</li><li>iii. Remuneration Committee ("RC")</li></ul> <p>The Board Committees review all matters within their Terms of Reference ("TOR") and make their recommendations to the Board for approval. The Board is kept apprised of the activities of the Board Committees through the circulation of minutes of Board Committee meetings and update on meeting deliberations and decisions by the respective chairmen of the Board Committees at each Board meeting.</p>

	<p>With the help of the Board Committees, the Board has been able to perform its roles and responsibilities. However, the ultimate responsibility of the Board Committees' decisions and recommendations lies with the entire Board.</p> <p>The key roles and responsibilities of the Board and Board Committees are set out in the Board Charter and Board Committees' TORs respectively, which are available on the Company's corporate website: <a href="http://www.nadicergas.com">www.nadicergas.com</a>.</p>	
<b>Explanation for departure</b>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>		
<b>Timeframe</b>		

### Intended Outcome

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

### Practice 1.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman is an Independent Non-Executive Director of the Board and is primarily responsible for matters pertaining to the Board and the overall conduct of the Group. He is committed to good corporate governance practices and to lead the Board towards high performing culture.</p> <p>The other key responsibilities of the Chairman are as follows:</p> <ul style="list-style-type: none"><li>• ensure Board meetings are effective, including setting Board agenda and that Board members receive complete and accurate information in a timely manner;</li><li>• lead Board meetings and ensure that no Board member, whether Executive or Non-Executive dominates the discussions;</li><li>• encourage active participation among the Directors and allow constructive deliberations and dissenting views to be freely expressed; and</li><li>• ensure appropriate steps are taken to provide effective communication with stakeholders.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The positions of the Chairman and the GMD in the Company are held by different individuals with clear and distinct roles which are formally documented in the Board Charter of the Company to ensure a check and balance of power and authority between the Chairman and the GMD.</p> <p>The Chairman of the Board, Ir. Dr. Muhamad Fuad Bin Abdullah leads and manages the board by focusing on strategy, governance and compliance, whereas the GMD, Hj Wan Azman Bin Wan Kamal oversees the day to day operations of the Company and the implementation of the Board's decisions and policies.</p> <p>The key roles and accountabilities of the Chairman and GMD are set out in the Board Charter, which is available on the corporate website: <a href="http://www.nadicergas.com">www.nadicergas.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group is currently outsourcing the corporate secretarial function to Tricor Corporate Services Sdn Bhd.</p> <p>The Board is supported by three (3) qualified and competent Company Secretaries who are members of the Institute of Chartered Secretaries and Administrators and are qualified to act as company secretary under Section 235(2) of the Companies Act 2016 ("the Act"). The Company Secretary plays a significant role in supporting the Board to ensure that all governance matters and Board procedures are followed and that the applicable laws and regulations and the Code are complied with. These include obligations of Directors relating to disclosure of interests and disclosure of any conflicts of interest in transactions with the Group.</p> <p>The Company Secretaries also assist the NC to lead the annual evaluation process to assess the effectiveness of the Board, Board Committees and individual Directors, by facilitating Board and Board Committees performance evaluations, self-assessments and peer reviews.</p> <p>The key roles of the Company Secretaries are set out in the Board Charter, which is available on the corporate website: <a href="http://www.nadicergas.com">www.nadicergas.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>To facilitate Directors’ time planning, the annual meeting calendar which provides details of scheduled dates for meetings of the Board, Board Committees and Annual General Meeting is prepared and circulated to the Board at the beginning of the year.</p> <p>The Board meets at least 4 times annually with additional Board meetings to be convened as and when necessary. The Notice of meetings are sent to the Board and Board Committees via email and hard copy at least 5 business days prior to a meeting.</p> <p>The Board and Board Committees are provided with appropriate information and comprehensive meeting papers at least 5 business days prior to the meetings to ensure that the Directors have sufficient preparation time and information to make an informed decision at each meeting.</p> <p>The Management is invited to attend Board and Board Committee meetings to brief and provide explanations on issues relating to the meeting agenda. The deliberations and decisions at the Board and Board Committee meetings are well documented in the minutes, including matters where Directors abstained from voting or deliberations. Upon conclusion of the meetings, the minutes are circulated in a timely manner.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

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

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

### Practice 2.1

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

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

<b>Application</b>	:	Applied									
<b>Explanation on application of the practice</b>	:	<p>The Board Charter serves as a primary reference for prospective and existing Board members of their fiduciary duties as directors of GNCB. Apart from setting out the roles and responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, the Board Charter also outlines Board structure, procedures for Board Meetings, Directors' remuneration policy, and shareholders' communication policies.</p> <p>The Board Charter was adopted by the Board on 8 March 2018 in preparation for the listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 8 January 2019.</p> <p>The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company or as required by any new regulations that may have an impact on the discharge of the Board's responsibilities. The Board Charter is available on the corporate website: <a href="http://www.nadicergas.com">www.nadicergas.com</a>.</p> <p>To fulfil the roles and responsibilities as set out in the Board Charter, Directors are required to update their knowledge and enhance their skills through attendance at relevant training programmes, so as to enable them to sustain their active participation in Board deliberations.</p> <p>In accordance with Rule 15.08(3) of the ACE Market Listing Requirements ("ACE LR") of Bursa Securities, the Directors have attended various training programmes in 2019 which include the following: -</p> <table border="1"><thead><tr><th>Name</th><th>Programme title and Organiser</th><th>Date(s)</th></tr></thead><tbody><tr><td colspan="3"><b>Executive Directors</b></td></tr><tr><td>Hj Wan Azman Bin Wan Kamal</td><td>Introduction to The Malaysian Anti-Corruption Commission (Amendment) Act 2018 (<i>Gagasan Nadi Cergas Berhad</i>)</td><td>24 October 2019</td></tr></tbody></table>	Name	Programme title and Organiser	Date(s)	<b>Executive Directors</b>			Hj Wan Azman Bin Wan Kamal	Introduction to The Malaysian Anti-Corruption Commission (Amendment) Act 2018 ( <i>Gagasan Nadi Cergas Berhad</i> )	24 October 2019
Name	Programme title and Organiser	Date(s)									
<b>Executive Directors</b>											
Hj Wan Azman Bin Wan Kamal	Introduction to The Malaysian Anti-Corruption Commission (Amendment) Act 2018 ( <i>Gagasan Nadi Cergas Berhad</i> )	24 October 2019									

	Dato' Sri Subahan Bin Kamal	Introduction to The Malaysian Anti-Corruption Commission (Amendment) Act 2018 ( <i>Gagasan Nadi Cergas Berhad</i> )	24 October 2019
<b>Independent Non-Executive Directors</b>			
	Ir. Dr. Muhamad Fuad Bin Abdullah	Talk on Sustainability Reporting by Mr Chng Boon Huat ( <i>Gagasan Nadi Cergas Berhad</i> )	2 January 2019
		Pre-Listing Dialogue with Securities Commission ( <i>Securities Commission</i> )	7 January 2019
		Luncheon Talk on Transformation of Yahoo! By Dr Ariffin Yahya, the former chief architect of Yahoo ( <i>Malaysian Industrial Development Finance Berhad</i> )	13 February 2019
		Fintech, Digital Innovation and the Future of Islamic Finance Workshop ( <i>Refinitiv Malaysia</i> )	27 February 2019
		PNB Leadership Forum – Governance to Performance ( <i>Permodalan Nasional Berhad Research Institute</i> )	5 March 2019
		Demystifying the Diversity Conundrum: The Road to Business Excellence ( <i>Bursa Malaysia &amp; Institute of Corporate Directors Malaysia</i> )	12 June 2019
		PNB Leader Ship Forum 2019: Positive Autocracy – A Leadership Model for Industry 4.0 ( <i>Permodalan Nasional Berhad</i> )	25 June 2019
		The Role of The Nomination and Remuneration Committee in Human Capital Management by Shai Ganu ( <i>Institute of Corporate Directors Malaysia</i> )	23 July 2019
		Empowering Good Governance ( <i>Ministry of Education</i> )	29 Jul 2019
		Power Talk Series on “Say on Pay: What do Boards need to know?” by Shai Ganu ( <i>Institute of Corporate Directors Malaysia</i> )	13 August 2019

	Leadership Talk 2019: Series 1 <i>(Ministry of Education)</i>	8 September 2019
	Talk on “Commercial Arbitration – Key Considerations” by Lawyer Mr Philip Teoh <i>(AzmiLaw)</i>	9 September 2019
	International Directors Summit 2019 <i>(Institute of Corporate Directors Malaysia &amp; Securities Commission)</i>	14-15 October 2019
	Introduction to The Malaysian Anti- Corruption Commission (Amendment) Act 2018 <i>(Gagasan Nadi Cergas Berhad)</i>	24 October 2019
	PNB Summit 2019: Rebooting Corporate Malaysia <i>(Permodalan Nasional Berhad)</i>	30 October 2019
	ICDM’s Breakfast Talk on “Spotlight on Budget 2020: What it means to Companies” by Anil Kumar Puri and Professor Dr Veerindergeet Singh <i>(Institute of Corporate Directors Malaysia)</i>	31 October 2019
	Yayasan Tun Ismail Ali Memorial Lecture on “The Diverse Facets of Leadership” by Dr, Nicholas H. Barker and Professor Catarina Tully <i>(Permodalan Nasional Berhad Research Institute)</i>	18 November 2019
Professor Emerita Siti Naaishah Hambali	Introduction to The Malaysian Anti- Corruption Commission (Amendment) Act 2018 <i>(Gagasan Nadi Cergas Berhad)</i>	24 October 2019
Chng Boon Huat	Strategies to Combat Corruption & Bribery, and Manage Corporate & Personal Liability <i>(Rahmat Lim &amp; Partners)</i>	1 August 2019
	Integrated Reporting – Communicating Value Creation <i>(Bursa Malaysia &amp; MIA)</i>	16 October 2019
	Evaluating Effective Internal Audit Function <i>(Bursa Malaysia)</i>	17 October 2019

		<p>Introduction to The Malaysian Anti-Corruption Commission (Amendment) Act 2018 <i>(Gagasan Nadi Cergas Berhad)</i></p> <p>Corporate Governance and Anti-Corruption <i>(Bursa Malaysia &amp; Securities Commission)</i></p> <p>Audit Oversight Board – Conversation with Audit Committees <i>(Securities Commission)</i></p>	<p>24 October 2019</p> <p>31 October 2019</p> <p>22 November 2019</p>
<b>Explanation for departure</b>	:		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 3.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is committed to maintain a corporate culture which engenders ethical conduct. The good business conduct adopted by the Group is formalised through the Company's Code of Ethics and Conduct, which summarises what the Company must endeavour to do proactively in order to increase corporate value, and which describes the areas in daily activities that require caution in order to minimise any related risks that may occur.</p> <p>The Code of Ethics and Conduct is periodically reviewed and is available on the Company's corporate website: <a href="http://www.nadicergas.com">www.nadicergas.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 3.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has adopted a Whistle-Blowing Policy which sets out to foster a culture of integrity and ethical behaviour among all employees and stakeholders by allowing for the exposure of any violations or improper conduct or wrongdoing within the Group.</p> <p>The Whistle-Blowing Policy provides an avenue for employees or any external parties to report any breach or suspected breach of any laws or regulations, including business principles and Group's policies and guidelines, in a safe and confidential manner.</p> <p>The Whistle-Blowing Policy is periodically reviewed and is available on the Company's corporate website: <a href="http://www.nadicergas.com">www.nadicergas.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board currently consists of five (5) members comprising three (3) Independent Non-Executive Directors and two (2) Executive Directors.</p> <p>The Independent Directors make up more than half of the Board as recommended by the Malaysian Code on Corporate Governance 2017 ("MCCG 2017"), while their number exceeds the minimum as prescribed by the ACE LR.</p> <p>The Board which comprises members from various professions with individual personalised quality, expertise, skills and relevant market and industry knowledge, will ensure that the Group has the necessary financial and human resources to meet its strategic objectives. The Board will continue to monitor and review the Board size and composition as may be needed.</p> <p>All the three (3) Independent Non-Executive Directors satisfy the independence test under the ACE LR.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 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.

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

**Intended Outcome**

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.

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

**Intended Outcome**

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

**Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance and benefits of providing fair and equal opportunities and nurturing diversity within the Group. Therefore, the Board is committed to ensure that diversity (including diversity in skills, experience, age, cultural background and gender) is in place at the Board and Senior Management level.</p> <p>The Nomination Committee is entrusted to develop the policies and procedures in formalising the approach in the recruitment process and annual assessment of Directors, which serve as guides for the Nomination Committee in discharging its duties in the areas of nomination, evaluation, selection and appointment process of new Directors.</p> <p>The appointment of any additional Director is made as and when it is deemed necessary by the existing Board upon recommendation from the Nomination Committee. All nominees and candidates to the Board are first considered by the Nomination Committee taking into consideration, inter-alia, the competency, knowledge, expertise and experience, professionalism, integrity, time commitment of the candidates, including, where appropriate, the criteria on assessing the independence of candidates' appointment as Independent Non-Executive Directors.</p> <p>The appointment of Senior Management is also based on objective criteria and merit, and with due regard for diversity in skills, experience, age, cultural background and gender.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognizes the value of having women members on the Board and have established a gender policy of having at least one woman member on the Board.</p> <p>The Board wishes to disclose that it has achieved its target of having at least one woman member on the Board, with Professor Emerita Siti Naaishah Hambali as our Independent Non-Executive Director.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>There was no new appointment to the Board during the year under review.</p> <p>The Board has delegated the responsibility to establish a formal and transparent procedure for the nomination and appointment of new Directors to the NC. Such responsibilities include screening, conducting initial selection of candidates, performing requisite evaluation and assessment on the candidate's ability to discharge their duties effectively and efficiently, prior to making any recommendations to the Board for its approval.</p> <p>The NC will ensure the selected candidates possess the appropriate skills, core competencies, experience and integrity to effectively discharge his or her role as a Director.</p> <p>The NC will utilise independent sources to identify suitable candidates for future directorship, whenever necessary.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 4.7

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC is chaired by Ir. Dr. Muhammad Fuad Bin Abdullah, who is an Independent Non-Executive Chairman of the Company. The NC which comprises exclusively of Independent Non-Executive Directors, is as follows:</p> <p><b>Chairman</b> Ir. Dr. Muhammad Fuad Bin Abdullah <i>Independent Non-Executive Chairman</i></p> <p><b>Members</b> Professor Emerita Siti Naaishah Hambali <i>Independent Non-Executive Director</i></p> <p>Chng Boon Huat <i>Independent Non-Executive Director</i></p> <p>The primary responsibilities of the NC are set out in its Terms of Reference, which is available on the Company's corporate website: <a href="http://www.nadicergas.com">www.nadicergas.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC undertakes a formal and objective evaluation to determine the effectiveness of the Board, Board Committees and each individual Director on an annual basis.</p> <p>Tricor Corporate Services Sdn Bhd was appointed to assist the NC in conducting the annual assessments of the Board, Board Committees, individual Directors' contributions, as well as assessment of Independent Directors for the financial year ended 31 December 2019.</p> <p>The annual assessments were conducted by way of questionnaires which include the Board and Board Committee effectiveness assessments, Board Committee members' and Directors' self and peer assessments.</p> <p>Based on the assessments conducted for the financial year under review, the NC was satisfied with the performance of its existing Board and Board Committees and its composition, and was of the view that with the current mix of skills, knowledge, experience and strength, the Board and the Board Committees as a whole are able to discharge their duties effectively.</p> <p>The NC concluded that all the Directors have attained satisfactory ratings and was satisfied with the independence and performance of the Independent Directors of the Company. All assessments and evaluations carried out by the Nomination Committee were properly documented.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established a formal and transparent process for approving the remuneration of the Group Managing Director, Executive Director, Non-Executive Directors and Senior Management.</p> <p>The remuneration policy is reviewed by the Remuneration Committee on an annual basis. Any changes made would be recommended to the Board for approval. The Remuneration Committee in reviewing the remuneration policies, is of the view that the guidelines and set criteria for the remuneration package of the Directors and Senior Management are fairly and appropriately formulated according to the market practice and industry benchmarks, to remain competitive for talent attraction and retention.</p> <p>The remuneration to be paid to the Non-Executive Directors shall be tabled to the shareholders at the forthcoming Annual General Meeting for approval.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Remuneration Committee which comprises exclusively of Independent Non-Executive Directors, is as follows:</p> <p><b>Chairman</b> Professor Emerita Siti Naaishah Hambali <i>Independent Non-Executive Director</i></p> <p><b>Members</b> Ir. Dr. Muhammad Fuad Bin Abdullah <i>Independent Non-Executive Chairman</i></p> <p>Chng Boon Huat <i>Independent Non-Executive Director</i></p> <p>The primary responsibilities of the RC are set out in its Terms of Reference, which is available on the Company's corporate website: <a href="http://www.nadicergas.com">www.nadicergas.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Detailed disclosure on named basis for the remuneration of individual Directors which include their fees, salary, bonus, benefits in-kind and other emoluments is provided in the Corporate Governance Overview Statement of the Company's Annual Report 2019.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>The Company is of the view that it would not be in its best interest to make such disclosure on a named basis in view of the competitive nature of human resource market and the Company should maintain confidentiality on employees' remuneration packages.</p> <p>The retention of Senior Management is critical to the successful implementation of our Company's strategy plan. The Company is of the view that disclosing the remuneration of Senior Management will be a detriment to our Company as it may lead to other competitor companies attempting to 'poach' our experienced Senior Management as well as putting upward pressure on executive remuneration packages as lesser paid senior executives will demand remuneration comparability.</p> <p>The disclosure of the Group's Key Senior Management's remuneration on an aggregate basis is set out in the Audited Financial Statements which is included in the Company's Annual Report.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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.

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

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 8.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The ARMC is chaired by Mr. Chng Boon Huat, who is an Independent Non-Executive Director. He is not the Chairman of the Board.</p> <p>Having the positions of the Board Chairman and ARMC Chairman assumed by different individuals, allow the Board to objectively review ARMC findings and its recommendations, and the ARMC Chairman is also able to provide full commitment and devote adequate time to review all matters under the responsibilities of the ARMC.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Terms of Reference of the ARMC has a requirement that a former key audit partner is to observe a cooling-off period of at least two (2) years before being appointed as a member of the ARMC.</p> <p>None of the present ARMC members were former key audit partners.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 8.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The ARMC is responsible for assessing the suitability, objectivity and independence of the external auditors. The assessment of the external auditors, Messrs Crowe Malaysia PLT was conducted by the ARMC and the Management (from the finance division).</p> <p>During the financial year, the ARMC and the Management were satisfied that the external auditors have been independent and professional throughout the conduct of the audit process, and the audit services rendered have met the quality expected by the ARMC and the Management.</p> <p>The ARMC is satisfied in its review that the provision of non-audit services by the external auditors to the Group for the financial year did not have any way impaired their objectivity and independence.</p> <p>Messrs Crowe Malaysia PLT have confirmed to the ARMC that they have continuously complied with the relevant ethical requirements regarding their independence throughout the conduct of the audit engagement with the Group, in accordance with the International Federation of Accountants' Code of Ethics for Professional Accountants and the Malaysian Institute of Accountants By-Laws (on Professional Ethics, Conduct and Practice).</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 8.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The ARMC which comprises solely of Independent Non-Executive Directors, is as follows:</p> <p><b>Chairman</b> Chng Boon Huat <i>Independent Non-Executive Director</i></p> <p><b>Members</b> Ir. Dr. Muhammad Fuad Bin Abdullah <i>Independent Non-Executive Chairman</i></p> <p>Professor Emerita Siti Naaishah Hambali <i>Independent Non-Executive Director</i></p>

## Intended Outcome

There is an effective and independent Audit Committee.

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

## Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The ARMC is chaired by Chng Boon Huat who is a qualified accountant. The qualifications, skills, experience and expertise vary among the ARMC members who are from diverse fraternities such as finance, law, engineering, audit and public service/management. With their knowledge/vast experience, they are not only capable of understanding matters under the ARMC's purview but also be able to provide sound advice to the Board in term of governance, regulatory compliance, financial reporting, internal and external audit reports as well as other matters to be considered by the ARMC.</p> <p>The Board is satisfied with ARMC's existing performance and is of the view that the ARMC's current mix of skills, knowledge, experience and strength would enable the ARMC and hence the Board to discharge their duties and responsibilities effectively.</p> <p>During the financial year, all ARMC members have undertaken continuous professional development by attending various conferences, seminars and training programmes relevant to their role as ARMC members, to enhance their knowledge in order to efficiently discharge their duties.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 9.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established and implemented an effective risk management and internal control framework based on the Internal Control Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO").</p> <p>Risk management function is carried out by the Quality Assurance and Quality Control ("QA/QC") Department (previously known as Internal Audit and Compliance Unit), with the results thereof communicated to the Board by the ARMC to ensure that an effective risk management framework is in place.</p> <p>The Board based on the recommendation of the ARMC, has engaged Sterling Business Alignment Consulting Sdn Bhd to independently assess the adequacy, efficiency and effectiveness of the Group's internal control system.</p> <p>The Group's internal control system which encompasses risk management practices as well as financial, operational and compliance controls is assessed by the outsourced internal auditors who reports directly to the ARMC on a quarterly basis, where the risk areas and controls are identified, evaluated, monitored and managed to ensure that adequate and effective internal controls are in place.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 9.2

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The key features of the risk management and internal control system together with its adequacy and effectiveness are set out in the Statement on Risk Management and Internal Control, which is included in the Company's 2019 Annual Report.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 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.

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

**Intended Outcome**

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

**Practice 10.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board is fully aware of the importance of the internal audit function and has engaged Sterling Business Alignment Consulting Sdn Bhd, an independent internal audit firm to provide independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system.</p> <p>The internal audit firm works closely with the QA/QC Department to carry out the internal audit activities and presents its internal audit reports to the ARMC on a quarterly basis.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

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

### Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The internal audit function is outsourced to Sterling Business Alignment Consulting Sdn Bhd, an independent internal audit firm, as the Company’s internal auditor to assess and report on the adequacy and effectiveness of the system of internal control of the Group. The internal auditor works closely with the Company’s QA/QC Department to ensure that independent and objective reviews on the state of internal controls of the Group’s major business segments are reported to the ARMC.</p> <p>The Principal Consultant of the independent internal audit firm is Ms. So Hsien Ying, who holds a Master of Business Administration (MBA) Degree specializing in Finance from the University of Hull, UK. She is also a Certified Internal Control Professional (CICP) from the Internal Control Institute, USA and has 26 years of experience in Internal Control Review, Internal Audit, Risk Management and Business Process Improvement.</p> <p>The internal auditor and the QA/QC Department report directly to the ARMC to preserve their independence and objectivity, and their audit personnel are free from any relationships or conflicts of interest which could impair their objectivity and independence.</p> <p>The risk management framework and the internal control system put in place are based on internationally recognised Internal Control Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (“COSO”).</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 11.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of effective, transparent, regular and timely communication with the shareholders and other stakeholders to keep them informed on the Group's latest financial performance, its businesses and corporate developments.</p> <p>Presently, the Board and Management of the Company communicate regularly with its shareholders and other stakeholders through the following channels of communication:</p> <p><b>(i) Bursa Malaysia Securities Berhad</b> The Company releases all material announcements via Bursa LINK, and the shareholders and the public in general may obtain such announcements and financial information from the website of Bursa Malaysia Securities Berhad.</p> <p><b>(ii) Corporate Website</b> The Company's corporate website, <a href="http://www.nadicergas.com">www.nadicergas.com</a>, incorporates an Investor Relations section which provides all the relevant information on the Company, and is accessible by the shareholders and other stakeholders.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 11.2

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

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board is mindful of the benefits of integrated reporting which is applicable for Large Companies. As Gagasan Nadi Cergas Berhad is not under the category of Large Companies, the Company has not adopted the integrated reporting framework.</p> <p>However, the Annual Report of the Company includes a Management Discussion and Analysis Statement with comprehensive financial and non-financial information disclosures, as a way to promote greater transparency and accountability to all our stakeholders.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board ensures that the dispatch of its Notice of Annual General Meeting (“AGM”) is done at least 28 days prior to the meeting.</p> <p>The Notice of the 2<sup>nd</sup> AGM for the Company was issued on 30 April 2019 for the AGM held on 29 May 2019.</p> <p>The Board is mindful that the sufficient notice and time given would allow the shareholders to make the necessary arrangements to attend and participate either in person, by corporate representative, by proxy or by attorney.</p> <p>In order to facilitate informed decision-making by the shareholders, the Notice of the AGM was also accompanied by explanatory notes for each resolution proposed, so as to enable the shareholders to properly consider the resolutions that would be discussed and decided at the meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All Directors attended the 2<sup>nd</sup> AGM held on 29 May 2019.</p> <p>The presence of all Directors including the Chairmen of the ARMC, NC and RC presented opportunities for the shareholders to engage directly with the Directors.</p> <p>The proceedings of the 2<sup>nd</sup> AGM include the Chief Financial Officer (“CFO”)’s presentation of the Group’s business segments and the financial performance for 2018, and a Questions &amp; Answers session during which the Chairman invited shareholders to raise questions pertaining to the Company’s financial statements and the resolutions proposed for approval, before putting the resolutions to vote.</p> <p>Besides the Directors and CFO, the Management and external auditors were also in attendance to respond to shareholders’ queries, if any.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company's 2nd AGM was held at the Tropicana Golf &amp; Country Resort, Petaling Jaya and the venue was easily accessible by the shareholders. Considering the cost involved and in view that the number of shareholders of the Company was not large, it was not economically justifiable to conduct the voting in absentia and to have remote shareholders' participation for the AGM.</p> <p>As an alternative practice, shareholders who were unable to attend the AGM were allowed to appoint any persons as their proxies to attend, participate, speak and vote on their behalf at the AGM.</p> <p>Shareholders can also submit questions or queries prior to the AGM.</p> <p>The Company has also adopted electronic voting ("e-voting") for the conduct of poll on all the resolutions. A Poll Administrator and an Independent Scrutineer were appointed to conduct the e-voting process and to verify the results of the poll.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.*

Not Applicable
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