

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0138
COMPANY NAME : MY E.G. Services Berhad
FINANCIAL YEAR : December 31, 2021

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 for the leadership, oversight, control, development, and long-term success of MY E.G. Services Berhad ("Company") and its subsidiaries ("Group"). It is also responsible for instilling the appropriate culture, values and behaviour throughout the Group.</p> <p>In discharging its responsibilities, the Board has established functions which are reserved for the Board and those delegated to the Management. The key roles and responsibilities of the Board broadly cover formulation of the corporate policies and strategies, overseeing and evaluating the conduct of the Group's business.</p> <p>In order to effectively discharge its duties and responsibilities, the Board has established specific committees namely Audit Committee ("AC"), Risk Management Committee ("RMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). Each committee is governed by its respective terms of reference.</p> <p>The Board will then receive updates / reports from the Chairman of each Committee in relation to the proceedings of the committee meetings.</p> <p>While the responsibility for monitoring the effectiveness of the Group's internal control systems and risk management has been delegated to the RMC, the Board is ultimately responsible for determining the Group's "risk tolerance".</p> <p>The Group's Board Charter, which defines the specific duties and responsibilities of the Board can be found on the Group's website at https://www.myeg.com.my/investor-relations/governance.</p>
	:	

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

Intended Outcome

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 Board is led by Dato' Dr Norraesah Binti Haji Mohamad ("Dato' Dr Norraesah"), who is Executive Chairman of the Company. Dato' Dr Norraesah possesses the leadership capabilities to lead the Board and the Group to ensure that the Board function effectively in the best interest of the Company and its stakeholders, as well as in upholding good corporate governance principles and practices.</p> <p>The Chairman's role and responsibilities have been set forth in the Board Charter of the Group.</p> <p>The 2021 Board Evaluation results demonstrated the Directors' trust in and belief that the Chairman has been effective in establishing excellent board dynamics which contributes to the Board working well together as a team.</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 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company's Chairman and Group Managing Director have been held by two (2) distinct individuals since the listing of the Company on 16 January 2007 to ensure optimal balance, resulting in increased accountability and enhanced decision making.</p> <p>The Chairman, Dato' Dr Norraesah, leads and manages the Board by focusing on governance and compliance matters of the Group, whilst the management of the Group has been delegated to the Group Managing Director, Mr Wong Thean Soon.</p> <p>There is a clear division of responsibilities between the roles of the Chairman and the Group Managing Director, which are set out in the Board Charter of 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

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Applied
Explanation on application of the practice	: The Chairman, Dato' Dr Norraesah is not a member of the AC, NC, RC or RMC and does not attend any of the committees' meetings. Hence, the Chairman of the Group does not attend nor partake in any deliberations of the Committees in order to avoid impairing the credibility of the discussions.
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>All Directors have access to the advice and services of the Company Secretaries, who are responsible to the Board in providing sound governance advice and ensuring that the Board complies with the necessary rules and regulations. The Company Secretaries, Ms Tai Yit Chan and Ms Tan Ai Ning are fellow members of the Malaysian Institute of Chartered Secretaries and Administrators. Both constantly keep abreast of the evolving changes and developments in corporate governance through continuous training.</p> <p>The roles and responsibilities of the Company Secretaries have been set forth in the Board Charter of 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

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>The Company Secretaries collated and circulated the meeting materials to the Board and Board Committees at least five (5) days before the meeting date to provide sufficient time for the Board and Board Committees to review and to facilitate deliberation on the issues.</p> <p>In order to ensure all the Directors are able to attend the Board and Committee meetings, the calendar for the Board and Board Committee meetings is circulated in advance before the commencement of the year which allows the Directors to plan ahead and incorporating the said meetings into their schedules.</p> <p>Management would be invited to attend the Board and Board Committee meetings as and when necessary to provide clarifications or further details or updates concerning on the issues raised to enable the Board in making an informed decisions and discharge its duties effectively.</p> <p>Upon conclusion of the meeting, the minutes are prepared and circulated to the Board and Board Committees for review/comments in a timely manner.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter has consisted of Group's governance system, documented policies that the Board has decided upon to meet, among others, its responsibilities, governance and leadership as a description tool of how the Board operates.</p> <p>There is a formal schedule of matters reserved for the Board's consideration and decision which is set out in the Board Charter.</p> <p>The Board Charter is reviewed annually by the Board to keep abreast with the new changes in legislations and best practices, and remains effective and relevant to the Board's objectives.</p> <p>A copy of the Board Charter and the Terms of References of the AC, RMC, RC and NC are available on the Group's website at https://www.myeg.com.my/investor-relations/governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has established a Code of Conduct, a Code of Ethics and a Code of Business Ethics to promote a corporate culture which engenders ethical conduct that permeates throughout the Group and includes procedures in managing conflicts of interest and prevention of fraudulent activities.</p> <p>The Directors, Management and employees of the Group are encouraged to adhere to the Code of Conduct, Code of Ethics and Code of Business Ethics in their management practices to ensure compliance with applicable laws, rules and regulations, to safeguard and ensure the proper use of the assets of the Group and to report on any unlawful and unethical behaviour. Hence, the Group commits to uphold a high standard of professionalism and ethics in the conduct of its business and professional activities.</p> <p>Subsequent to the introduction of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Group has established an Anti-Bribery and Anti-Corruption Framework setting out the Group's stance against bribery and corruption and adequate procedures for managing bribery and corruption risks in the Group's businesses, regardless of the country of operation. Consequential to the establishment of the Anti-Bribery and Anti-Corruption Framework, the Group has then adopted the Anti-Bribery and Anti-Corruption Policy and Anti-Bribery Procedures for Managing Stakeholders.</p> <p>The Company's Code of Conduct, Code of Ethics and Code of Business Ethics have also been revised so as to align with the Anti-Bribery and Anti-Corruption Framework.</p> <p>A copy of the Code of Conduct, Code of Ethics, Code of Business Ethics, Anti-Bribery and Anti-Corruption Policy and Anti-Bribery Procedures for Managing Stakeholders are available on the Group's website at https://www.myeg.com.my/investor-relations/governance.</p>

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

Intended Outcome

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 Group has a Whistle Blowing Policy setting out procedures to provide all employees of the Group and other interested parties an avenue where genuine concerns related to possible improprieties in matters of financial reporting, compliance and other malpractices can be objectively investigated and addressed.</p> <p>The Board is committed to preserve its culture of openness, accountability and integrity when dealing with suspected fraud, corruption, dishonest practices or violation of laws and regulations.</p> <p>The Company's Whistle Blowing Policy has been revised to align with the Anti-Bribery and Anti-Corruption Framework.</p> <p>The details on the policy and procedures can be found on our website at https://www.myeg.com.my/investor-relations/governance.</p> <p>During the financial year 2021, there were no whistleblowing cases being reported.</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 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>The Group has adopted a Sustainability Policy, Environmental Policy and Statement of Commitment to Addressing Climate Change Risks and Impacts and initiatives are undertaken by the Board with the support of the key management team to direct the Group in managing changes related to environment, social and governance issues as well as integrating them into decision making and delivery of the outcomes.</p> <p>In order to drive the progress and execution of the sustainability policy of the Group, the Board and the key management team are responsible for providing guidance while ensuring alignment of all activities and workstreams with the Group's role in society and reviewing the ever-changing societal landscape and revising or instituting new policies and initiatives arising from changes or developments relevant to 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

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	:	<p>Sustainability strategies, priorities and targets have been integrated into the mission and strategic plan of the Company and communicated to the employees. The employees are made aware that sustainability will be the value driver of the Company and forms part of the Company's business model going forward.</p> <p>The Company has an established stakeholder engagement practice for respective stakeholder groups, which drives long-term sustainability by providing opportunities to further align practices with societal needs and expectations.</p> <p>The Annual Report 2021 of the Company includes a Sustainability Statement which discloses the Company's sustainability strategies, priorities and targets as well as performance and it serves as the main communication tool of the Group's sustainability to both internal and external stakeholders.</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 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	:	<p>The Board continuously keeps itself abreast with and cognizant of the sustainability agendas through periodical updates by the Securities Commission and Company Secretaries.</p> <p>The Board had been constantly keeping abreast by attending suitable training programmes which are relevant to the Company and its business so as to equip itself with and to enhance its environment, social and governance competency. During the year, the Board of Directors attended training on “ESG Impact and Governance” and updates on the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”).</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 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 Company takes cognizance of the rapidly evolving landscape and has put in place processes and procedures to measure the progress towards achieving its sustainability targets.</p> <p>The NC had reviewed the revised performance evaluation form for the Board which had incorporated the elements of Environment, Social and Governance (“ESG”) and undertook an evaluation of the performance of the Board and Senior Management in addressing the Company’s material sustainability risks and opportunities.</p> <p>Key criteria used in the assessment of individual Directors during the year were:</p> <ul style="list-style-type: none"> • Presence of a business strategy underpinned by ESG; • Robustness of ESG agendas, deliberations and discussions; • Frequency of discussions on ESG risks and opportunities; and • Monitoring sustainability targets and goals. 	
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 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.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	The Sustainability Working Group (“ SWG ”) has been set up in December 2021 to provide dedicated focus to manage sustainability strategically as the Group are embarking a journey towards a sustainable future. The SWG composes of members drawn mainly from the Risk Management Working Group with addition of representatives from the Corporate Department, given the close correlation between sustainability and risk management functions at the Group.

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>The Terms of Reference of the NC stipulates that the NC shall ensure the composition of the Board is refreshed periodically by reviewing the tenure of each Director and the re-election of a Director should be contingent on satisfactory evaluation of the Director’s performance and contribution to the Board.</p> <p>The NC had reviewed and evaluated the effectiveness of the Board as a whole based on the summary of results from the evaluation completed by the Directors and was satisfied that the Directors have discharged their responsibilities in a commendable manner. The evaluation results were subsequently reported to the Board at the Board meeting held thereafter. The NC was also of the view that all the Directors have contributed to robust deliberation and decision making during the Board and Board Committees meetings. The NC had subsequently proposed the re-election of Directors to the Board for the shareholders’ approval at the annual general meeting (“AGM”) of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Applied
Explanation on application of the practice	:	As at the date of this report, the Board comprises two (2) Executive Directors, four (4) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, wherein majority of the Board comprises Independent Directors. The Company complies with Paragraph 15.02 of the Main Market Listing Requirements (“MMLR”) which require at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors. Their profiles are set out in the Annual Report 2021 on pages 32 to 38.
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 5.3

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, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board through the NC continues to evaluate the independence of its Independent Directors annually in accordance with the prescribed criteria stated in the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and in line with the MCG 2021. The Independent Directors are required to affirm their commitment to bring sound independent and objective judgement upon their appointment and re-appointment annually.</p> <p>During the year, the NC had reviewed and assessed the continuation of Tan Sri Dato' Dr Muhammad Rais Bin Abdul Karim ("Tan Sri Rais") and Datuk Mohd Jimmy Wong Bin Abdullah ("Datuk Jimmy") who have served as Independent Non-Executive Director for a cumulative terms of more than twelve (12) years as Independent Non-Executive Directors of the Company. Nonetheless, Datuk Jimmy had subsequently on 25 June 2021 redesignated to Non-Independent Non-Executive Director whilst Tan Sri Rais had on 29 June 2021 resigned from the Board. Following such changes, there are no independent directors serving the Board beyond 9 years.</p> <p>Moving forward, should the Board intend to retain any of its Independent Directors beyond nine (9) years, it would provide justification and seek annual shareholders' approval through a two-tier voting process at a general meeting.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 5.4 - Step Up

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

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application	: Adopted
Explanation on adoption of the practice	: The Board has adopted a 9-year policy for Independent Non-Executive Directors, setting out that the tenure of an Independent Director shall not exceed a cumulative term of 9 years and shall re-designate to Non-Independent if the Board wish to retain the Director who has served beyond nine years. As at 31 December 2021, all Independent Non-Executive Directors have served the Board for less than 9 years.

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, assisted by the NC, is committed to ensuring that the Board and Senior Management are sufficiently diverse and appropriately balanced.</p> <p>In making recommendations to the Board on suitable candidature of Directors, the NC shall assess and consider the following attributes or factors:-</p> <ul style="list-style-type: none">• Skills, knowledge, expertise and experience;• Professionalism;• Commitment (including time commitment) to effectively discharge his/her role as a Director;• Contribution and performance;• Background, character, integrity, and competence;• In the case of candidates for the position of Independent Non-Executive Directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors; and• Boardroom diversity including gender diversity. <p>During the year, the NC had reviewed and assessed the experience, skills, time commitment and expertise of Dato' Mohd Jeffrey Bin Joakim and Puan Mohaini Binti Mohd Yusof and was satisfied that they had fulfilled the required fit and proper criteria set by the Board. With the recommendation of the NC, the Board having reviewed their vast knowledge and experience, approved their appointment as the Independent Non-Executive Directors of the Company on 9 July 2021.</p> <p>An annual assessment will be carried out annually to review the contribution of each Director. A summary of the assessment will be presented to the NC for consideration and to develop recommendations and/or an action plan where determined necessary or desirable.</p>

	<p>The Board concluded that the current Directors possess a diverse mix of skills matrix, knowledge, experience and age to facilitate the optimal decision-making needed to effectively govern the Group. The Chairman possesses the leadership to safeguard the stakeholders' interest and ensure the constructive development of the Group.</p> <p>None of the Directors hold more than five (5) directorships in listed issuers. This is to ensure that his / her time commitments would not impair the ability to discharge his / her duties effectively as a Director of the Company.</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

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 board members, 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	:	During the financial year, the Board has utilised independent search firms as one of the avenues in identifying suitable candidates for appointment as Director of the 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

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	:	Shareholders are kept informed on the Board's decision in respect of appointment of directors via announcements to Bursa Securities and updates on the Company's website. The profiles of Directors are published in the Annual Report include their age, gender, date of appointment and last re-election, directorships in other companies, working experience and any conflict of interest with the Company, if any. The details of directors who are standing for re-election is set out in page 261 and statement accompanying notices of AGM on pages 263 to 264 of Annual Report 2021.	
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 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The NC is chaired by Puan Mohaini Binti Mohd Yusof, an Independent Non-Executive Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	As at 31 December 2021, the Company has two (2) women Directors, namely Dato' Dr Norraesah Binti Haji Mohamad and Puan Mohaini Binti Mohd Yusof, representing 28.6% female representation in the Board, rounding to nearest ten percentile to 30% as recommended by Malaysia Code of Corporate Governance. The aforesaid female Board members bring value to the Board's deliberations by providing different and diverse insights from the perspective of female Board members.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Nominating Committee will take the necessary steps to source for suitable woman candidates with required skills, knowledge and experience, where necessary.	
Timeframe	:	Others	To implement only when the need arises.

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 gender diversity for the Board and Senior Management are disclosed in the Annual Report 2021.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 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 an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: During the year, the Board conducted an internally facilitated Board assessment via the NC to annually review the competencies and composition of the Board. The results and recommendations from the evaluation of the Board and its committees are reported to the Board for full consideration and action. The scope of the assessment comprised the following:- <ul style="list-style-type: none">• The Board's structure, size and composition as well as the composition of the board committees;• The effectiveness of the Board as a whole and the effectiveness of the board committees;• The character, experience, integrity and competence of the Directors and to ensure they have the time to discharge their respective roles;• The mix of skills and experience of each individual Director including the core competencies of the Non-Executive Directors;• The level of independence of Directors; and• Integration of ESG considerations and sustainability targets into the operations of the Group. The outcome of the evaluation has shown the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman has the leadership to safeguard the stakeholders' interest and ensure the Group's constructive performance. The Board will engage an independent third party to conduct or facilitate in the evaluation process of the Board and Board Committees when the need arises.

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 RC is responsible for setting the remuneration policy for all Directors and Senior Management. It ensures that the Directors and Senior Management are remunerated fairly for the contributions or individual level of responsibilities in order for the Group to attract, motivate and retain the right calibre of Directors and Senior Management to drive the successful performance of the Group.</p> <p>The Board through the RC reviews the Directors and Senior Management's Remuneration Policy annually to ensure it stays competitive in the ever-changing marketplace.</p> <p>A copy of the Directors and Senior Management's Remuneration Policy is available on the Group's website at https://www.myeg.com.my/investor-relations/governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Board has established a RC comprising three (3) Independent Non-Executive Directors in which the responsibilities and duties of the committee are outline in its Terms of Reference. A copy of the Terms of Reference of the RC is available on the Group's website at https://www.myeg.com.my/investor-relations/governance .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 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 detailed disclosure of the remuneration breakdown of individual Directors includes fees, salary, bonuses, benefits in kind and other emoluments received from the Company and Group for the financial year ended 31 December 2021 are disclosed in the Corporate Governance Statement of the Annual Report 2021.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Dr Norraesah Binti Haji Mohamad	Executive Director	154	-	-	-	-	-	154	154	-	-	-	-	-	154
2	Wong Thean Soon	Executive Director	206	-	-	-	-	-	206	206	-	-	-	-	-	206
3	Datuk Mohd Jimmy Wong Bin Abdullah	Non-Executive Non-Independent Director	86	-	-	-	-	-	86	86	-	-	-	-	-	86
4	Wong Kok Chau	Independent Director	60	-	-	-	-	-	60	60	-	-	-	-	-	60
5	Dato' Sri Mohd Mokhtar Bin Mohd Shariff	Independent Director	86	-	-	-	-	-	86	86	-	-	-	-	-	86
6	Dato' Mohd Jeffrey Bin Joakim ⁽¹⁾	Independent Director	41	-	-	-	-	-	41	41	-	-	-	-	-	41
7	Puan Mohaini Binti Mohd Yusof ⁽¹⁾	Independent Director	41	-	-	-	-	-	41	41	-	-	-	-	-	41
8	Tan Sri Dato' Dr Muhammad Rais Bin Abdul Karim ⁽²⁾	Independent Director	43	-	-	-	-	-	43	43	-	-	-	-	-	43

⁽¹⁾ Appointed on 9 July 2021.

⁽²⁾ Resigned on 29 June 2021.

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	:	Not applicable – adopted Step Up 8.3	
Explanation on application of the practice	:		
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	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.				
2	Input info here	Input info here	Choose an item.	Choose an item.				
3	Input info here	Input info here	Choose an item.	Choose an item.				
4	Input info here	Input info here	Choose an item.	Choose an item.				
5	Input info here	Input info here	Choose an item.	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	:	Adopted
Explanation on adoption of the practice	:	The details of the five (5) Senior Management's remuneration for the financial year ended 31 December 2021 are disclosed in the table on the next page.

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	CHONG CHIEN MING	CHIEF FINANCIAL OFFICER	450,001-500,000	Choose an item.	50,001-100,000	Choose an item.	Choose an item.	450,001-500,000
2	BENJAMIN LOW EWE EE	HEAD OF CORPORATE AFFAIRS	400,001-450,000	Choose an item.	50,001-100,000	Choose an item.	Choose an item.	450,001-500,000
3	RAJA MUNIR SHAH BIN RAJA MUSTAPHA	PROJECT DIRECTOR	250,001-300,000	Choose an item.	50,001-100,000	Choose an item.	Choose an item.	300,001-350,000
4	NOR ADNAN BIN ZAINAL ABIDIN	PROJECT DIRECTOR	200,001-250,000	Choose an item.	0-50,000	Choose an item.	Choose an item.	250,001-300,000
5	MOHD RUSHDAN BIN KHAIRUL ANUAR	PROJECT DIRECTOR	200,001-250,000	Choose an item.	Choose an item.	Choose an item.	Choose an item.	200,001-250,000

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	:	<p>The Chairman of the Board and the Chairman of the AC are held by two (2) distinct individuals since the listing of the Company on 16 January 2007.</p> <p>This ensures that the objectivity on the Board's review of the AC's findings and recommendations remains intact.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 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>The AC has included in its Terms of Reference requiring a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC.</p> <p>None of the members of the AC are former key audit partners of external audit firm servicing the Company.</p> <p>A copy of the Terms of Reference of the AC is available on the Group's website, https://www.myeg.com.my/investor-relations/governance.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	<p>The AC has established Terms of Reference, to assess the suitability, objectivity and independence of the external auditors which sets out the following criteria, amongst others, when evaluating the external auditor's performance:-</p> <ul style="list-style-type: none">(a) Competency;(b) Service quality;(c) Sufficiency of resources;(d) Communication with the Management;(e) Independence, objectivity and professionalism;(f) Ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;(g) Information presented in the Annual Transparency Report of the audit firm;(h) The nature of the non-audit fees provided and fees paid for such services related to the audit fee; and(i) Whether there are safeguards in place to ensure there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the external auditors. <p>In addition, the Terms of Reference sets out the use of external auditors for non-audit services as one of the measures to safeguard the independence and objectivity of external auditors.</p> <p>As guided by its Terms of Reference, the AC had during the year undertaken an assessment on the suitability, effectiveness and independence of the external auditors of the Company, namely Messrs Crowe Malaysia PLT based on the feedback from Management. The AC was satisfied with the performance and provision of non-audit services rendered by the external auditors of the Group for the financial year 2021 which did not in any way impair their objectivity and independence as the external auditors of the Company. After the review, the AC recommended to the Board the re-appointment of Messrs Crowe Malaysia PLT as the external auditors of the Company for the financial year 2022 be tabled to the shareholders for approval at the forthcoming Twenty-First AGM.</p>

	The external auditors declare their independence through their audit engagement in accordance with all relevant professional and regulatory requirements to the AC on an annual basis.	
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 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent 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	:	All members of the AC possess a considerable understanding of financial reporting and auditing processes. They also have the necessary accounting, financial, banking, commercial and capital markets skills required to meet their responsibilities and provide an effective level of challenge to Management. All AC members received ongoing training and development as detailed in the Directors' Training section of the Corporate Governance Statement of the Annual Report 2021. An annual assessment on the performance of the AC during the term of office was undertaken by the NC for financial year 2021 and the NC was satisfied with its performance.	
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 Group have established a Risk Management Policy to continuously identify, evaluate, monitor, mitigate and manage significant risks that materially affect the corporate objectives of the Group.</p> <p>The Risk Management and Internal Control Statement in the Group's Annual Report 2021 provides further details on the state of system of internal controls and risk management framework of the Group for the financial year 2021.</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 the importance of maintaining a sound risk management and internal control framework to safeguard shareholders’ interests and the Group’s assets. Therefore, a framework to formulate and review risk management policies and risk strategies has been established.</p> <p>Further information on the Group’s risk management and internal control framework is presented in the Risk Management and Internal Control Statement.</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	:	<p>The RMC comprises wholly of Independent Non-Executive Directors and meets with the Risk Management Working Group on a quarterly basis to review the Group's risk management framework, policies and procedures.</p> <p>A copy of the Terms of Reference of the RMC is available on the Group's website, https://www.myeg.com.my/investor-relations/governance.</p>

Intended Outcome

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

Practice 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	:	The AC of the Company is responsible for monitoring and reviewing the effectiveness of the Group's Internal Audit function. The Internal Audit function is independent of the external auditors and is outsourced to an independent third party service provider who has a direct reporting line to the AC. The Internal Auditor attends and reports at each AC meeting on its audit work conducted during each quarter as well as its findings, Management's responses and recommendations. For further details, please refer to the AC Report of the Annual Report 2021.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 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 Internal Audit Function is outsourced to an external professional firm. The Internal Auditor reports to the AC. This reporting relationship supports internal audit independence and objectivity, which assures adequate consideration of audit recommendations and planned corrective actions. The relationship also gives the Internal Audit staff the authority needed for full, free and unrestricted access to any or all operations, records, property and personnel within the Group.</p> <p>The Internal Audit function is carried out in accordance with The International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.</p> <p>Vaersa Advisory Sdn. Bhd. is the internal auditor of the Group for the financial year ended 31 December 2021 and is made up of eight (8) personnel headed by Ramnath R Sundaram, a qualified professional auditor and they are free from any relationships or conflicts of interest which could impair their objectivity and independence.</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 Company has formalised Corporate Disclosure Policies and Procedures to not only comply with the disclosure requirements as stipulated in the MMLR of Bursa Securities, but also set out the persons authorised and responsible to approve and disclose material information to all stakeholders.</p> <p>The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. It is the Group's practice that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analyst and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.</p> <p>All information in regard to the above are available in our website at https://www.myeg.com.my/investor-relations.</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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Group has yet to fully adopt integrated reporting based on a global recognised framework.	
	:	The Group has embarked on Integrated Reporting since the year 2019 and is at a nascent stage of the Integrated Reporting journey. The Group is committed to and would progressively enhance the disclosures in future annual reports.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Management will move towards a more holistic integrated approach from its existing reporting practices and adopt the required international standards over time.	
Timeframe	:	Others	Ongoing

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>In the year 2021, the notice of AGM of the Company was issued on 31 May 2021, giving shareholders at least twenty-eight (28) days advance notice prior to the AGM which was scheduled to be held on 1 July 2021.</p> <p>For the AGM to be held in year 2022, the Company would also provide at least twenty-eight (28) days' notice to the shareholders prior to the AGM.</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>During the AGM of the Company held virtually in year 2021, all Directors had attended the AGM to address any questions from the shareholders directly.</p> <p>The AGM is the principal forum for dialogue with shareholders. Shareholders are provided with an opportunity to participate in the question and answer session in which shareholders may raise questions pertaining to the business activities of the Company and resolutions tabled at the meeting.</p> <p>The Group Managing Director also shared with the shareholders on the Company's responses to questions submitted by the Minority Shareholders Watch Group and shareholders in advance of the AGM.</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 should leverage technology to facilitate–

- voting including voting 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	:	The Company has leveraged on technology to conduct the Twentieth AGM fully virtual through live streaming and online remote voting using remote participation and voting facilities, which is in compliance with Section 327 of the Companies Act 2016.	
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.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Chairman ensures that the general meetings serve as an important opportunity for effective communication with, and constructive feedback from the shareholders.</p> <p>During the AGM, the Chairman provided shareholders with a brief overview on the financial performance of the Group and the Group's long-term strategies.</p> <p>Shareholders were given the opportunity to submit questions in advance via the Vote2U Online Portal relating to resolutions tabled at the 20th AGM or financial performance/prospect of the Company prior to convening of AGM. The Chairman further ensures that sufficient time are allocated for discussion and address questions raised.</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 13.5

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.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Applied
Explanation on application of the practice :	<p>At the fully virtual AGM held in 2021, the Board had engaged Agmo Digital Solutions Sdn Bhd's ("Agmo") Vote2U online meeting platform with its domain address registered in Malaysia. The Vote2U Online platform is a proven and secure application with sufficient hardware and infrastructure in place.</p> <p>Agmo has vast amount of experience in conducting fully virtual meetings and has in place a meeting platform which allows shareholders to participate online, using smartphone, tablet or computer as well as viewing live webcast of the meeting.</p> <p>Shareholders may submit questions to the Board of Directors prior to the AGM via https://web.vote2u.my website and submission of typed texts during the live streaming of the AGM. The Group Managing Director will read out the questions posed by the shareholders before providing his response to the questions raised.</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 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The minutes of the Twentieth Annual General Meeting is available on the Company's website at https://www.myeg.com.my/investor-relations no later than 30 business days after the Twentieth Annual General Meeting.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**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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