



CORPORATE GOVERNANCE REPORT

STOCK CODE : 3255
COMPANY NAME : Heineken Malaysia Berhad
FINANCIAL YEAR : 31 December 2018

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 :	<ul style="list-style-type: none"> ▪ The Board is entrusted with the responsibility to lead and determine the strategic direction and oversee the overall management of the Company and its subsidiaries. It is collectively responsible in ensuring that the strategy and business plan of the Group supports long term value creation and promote sustainability as well as the delivery of sustainable returns to its valuable shareholders. ▪ The Board is also responsible to set the corporate values and promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behavior and ensure that its obligations to shareholders and other stakeholders are met. ▪ In discharging its duties and roles effectively, the Board is also guided by its Charter, which sets out the purpose, composition, key roles and responsibilities as well as the internal procedural matters for the Board. The Board is assisted by the Audit & Risk Management Committee and the Nomination & Remuneration Committee which function in accordance with their respective Terms of Reference approved by the Board. The Board Charter and the Terms of Reference for respective Board Committees are available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/ ▪ The Managing Director is appointed by the Board to implement the policies and strategies approved by the Board for the purposes of running the business and the day-to-day management of the Company. The Managing Director is supported by a Management Team and several functional committees which are tasked to oversee key operating areas. The responsibilities and authorities of the Management Team are defined in the Statement of Authority approved by the Board. ▪ There is a schedule of key matters set out in the Board Charter, reserved specifically for the Board deliberation and decision to ensure the direction and control of the Group are in its hands. ▪ In 2018, the Board reviewed the Group's strategy plans and the performance versus the targets on a quarterly basis. At the quarterly Board Meeting, the Board deliberated Management's proposals and discussed various key business and operational matters covering, but not be limited to market environment, sustainability initiatives, organisation resources and governance development. The Board also considered reports and recommendations from the Board Committees on financial reports, dividend payments, audit matters, risk management and internal control activities, regulatory compliance, appointment to the Board and Board evaluation.
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	:	<ul style="list-style-type: none">▪ The primary responsibilities of the Chairman is to lead the Board in its collective oversight of Management and ensure it functions effectively in all aspects of its roles.▪ The roles and responsibilities of the Chairman are clearly stipulated in the Board Charter which is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/▪ The Chairman of the Board also acts as Chairman at all Board Meetings and Shareholders' Meetings.
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	:	<ul style="list-style-type: none">▪ The positions of Chairman and Managing Director are held by two different individuals. The Chairman, Dato' Sri Idris Jala, is primarily responsible for the stewardship and smooth functioning of the Board, whilst the Managing Director, Mr Roland Bala is responsible for the overall operations of the business, organisational effectiveness and the implementation of the Group's strategies and policies.
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	:	<ul style="list-style-type: none"> ▪ The Company Secretary, Ms Ng Sow Hoong (Rachel) is a qualified Chartered Secretary and she is an Associate member of the Malaysian Association of the Institute of Chartered Secretaries and Administrators. ▪ The Company Secretary manages all Board and Board Committee Meetings logistics as well as the processes pertaining to Annual General Meetings (AGM), attends and records minutes of all Board and Board Committees Meetings and AGM. In addition to the administrative matters, the Company Secretary advises the Board on corporate governance matters, corporate disclosures and ensure adherence to the relevant statutory and regulatory requirements. The Company Secretary had and will continue to constantly undertake continuous professional development.
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	:	<ul style="list-style-type: none"> ▪ In order to facilitate Directors to plan ahead, a full-year schedule which sets out the dates for meetings of the Board, Board Committees and shareholders, as well as the closed periods to restrict dealings in the Company's stocks is prepared and circulated to the Directors at least four months before the commencement of a new financial year. ▪ Prior to the scheduled Board / Board Committee Meetings, a structured agenda together with management reports and proposals are distributed to the Directors at least five days prior to the meeting. ▪ In order for meetings to be more effective, the meeting agenda is organised taking into consideration the priority of the matters / proposals to be deliberated. An indication will also be provided in the agenda to guide the Board / Board Committees as to whether the matters are for approval, discussion or for notation purpose with adequate time allocated for each agenda item in order for the meetings to be conducted efficiently. As an initiative to promote environmental sustainability and efficiencies, the Board has adopted paperless meetings through the usage of electronic devices which allow immediate and secure access to meeting materials. ▪ All Directors have unrestricted and constant access to and interaction with the Management Team in that they may have informal meetings with Management Team members to brief them on matters or major developments concerning the Group operations. ▪ Some of the members of the Management Team are also invited to attend Board / Board Committee Meetings to report and update on areas within their responsibility to provide Board members insights into the business and operations, and clarify any issues raised by the Directors. Directors are encouraged to share their views and insight in the course of deliberation and partake in discussions. ▪ All issues discussed, decisions and conclusions including dissenting views made and whether any Director abstained from voting or deliberating on a particular matter at the Board/Board Committee Meeting with required actions to be taken by responsible parties are documented in the minutes by the Company Secretary. ▪ The minutes will be signed by the Chairman of the Board/Board Committees as a correct record of the proceedings of the meeting based on confirmation from all the Board/Board Committee members. Decisions made and policies approved by the Board will be communicated to relevant Management Team members for action after the meeting.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 :	<ul style="list-style-type: none"> ▪ The Company has in place a Board Charter which, inter alia, sets out the purpose, composition, key roles and responsibilities as well as the internal procedural matters for the Board. The principal responsibilities of the Board, as set out in the Board Charter, are in line with that provided in the MCCG. ▪ The Board Charter serves as a source of reference for Board members to assist them in discharging their fiduciary duties as Directors. ▪ The Board Charter is reviewed periodically and the last review was on 14 February 2018. It is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/ 	
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	:	<ul style="list-style-type: none">▪ The Board understands that it has the responsibility to set the tone and standards of the Company and is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.▪ As part of the HEINEKEN Group, the Group has adopted the HEINEKEN Code of Business Conduct (HeiCode) and the underlying policies. The HeiCode sets out the basic principles that every employees must observe when acting for or on behalf of the Company and the commitments of the Company to conducting business with fairness, integrity and respect for the law and the Company's values.▪ The HeiCode has embedded 19 policies which covers all aspects of the Group's business operations, categorised under the four key commitments, namely:<ul style="list-style-type: none">(i) We advocate for responsible consumption(ii) We respect people and the planet(iii) We conduct business with integrity and fairness(iv) We safeguard the Company's assetsThe underlying policies are enlisted in the Corporate Governance Overview Statement in the Annual Report 2018.▪ The HeiCode and the underlying policies are reviewed and updated periodically to reflect the changing business environment and the last review was carried out in 2018. Briefing sessions were conducted nationwide and an e-Learning programme was rolled out to all employees to drive awareness and to assess employees' understanding of the HeiCode and the underlying policies.▪ The HeiCode is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/
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	:	<ul style="list-style-type: none"> ▪ The Group has adopted the HEINEKEN Speak Up Policy that provides employees with a standard process to report concerns about suspected misconduct within the Group in confidence and without fear of retaliation. ▪ The Speak Up Service is managed by an independent third party and is available 24/7, 365 days a year. Report can be submitted through the Speak Up Service via online or phone call. All Speak Up reports are handled by a Case Manager who works under the supervision and instruction of the HEINEKEN Global Integrity Committee which comprises representatives from the HEINEKEN Business Conduct Office, Global Audit, Global Human Resources and Global Legal Affairs. ▪ The Speak Up Policy was communicated to all employees to create awareness and encourage them to raise concerns about suspected misconduct within the Group. The HEINEKEN Speak Up Policy is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/ ▪ In 2018, six reports on suspicion of fraud or operational failures were received via the HEINKEN Speak Up channel.
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<ul style="list-style-type: none"> ▪ The Board consists of seven members, led by an Independent Non-Executive Chairman, and supported by a Managing Director as well as five Non-Executive Directors. ▪ Three of the Non-Executive Directors (including the Chairman) are Independent Directors, representing 43% of the Board whilst the remaining three are Non-Independent Non-Executive Directors. ▪ The primary responsibility of Independent Directors is to protect the interests of minority shareholders and other stakeholders. They play a key role in providing independent views and advice and their effective participation serves to promote greater accountability and balance in the Board's decision-making process. ▪ The Board noted the above practice recommended under the MCCG. Given the current shareholding structure of the Company in which 51% of its equity interest are held indirectly by HEINEKEN NV via its wholly-owned subsidiary, GAPL Pte Ltd, the Board was of the view that to fully leverage on the experience of the HEINEKEN Group and to ensure focus on long-term value creation, it is in its best interest and that of its stakeholders that the Board includes a fair and adequate representation of the major shareholders. 	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	N/A	
Timeframe	:	N/A	

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	:	Applied – Annual shareholders' approval for retention of Independent Directors serving beyond 9 years.
Explanation on application of the practice	:	<p>Mr Martin Giles Manen had served as an Independent Non-Executive Director of the Company for 10 years as of 28 August 2018.</p> <p>The Board had via the Nomination & Remuneration Committee conducted an assessment on the contribution of Mr Martin Giles Manen and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:</p> <ul style="list-style-type: none"> (a) He has met the independence criteria adopted by the Company and fulfilled the independence definitions as prescribed under the Bursa Securities' Main Market Listing Requirements and therefore he is able to bring independent and objective judgement to the Board; (b) His vast experience in the audit and accounting fields enable him to contribute to the Group's performance monitoring and enhancement of good corporate governance; (c) He has been with the Company for long and therefore understands the Group's business operations which enable him to participate actively and contribute at Board Committees and Board Meetings; (d) He has devoted sufficient time and efforts and attended all the Board Committees and Board Meetings for informed and balanced decision-making; (e) He has discharged his role as Chairman of the Audit & Risk Management Committee with due care and diligence and has carried out his professional duties as an Independent Non-Executive Director of the Company in the interest of the Company and shareholders. <p>Based on the Board's recommendation, shareholders' approval was sought and obtained on 11 May 2018 for Mr Martin Giles Manen to continue his office as an Independent Director until the conclusion of the 55th Annual General Meeting (AGM).</p> <p>At the upcoming 55th AGM, shareholders' approval will be sought to allow Mr Martin Giles Manen to continue to act as an Independent Non-Executive Director of the Company.</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 4.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The following provisions are provided in the Board Charter:</p> <ul style="list-style-type: none"> ▪ The tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years term, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director. ▪ The Board must justify and seek shareholders' approval in the event it intends to retain a person who has served in the capacity as an Independent Director for more than nine (9) years. ▪ If the Board continues to retain the Independent Director after year twelve (12), the Board should provide justification and seek annual shareholders' approval through a two-tier voting process in accordance to the CG Code. ▪ The Board should undertake an assessment of the Independent Directors annually to assess their ability to bring unbiased and objective judgement to the Board's deliberations.

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 Board, via the Nomination & Remuneration Committee, assesses the suitability of candidate for directorship based on the following aspects and ensure that appointments are made on merit:</p> <ul style="list-style-type: none"> ▪ Core competencies that meet the needs of the Company ▪ Personal qualities in terms of leadership skills, ability to provide strategic insight and direction, work ethics and professionalism ▪ Industry knowledge, business judgement, expertise and special skills ▪ Understanding of local economic and operating environment ▪ Ability to commit time and effort to carry out duties and responsibilities effectively ▪ Ability to represent the Company at any occasion that involves the Company ▪ Educational qualification ▪ Factors that promote boardroom diversity, including gender diversity <p>For appointment of Independent Directors, considerations will also be given on whether the candidate meets the independence criteria adopted by the Company and requirements for independence as defined in the Bursa Securities' Main Market Listing Requirements.</p> <p>The appointment of Mr Roland Bala and Ms Yu Yu-Ping were nominated by the major shareholder and were considered and approved by the Board in 2018 based on the above 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

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

Practice 4.5

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

Application	:	Applied
Explanation on application of the practice	:	<ul style="list-style-type: none">▪ The Board acknowledged the importance of promoting diversity in its membership, including gender, ethnicity and age, and strives to maintain the right balance for effective functioning of the Board.▪ Recognising the merits of gender diversity in strengthening the Board performance, the Board had, in 2018, taken steps to increase the women representation on the Board from 28% to 43%, surpassed the recommended percentage of 30% women directors on the Board. The Board will continue to ensure the 30% women representation on the Board is maintained.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.6

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

Application	:	Applied
Explanation on application of the practice	:	<ul style="list-style-type: none">▪ There is a process for selection, nomination and appointment of suitable candidates to the Board of the Company. Potential candidates can be identified by the Nomination & Remuneration Committee (NRC), existing Directors, Managing Director or any shareholder or other senior executive within the Company, through internal or external sources via recruitment agencies.▪ The NRC reviews the suitability of candidate identified and recommends to the Board for approval. The Board is responsible to ensure that appointments are made on merit. As disclosed under Practice 4.4, there are specific criteria for assessing candidature for directorship.▪ For appointment of Independent Directors, the Board will leverage on its HR search network and explore other independent sources to source for potential candidates.▪ The appointment of Mr Roland Bala and Ms Yu Yu-Ping during 2018 were nominated by the major shareholder of the Company to succeed Mr Hans Essaadi and Mr Yong Weng Hong respectively.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.7

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

Application :	Applied	
Explanation on application of the practice :	<p>Dato' Sri Idris Jala, the current Chairman of the Nomination & Remuneration Committee (NRC) is an Independent Director.</p> <p>The Chairman of the NRC assumes the following responsibilities:</p> <ul style="list-style-type: none"> ▪ Conduct the NRC meetings and report to the Board on matters deliberated and recommended by the NRC. ▪ Lead the succession planning and appointment of Board members, including the future Chairman and Managing Director; and ▪ Lead the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed. <p>The above are stipulated in the Terms of Reference of the NRC which is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/</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 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, through its Nomination & Remuneration Committee (NRC), conducts an annual assessment on the Board's effectiveness to ensure that the Board functions effectively. The purpose of the assessment is also to identify and address any areas of concern which may require improvements for the Board and the Board Committees. The assessment is based on specific criteria covering the following aspects:</p> <ul style="list-style-type: none"> ▪ Composition and mix ▪ Meeting processes, quality of information and decision-making; and ▪ Roles and responsibilities of the Board and the Board Committees <p>An external consultant is engaged once every three years to facilitate an objective and candid board evaluation. For 2018, the NRC had conducted the assessment internally as the last assessment was conducted by Deloitte Enterprise Risk Services Sdn Bhd, an independent consultant in February 2018.</p> <p>The assessment was led by the NRC Chairman and supported by the Company Secretary. Based on the assessment, the Board concluded that:</p> <ul style="list-style-type: none"> ▪ Taking into consideration the nature and the scope of the Group operations and its business requirements, the current size and composition of the Board was optimum and well balanced with diversity of skill set, knowledge and experience. ▪ The Board as a whole and its Board Committees have been effective in their discharge of function and duties. ▪ The relationship between the Board members has been good with positive and constructive interactions, coupled with strong leadership demonstrated by the Chairman. ▪ The level of independence and the abilities to act in the best interest of the Company demonstrated by the Directors throughout the year have been satisfactory. 	
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	:	<ul style="list-style-type: none"> ▪ The Company has in place a remuneration framework for the Non-Executive Directors, designed to attract and retain the right talent in the Board to drive the Group's long-term objectives. ▪ The Nomination & Remuneration Committee (NRC) is responsible to review the remuneration framework to ensure the same is appropriately reflective of experience and the level of responsibilities and contributions; and competitive compared with the prevalent market practices. ▪ The Board, collectively determines the remuneration for the Non-Executive Directors based on the recommendation of the NRC. Each of the Non-Executive Directors shall abstain from deliberating and voting on their own remuneration. ▪ All Non-Executive Directors are paid an annual fee for serving as members of the Board and Board Committees. They are also paid a meeting attendance allowance for each meeting they attended. The Chairmen of the Board Committees receive an annual allowance for the additional responsibility and commitment required. The above remuneration structure was determined based on a benchmarking exercise conducted by the Company with advice from an external consultant in 2015. The benchmarking exercise was done based on information and survey data on the remuneration practices of comparable companies obtained from independent sources. ▪ In respect of the remuneration of the Managing Director of the Company, the NRC is guided by the compensation framework of the HEINEKEN Global Human Resources. The remuneration package of the Managing Director consists of both fixed and performance-linked elements. The performance of the Managing Director is reviewed annually taking into consideration the corporate and individual performance. The Managing Director is not entitled to annual fee or allowance nor any meeting allowances for the Board and Board Committees Meetings he attended. ▪ The reward system for the senior management of the Company are based on the prevailing HR guiding principles and philosophy of the Company as set out in the Company's Employee Handbook. The Company is committed to ensuring that reward and recognition is applied in a fair and consistent manner throughout all business units. It is reviewed regularly and subject to external benchmarking to ensure that the Company continually offer competitive remuneration packages. The performance bonus scheme is linked to Company's business results and employees' Individual Key Performance Indicators (KPI) agreed upon between the employees and their Line Manager for measurement. ▪ The remuneration framework and details for the Non-Executive Directors and the Managing Director of the Company are disclosed in the Corporate Governance Overview Statement in the Annual Report 2018 which is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/
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	:	<ul style="list-style-type: none">▪ The Nomination & Remuneration Committee (NRC) consists of five Non-Executive Directors with a majority being Independent Directors. The Chairman of the NRC is Dato' Sri Idris Jala, an Independent Director.▪ The NRC's responsibilities include reviewing and recommending to the Board the remuneration package for Non-Executive Directors and ensure it is consistent with the Group business strategy and long-term objectives to attract and retain Directors.▪ The NRC's roles and functions are governed by its Terms of Reference which is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/
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	:	The detailed disclosure on a named basis for the remuneration of individual directors has been made in the Corporate Governance Overview Statement in the Annual Report 2018.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 7.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<ul style="list-style-type: none"> ▪ In view of the confidentiality and sensitivity of the information, the Board is of the view that it would not be in the best interest of the Company and the key senior management members for the Company to disclose their remuneration on a named basis. ▪ Nevertheless, details of the remuneration of the Managing Director were disclosed in the Corporate Governance Overview Statement in the Annual Report 2018 whilst an aggregate amount of remuneration / compensation of the key management personnel was disclosed under Note 20 to the Audited Financial Statements for the financial year ended 31 December 2018. Such information is deemed adequate to enable stakeholders to assess the reasonableness of the remuneration paid to the senior management of the Company. ▪ The Company always benchmarks the remuneration package of the senior management with the industry and the relevant market practice and ensures that their remuneration commensurate with the scope of work, responsibilities as well as performance against key performance indicators.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board will continuously review and consider the appropriateness of the disclosure in the future.
Timeframe	:	Others

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 application of the practice	:	

Intended Outcome

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	:	<ul style="list-style-type: none"> ▪ As provided in the Terms of Reference of the Audit & Risk Management Committee (ARMC), the Chairman of the ARMC shall be an Independent Director and is not the Chairman of the Board. ▪ The Chairman of the ARMC is Mr Martin Giles Manen, a Senior Independent Director. He 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

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	:	<ul style="list-style-type: none"> ▪ None of the existing Board members of the Company was a former key audit partner. ▪ The Board will observe a cooling-off period of at least two years in the event any potential candidate who is a former key audit partner is being considered to be appointed as a member of the Audit & Risk Management Committee (ARMC) Such requirement is also set out in the ARMC's Terms of Reference.
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 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	:	<ul style="list-style-type: none"> ▪ The Audit & Risk Management Committee (ARMC) reviews the audit and non-audit services provided by the external auditors. In reviewing such services, the ARMC ensures that the independence and objectivity of the external auditors are not compromised. ▪ The ARMC considers the re-appointment, remuneration and terms of engagement of the external auditors, guided by the criteria adopted by the Company, the details of which are disclosed in the Corporate Governance Overview in the Annual Report 2018. ▪ In performing the audit on the Group's financial statements for the year ended 31 December 2018, the external auditors, Messrs Deloitte PLT, have confirmed that they have complied with the independence requirements set out in the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants.
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	:	

Practice 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

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 8.5

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	:	<ul style="list-style-type: none"> ▪ Members of the Audit & Risk Management Committee (ARMC) have the relevant experience and expertise to effectively discharge their duties. The profile of the members are disclosed in the Directors' profile in the Annual Report 2018. The ARMC Chairman, Mr Martin Giles Manen is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. ▪ The Board assesses the composition and performance of the ARMC and its members through an annual Board Committee effectiveness evaluation. Based on the assessment conducted for the financial year ended 31 December 2018, the Board was satisfied that the ARMC and its members have effectively discharged their functions, duties and responsibilities in accordance with the ARMC's Terms of Reference in that the ARMC has provided useful recommendations in assisting the Board in making informed decisions and enabling effective functioning of the Board. ▪ The ARMC members are mindful of the need to continue to enhance their skills and knowledge to assist them in the discharge of their duties and they have attended relevant development and training programmes according to their individual needs to keep abreast of relevant developments in accounting and auditing standards and other relevant changes in laws and regulations and to enhance their ability in discharging their duties and responsibilities more effectively.
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	:	<ul style="list-style-type: none"> ▪ The Group has adopted the HEINEKEN Risk Management and Internal Control Systems which enable Management to identify, assess, prioritise and manage risks on a continuous and systematic basis. ▪ The Risk Control Workgroup (RCW), which is made up of members of the Management Team and is chaired by the Managing Director, oversees the areas of risk management and internal control of the Group. It meets on a quarterly basis to review the risk management activities and internal control issues raised. Matters deliberated in the RCW meetings are reported to the Audit & Risk Management Committee (ARMC). The RCW is supported by the Process & Controls Improvement Team who is tasked to oversee compliance with the Group's Risk Management and Internal Control Systems and drive continuous process improvement. ▪ The ARMC provides an objective review of the adequacy, integrity and effectiveness of the Group's risk management and internal control systems to ensure that the same are soundly conceived, in place, effectively administered and regularly monitored.
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 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	:	<ul style="list-style-type: none">▪ The features and the key elements of risk management and internal control systems adopted by the Group are disclosed in the Statement on Risk Management and Internal Control in the Annual Report 2018.▪ The Statement on Risk Management and Internal Control has been reviewed by the external auditors who have reported that nothing has come to their attention that had caused them to believe that this statement is not prepared, in all material respects, in accordance with the disclosures required by the Statement on Risk Management and Internal Control : Guidelines for Directors of Listed Issuers to be set out, nor is the statement factually inaccurate.
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	:	

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 application of the practice	:	The Audit & Risk Management Committee (ARMC) comprises five Non-Executive Directors, majority of whom are Independent Non-Executive Directors. This is provided in the Terms of Reference of the ARMC which is available on the Company's website at https://www.heinekenmalaysia.com/corporate-governance/

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	:	<ul style="list-style-type: none"> ▪ The Group's Internal Audit function, which is carried out in-house, assists the Audit & Risk Management Committee (ARMC) and the Management in the effective discharge of their responsibilities in respect of risk management, internal control and governance. It is guided by its Charter and its principal responsibility is to provide independent and objective reviews on the Group's internal control system so as to ensure that controls which are instituted are appropriate and can effectively address acceptable risk exposures. The Internal Audit function also ensures that recommendations to improve controls are followed through by Management. ▪ The Internal Audit function, which is led by the Head of Internal Audit, has a clear line of reporting to the ARMC and its performance is reviewed by the ARMC on an annual basis. The ARMC also reviews the internal audit plan including the adequacy of the scope, approach, methodology, resources and authority of the Internal Audit function in carrying out its audit activities. As such, it is independent of the operational and management activities they audit. ▪ Based on the assessment carried out by the ARMC on the effectiveness of the Internal Audit function in 2018, the Internal Audit function was found to be effective in discharging its responsibilities in that it has completed all the audit assignments in accordance with the plan with appropriate recommendations provided and implemented to strengthen the internal controls within the Group. ▪ Further details of the internal audit activities are disclosed in the ARMC Report in the Annual Report 2018.
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	<ul style="list-style-type: none"> ▪ The Internal Audit function is carried out in-house led by the Head of Internal Audit who reports functionally to the ARMC and administratively to the Managing Director. ▪ The Head of Internal Audit, Mr Eugene Ding Diew Ping, is a holder of a Bachelor’s Degree of Business (Accounting) from the University of Technology Sydney, Australia. He is a Chartered Accountant of the Malaysian Institute of Accountants. He is also a Chartered Member of the Institute of Internal Auditors Malaysia. ▪ The Head of Internal Audit is currently supported by an Internal Audit Manager, an Assistant Manager - Internal Audit and an Internal Audit Executive. ▪ All internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence in conducting their audit. ▪ The Internal Audit function is governed by an Internal Audit Charter approved by the ARMC. The charter sets out the purpose, scope, responsibility and authority of the internal audit function. ▪ The Internal Audit Department (IAD) adopts a risk-based audit approach towards the planning and conduct of audit consistent with the established audit framework of the HEINEKEN Global Audit Team in designing, implementing and monitoring of control system. The IAD also works collaboratively with the Process & Controls Improvement Team to review the risk management processes of the Group as a whole. The monitoring process and the controls and risk management assessment approach are in line with the HEINEKEN Business Framework adopted by the Group.
Explanation for departure	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	
Timeframe	

Intended Outcome

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	:	<ul style="list-style-type: none">▪ The Company recognises the importance of being accountable to its shareholders and stakeholders and it remains committed to maintain an active and proactive communication approach with its shareholders and stakeholders to facilitate mutual understanding of each other's objectives and expectations. The Company firmly believes that timely, accurate and effective communication with its shareholders and stakeholders is key to enable them to make informed decisions with respect to the Group's business, its policies on governance, the environment and corporate responsibility.▪ The Company leverages on various communication platforms to reach out to shareholders and stakeholders. This includes among others, publications of Company's announcements and presentations on the Group's quarterly financial performance and corporate developments, publication of annual report, issuance of press releases for significant matters, holding of investors and media briefings post financial results announcements on a semi-annually basis, regular engagement with media, business partners and surrounding communities through corporate events and community outreach programmes. In 2018, numerous engagement activities were carried out for the Company to engage its stakeholders. Details of the engagement activities are reported in the Stakeholder Engagement section on pages 28 and 29 in the Annual Report 2018.▪ The Company's mobile-friendly website www.heinekenmalaysia.com is a key communication channel with its stakeholders. It provides information on the Group business activities, financial results and corporate responsibility initiatives. The website further outlines the Group's business principles, governance framework and the code of business conduct. It also allows investors and stakeholders to inquire investor relations matters, provide feedback and post queries or concerns regarding the Group.▪ The Company has a dedicated investor relations function which reports directly to the Finance Director. The investor relations personnel organises post-announcement of results briefings and discussions with investment analysts, fund managers, institutional investors and the media. The briefings, which are conducted by the Managing Director and the Finance Director, are intended not only to promote the dissemination of the financial results of the Group but to provide comprehensive insights and to address concerns raised about the Group's business strategies, market prospects, major development of the Group's business initiatives and matters affecting the Group and industry.▪ In addition, the investor relations personnel together with the Finance Director meet with equity research analysts, fund managers, institutional shareholders and investors on a one-on-one basis outside the Company's closed period.▪ In 2018, the Company conducted nine face-to-face meetings and three conference calls with institutional investors and held two investor briefing sessions and two media briefing sessions, including brewery tours. Throughout the year, the Company received relatively extensive coverage from approximately 20 equity research analysts.
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	:	Applied
Explanation on application of the practice	:	<ul style="list-style-type: none"> ▪ The Company has, since 2016, adopted the International Integrated Reporting Framework (IIRF) in its annual report with the objective of demonstrating how the Company's strategy, actions, performance, governance and prospects lead to stakeholder value creation. ▪ For 2018, the Company continued to adopt the same integrated reporting approach based on IIRF in its Annual Report 2018 which focuses on linking the financial and non-financial aspects of the Group business to provide a clear picture of what strategies and initiatives the Group have implemented to meet the stakeholders' expectation. ▪ In addition to adhering to the principles of the IIRF, the Company is guided by Bursa Malaysia's Main Market Listing Requirements for the non-financial statements which cover environmental performance and social impact reporting; the Malaysian Code on Corporate Governance for its governance section; the Malaysian Companies Act 2016, Malaysian Financial Reporting Standards and the International Financial Reporting Standards for the Group financial statements; and the Global Reporting Initiative G4 for sustainability reporting.
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 12.1

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	:	<ul style="list-style-type: none"> ▪ The 54th Annual General Meeting (AGM) of the Company was held on 11 May 2018 and the AGM notice was issued on 12 April 2018, 28 clear days in advance of the said AGM which is also above the 21 days' requirement stipulated in the Companies Act 2016 and the Bursa Securities' Main Market Listing Requirements. ▪ The AGM notice is accompanied by the following information: <ul style="list-style-type: none"> (i) explanatory notes to shareholders regarding their entitlement to attend the AGM and their right to appoint a proxy and detailed explanations for each motion to be tabled at the AGM to enable shareholders to make informed decisions in exercising their voting rights; and (ii) administrative details regarding the AGM to allow the shareholders to plan and make necessary arrangements to attend and participate in the 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	:	<ul style="list-style-type: none"> ▪ All the Directors, including the Chairman of the Board and the Board Committees, were present in person at the 54th Annual General Meeting (AGM) held on 11 May 2018 and they were available to provide responses to question or concerns addressed to them. Members of the Management Team and external auditors were also present and available to respond to questions addressed to them. ▪ At the said AGM, the Managing Director presented an overview of the Company's operations and financial performance for 2017. A Questions & Answers session was part of the meeting proceedings during which shareholders were given opportunities to post questions and seek clarification pertaining to the Company's performance and other matters tabled at the meeting. At the meeting, the Chairman also shared the Company's responses to questions/points raised by the Minority Shareholder Watchdog Group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	<ul style="list-style-type: none"> ▪ The Company's Annual General Meetings (AGM) are always held within the Kuala Lumpur City Centre. For the past 5 years, the Company's AGM was held at Connexion @ Nexus which is located in Bangsar South, Kuala Lumpur, a venue that is centrally accessible via public transport. ▪ At least 28 days' notice with relevant information about the AGM are provided to shareholders prior to the AGM to allow them to plan ahead to attend the meeting. As an alternative practice, shareholders who are not able to attend the AGM in person are allowed to appoint more than one proxy to attend, participate, speak and to vote on their behalf at the AGM. ▪ Since 2017, the Company has implemented electronic voting for the conduct of poll for all resolutions proposed at AGM during which electronic voting devices were deployed to provide a more efficient voting process and accurate outcome of the results. ▪ The voting results / outcome of the AGM were announced by the Company and published on the Company's website on the same day after the meeting for the benefit of all shareholders.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Company is exploring the availability of a reliable technology which is suitable and efficient to facilitate voting in absentia and remote participation and voting at AGM.
Timeframe	:	Within the next 3 years

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
