

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5300

COMPANY NAME : Yenher Holdings 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 of Directors ("Board") of Yenher Holdings Berhad ("Yenher" or the "Company") is responsible for setting the strategic aims of the Company and provides stewardship and oversight of Management in meeting the company strategies. All Directors are aware of their duties and responsibilities as fiduciaries and keep themselves abreast of the conduct, business activities, and development of the Group.</p> <p>The Board has also formalised its key responsibilities in its Board Charter, as follows:</p> <ul style="list-style-type: none">• reviewing and adopting a strategic plan for the Group;• promoting ethical values and standards in the workplace;• overseeing strategies that address sustainability and stakeholder interest;• overseeing the conduct of the Group's business to evaluate whether the business is being properly managed;• identifying the principal risks and ensuring the implementation of appropriate systems to manage these risks;• succession planning, including appointing, training, fixing the compensation of, and where appropriate, replacing Senior Management;• developing and implementing an investor relations programme or shareholder communications policy for the Group; and

	<ul style="list-style-type: none"> reviewing the adequacy and integrity of the Group's internal control systems and information system, including systems for compliance with applicable laws, regulations, rules, directives and guidelines. <p>In the discharge of the Board's roles and responsibilities, the Board is assisted by Board Committees, including the Audit and Risk Management Committee, Nomination Committee, and Remuneration Committee, which were established by the Board and carry out their responsibilities based on respective Terms of Reference approved by the Board. These Board Committees make relevant recommendations to the Board while the Board holds ultimate responsibility for decision making.</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 an Independent Chairman, Dr. Wan Mohd Kamil bin Wan Nik, whose authority and roles are formalised in the Company's Constitution and Board Charter. The Chairman's role includes overseeing the Company's governance as well as overall compliance, as well as ensuring the effective functioning of the Board.</p> <p>The Board Chairman also chairs Board meetings and leads discussions at meetings. Before Board meetings, the Board Chairman, together with the Company Secretary and in consultation with Senior Management, sets the meeting agenda, ensures sufficient time is allocated for deliberation, and ensures the agenda and relevant Board papers are circulated to Directors in a timely manner. During Board meetings, the Board Chairman facilitates discussion and encourages all Directors to contribute to deliberations.</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 position of the Board Chairman is held by Dr. Wan Mohd Kamil bin Wan Nik who is an Independent Director while the role of the chief executive is held by the Group Managing Director, Mr Cheng Mooh Tat.</p> <p>The Board Chairman is responsible for governance and ensuring effective functioning of the Board including setting the company strategy and overseeing its achievement; the Group Managing Director is responsible for leading the day-to-day business management of the Group including implementing the company strategy set by the Board and reporting them to 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

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Board Chairman is a member in the Audit and Risk Management Committee, Nomination Committee, and Remuneration Committee.
		The Board is aware of the Practice and endeavours to apply the Practice within three years from the Company's listing.
<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 two Company Secretaries, both of whom are members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA").</p> <p>In addition to assisting and advising the Board on statutory compliance with the Companies Act 2016, the Company Secretaries also advise the Board on governance matters, including but not limited to, matters pertaining to the roles and responsibilities of the Board and Board Committees, corporate disclosures, compliance with company and securities regulations such as the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa"), and updating the Board on developments in the areas of corporate governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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>Board meetings are scheduled prior to the commencement of the financial year. All Directors receive the full Board meeting agenda and relevant Board papers, including relevant information and reports on business operations and performance such as financial, operational, regulatory, and risk matters, at least one-week prior to each Board meeting to enable sufficient time for Directors to study the matters to be discussed and, where necessary, seek clarification or any additional information from Management. The timeframe for agenda and Board papers to be circulated is further formalised in the Board Charter.</p> <p>Meeting proceedings are recorded clearly in the Board meeting minutes, including questions and comments raised on the deliberated matters, the clarification provided as a response, and other details of discussion, as well as the outcome of the deliberation. Meeting minutes are circulated in a timely manner for Directors’ confirmation.</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 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	:	The Board has established and formalised a Board Charter which is published on the corporate website. The Board Charter sets out the Board's roles and responsibilities in discharging its fiduciary duties and providing stewardship to the Group. The responsibilities of the Board, Board Committees, and Directors are stipulated in the Board Charter. The Board Charter further addresses tenure of directorships, conflict of interest, as well as access to independent professional advice in furtherance of the Board's duties. The authorities of the Board on certain issues and decisions are also specified in the Board Charter. As at the date of this Report, the Board is in the midst of reviewing the Board Charter.
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 and Business Ethics which is applicable to all Directors and employees of the Group. The Code of Conduct and Business Ethics sets out the principles and standards of ethical behaviours and business conduct which shall be observed by Directors and employees.</p> <p>The Code of Conduct and Business Ethics addresses conflict of interests, insider trading including handling of market sensitive information, corruption and bribery, as well as providing an avenue for whistleblowing.</p> <p>The Code of Conduct and Business Ethics is published on the Company's corporate website.</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>Yenher has a Whistleblowing Policy which aims to establish a robust, transparent, and accountable communication channel for internal and external parties to voice their concerns regarding actual or potential wrongdoings, including violation of laws and regulations, breaches of the Code of Conduct and Business Ethics, and other misconduct.</p> <p>The Whistleblowing Policy provides clear procedures on how to make a report as well as the information required. The Whistleblowing Policy does not prohibit anonymous reporting. It also provides the whistleblower confidentiality and protection from retaliation. The Whistleblowing Policy is available on the corporate website.</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 Board acknowledges its responsibilities in ensuring the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental, and social considerations underpinning sustainability.</p> <p>The Board's responsibility in overseeing strategies that addresses sustainability and stakeholders' interest is formalised in its Board Charter. In its oversight of the Group's business performance, the Board also reviews business sustainability matters which are assessed, managed, and reported by Management, including sustainability risks and opportunities.</p> <p>In its review of the Group's corporate strategies and business performance, the Board considers sustainability matters, including relevant action plans, risk management approaches, and performance measures where applicable. Management is responsible for the implementation of corporate strategies incorporating sustainability as well as reporting their performance to 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

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>The Board, through the Management, communicates the Group's sustainability-related efforts, including strategies, priorities, and targets, with its internal and external stakeholders.</p> <p>The Group's sustainability strategies, priorities, and targets are incorporated in business plans, business directions, and targets and are communicated to employees. They are also communicated to employees via key policies, standard operating procedures, and incorporated in business decisions which include ethical, environmental, and social considerations.</p> <p>The Group also communicates relevant sustainability strategies and achievements to external stakeholders through its corporate website, reports including the Company's prospectus, engagements with stakeholders through the Group's various functions and employees.</p> <p>Yenher was listed on Bursa's Main Market on 15 July 2021 and has issued its first Annual Report together with this Corporate Governance Report in April 2022. The Annual Report includes a Sustainability Statement which also serves as an important tool to communicate the Company's strategies, priorities, and targets and achievements, including in the areas of sustainability, to internal and external stakeholders.</p> <p>Through its materiality assessment process undertaken during the financial year, the Group also assessed its various stakeholders, including consideration of the views and concerns, as well as the information required by stakeholders which will guide the Group's approach towards effectively communicating sustainability information with stakeholders moving forward.</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 4.3

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>Key sustainability issues which are significant to business sustainability are incorporated in the Group's corporate strategy. In their deliberation of corporate strategy, the Board considers aspects including sustainability, such as those relevant to the industry and the Group's products and operations.</p> <p>Management submits reports on business progress and performance which includes sustainability progress to the Board for its review. Through its review, in addition to being kept abreast of sustainability issues relevant to the Group's business, the Board also ensures the strategic direction towards managing sustainability issues is in line with the long-term objectives of the Company.</p> <p>In addition, the Board comprises of Directors from diverse background and experience. The Directors bring to the Board a wide range of experience and knowledge, including development and updates pertaining to development of sustainability issues relevant to the Group, and brief other Directors on these matters from time to time.</p> <p>During the financial year under review, the Board has been briefed by Management on the sustainability considerations of the Group's products. Summary of the topics of training attended by Directors is disclosed in the Corporate Governance Overview Statement.</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

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Yenher was listed on Bursa’s Main Market on 15 July 2021. Since the Company’s listing, the Board has been carrying out review and enhancement of its corporate governance processes, including processes to facilitate a systematic approach towards sustainability management.	
		The Board is of the view that it will be most appropriate and meaningful to consider the relevant assessment criteria relating to sustainability in the performance evaluation of the Board and Senior Management once the Group has formalised its enhanced management process for addressing the Group’s material sustainability risks and opportunities.	
<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	:	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 5.1

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 Board Charter stipulates that the re-election of Directors shall be based on the individual Director's performance and the needs of the Company. In addition, the Board shall discuss the tenure of Directors standing for re-election without their presence.</p> <p>Yenher was listed on Bursa's Main Market on 15 July 2021. The first evaluation of the Board and Senior Management was conducted for the financial year ended 31 December 2021 during first quarter of 2022 which included a review of the effectiveness of the Board, Board Committees, and individual Directors considering, amongst others, their performance and contribution, Director's tenure, and their independence.</p> <p>Mr. Cheng Mooh Tat who will be retiring and offering himself for re-election at the forthcoming annual general meeting ("AGM") was evaluated by the Nomination Committee and the Board. Based on the evaluation outcome, the Nomination Committee and the Board are of the view that the performance of Mr. Cheng Mooh Tat was satisfactory and recommend his re-election for shareholders' approval.</p> <p>The performance of Dr Wan Mohd Kamil bin Wan Nik was also assessed to be satisfactory. However, Dr Wan Mohd Kamil bin Wan Nik, who will also be retiring at the forthcoming AGM does not intend to seek re-election due to personal reasons.</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

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	:	Currently, the Board is comprised of six (6) members – three (3) are Executive Directors including the Group Managing Director and three (3) are Independent Directors, i.e. 50% of the Board comprises Independent Directors. All Independent Directors satisfied the independence criteria as set out in the Main Market Listing Requirements of Bursa.	
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	:	None of the tenure of the Independent Directors exceed a cumulative term of nine years.	
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.

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.

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 selection of Board members and Senior Management is based on objective criteria and merits considering the governance, leadership, and business needs of the Group's business, amongst others. In addition, the external commitments including positions or directorships held in other companies and the individual's character and integrity were also considered. The qualities of the Directors and Senior Management are consistent with Paragraph 2.20A of Bursa's Main Market Listing Requirements.</p> <p>The current Board and Senior Management composition have also considered diversity and the Board is aware of the need and is committed to enhancing gender diversity in its composition.</p> <p>The Nomination Committee's Terms of Reference further specifies the qualities which shall be considered in Directors including, amongst others, the background, character, integrity, competency, skills, knowledge, experience, and professionalism. The overall diversity of the Board shall also be considered. Based on its Terms of Reference, the Nomination Committee assists the Board in assessing, nominating, selecting and recommending the appointment or re-appointment of Directors. The Board Charter further specifies that the Nomination Committee shall also consider a Director's interest, time commitment, and ability to fulfil their responsibilities.</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

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	:	<p>Since the Company's listing on Bursa's Main Market on 15 July 2021, there were no new directors appointed to the Board.</p> <p>In identifying candidates for Directorships, the Board does not solely rely on the recommendations from existing Board members, Management or major shareholders. The Nomination Committee is tasked to identify and recommend candidates as Directors to the Board. The Nomination Committee is guided by its Terms of Reference which provides an avenue for the Nomination Committee to utilise the service of professional recruitment firms, public advertisement, or other independent channels to search for qualified candidates.</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 5.7

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	:	<p>Yenher was listed on Bursa's Main Market on 15 July 2021 and there were no appointment or reappointment of Directors requiring shareholders' approval in the financial year ended 31 December 2021 since its listing date.</p> <p>In Yenher's Prospectus dated 22 June 2021, the Company provided detailed information regarding the Directors of the Company, including the Director's shareholdings, Executive Directors' relationship with Senior Management, related parties and related party transactions, as well as relevant controls in place to safeguard the ability of Directors to exercise judgement at the Board and to act in the best interests of the Company as a whole.</p> <p>Mr. Cheng Mooh Tat, who will be retiring and offering himself for re-election at the forthcoming annual general meeting ("AGM") was also evaluated by Nomination Committee and the Board. Based on the evaluation outcome, the Nomination Committee and the Board are of the view that the performance of Mr. Cheng Mooh Tat was satisfactory and recommend his re-election for shareholders' approval. The Board's recommendation and the relevant Directors' details are included in the AGM notice to 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

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	:	<p>The current Nomination Committee Chairman is Dr. Wan Mohd Kamil bin Wan Nik who is an Independent Director.</p> <p>The Nomination Committee Chairman leads the Nomination Committee in carrying out its duties and responsibilities including, identifying, assessing, and nominating the candidates to fill Board vacancies, reviewing the performance of the Board, Board Committees, and individual Directors including the Group Managing Director and Executive Directors, and the succession planning of the Board and key Senior Management, amongst others.</p> <p>A requirement for the Nomination Committee Chairman to be an Independent Director is also formalised in the Nomination Committee Terms of Reference.</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 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:	<p>The Board is currently comprised of 6 Directors, 1 of whom is a female Director, i.e. 16.7%.</p> <p>The Board is aware of the Practice and endeavours to apply the Practice within three years from the Company's listing.</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 5.10

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	:	<p>Yenher was listed on Bursa's Main Market on 15 July 2021 and there were no Annual Reports issued during the financial year ended 31 December 2021. In the Company's Prospectus dated 22 June 2021, the Company discloses its commitment towards enhancing diversity and meeting the 30% target for women representatives in its Board composition, as promulgated by Practice 5.9 of the MCCG within three years from listing date.</p> <p>In the Company's first Annual Report which was issued together with this Corporate Governance Report in April 2022, the Board also disclosed in its Corporate Governance Overview Statement the Board's target to achieve 30% women Directors amongst its Board members.</p> <p>The Group encourages women participation, especially in leadership and senior management roles, and the Board is committed to upholding its merits system and the principles of non-discrimination and equal opportunity at all levels, in its recruitment, assessment, promotion (where applicable), and remuneration processes.</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

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.

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has delegated the responsibility to conduct evaluation of the Board, Board Committees, and individual Directors to the Nomination Committee. This responsibility is formalised in the Nomination Committee Terms of Reference. The evaluation of the Board, Board Committees, and individual Directors, the Nomination Committee shall assess their effectiveness (including the size and composition of the Board/ Board Committee), performance, and contribution of individual Directors, including the Group Managing Director and Executive Directors. The Nomination Committee is also tasked to develop and review the criteria used for the evaluation. The Nomination Committee is chaired by an Independent Director who is responsible for overseeing the evaluation process and ensuring that it is carried out objectively.</p> <p>Yenher was listed on Bursa's Main Market on 15 July 2021 and the first evaluation on the Board, Board Committee, and individual Directors for the financial year ended 31 December 2021 was carried out in the first quarter of 2022. The Nomination Committee oversaw the evaluation which was assisted by the Company Secretaries and was facilitated via a combination of self-assessment and peer-assessment forms. Based on the assessment outcome, the Nomination Committee and the Board are of the view the performance of the Board, Board Committees and individual Directors were satisfactory for the financial year under review. In addition, the Board and Nomination Committee</p>

	agreed to continue to take appropriate measures to enhance gender diversity at the Board in meeting the target of having 30% women Directors by 2024.	
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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	As at the date of this Report, the Board has yet to publish its Remuneration Policy and Procedures because the Board, with the assistance of the Remuneration Committee, is in the midst of developing remuneration policy and procedures for directors and

	senior management.	
	As at the date of this Report, the Board, with the assistance of the Remuneration Committee, is in the midst of developing remuneration policy for directors and senior management.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
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	:	<p>The Board is assisted by the Remuneration Committee on remuneration matters of the Board and Senior Management. The Remuneration Committee is governed by the Terms of Reference of the Remuneration Committee which is approved by the Board and is available on the Company's corporate website.</p> <p>The Remuneration Committee is responsible for developing and implementing the Remuneration Policies and Procedures, including making recommendations to the Board on the remuneration packages for the Directors and relevant key Senior Management. The Board is responsible for approving or recommending these remuneration packages for shareholders' approval in accordance with the Companies Act 2016 and Bursa's Main Market Listing Requirements.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to 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	:	<p>Yenher was listed on Bursa's Main Market on 15 July 2021 and there were no Annual Reports issued during the financial year ended 31 December 2021. In the Company's Prospectus dated 22 June 2021, the Company discloses, on a named basis, the remuneration for Directors paid/ to be paid by the Group, including detailed breakdown of remuneration elements.</p> <p>For the financial year ended 31 December 2021, the Company discloses, on a named basis, the remuneration for Directors paid/ to be paid by the Company and by the Group, including detailed breakdown of remuneration elements in this report.</p>

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	Cheng Mooh Tat	Executive Director	-	-	-	-	-	-	-	390	-	1,085	778	18	381	2,652
2	Cheng Mooh Kheng	Executive Director	-	-	-	-	-	-	-	270	-	598	538	25	207	1,638
3	Theoh Mooi Teng	Executive Director	-	-	-	-	-	-	-	270	-	598	538	-	207	1,613
4	Dr Wan Mohd Kamil bin Wan Nik	Independent Director	40	15.3	-	-	-	-	55.3	40	15.3	-	-	-	-	55.3
5	Tan Peng Lam	Independent Director	40	6.6	-	-	-	-	46.6	40	6.6	-	-	-	-	46.6
6	Dato' Lim Choon Khim	Independent Director	40	4.3	-	-	-	-	44.3	40	4.3	-	-	-	-	44.3
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

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 Board is of the view that disclosure of top six senior management’s remuneration broken down into remuneration components is not in the best interest of the Group due to confidentiality and the sensitive nature of such information. Yenher’s business environment is competitive for talents and skills and the Company wants to ensure every effort is made in retaining its talents. In addition, the disclosure of remuneration of Senior Management on a named basis may potentially raise security and staff morale issues.</p> <p>As an alternative, Yenher discloses the remuneration details for its top 6 Senior Management for FY2021 in the bands of RM 50,000, as follows:</p> <table><tr><th>Range of remuneration (RM)</th><th>Top 6</th></tr><tr><td>100,001 - 150,000</td><td>2</td></tr><tr><td>150,001 - 200,000</td><td>1</td></tr><tr><td>200,001 - 250,000</td><td>2</td></tr><tr><td>1,600,001 – 1,650,000</td><td>1</td></tr></table> <p>The Board is also of the view that the information disclosed above provides an alternative means for stakeholders to assess whether the senior management personnel of the Group is commensurate with their individual performance, taking into consideration of the Company’s performance for the financial year, in line with Intended Outcome of Practice 8.2.</p>	Range of remuneration (RM)	Top 6	100,001 - 150,000	2	150,001 - 200,000	1	200,001 - 250,000	2	1,600,001 – 1,650,000	1
Range of remuneration (RM)	Top 6											
100,001 - 150,000	2											
150,001 - 200,000	1											
200,001 - 250,000	2											
1,600,001 – 1,650,000	1											

<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.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	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	:	Not adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

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 Audit and Risk Management Committee is chaired by Mr. Tan Peng Lam, an Independent Director who is not the Board Chairman.</p> <p>The Audit and Risk Management Committee Chairman leads the committee in the objective and independent discharge of its responsibilities. All members of the Audit and Risk Management Committee are Independent Directors.</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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Audit and Risk Management Committee has formalised in its Terms of Reference to require a former audit partner of the Group's external auditor to observe a cooling-off period of at least two (2) years before being appointed as a member of the committee.
	:	As at the date of this Report, the Audit and Risk Management Committee is in the midst of reviewing its Terms of Reference which will also consider this Practice 9.2 of the MCCG. There was no new member appointed to the Audit and Risk Management Committee during the financial year under review and up to the date of this Report.
<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	:	The Audit and Risk Management Committee is required to assess the suitability, objectivity, and independence of the external auditor on an annual basis. This includes a review of the external auditor's audit quality, resources capacity, and ability to carry out its function objectively and independently, as well as reviewing the provision of non-audit services by the external auditors. The policy for the committee to assess the external auditor is formalised in the Audit and Risk Management Committee Terms of Reference.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	The Audit and Risk Management Committee comprises exclusively of Independent Directors.

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	:	<p>The Audit and Risk Management Committee comprises members from a diverse background possessing necessary range of skills and experience including in the fields of veterinary services and medicine, audit, company administration, finance and accounting, and law. Further, the ARMC Chairman is a member of the Association of Chartered Certified Accountants ("ACCA") and is also a registered Chartered Accountant with the Malaysian Institute of Accountants ("MIA"). All members of the Audit and Risk Management Committee are financially literate and able to read and interpret financial statements, understand the key applications and impacts of accounting policies, and understand matters under the purview of the committee including the financial reporting process.</p> <p>The Audit and Risk Management Committee members, together with the rest of the Board members, are regularly kept abreast of matters pertaining to the Company's business through business reports, performance briefings, strategic updates, and industry updates, amongst others. In addition, Audit and Risk Management Committee members are also briefed by the external auditors and other professional consultants, as relevant, on any updates and developments in accounting and auditing standards, practices, and rules.</p> <p>The Nomination Committee is required to assess the Audit and Risk Management Committee as a whole and its individual members on an annual basis, including their performance and whether they have</p>

	<p>carried out their duties in accordance with the committee's Terms of Reference. In the Nomination Committee's assessment of the Audit and Risk Management Committee and its members for the financial year ended 31 December 2021, the Nomination Committee reviewed the assessment outcome and is of the view that the performance of the Audit and Risk Management Committee and each of its individual members are satisfactory. The Nomination Committee recommended its views to the Board which concurred with the Nomination Committee's recommendation.</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

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, via the Senior Management, has established framework for Enterprise Risk Management ("ERM") which guides the Group's integrated and continuous process for managing enterprise-wide risks. The ERM processes were developed with reference to the Committee of Sponsoring Organizations of the Treadway Commission's ("COSO") guidance on Enterprise Risk Management. While holding ultimate responsibility, the Board delegates the oversight of risk management process to the Audit and Risk Management Committee, which is also responsible for reviewing the effectiveness of the internal control system and risk management framework.</p> <p>The Group's ERM framework is incorporated in the Risk Management Handbook, which sets out, amongst others, the responsibilities of the Board, the Audit and Risk Management Committee and the Management, the systematic process for identifying, assessing, prioritising, management, and reporting risks, as well as the criteria for assessing risks including considerations of the risk likelihood and impact levels, amongst others.</p> <p>The Group's internal control framework supports the risk management process and consists of various broad elements including clear governance structure and organisational structure, formal delegation of authority and limits, code of ethics and governance policies, assurance and audit processes, and Whistleblowing Policy, and others.</p> <p>The key features of the risk management and internal control framework of the Group are disclosed in the Company's Statement on Risk Management and Internal Control included in the Annual 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

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>In discharging its responsibility to manage principal risks faced by the Group, the Board is assisted by the Audit and Risk Management Committee which reviews the ERM process and assessment outcome performed by Management. Key risks pertaining to the Group's business, considering the industry the Group operates in, its business and operations, as well as the risks relating to Yenher's listing, were also reviewed by the Board and included in Yenher's Prospectus dated 22 June 2021.</p> <p>Yenher was listed on Bursa's Main Market on 15 July 2021 and there were no Annual Reports issued during the financial year ended 31 December 2021. In the Company's first Annual Report, i.e. for the financial year ended 31 December 2021, the Company discloses the features of its risk management and internal control framework, as well as the Board's assessment of its adequacy and effectiveness, in the Statement on Risk Management and Internal Control.</p> <p>The Board reviews the adequacy and effectiveness of the Group's risk management process via its review of the Group's management reports, the work and findings of the internal and external auditors including their assessment of the Group's internal controls system, as well as the assurance from the Group Managing Director and the Executive Director responsible for the Company's financial affairs on the adequacy and effectiveness of the risk management and internal control system.</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	:	The Board has delegated the responsibility to oversee the risk management framework and policies to the Audit and Risk Management Committee, which comprises exclusively of Independent Directors.

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 Group outsources its internal audit function to an external professional service provider. In ensuring the independence of the internal audit function, the outsourced internal auditor reports directly to the Audit and Risk Management Committee. Furthermore, the internal audit function is reviewed by the Audit and Risk Management with respect to its resources, competency, access to necessary information to carry out its function effectively, independence from the external auditors and from Management, whether it has the necessary authority to carry out its work, as well as the adequacy of internal audit plan and scope.	
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 outsourced Internal Auditor, Sterling Business Alignment Consulting Sdn Bhd (“Sterling”) and all personnel of the internal audit team performing audit for the Group are free from any relationships or conflict of interests which could impair their objectivity and independence. Sterling is a corporate member of the Institute of Internal Auditors Malaysia (“IIAM”). The Internal Auditors use the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) Internal Control – Integrated Framework as a basis for evaluating the effectiveness of the internal control system.</p> <p>The lead internal audit team performing audit for the group for the year under review consists of:</p> <ul style="list-style-type: none">a. So Hsien Ying, a Certified Internal Control Professional (US), Master in Business Administration (Finance) (Hull), BSc Economics (Hons) (London), permanent member of The Internal Control Institute (US), Member of Malaysian Alliance of Corporate Directors and Associate, Member of IIAM with 28 years of experience in business process improvement, internal control review, internal audit and risk management.b. Cheng Chean, a Chartered Member of the Institute of Internal Auditors Malaysia (“CMIIA”) and a Fellow Member of the Chartered Certified Accountant (“FCCA”). Mr Cheng has 18 years of hands-on experience in the fields of External Audit, Internal Audit and Internal Control Review.
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>In its stewardship for the Group's business, the Board is responsible for overseeing that stakeholders' interests are considered and managed. This includes ensuring processes are in place to facilitate effective, transparent, and regular communication with stakeholders. The Board also sets the strategy for shareholder communication and oversee the development of an investor relations programme.</p> <p>Through the Company's corporate website, announcements on Bursa's website, circulars, and other channels, the Company communicates key development and information to shareholders while complying with the Main Market Listing Requirements and other relevant laws and regulations. Corporate disclosure practices of the Company are further guided by the Corporate Disclosure Guide issued by Bursa.</p> <p>Internally, various communication channels are leveraged to facilitate effective engagement with employees to achieve objectives including communicating the Group's business strategies and direction, understanding employees' needs and concerns, and working together to create a safe and healthy working environment for employees. When dealing with external stakeholders, the Group utilises communication tools such as policy documents, ongoing engagements and meetings, and reports where appropriate.</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 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	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:	The Company is not a “Large Company” as defined in the MCCG and hence this Practice is not applicable.	
<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	:	Yenher was listed on Bursa's Main Market on 15 July 2021 and the forthcoming Annual General Meeting ("AGM") to be held in June 2022 will be its first AGM since listing. The notice to shareholders for the forthcoming AGM is given at least 28 days prior to the meeting to provide shareholders with sufficient notice and time to consider the resolutions that will be discussed and decided at the AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 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>Yenher was listed on Bursa's Main Market on 15 July 2021 and the forthcoming AGM to be held in June 2022 will be its first AGM since listing.</p> <p>All Directors of the Board, including the Board Chairman and chairmen of the Board Committees are aware of their responsibility and accountability towards shareholders, including being prepared to meaningfully address questions posed by shareholders with respect to their duties.</p> <p>Save for any unforeseeable reasons beyond the Directors' control, all Directors have indicated their intention to attend the Company's forthcoming 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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Yenher was listed on Bursa's Main Market on 15 July 2021 and the forthcoming AGM to be held in June 2022 will be its first AGM since listing.</p> <p>The Company intends to hold the forthcoming AGM as a physical meeting at a location that is easily accessible for its shareholders. The decision to hold a physical meeting was made to afford shareholders an opportunity to meet the Directors face to face as this will be the first AGM after its listing and balancing the cost-efficiency of holding the meeting. Shareholders who are not able to be present will be able to appoint proxies to attend and vote on their behalf or to appoint the Chairman to vote for them.</p> <p>Necessary steps will be taken to protect the privacy of data of shareholders and proxies supplied to the Company.</p>
<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.

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.

Application	:	Applied
Explanation on application of the practice	:	<p>Yenher was listed on Bursa's Main Market on 15 July 2021 and the forthcoming AGM to be held in June 2022 will be its first AGM since listing.</p> <p>The Board Chairman's roles include chairing general meetings. The Board Chairman is aware of his responsibility in facilitating meaningful engagement between the Board, Senior Management, and shareholders during the general meeting, including interactive discussions pertaining to the Company's financial and non-financial performance as well as the Company's long-term strategies.</p> <p>For the forthcoming AGM, the Board of Directors and Senior Management will be present in person. Shareholders will be given sufficient opportunity to pose questions and the Board and Senior Management will endeavour to provide the shareholders with meaningful response for them to make informed voting decisions.</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

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.

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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Yenher was listed on Bursa's Main Market on 15 July 2021 and the forthcoming AGM to be held in June 2022 will be its first AGM since listing.</p> <p>The Company intends to hold the forthcoming AGM as a physical meeting at a location that is easily accessible for its shareholders. The decision to hold a physical meeting was made to afford shareholders an opportunity to meet the Directors face to face as this will be the first AGM after its listing. The Board and Senior Management will be present at the meeting and will put emphasis on encouraging shareholders' participation to interact and have meaningful engagement with regards to the business and performance of the Group.</p>
<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	:	<p>Yenher was listed on Bursa's Main Market on 15 July 2021 and the forthcoming AGM to be held in June 2022 will be its first AGM since listing.</p> <p>The Company will publish on its corporate website the minutes of general meeting which detail the meeting proceedings including issues or concerns raised by shareholders and the relevant responses by the Company no later than 30 business days after 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	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

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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