

CORPORATE GOVERNANCE REPORT

STOCK CODE : O172
COMPANY NAME : OCK GROUP BERHAD
FINANCIAL YEAR : December 31, 2022

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is responsible and accountable to shareholders for managing the business of the Company and its subsidiaries ("the Group"). The Board retains full and effective controls of the Company and is committed to take full responsibility for the overall corporate governance of the Group, including its strategic business direction and overall wellbeing.</p> <p>The Board has retained for itself decisions in respect of matters significant to the Group's business operations which include the approval of key corporate plans, major business transactions involving either the acquisitions or disposal of business, interests and/or assets, consideration of significant financial matters and announcements of financial results, appointments to the Board and control structure within the Group.</p> <p>The Board had delegated to the Managing Director, amongst others, the responsibility for implementing the Group's strategic direction and for managing its day-to-day operations. Strategies and policies, including annual business plan and budget are developed by the Managing Director together with the Management, which are then reviewed, constructively challenged and approved by the Board. The Managing Director ensures implementation of these plans, people engagement as well as prudent management of the Company's resources. The Board monitors the Group's performance quarterly whereby the Managing Director and the Management keep the Board informed on the financial performance of the Group as well as the development and performance of key business areas. In addition, the Managing Director also responsible to bring material issues and other relevant matters to the attention of the Board.</p> <p>The Board has established three (3) Board Committees, namely Audit and Risk Management Committee, Nomination Committee and Remuneration Committee that are delegated with specific responsibilities and authorities to assist the Board in executing its duties and to provide the Board with recommendations and advice. The delegation of authority to the Committees enables the Board to achieve operational efficiency, by empowering each Committee to review, report and make recommendations to the Board on matters relevant to their roles and responsibilities. Each Committee is governed by its own Terms of Reference which sets out its functions and duties, composition, rights and meeting procedures. These Terms of Reference are reviewed annually in accordance with the needs of the Company and taking</p>

	<p>into account the changes in the business, governance and legal environment that may have an impact on the discharge of the Committees' duties and responsibilities.</p> <p>The Chairmen of the various committees will report to the Board the outcome of the Committee meetings which will be recorded in the minutes of the Board meeting. The ultimate responsibility for decision making, however, lies with the Board.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman is capable to lead the Board based on his entrepreneurial leadership coupled with his many years of extensive experience in the operations of the Group. As one of the pioneer members of the Group, the Chairman is able to provide effective leadership to the Board and guide the vision, strategic direction and business development of the Group.</p> <p>The Chairmen of the various committees will report to the Board the outcome of the Committee meetings which will be recorded in the minutes of the Board meeting. The ultimate responsibility for decision making, however, lies with the Board.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The roles of Chairman and Chief Executive Officer (“CEO”) are exercised by different individuals. The Chairman, Dato’ Indera Syed Norulzaman Bin Syed Kamarulzaman leads and manages the Board by emphasizing on strategy and corporate governance whereas the CEO, Mr. Low Hock Keong responsible for the day-to-day management of the business and operations of the Group and implements the Board’s decision. A clear segregation of their responsibilities and powers is stated and defined in the Company’s Board Charter.</p> <p>The distinct and separate roles of the Chairman and CEO, with their clear division of responsibilities, ensure an appropriate balance of power and authority, such that no one individual has unfettered decision-making powers.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

Application	:	Applied	
Explanation on application of the practice	:	The Chairman, Dato' Indera Syed Norulzaman Bin Syed Kamarulzaman is not the member of Audit Committee, Nomination Committee and Remuneration Committee.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by a qualified and competent Company Secretary who provide advise and regularly update the Board on good governance, board policies and procedures, administrative matters and corporate compliances. All Directors have unhindered access to the advice and services of the Company Secretary, whose appointment and removal is a matter of the Board as a whole.</p> <p>The Company Secretary also ensures that the Board is kept well informed on any regulatory requirements and update on the developments in the area of corporate governance that affect the duties and responsibilities of the Directors as well as the Company being a public listed company. In this respect, the Company Secretary has attended training and seminars conducted by relevant regulatories to keep abreast with the relevant updates on statutory and regulatory requirements and updates on the MMLR of Bursa Securities.</p> <p>The Company Secretary also serves notice to the Directors and Principal Officers to notify them of closed periods for trading in the Company's shares, in accordance with Chapter 14 of the MMLR of Bursa Securities. Deliberations during the Board and Board Committees' meetings were properly minuted and documented by the Company Secretary.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>In order to manage the Group's business effectively, the Board meets on a quarterly basis to review the Group's financial and operational results, major investments, report from various Board Committees, related party transactions, strategic decisions and the overall direction of the Group. Additional meetings may be convened when urgent and important decision needs to be taken between the scheduled meetings. All the Directors had committed their time to the board meetings held during the financial year.</p> <p>Reasonable notice of meeting and the agenda together with previous minutes and other relevant information were circulated to all directors via email at least seven (7) days prior to the meetings, in order to enable the directors to be well informed and briefed before the meetings.</p> <p>Besides that, all the Directors have full and free access to all relevant Company's information, access to management and may obtain independent professional advice at the Company's expense that are deemed necessary to carry out their duties, subject to prior consultation with the Chairman.</p> <p>The Board also exercises control on matters that require its approval through the circulation of resolutions at board meetings. The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	In performing its duties, the Board is guided by the Board Charter that sets out amongst others its roles, composition, responsibilities, powers, board committees and board meeting procedures. The key elements of governance principles embedded in the Board Charter regulate the Board's conducts and guide the business strategic initiative of the Group. The Board Charter was reviewed and updated during the financial year and is available on the Company's website at www.ock.com.my .
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Good governance at all levels is essential for sustainable development. The Board is committed to embrace the highest standards of corporate governance practices and ethical standard throughout the Group.</p> <p>In this respect, the Group has established a Code of Ethics and Code of Conduct to provide direction and guidance to all Directors, Senior Management, employees and external parties in the discharge of their duties and responsibilities that will be in the best interest of the Group. The Code of Ethics and Conduct had been uploaded on the Company's website at www.ock.com.my</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is committed to achieve and maintaining high standards of corporate governance practices across the Group. A Whistle-blowing policy is implemented to provide a channel to enable Directors, Employees, Shareholders, Vendors or any parties with a business relationship of the Group with an avenue to report suspected wrongdoings that may adversely impact the Group. It also outlines the procedures for reporting a genuine concern on any breach of conduct that are taking place, have taken place or may take place in the future. The Company treats all reports in a confidential manner and at the same time provides protection to anyone who reports such concerns in a good faith.</p> <p>Further details pertaining to the Whistle-blowing Policy can be found at the Company's website at www.ock.com.my</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>In line with Bursa Malaysia Securities Berhad's Sustainability Reporting Guide (2nd Edition), the Group's sustainability practices focus on ensuring that economic, environmental and social risks and opportunities are tied in with the governance framework and social responsibilities. This enables the Group's corporate success and behaviour to be judged and measured by the public.</p> <p>In this respect, OCK mission, as a responsible corporate citizen, is to ensure high standards of governance across the business to promote responsible business practices, manage environmental impacts, and to meet the social needs of the community in the Groups operates, which is in line with the corporate culture.</p>
Explanation for departure	:	Not Applicable.
		Not Applicable.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Not Applicable.
Timeframe	:	Choose an item.

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	The Group’s managed to remain sustainable and generating long-term shareholder value mainly influenced by several internal and external factors. Each material factor presents unique risks and opportunities to the organisation and is a key consideration in OCK’s approach to strategise formulation and execution as it substantially influences the assessments and decisions of OCK’s internal and external stakeholders. The Group regularly review these factors to assess their impact on the business model over the near, medium and long term.	
Explanation for departure	:	Not Applicable.	
		Not Applicable.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Not Applicable.	
Timeframe	:	Choose an item.	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	OCK promotes Environmental, Social and Governance (“ESG”) to support knowledge and sustainable economy by addressing environmental issues and has established a long-term vision to venture into green energy segments since 2012. In addition, the Board Members was briefed by the CEO.	
Explanation for departure	:	Not Applicable.	
		Not Applicable.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Not Applicable.	
Timeframe	:	Choose an item.	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group has formed a Sustainability Committee ("the Committee") that is chaired by Group Managing Director/Chief Executive Officer ("CEO"), who has been given the mandate to carry out the Board's sustainability agenda. The Committee in turn reports to the Board on the sustainability activities and developments during the quarterly Board meetings.</p> <p>The responsibility of the Committee is to promote and embed sustainability into the Group which includes overseeing the following:</p> <ul style="list-style-type: none">• Stakeholders' engagement• Materiality assessment and identification of sustainability risks and opportunities relevant to the Group• Management of material sustainability risks and opportunities <p>The Committee also cascades sustainability matters to their respective teams in the form of policies, internal memos and updates to the Group's Standard Operating Procedures ("SOPs") to continue embedding sustainability in every aspect of the Group's daily operation.</p> <p>The Board also acknowledges that risk management and internal control are integral to our corporate governance and it is responsible for establishing a sound risk management framework and internal control system as well as to ensure their adequacy and effectiveness.</p> <p>The review of the adequacy and effectiveness of the risk management framework and the system of internal control is delegated by the Board to the Audit and Risk Management Committee. The Group's performance is also tracked with the assistance of the Nomination and Remuneration Committees.</p>	
Explanation for departure	:	Not Applicable.	
		Not Applicable.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5 – Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Application	:	Applied	
Explanation on application of the practice	:	The Group has formed a Sustainability Committee (“the Committee”) that is chaired by Group Managing Director/Chief Executive Officer (“CEO”), who has been given the mandate to carry out the Board’s sustainability agenda.	
Explanation for departure	:	Not Applicable.	
		Not Applicable.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Not Applicable.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied
Explanation on application of the practice	:	<p><u>Refreshing the Board Composition</u></p> <p>The Board had reviewed the current composition of the Board and the tenure of each director on the Board when appointing or reappointing a board member.</p> <p>In this respect, the Board is mindful that for it to be effective, its composition must include the right group of people, with an appropriate mix of skills, knowledge, experience and independence elements that fit the Company's objectives and strategic goals.</p> <p>In April 2022, the Nomination Committee had assessed and evaluated the effectiveness of the Board of Directors as a whole and the Committees of the Board, as well as to consider the qualification of incoming Independent Director, Ms. Ong Yee Ling @ Sharon in order to meet the requirement in which the board comprises at least 30% women directors.</p> <p>In addition, the Nomination Committee conducted an analysis of the Board Skill Matrix based on the existing Board Composition, to determine the skills gaps that may be needed to be filled.</p> <p>The Board had also viewed the diversity in the Board Composition to facilitate optimal decision-making by harnessing different insights and perspectives.</p> <p>With that, the Nomination Committee will source for potential candidates based on the selection criteria.</p> <p><u>Director's Retirement/Re-election</u></p> <p>Pursuant to Clause 97 of OCK Group Berhad, one-third of the Directors of the Company shall retire from office once at least in each 3 years but shall be eligible for re-election.</p> <p>The schedule of retirement by rotation was determined by the Nomination Committee and the Director's eligibility to stand for re-election was also being considered taking into account their tenure of service in accordance with the Board 9-year policy, where the tenure of an independent director should not exceed a term limit of 9 years.</p> <p>In this respect, all the Independent Non-Executive Directors have served the Board for less than 9 years as at 31 December 2022.</p>

Explanation for departure	:	Not Applicable.	
		Not Applicable.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Not Applicable.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.2

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	:		
		<p>The present Board of ten (10) Directors is made up of one (1) Non-Independent Non-Executive Chairman, four (4) Executive Directors, one (1) Chief Executive Officer, three (3) Independent Non-Executive Directors, and one (1) Non-Independent Non-Executive Director.</p> <p>The Board and the Nomination Committee are assessing and addressing the matter with the objective of increasing the member of Independent Directors.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.3

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

Application	:	Applied - Two Tier Voting	
Explanation on application of the practice	:	None of the Independent Non-Executive Directors have served the Board for less than 9 years as at 31 December 2022.	
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 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board and the Nomination Committee take into account the current diversity in the skills, experience, age, race/ethnicity (cultural background) and nationality of the existing Board in seeking potential candidate(s). The Board strongly views that diversity of the Board's composition is important to facilitate optimal decision-making by harnessing different insights and perspectives.</p> <p>The Committee has the responsibility to ensure that the Board comprises suitably qualified members that demonstrate appropriate qualities and experience that contribute to the effective oversight and stewardship.</p> <p>During the financial year, no new Director was appointed. The Board decided to maintain the optimum Board size at 10 based on the review of the Board composition in 2022. The optimal size would enable effective oversight, delegation of responsibilities and productive discussions amongst members of the Board.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied
Explanation on application of the practice	:	<p>When considering nomination or re-election of directors, the Nomination Committee also takes into account the director's ability to devote sufficient time and attention to properly fulfill his/her responsibilities. Besides attending all meetings of the Board and Board Committees on which he or she serves, each member is expected to be present in all shareholders' meetings, major company events and to participate in continuing training programs. The proposed date for AGM are also notified to all Board members in advance, to enable all directors to be present at the meeting and engage with the shareholders.</p> <p>As part of the recruitment exercise, the Nomination Committee will utilise various independent sources to ensure that it is able to identify the most suitable candidates. The proposed candidate will also be required to confirm that he/she meets the criteria for an independent director as prescribed in the MMLR of Bursa Securities and its Practice Note 13 prior to recommending to the Board for approval of his/her proposed appointment as an Independent Non-Executive Director.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied	
Explanation on application of the practice	:	The profiles of Directors are published in the Annual Report and on OCK’s website. These include their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest as well as their shareholdings in OCK, if any.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied		
Explanation on application of the practice	:	The Nomination Committee comprises exclusively of Independent Non-Executive Directors. The Committee meets as and when required, at least once a year. During the financial year, one (1) meeting was carried out, with attendance as follows:		
		<u>Name of Director</u>	<u>Designation</u>	<u>No. of Meetings Attended</u>
		Ms. Ong Yee Ling @ Sharon (Independent Non-Executive Director) (Chairperson of Nomination Committee) (Appointed on 28 June 2022)	Chairman	Not Applicable.
		Mahathir Bin Mahzan (Independent Non-Executive Director)	Member	1/1
		Low Ngai Yuen (Independent Non-Executive Director)	Member	1/1
Explanation for departure	:			
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.				
Measure	:			
Timeframe	:			

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The composition of women on the board is 20%.</p> <p>With the ongoing recruitment of women in senior management, Ms. Ong Yee Ling @ Sharon was appointed as Independent Non-Executive Director on 28 June 2022.</p> <p>The evaluation of the suitability of candidates is also based on the candidates' competency, character, time commitment, integrity and experience in meeting the needs of the Company.</p> <p>The Nomination Committee, will however continue to take steps to ensure that gender and age of the candidates will be taken into consideration as part of its recruitment exercise.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied	
Explanation on application of the practice	:	The Board acknowledged the importance of participation of women in senior management and also recognised the significance of Diversity, Equity and Inclusion in attaining effective strategic objectives to enhance sustainable growth and development and in promoting better corporate governance within OCK 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	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 6.1

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 its outcome, actions taken and how it has or will influence board composition.

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 Nomination Committee annually performs a board self-evaluation to evaluate the performance of the Board, Board Committees and individual Directors, in order to verify that the Board is operating effectively and efficiently as a whole. The Nomination Committee used Exhibit 9 and Exhibit 10 of Corporate Governance Guide to evaluate the performance of the Board and Board Committee. Each Director completed a detailed questionnaire in the Directors' Performance Evaluation which covered matters relevant to the Board performance, among other things, contribution to interaction, quality of input, understanding of role and personal developments. The evaluation of each Board Committee was done by assessing the structure, roles and responsibilities, performance of the respective Chairman, as well as Committee's performance against its Term of Reference. The assessment was internally facilitated, whereby results of the assessments had been compiled, documented and reported to the Board accordingly, as part of the Company's ongoing corporate governance practices.</p> <p>Based on the assessment carried out during the financial year, the Nomination Committee had concluded the following:-</p> <p>(a) The Board was found to be competent and had a dynamic and balanced mix of skills and experience wherein the Directors were able to contribute effectively to the Board's decision-making process.</p> <p>(b) The current structure, size and composition of the Board, which comprises people who possess a wide range of expertise and experience in various fields with diverse backgrounds and specialisations, would enable the Board to lead and manage the Company effectively.</p> <p>(c) The Directors had discharged their responsibilities in a commendable manner, acted competently, contributed effectively to the Board and demonstrated full commitment to their duties as Directors.</p> <p>(d) The Board and Board Committees had contributed positively to the Company and its subsidiaries and were operating in an effective manner.</p> <p>(e) The Board Chairman had performed in an excellent manner and contributed to the Board.</p> <p>(f) The performances of the Board Committees were found to be effective.</p>
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 7.1

The board has remuneration 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 remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a fair and transparent Remuneration Policy with the objective to guide the Group in attracting, retaining and motivating highly qualified individuals to serve on the Board and key senior management.</p> <p>The updated Remuneration Policy is reviewed by the Remuneration Committee prior to making its recommendations to the Board for approval. In its review, the Remuneration Committee consider various factors including the Non-Executive Directors fiduciary duties, time commitments expected of them and the Company's performance.</p> <p>The fees of the Non-Executive Directors and any benefits payable to the Directors shall from time to time be determined by an Ordinary Resolution of the Company in general meeting in accordance with Section 230 of the Companies Act 2016.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

The Remuneration 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	:	The Remuneration Committee was established to assist the Board in developing remuneration policies and procedures that enable the Group to attract, motivate and retain qualified Directors and key Senior Management personnel. Full details of the functions and duties of the Remuneration Committee are stated in its Term of Reference which is available on the Company’s website.	
		The Remuneration Committee comprises mainly Independent Non-Executive Directors as follows: -	
		Name of Director	Designation
		Ms. Low Ngai Yuen (Independent Non-Executive Director)	Chairman
		Mahathir Bin Mahzan (Independent Non-Executive Director)	Member
		Ms. Ong Yee Ling @ Sharon (Independent Non-Executive Director) (Appointed on 28 June 2022)	Member
		Dato’ Indera Syed Norulzaman Bin Syed Kamarulzaman (Non-Independent Non-Executive Chairman (Resigned on 28 June 2022)	Former Chairman
		Ooi Chin Khoon (Group Managing Director) (Resigned on 28 June 2022)	Former Member
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 8.1

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 details of individual Directors’ remuneration are as follows:-						
	<u>Group Level</u>						
	Name of Directors	Salaries and Other Emoluments (RM’000)	Bonus (RM’000)	Fees & Allowance (RM’000)	Statutory Contributions (RM’000)	Benefits in Kind (RM’000)	Total (RM’000)
	Non-Executive Directors						
	Dato’ Indera Syed Norulzaman Bin Syed Kamarulzaman	66.00	-	-	-	13.30	79.30
	Mahathir Bin Mahzan	55.00	-	-	-	-	55.00
	Low Ngai Yuen	42.50	-	-	-	-	42.50
	Ong Yee Ling @ Sharon (Appointed on 28 June 2022)	20.30	-	-	-	-	20.30
	Rear Admiral (R) Dato’ Mohd Som Bin Ibrahim	39.00	-	-	-	-	39.00
	Executive Directors						
	Ooi Chin Khoon	1,204.00	126.00	-	160.10	24.00	1,514.10
	Low Hock Keong	786.50	87.20	-	105.10	24.00	1,002.80
	Abdul Halim Bin Abdul Hamid	396.80	31.30	-	52.00	-	480.10
	Chong Wai Yew	396.80	46.90	-	53.90	-	497.60
	Chang Tan Chin	378.10	31.30	-	49.80	-	459.20

	<u>Company Level</u>						
	Name of Directors	Salaries and Other Emoluments (RM'000)	Bonus (RM'000)	Fees & Allowance (RM'000)	Statutory Contributions (RM'000)	Benefits in Kind (RM'000)	Total (RM'000)
	Non-Executive Directors						
	Dato' Indera Syed Norulzaman Bin Syed Kamarulzaman	66.00	-	-	-	13.30	79.30
	Mahathir Bin Mahzan	55.00	-	-	-	-	55.00
	Low Ngai Yuen	42.50	-	-	-	-	42.50
	Ong Yee Ling @ Sharon (Appointed on 28 June 2022)	20.30	-	-	-	-	20.30
	Rear Admiral (R) Dato' Mohd Som Bin Ibrahim	39.00	-	-	-	-	39.00
	Executive Directors						
	Ooi Chin Khoo	1,204.00	126.00	-	160.10	24.00	1,514.10
	Low Hock Keong	786.50	87.20	-	105.10	24.00	1,002.80
	Abdul Halim Bin Abdul Hamid	396.80	31.30	-	52.00	-	480.10
	Chong Wai Yew	393.80	46.90	-	53.90	-	494.60
	Chang Tan Chin	375.10	31.30	-	49.80	-	456.20
	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 8.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The details of senior management's remuneration are not shown, as the Board considers the information of the said remuneration to be sensitive and proprietary in view of the competitive nature of the human resource market and to support the Company's efforts in retaining executive talents. The Board is of the view that the transparency and accountability aspects of corporate governance as applicable to senior management's remuneration are appropriately served by the disclosures in the RM50,000 bands. The total remuneration paid to each senior management reflects the time and effort devoted to fulfil his or her responsibilities and linked to the Group's performance.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

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 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Audit Committee is not the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>None of the members of the Board were former key audit partners within the cooling-off period of 3 years, and no such person is appointed as a member of the Audit Committee.</p> <p>The requirements as to “Any former key audit partner must have observed a cooling-off period of at least 3 years before one is eligible for appointment as AC member” in Practice 9.2 of the MCCG were reflected accordingly in the Term of Reference of the Audit Committee, whereby the cooling-off period of at least “2 years” was revised to “3 years” upon the Board’s approval at its meeting held in April 2022.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied	
Explanation on application of the practice	:	The Audit Committee assessed the performance and effectiveness of the External Auditors annually, considering amongst others, their qualifications, effectiveness of the audit process, quality of service and their independence.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Audit Committee comprises wholly of Independent Non- Executive Directors. The Audit Committee Report is set out separately in this Annual Report. Full details of the Audit Committee's duties and responsibilities are stated in its Terms of Reference which is available on the Company's website.</p> <p>The Audit Committee consists of the following members:</p> <ul style="list-style-type: none">(a) Encik Mahathir bin Mahzan (Independent Non-Executive Chairman)(b) Ms. Low Ngai Yuen (Independent Non-Executive Director)(c) Ms. Ong Yee Ling @ Sharon (Independent Non-Executive Director) (Appointed on 28 June 2022)(d) Dato' Indera Syed Norulzaman Bin Syed Kamarulzaman (Non-Independent Non-Executive Chairman) (Resigned on 28 June 2022)

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 9.5

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

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

Application	:	Applied																					
Explanation on application of the practice	:	<p>The Chairman and members of the AC are financially literate, and have carried out their duties in accordance with the Terms of Reference of the AC. All members are able to read the financial report including the accounting and auditing standards, practices and rules.</p> <p>During the financial year, the Audit Committee members had participated in various training programs to enhance their knowledge and embed with wide range of necessary skills to discharge their duties as follows:-</p> <table><tr><th>Name of Directors</th><th>Date</th><th>Seminar / Training Course Title</th></tr><tr><td>Mahathir Bin Mahzan</td><td>30.05.2022</td><td>Internal Auditors' Briefing on Guidelines of Directors of Listed Corporations and Their Subsidiaries</td></tr><tr><td>Low Ngai Yuen</td><td>30.05.2022</td><td>Internal Auditors' Briefing on Guidelines of Directors of Listed Corporations and Their Subsidiaries</td></tr><tr><td>Ong Yee Ling @ Sharon (Appointed on 28 June 2022)</td><td>20.09.2022</td><td>The Mandatory Accreditation Programme for First Time Directors of Companies Listed on Bursa Malaysia</td></tr><tr><td rowspan="4">Dato' Indera Syed Norulzaman Bin Syed Kamaruzaman (Resigned on 28 June 2022)</td><td>29.03.2022</td><td>Working Together Towards The Future of Cyber Security in Southeast Asia</td></tr><tr><td>30.05.2022</td><td>Internal Auditors' Briefing on Guidelines of Directors of Listed Corporations and Their Subsidiaries</td></tr><tr><td>13.09.2022</td><td>Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers</td></tr><tr><td>01.12.2022</td><td>Bursa Immersive Session: The Board "Agender"</td></tr></table>	Name of Directors	Date	Seminar / Training Course Title	Mahathir Bin Mahzan	30.05.2022	Internal Auditors' Briefing on Guidelines of Directors of Listed Corporations and Their Subsidiaries	Low Ngai Yuen	30.05.2022	Internal Auditors' Briefing on Guidelines of Directors of Listed Corporations and Their Subsidiaries	Ong Yee Ling @ Sharon (Appointed on 28 June 2022)	20.09.2022	The Mandatory Accreditation Programme for First Time Directors of Companies Listed on Bursa Malaysia	Dato' Indera Syed Norulzaman Bin Syed Kamaruzaman (Resigned on 28 June 2022)	29.03.2022	Working Together Towards The Future of Cyber Security in Southeast Asia	30.05.2022	Internal Auditors' Briefing on Guidelines of Directors of Listed Corporations and Their Subsidiaries	13.09.2022	Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers	01.12.2022	Bursa Immersive Session: The Board "Agender"
Name of Directors	Date	Seminar / Training Course Title																					
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	01.12.2022	Bursa Immersive Session: The Board "Agender"																					

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 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is responsible for maintaining a sound and effective system of risk management and internal control to safeguard shareholders’ investment and the Group’s assets, as well as reviewing the adequacy and effectiveness of these systems to support the Group’s strategy and operations to achieve its business objectives.</p> <p>To discharge these responsibilities, the Board is assisted by the Audit Committee (“AC”) in fulfilling the oversight responsibilities of reviewing the control systems in general and assessing the adequacy and effectiveness of the risk management and internal control practices conducted by the Management.</p> <p>The Board is supported by the Management in developing, implementing and monitoring sound practices for identifying and managing strategic, financial and operational risks and for providing assurance that risk management and internal control practices with respect to the conduct of business are implemented and adhered to within the Group.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges that risk management is an integral part of corporate governance and believes that its focus on effective risk oversight is critical to set the right tone and culture towards effective risk management and internal control.</p> <p>Principally, the responsibilities of the Board as provided in the Guideline, for the governance of risk and controls include:</p> <ul style="list-style-type: none">• Embedding risk management in all aspects of the Group's activities;• Approving the board's acceptable risk appetite;• Establishing and reviewing the Risk Management policy; and• Working on formalising the Risk Management Framework. <p>Though risk is inherent in all business activities, it is not the Group's objective to eliminate risk. Instead, the Board wants a structural mean to be established by the management within the Group to identify, prioritise and manage risks involved in the Group's activities and to balance the cost of managing and treating risks, and the anticipated benefits that will be derived from risks. Towards this end, the Board together with the management of the Group continue to take measures to ensure that its risk management processes are effective to assist the Group to achieve its corporate objectives.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	Currently, the Board is assisted by the Audit and Risk Management Committee in fulfilling the oversight responsibilities of reviewing the control systems in general and assessing the adequacy and effectiveness of the risk management and internal control practices conducted by the Management.

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 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group outsources its internal audit function to a professional services firm, IA Essential Sdn Bhd. The Internal Auditor provides an independent evaluation on the effectiveness of the risk management, control and governance processes in the Group. The Internal Auditor also carries out a follow-up review on the issue raised in the previous internal audit and to ensure that the proposed action plan has been implemented by the Management to mitigate the risk exposure of the Group.</p> <p>The independent internal audit function is reporting directly to the Audit Committee. To ensure that the responsibilities of internal auditors are fully discharged, the Audit Committee reviews the adequacy of the scope, functions and resources of the Internal Audit function as well as the competency of the Internal Auditors.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The head of the Internal Auditor is a member of the Institute of Internal Auditors Malaysia and possesses the skills, experience and competency to carry out the internal audit work effectively. The Internal Auditor assigned different audit teams for each audit review in order to maintain an independent view and approach to the internal audit review.</p> <p>All the Internal Audit personnel confirmed via the annual declaration that they are free from any relationships or conflicts of interest, which could impair their objectivity and independence. They provided assurance to the Audit Committee that they were independent of the process, area and division that they are auditing; applied and upheld the principles stated in the IIA's Code of Ethics; and complied with the requirements as stated in Bursa Malaysia's Code of Ethics.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group is committed to ensure that its communication with the shareholders and various stakeholders is transparent, timely and with quality disclosure. Whereby, each group of stakeholders expect a varying level of interaction from the board based on their differing levels of interest in the company. They expected the company communicate in a timely and open manner, adopted good corporate governance practices, company's performance is closely monitored and feedback is provided, engage with stakeholders when making significant decisions.</p> <p>In this respect, the Group has designed an Investor Relations Website and an Investor Relations Privacy Policy which provides guidance to the Management and employees on the Company's disclosure requirements, handling of material information, and in dealing with investors, analysts, media and the investing public. The Group also maintains comprehensive control of all important corporate information and prohibits any insider trading by any director or principal officer when he or she is in possession of price sensitive information.</p> <p>Apart from that, the Group has in place the following initiatives to facilitate effective communication with its shareholders:</p> <ol style="list-style-type: none"> ensure the Annual Report consist of important information such as Management Discussion and Analysis, financial statements, and information on the Audit Committee, Corporate Governance, Sustainability and Corporate Social Responsibility, and Risk Management and Internal Control; timely announcements made to Bursa Securities via Bursa LINK, which include the release of financial results on a quarterly basis, changes in substantial shareholder's interest, changes in Boardroom and any other matter. Concurrent with the release of financial results, all the announcements will upload on the Company's website, and releases announcements to major newspapers and public media; attending to shareholders' and investors' emails and phone enquiries; and the Company's website at www.ock.com.my under Investor Relations section, which houses Board Charter, annual reports, quarterly report announcements, press releases, analyst briefings, analyst coverage and other corporate information. <p>Timely release of quarterly announcements and full year financial reports reflects the Board's accountability to its shareholders.</p>

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

Intended Outcome

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

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

Practice 12.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Company is not a Large Company.	
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 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Notice of Annual General Meeting for year 2021 (“AGM”) to be held on 27 June 2022 was served on 29 April 2022.</p> <p>Given the significance of general meetings, the notice of meeting together with the annual report is sent to the shareholders at least 28 days prior to the AGM, so as to maximise their attendance and to provide sufficient time to consider the resolutions that will be discussed and decided at the general meeting. Concurrently, the notice of AGM is advertised in a nationally circulated English daily newspaper. In order to facilitate informed decision by the shareholders, notice of meeting is also accompanied by explanatory notes on the items of business to further explain the nature of business of the meeting.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>OOCK's AGM is an important means of communicating with its shareholders. It enables the shareholders to interact directly with the Board and gain insights on the Company's business and financial position. It serves as a platform for shareholders to have a full understanding of the Company and the Group.</p> <p>Issues such as directors' remuneration, financial performance, company direction are key areas which shareholders typically have a keen interest in. During the AGM, the Chairman ensures that shareholders are given the opportunity to comment or raise issues and questions whether pertaining to issues on the agenda, the annual report, Group's strategy or developments in the Group.</p> <p>The Chairman plays a vital role in fostering constructive dialogue between the Board and the shareholders. All the members of the Board and the respective chairmen of the Board's Committees are present at the meetings to address queries raised by the shareholders which are relevant to their areas of responsibility. The Audit Committee Chairman, the Nomination Committee Chairman and the Remuneration Committee Chairman were being informed that questions relating to the Committee under their purview will be addressed by them accordingly.</p> <p>The Company's External Auditors also attend the AGM and are available to answer questions from the shareholders pertaining to the audit matters and the auditor's report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

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

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

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Applied
Explanation on application of the practice	:	<p>At its 11th AGM held on 27 June 2022, OCK had leverage technology to facilitate online electronics voting (e-voting) for the conduct of poll on all resolutions for the second time.</p> <p>Online electronic voting was used to provide a more efficient and accurate outcome of the results.</p> <p>The voting at the 9th, 10th and 11th AGM held on 30 June 2020, 25 June 2021 and 27 June 2022 respectively were conducted on a poll in accordance with Paragraph 8.29A of the MMLR of Bursa Securities.</p> <p>For the 10th and 11th AGM held on 25 June 2021 and 27 June 2022, OCK had appointed HMC Corporate Services Sdn. Bhd. ("HMC") as Poll Administrator to conduct the polling process, and USEARCH Management Services ("USEARCH") as Scrutineers to verify the poll results. The first experience in Remote Participation and Voting ("RPV") facilities on 30 June 2020 was useful and timely for convening a fully virtual 9th AGM on 30 June 2020, with online attendance and voting by shareholders during the MCO period.</p> <p>In addition to the e-voting in person at the AGM venue, the Company at its 9th AGM held on 30 June 2020 had enabled remote shareholders' participation and online remote voting by leveraging technology in accordance with Section 327(1) and (2) of the CA 2016 and Clause 59 of the Constitution of the Company.</p> <p>(a) Remote shareholders' participation at the 10th AGM</p> <p>Shareholders were invited to exercise their right to attend, participate and vote at the meeting remotely by using the Webinar. The registration for attendance was opened from 5.00 p.m. Friday, 29 April 2022 at https://bit.ly/3ETc5Qs until such time before the voting session ended at the 11th AM on Monday, 27 June 2022. Detailed procedures were provided to shareholders in the Administrative Guide.</p> <p>(b) After verification that one was a shareholder based on the General Meeting Record of Depositors ("ROD") as at 20 June 2022, the relevant shareholder was notified via e-mail by HMC that his/her registration for the remote participation at the 11th AGM had been approved. An e-mail</p>

	<p>notification on AGM link was then sent by HMC after its verification based on the General Meeting ROD as at 20 June 2022 and upon the cut-off date and time for proxy form submission.</p> <p>(c) Voting in absentia</p> <p>Shareholders logged on the Webinar via the meeting link sent by HMC and participated remotely via live streaming at the 11th AGM. The Company Secretary was invited to brief the shareholders on the housekeeping procedures to be adhered to pertaining to the fully virtual AGM, in tabling and approving the resolutions via the online polling platform at the AGM.</p> <p>The voting session had commenced from the start of the Meeting at 3.00 p.m. until the close of the voting session as announced by the Chairman at 4.00 p.m. The Scrutineers, USEARCH verified and announced the poll results for each resolution, which included votes in favour and against, upon which the Chairman of the 11th AGM declared that all the resolutions were carried. The poll results were also announced by OCK via Bursa LINK on the same day for the benefit of all shareholders. The Minutes of the 11th AGM (including all the Questions raised at the meeting and the Answers thereto) were made available on OCK's website: https://www.ock.com.my</p> <p>Subsequent to the issuance of the Malaysian Code on Corporate Governance ("MCCG") on 28 April 2021, OCK had sought confirmation from HMC on their cyber hygiene practices to ensure data privacy and security to prevent cyber threats. To this, HMC had confirmed that it has implemented an Information Technology and Information Security policy, endpoint controls and data classification for cyber hygiene practices of the staff. Stress test and penetration testing had been performed on Webinar in May 2022 to test its resiliency.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

Application	:	Applied
Explanation on application of the practice	:	<p>At the commencement of the 11th AGM, the Chairman, Dato' Indera Syed Norulzaman Bin Syed Kamarulzaman briefed the members, corporate representatives and proxies present virtually at the Meeting of their right to ask questions and vote on the resolutions set out in the Notice of the 11th AGM dated 29 April 2022.</p> <p>(1) Under Agenda 1 in which the audited financial statements were laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only, the Group Chief Financial Controller ("CFO"), Mr. Anthony Thong, was invited to present a snapshot of the business and financial overview of OCK to the shareholders.</p> <p>(2) All the 10 Directors and CFO as mentioned in the Chairman's introduction speech were present at the 11th AGM to provide responses to the questions posed by shareholders via email and Webinar's Q&A box, both prior to and during the 10th AGM.</p> <p>OCK received some questions raised by Minority Shareholder Watch Group ("MSWG") prior to the AGM. The Company Secretary and Mr. Low Hock Keong ("Mr. David") were invited to address the questions by sharing a slide which addressing the MSWG's Question and OCK's Answer for the benefit of shareholders.</p> <p>In addition, OCK received total 3 live questions from the shareholders, corporate representative and proxies who present at the AGM. To ensure effective communication with the shareholders at a fully virtual general meeting, questions posed by shareholders were displayed on the screen for the meeting participants' reference whilst Ms. Wong Youn Kim, being the Company Secretary read out the shareholders' questions. The Questions and Answers ("Q&A") session was held for about 20 minutes which the Chairman, Dato' Indera Syed Norulzaman Bin Syed Kamarulzaman, the Managing Director, Mr. Ooi Chin Khoo and Chief Executive Director, Mr. Low Hock Keong were fully engaged in responding to those questions received via the Q&A box from the members, corporate representatives and proxies.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

Application	:	Applied
Explanation on application of the practice	:	<p>HMC Corporate Services Sdn. Bhd. ("HMC") was engaged to provide the audio and visual support services to broadcast the proceedings of the 11th AGM virtually. It was live streamed for access via Webinar.</p> <p>(i) The Poll Administrator, HMC had verified the eligibility of shareholders/corporate representatives/proxies to attend the 11th AGM based on the General Meeting Record of Depositors as at 27 June 2022 and upon the cut-off date and time for proxy form submission. This online platform was secured exclusively for the members with approved registration for the Remote Participation and Voting ("RPV") at the 11th AGM.</p> <p>(ii) HMC briefed the housekeeping procedures whereby the link for the Online Voting Form will be displayed in the Chat Box / Q&A Box of the Virtual Meeting Room during the meeting. The QR Code will be displayed at the commencement of the polling as announced by the Chairman. The Shareholders may scan the QR Code or click onto the link to download the voting form and thereafter proceed to complete the information as shown therein. After completing the personal particulars, the Shareholders may vote accordingly by selecting the FOR/AGAINST button in the polling form. Scroll downwards page by page and ensure that all the Resolutions are duly voted before pressing the submit button to complete the polling process.</p> <p>The Shareholders also encouraged to participate at the Meeting by submitting typed questions in real time. To submit a question, the Shareholders have to type their texts within the chat box at the bottom of the messaging screen. Questions can be submitted at any time until the announcement of the closure of Q&A session.</p> <p>The Managing Director, Mr. Ooi Chin Khoon and the Chief Executive Director who have a good understanding of the Company's business, had managed the Q&A session smoothly and efficiently. All questions were answered and each question had been displayed on the screen as and when the Managing Director and Chief Execution Director provided their responses to the respective questions accordingly in an orderly manner, to</p>

	ensure the questions posed by the Shareholders made visible to all meeting participants during the AGM. For those Shareholders who were not able to attend the 11th AGM, he/she could listen to the recording of the meeting proceedings which were uploaded on Bursa Malaysia’s website: https://www.ock.com.my	
Explanation for departure :		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

Application	:	Applied	
Explanation on application of the practice	:	The Minutes of the 11th Annual General Meeting (AGM) dated 27 June 2022 duly confirmed together with the CFO’s presentation materials were uploaded on OCK’s website: www.ock.com.my .	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

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

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