

# CORPORATE GOVERNANCE

## STATEMENT

### INTRODUCTION

The Board of Directors ("Board") of AWC Berhad ("Company") is committed towards ensuring good corporate governance practices are implemented and maintained throughout the Company and its subsidiaries ("the Group"). This is a fundamental part of discharging its duties to enhance shareholders' value, consistent with the principles and recommendations for best practices as set out in the Malaysian Code on Corporate Governance 2012 ("Code"). In April 2017, an updated version of the Code was released by the Securities Commission Malaysia, which AWC will comply with, and which will be disclosed in next year's Annual Report.

The Board is pleased to set out below a statement which describes the manner in which it has applied the principles of the Code and its corresponding recommendations during the financial year ended 30 June 2017.

### A. THE BOARD

#### i. Board Charter

The Board Charter adopted by the Board provides guidance to the Board in its fulfillment of its roles, duties and responsibilities which are in line with the relevant legislations, regulations and the best practices of good corporate governance. The Board Charter sets out the composition and balance, roles and responsibilities, operation and processes of the Board as well as the relationships between the Board and the Board Committees established by the Board, and between the Independent Non-Executive Chairman and the Managing Director/Group Chief Executive Officer.

The Board Charter is subject to periodic review and will be updated as and when necessary to ensure it remains consistent with the Group's policies and procedures, the Board's responsibilities and changes to legislations and regulations.

The Board Charter is published in the corporate website of the Company at [http://awc.com.my/index.php/investor/investor\\_relations](http://awc.com.my/index.php/investor/investor_relations) (under Corporate Governance - Policy Disclosures).

#### ii. Code of Ethics and Conduct

The Code of Ethics and Conduct which forms part of the Board Charter is to be observed by all Directors, management and employees of the Group. The Code of Ethics and Conduct stresses the key values where the Directors, management and employees of the Group are to uphold the compliance with all relevant legislations and regulations, high standards of corporate governance and integrity, transparency and accountability in the conduct of business of the Group.

The Company has also adopted a Whistleblowing Policy which provides a defined avenue and accessible reporting channels for all employees of the Group to raise concerns or disclose any improper conduct within the Group.

The Whistleblowing Policy is available on the corporate website of the Company at [http://awc.com.my/index.php/investor/investor\\_relations](http://awc.com.my/index.php/investor/investor_relations) (under Corporate Governance - Policy Disclosures).

#### iii. Composition and balance of the Board

The Board currently has five (5) members, comprising one (1) Executive Director (who is the Managing Director ("MD")/Group Chief Executive Officer ("GCEO")), and four (4) Independent Non-Executive Directors. This complies with the requirement that a minimum of two (2) members of the Board comprises Independent Directors as stated in Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Constitution of the Company provides for a minimum of two (2) Directors and a maximum of twenty (20) Directors. At any one time, at least two (2) or one-third (1/3), whichever is higher, of the Board members are Independent Directors. The composition and size of the Board are reviewed from time to time to ensure its appropriateness.

# Corporate Governance

## Statement (Cont'd)

The Board takes cognizance of the recommendation on boardroom diversity published in the Code. In line with the Code, the Board through the Nomination Committee shall accord due consideration to gender diversity, age and ethnicity in addition to skills, competencies, knowledge, experience, commitment and integrity in relation to the appointment of prospective Board members. During the financial year, the Board appointed a female director which represents twenty percent (20%) of the Board size.

#### **iv. Nomination and appointment of Directors**

The members of the Board are appointed in a formal and transparent manner as endorsed by the Code. The Nomination Committee scrutinizes the candidates put forth and where suitable, recommends the same for the Board's approval. In discharging this duty, the Nomination Committee will assess the suitability of an individual by taking into account the gender diversity and the individual's mix of skill, knowledge, expertise, experience, competencies, integrity and/or other commitments that the candidate will bring to complement the Board. During the financial year, two (2) directors who had been serving us since 9 January 2008 resigned from the Board. Subsequently three (3) new directors were appointed to the Board on 12 April 2017.

All Board members shall notify the Chairman of the Board before accepting any new directorship in other companies. The notification shall include an indication of time that will be spent on the new appointment. The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company.

#### **v. Re-election of Directors**

In accordance with the Company's Constitution, all Directors appointed by the Board are subject to re-election by the shareholders at the Annual General Meeting ("AGM") of the Company following their appointment.

Further, at least one-third (1/3) of the Directors are required to retire from office by rotation annually and shall be eligible for re-election at each AGM.

#### **vi. Independent Non-Executive Directors**

The presence of four (4) Independent Non-Executive Directors ensures that views, consideration, judgment and discretion exercised by the Board in decision making remains objective and independent. Also, the interests of other parties such as minority shareholders are fully addressed and accorded due consideration as well as are adequately protected.

The Board had conducted an evaluation of the level of independence of the Independent Non-Executive Directors of the Company who served during the financial year ended 30 June 2017. The Board is satisfied with the level of independence demonstrated by them and their ability to act in the best interests of the Company and/or the Group.

#### **vii. Tenure of Independent Non-Executive Director**

The Board is fully aware that based on the recommendations of the Code, the tenure of an Independent Non-Executive Director shall not exceed a cumulative term of nine (9) years. However, upon completion of the nine (9) years, the Independent Non-Executive Director may continue to serve the Board subject to the Director's re-designation as a Non-Independent Director. In the event the Director is to remain designated as an Independent Non-Executive Director, the Board shall first justify and obtain shareholders' approval on a yearly basis.

As recommended by the Nomination Committee of the Company, the Board has proposed to seek the shareholders' approval at the forthcoming AGM to retain Dato' Nik Mod Amin Bin Nik Abd Majid as Independent Non-Executive Director/Chairman of the Company. Dato' Nik Mod Amin Bin Nik Abd Majid (who would have served as Independent Non-Executive Director/Chairman of the Company for a cumulative term of nine (9) years on 31 August 2018), was proposed to continue to act as Independent Non-Executive Director/Chairman of the Company based on the following justifications:-

# Corporate Governance

## Statement (Cont'd)

- a. He has fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and therefore would be able to function as a check and balance and bring an element of objectivity to the Board.
- b. He has vast experience in banking and financial industries which could provide the Board with a diverse set of experience, expertise and independent judgment.
- c. He has devoted sufficient time and attention to his responsibilities as Independent Non-Executive Director/Chairman of the Company.
- d. He understands the main drivers of the Group's business in a detailed manner.
- e. He has provided leadership to the Board members and facilitates the Board to perform its responsibilities effectively through his independent and objective chairmanship and managed the conduct and governance of the Board effectively.
- f. He has provided independent view and objective judgement in various issues raised at the Board and Board Committees meetings.
- g. He has exercised due care during his tenure as Independent Non-Executive Director/Chairman of the Company and has carried out his duties in the best interests of the Company and of the shareholders of the Company.

The proposed resolution, if passed by the shareholders of the Company at the forthcoming AGM, would allow Dato' Nik Mod Amin Bin Nik Abd Majid to continue to serve as the Independent Non-Executive Director/Chairman of the Board and as a member of the Audit Committee and Remuneration Committee.

### **viii. Evaluation of the performance of Directors and the Board as a whole**

The Board recognizes the importance of assessing the effectiveness of individual Directors, the Board and its Board Committees as a whole. The Nomination Committee is given the task of reviewing and evaluating the individual Director's performance and the effectiveness of the Board and the Board Committees on an annual basis.

During the year, the Nomination Committee had conducted an assessment of the Board and the Board Committees. The assessment was then discussed with the Board. The Nomination Committee also evaluated each individual Director's contributions to the effectiveness of the Board and to the relevant Board Committees.

### **ix. Board responsibilities**

The Group is led by an effective and experienced Board comprising of members who possess, amongst them, sound experience in business, financial matters, legal, technical knowledge and a sound background in public service.

The Board collectively leads and is responsible for the performance and affairs of the Group, including practicing a high level of good governance. All Board members are expected to show good stewardship and act in a professional manner as well as upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.

The Board has the responsibility in leading and directing the Group towards realizing long term objectives and increasing shareholders' value. The Board retains full and effective control of the Group's strategic plans, implementing an appropriate system of risk management and ensuring the adequacy and integrity of the Group's system of internal control.

The stewardship responsibilities and duties of the Board focuses principally on strategies, financial performance and critical business decisions of the Company.

# Corporate Governance

## Statement (Cont'd)

### x. Responsibilities of the Chairman and MD/GCEO

The Chairman of the Company is an Independent and a Non-Executive member of the Board. The roles of the Independent Non-Executive Chairman and the MD/GCEO are distinct and separate to ensure there is balance of power and authority. The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board while the MD/GCEO has overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions. The MD/GCEO is accountable to the Board for the overall organization, management, and staffing of the Company and/or Group and for the procedures in financial and other matters, including conduct and discipline.

### B. BOARD COMMITTEES

The Board may from time to time establish Board Committees as considered appropriate to assist in carrying out its duties and responsibilities. The Board has delegated certain functions to the following Board Committees to assist in the execution of its responsibilities:-

- i. Audit Committee
- ii. Nomination Committee
- iii. Remuneration Committee
- iv. Employees' Share Option Scheme ("ESOS") Committee.

The Board appoints the members and Chairman of each Committee. Each Board Committee operates under clearly defined terms of reference approved by the Board.

#### i. Audit Committee

The objectives of the Audit Committee are, amongst others, providing additional assurance to the Board by giving an objective and independent review of financial, operational and administrative controls and procedures, establishing and maintaining internal controls. The Audit Committee is also tasked with reinforcing the independence of the Company's external auditors, thereby ensuring that the auditors have free reign in the audit process.

The members of the Audit Committee and the works carried out during the financial year ended 30 June 2017 are set forth in the Audit Committee Report in this Annual Report.

The term of office and performance of the Audit Committee and its members should be reviewed by the Nomination Committee annually to determine whether such Audit Committee and members have carried out their duties in accordance with the terms of reference.

#### ii. Nomination Committee

The Nomination Committee of the Company comprises the following members, all being Independent Non-Executive Directors:-

Name	Designation
Yang Mulia Tunku Puan Sri Dato' Hajjah Noor Hayati Binti Tunku Abdul Rahman Putra Al-Haj, Chairman (appointed on 17 May 2017)	Independent Non-Executive Director
Sureson A/L Krisnasamy, Member (appointed on 17 May 2017)	Independent Non-Executive Director
Ahri Bin Hashim, Member (appointed on 17 May 2017)	Independent Non-Executive Director
N Chanthiran A/L Nagappan, Chairman (resigned on 12 April 2017)	Independent Non-Executive Director
Dato' Sulaiman Bin Mohd Yusof, Member (resigned on 12 April 2017)	Independent Non-Executive Director
Dato' Nik Mod Amin Bin Nik Abd Majid, Member (resigned on 17 May 2017)	Independent Non-Executive Chairman

# Corporate Governance

## Statement (Cont'd)

Pursuant to the terms of reference of the Nomination Committee, the main responsibilities of the Nomination Committee are as follows:-

- a. Nominate new nominees to the Board as well as Board Committees for the Board's consideration;
- b. Annually review the Board's required mix of skills, experience and other qualities, including core competencies, which the Non-Executive Directors should bring to the Board; and
- c. Annually assess the effectiveness of the Board as a whole, the Committees of the Board and the performance of the Directors of the Company both individually and collectively.

The Nomination Committee meets as and when required. The Nomination Committee met twice during the financial year under review and the activities undertaken by the Committee were as follows:

- a) Carried out the assessment and rating of the performance of each Non-Executive Director against the criteria as set out in the annual assessment form, amongst others, attendance at Board or Committee meetings, adequate preparation for Board and/or Committee meetings, regular contribution to Board or Committee meetings, personal input to the role and other contributions to the Board or Committees as a whole.
- b) Carried out the assessment and rating of the performance of the MD/GCEO against diverse key performance indicators, amongst others, financial, strategic, operations management and business plans, product development, conformance and compliance, shareholders/investors' relations, employee training and development, succession planning and personal input to the role.
- c) Assessed and evaluated the independence of the Independent Directors.
- d) Carried out an assessment on the performance of the Audit Committee and the effectiveness of the Board and its Board Committees as a whole.
- e) Identified and recommended to the Board the re-election of Mr. N. Chanthiran A/L Nagappan as Director in the last AGM held on 28 November 2016 ("Last AGM").
- f) Assessed and recommended to the Board the retention of Mr. N Chanthiran A/L Nagappan and Dato' Sulaiman Bin Mohd Yusof as Independent Non-Executive Directors.
- g) Considered and recommended to the Board for consideration, the appointment of Yang Mulia Tunku Puan Sri Dato' Hajjah Noor Hayati Binti Tunku Abdul Rahman Putra Al-Haj, Mr. Sureson A/L Krisnasamy and En. Ahri Bin Hashim as Independent Non-Executive Directors.

### iii. Remuneration Committee

The principal objective of the Remuneration Committee is to assist the Board in developing a policy on the remuneration packages for Directors of the Company. The Remuneration Committee also seeks to ensure that the remuneration packages commensurate with the expected responsibility and contribution by the Directors and subsequently furnishes their recommendations to the Board for adoption.

The Board shall elect the Remuneration Committee members from amongst themselves of which the majority shall comprise of Non-Executive Directors.

The members of the Remuneration Committee are as follows:-

Name	Designation
Ahri Bin Hashim, Chairman (appointed on 17 May 2017)	Independent Non-Executive Director
Dato' Nik Mod Amin Bin Nik Abd Majid, Member	Independent Non-Executive Chairman
Dato' Ahmad Kabeer Bin Mohamed Nagoor, Member	MD/GCEO
Dato' Sulaiman Bin Mohd Yusof, Chairman (resigned on 12 April 2017)	Independent Non-Executive Director

# Corporate Governance

## Statement (Cont'd)

### iv. ESOS Committee

The principal role of the ESOS Committee is to oversee the administration and management of the ESOS of the Company in accordance to the bylaws of the ESOS.

The Board shall elect the ESOS Committee members from amongst themselves and/or members of the senior management.

The members of the ESOS Committee are as follows:-

Name	Designation
Dato' Ahmad Kabeer Bin Mohamed Nagoor, Chairman	MD/GCEO
Sureson A/L Krisnasamy, Member (appointed on 17 May 2017)	Independent Non-Executive Director
N Chanthiran A/L Nagappan, Member (resigned on 12 April 2017)	Independent Non-Executive Director
Tevanaigam Randy Chitty, Member	Chief Financial Officer

## C. BOARD PROCESSES

### i. Board meetings

The Board meets at least four (4) times a year, with additional meetings to be convened whenever necessary. During the financial year under review, five (5) Board meetings were held and the attendance of the Directors is set below:

Name of Directors	Attendance
Dato' Nik Mod Amin Bin Nik Abd Majid, Chairman	5/5
Dato' Ahmad Kabeer Bin Mohamed Nagoor	5/5
Yang Mulia Tunku Puan Sri Dato' Hajjah Noor Hayati Binti Tunku Abdul Rahman Putra Al-Haj (appointed on 12 April 2017)	1/1
Sureson A/L Krisnasamy (appointed on 12 April 2017)	1/1
Ahri Bin Hashim (appointed on 12 April 2017)	1/1
Dato' Sulaiman Bin Mohd Yusof (resigned on 12 April 2017)	4/4
N Chanthiran A/L Nagappan (resigned on 12 April 2017)	4/4

The Directors receive notices of meetings, typically at least three (3) working days prior to the date of the meeting, setting out the agenda for the meetings, complete with a full set of Board Papers. The Board Papers provide sufficient detail of matters to be deliberated during the meeting and the information provided is not confined to financial data but also other non-financial information, both quantitative and qualitative, which is deemed critical for the Directors' knowledge and information in arriving at a sound and informed decision.

Minutes of Board meetings together with decisions made by way of circular resolutions passed are duly recorded and properly kept by the Company Secretary.

# Corporate Governance

## Statement (Cont'd)

### ii. Directors' Training

All the three (3) newly appointed Directors have successfully completed the Mandatory Accreditation Programme ("MAP") as required by Bursa Malaysia Securities Berhad. They have also attended the in-house orientation programme to familiarize themselves with the Group's operations.

In addition to the MAP as required by Bursa Malaysia Securities Berhad, the Directors are encouraged to attend relevant seminars and training programmes as appropriate to equip themselves with the knowledge to effectively discharge their duties as Directors. The Board will assess the training needs of the Directors and ensure Directors have access to continuing education programmes.

The Directors also receive briefing on relevant new laws, rules and regulations and changes in accounting standards at the Board/Board Committees meetings.

Dato' Nik Mod Amin Bin Nik Abd Majid and Dato' Ahmad Kabeer Bin Mohamed Nagoor did not attend any trainings during the financial year as there were no suitable trainings that suited their busy work schedules.

### iii. Directors' Remuneration

The Board through the Remuneration Committee established formal and transparent remuneration policies and procedures to attract and retain Directors.

The Board will determine the level of remuneration of Board members, taking into consideration the recommendations of the Remuneration Committee for the MD/GCEO and/or Executive Board members (if any). No Director other than the MD/GCEO and/or Executive Directors (if any) shall have a service contract with the Company.

Non-Executive Directors will be paid a basic fee as ordinary remuneration and will be paid a sum based on their responsibilities in Board Committees and the Board, their attendance and/or special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by way of a commission on or percentage of profits or turnover.

The remuneration of the Directors for the Company and the Group for the financial year under review are as follows:

#### The Company

Directors	Fees (RM)	Salaries & Benefits in Kind (RM)	Bonuses (RM)	Total (RM)
Executive Director	–	–	–	–
Non-Executive Directors	111,600	4,000	–	115,600
<b>TOTAL</b>	<b>111,600</b>	<b>4,000</b>	<b>–</b>	<b>115,600</b>

Range of remuneration	Executive	Non-Executive
Below RM50,000	–	5

# Corporate Governance

## Statement (Cont'd)

### The Group

Directors	Fees (RM)	Salaries & Benefits in Kind (RM)	Bonuses (RM)	Total (RM)
Executive Director	–	2,325,591	1,200,000	3,525,591
Non-Executive Directors	241,600	6,000	–	247,600
<b>TOTAL</b>	<b>241,600</b>	<b>2,331,591</b>	<b>1,200,000</b>	<b>3,773,191</b>

Range of remuneration	Executive	Non-Executive
Below RM50,000	–	5
RM100,001 to RM150,000	–	1
RM3,500,001 to RM3,550,000	1	–

The Board determines the fees of all Directors, including the Non-Executive Directors. The Directors' fees are endorsed by the Board for approval by the shareholders of the Company at the AGM. Directors do not participate in decisions regarding their own remuneration packages.

#### iv. Access to information and independent advice

The Directors have unrestricted access to the advice and services of the Company Secretary and senior management in the Group. The Directors also have access to the Internal and External Auditors of the Group, without the presence of the management to seek explanations or additional information.

The Directors, collectively or individually, may seek independent professional advice and information in the furtherance of their duties at the Company's expense, so as to ensure the Directors are able to make independent and informed decisions.

#### v. Investor relations and shareholders communication

The Board values the importance of timely and equal dissemination of information on major developments of the Group to the shareholders, potential investors and the general public. Quarterly results, announcements, analyst briefings, annual reports and circulars serve as primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and developments. The Company's corporate website at [www.awc.com.my](http://www.awc.com.my) serves as one of the most convenient ways for shareholders and public to gain access to corporate information, news and events relating to the Group.

The Board will ensure that the general meetings of the Company are conducted in an efficient manner and serve as a mode in shareholders communication. These include the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the general meetings.

The AGM remains as a principal forum used by the Company for communication with its shareholders. During the AGM, shareholders are accorded time and opportunity to query the Board on the resolutions being proposed and also matters relating to the performance, developments and directions of the Group. Shareholders are also invited to convey and share their inputs with the Board.

All resolutions set out in the Notice of the AGM were put to vote by way of poll and validated by an independent scrutineer. A summary of the key matters discussed at the AGM will be published on the Company's website for the shareholders' information, if any.



# Corporate Governance

## Statement (Cont'd)

### **D. ACCOUNTABILITY AND AUDIT**

#### **i. Financial reporting**

The Board has overall responsibility for the quality and completeness of the financial statements of the Company and the Group, both quarterly and for the full year. The Board also has a duty to ensure that these financial statements are prepared based on appropriate and consistent application of accounting policies, supported by reasonably prudent judgment and estimates and in accordance with the applicable financial reporting standards.

The Board emphasizes the regular reporting of financial results and operational performance at timely intervals. Systems are also in place within the Group to facilitate output of materially accurate and timely financial data. The systems also accommodate production of relevant reports for measurement of performance against prescribed targets and post-mortem reviews of key result areas as well as supporting benchmarking processes for upcoming years.

The Audit Committee plays a crucial role in assisting the Board to scrutinize the information for disclosure to shareholders to ensure accuracy, adequacy and timeliness.

#### **ii. Internal control and risk management**

The Board also takes cognizance of its responsibility for identifying, isolating and managing significant risks within the business environment in which the Group operates. The Board is aware of its responsibility in ensuring the effectiveness and adequacy of the internal control system to address management, financial, operational, management information systems and compliance risks within the ambit of applicable laws, regulations, directives and guidelines.

The Management is responsible for implementing the processes for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions as needed, and for providing assurance to the Board that the processes have been carried out.

The Audit Committee has been entrusted by the Board to ensure effectiveness of the Group's internal control systems. The activities of the outsourced internal auditors are reported regularly to the Audit Committee which provides the Board with the required assurance in relation to the adequacy and integrity of the Group's system of internal controls.

Recognizing that the internal control systems must continuously improve to meet the challenging business environment, the Board will continue to take appropriate action plans to strengthen the Group's internal control system.

#### **iii. Relationship with Auditors**

The Group has established a transparent and appropriate relationship with the Internal Auditors and External Auditors. Such relationship allows the Group to seek professional advice on matters relating to compliance and corporate governance.

The internal audit function of the Group is outsourced to a third party. Similar to the External Auditors, Internal Auditors too have direct reporting access to the Board and the Audit Committee to ensure that issues highlighted are addressed independently, objectively and impartially without any undue influence of the Management.

The Audit Committee undertakes an annual review of the suitability and independence of the External Auditors. Having assessed their performance, the Audit Committee will make its recommendation to the Board for reappointment, upon which the shareholders' approval will be sought at the AGM of the Company.

# Corporate Governance

## Statement (Cont'd)

### **iv. Corporate Disclosure Policy**

The Board is committed in providing effective communication to its shareholders and general public regarding the business, operations and financial performance of the Group and where necessary, information filed with regulators in accordance with all applicable legal and regulatory requirements.

The Company adopted a formal Corporate Disclosure Policy to promote comprehensive, accurate and timely disclosures pertaining to the Company and the Group to regulators, shareholders and stakeholders.

### **E. COMPANY SECRETARY**

The Board appoints the Company Secretary, who plays an important advisory role, and in ensuring that the Company Secretary fulfils the functions for which she has been appointed.

The Company Secretary is a central source of information, she provides advice to the Board and its Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company.

All Board members, particularly the Chairman, have unrestricted access to the advice and services of the Company Secretary for the purposes of the Board's affairs and the businesses. The Board recognizes the fact that the Company Secretary is suitably qualified and capable of carrying out the duties required. The Board is satisfied with the service and support rendered by the Company Secretary to the Board in the discharge of her functions.

### **F. DIRECTORS' RESPONSIBILITY STATEMENT IN RELATION TO THE FINANCIAL STATEMENTS**

It is the Directors' responsibility to prepare the financial statements which give a true and fair view of the state of affairs of the Company and the Group as at end of the financial year and of their results and their cash flows for the year then ended.

In preparing the financial statements for the financial year ended 30 June 2017, the Directors have taken steps to ensure that:

- The Company and the Group have used and consistently applied appropriate accounting policies;
- The judgments and estimates made have been made with reasonableness and prudence; and
- All approved and adopted financial reporting standards which are applicable in Malaysia have been duly complied with.

The Directors are responsible for ensuring that the Company maintains proper accounting records in compliance with the Companies Act 2016, which disclose with a reasonable degree of accuracy the financial position of the Company and the Group.

The Directors also have general responsibilities for taking reasonable steps towards safeguarding the assets of the Group, and to prevent and detect fraud and other irregularities.

### **G. STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE**

The Company is committed to achieving high standards of corporate governance throughout the Company and the Group and highest level of integrity and ethical standards in all of its business dealings.

The Board will continue to strive for the full compliance with the Code in the coming financial year.