

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5275
COMPANY NAME : MYNEWS HOLDINGS BERHAD
FINANCIAL YEAR : October 31, 2022

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board is collectively responsible for the long-term success, the overall performance of the Group and the delivery of sustainable value to its stakeholders by setting strategic directions and objectives. The Board regularly reviews the Group's business operations and maintains full and effective oversight over the management of Mynews.</p> <p>The roles and responsibilities of the Board include determining the Company's overall strategic plans, performing periodic reviews of operational and financial performance, implement sound risk management and internal control framework to effectively identify, monitor and mitigate the principal business risks surrounding the Group.</p> <p>The Board had reviewed the effectiveness and implementation of the strategic plans for the financial year under review and provided guidance and input to Management. To ensure the effective discharge of its functions and duties, the principal responsibilities of the Board included the following:</p> <ul style="list-style-type: none">a) Review and adopt a strategic plan for the Group ensuring the strategies promote sustainability.b) Oversee and monitor the conduct of the Group's business and ensure the integrity of financial and other reporting.c) Ensuring Company's financial statements are true and fair and conform with the accounting standards.d) Identify principal risks and ensure the implementation of appropriate internal controls and mitigation measures.e) Ensure succession planning for senior management positions is in place to provide for the succession of senior management.f) Review the adequacy and integrity of the Group's risk management and internal control system and management information system, including system for compliance with applicable laws, regulations, rules, directives and guidelines. |

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| | <p>g) Ensure Board members stay abreast with and understand the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities.</p> <p>The Board had also delegated certain responsibilities to its various Board Committees, which operate within clearly defined terms of reference. The Board Committees of the Board comprise the following:</p> <ul style="list-style-type: none"> ❖ Audit Committee ❖ Risk Management Committee ❖ Nominating Committee ❖ Remuneration Committee <p>The Board receives reports at its meeting from the Chairman of each committee on the proceedings at their respective meetings and it is the general policy of the Company that all major decisions be considered by the Board collectively.</p> <p>The Board Charter and Terms of Reference of the Board Committees are available on the Company's website at www.mynews.com.my</p> | |
| Explanation for departure | : | |
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| <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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | <p>Mr Ding Lien Bing is the Executive Chairman, who is primarily responsible for ensuring Board effectiveness and leading the Board in its collective oversight of management.</p> <p>Some of the specific responsibilities of the Chairman include the following:</p> <ul style="list-style-type: none">a) To instil good corporate governance practicesb) To provide leadership, ensuring the effectiveness of the Board, the governance structure and inculcating positive culture in the Board.c) To ensure integrity of the governance process and issues.d) To have regular dialogue with the Group Chief Executive Officer ("Group CEO") on the overall operational matters and consultation with the rest of the Board members promptly over matters that could be of concern to the Group.e) Ensure all Directors participate in the Board activities without any member dominating the discussion. | |
| Explanation for departure | : | | |
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| <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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | The positions of the Chairman and the Group CEO are held by two (2) different individuals namely, Mr. Ding Lien Bing and Mr. Dang Tai Luk respectively. The responsibilities of the Chairman and Group CEO are distinct and different. The Chairman is responsible for leadership guidance and manages the interface between the Board & Management, whereas the Group CEO is primarily responsible for the day-to-day management and operations of the Group. | |
| Explanation for departure | : | | |
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| <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

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| <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 | : | Mr Ding Lien Bing, the Board Executive Chairman is not a member of any Board Committees, namely Audit Committee ("AC"), Remuneration Committee ("RC"), Nominating Committee ("NC") and Risk Management Committee. |
| | : | Invitations are extended to Mr Ding for his participation in the meetings of the Board Committees. The Board Committees view that his presence will not breach the check and balance system as well as objective review by the Board Committees on the agendas/matters presented during the said meetings. He provides inputs and assists in answering questions from the Board Committees' members. His presence does not impair the objectivity of the Chairman and the Board when deliberating on the observations and recommendations put forth by the Committees. The members of AC, RC and NC are Independent Directors whilst majority of Board members are Independent Directors. In view thereof, The Independent Directors can bring focus, clear perspective and the ability to lead objective discussions and if necessary, drive better decision-making and results. |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice. |
| Timeframe | : | Choose an item. |
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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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Company has a qualified Company Secretary who is experienced pursuant to Section 235 of the Companies Act 2016.</p> <p>The Company Secretary plays an advisory role, advising the Board and its Board Committees on matters pertaining to compliance, legal, regulatory framework, listing requirements, statutory requirements and best practices. The Company Secretary ensures that meetings are properly convened, minutes of meetings are properly documented, and the records of resolutions passed by the Board and proceedings of Board Meetings, Board Committee Meetings and Annual General Meeting are properly and systematically maintained for ease of retrieval and reference.</p> | |
| Explanation for departure | : | | |
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| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 1.6

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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Board and its Committees are provided with sufficient notice of meeting together with the agenda, and the relevant meeting papers prepared by the Management at least (5) business days prior to the meeting, to allow reasonable time for the Board and/or its Committees to review the meeting papers and to prepare for the deliberation on the issues to be considered at the respective meetings.</p> <p>For each of the Board and its Committees meetings, the draft minutes are circulated to the members to ensure that the minutes of meeting accurately reflect the deliberations and decisions of the Board and/or Board Committees, including whether any Director had declared his or her interest in the matters for deliberation and abstained from voting or deliberating on the said matter. Thereafter the final minutes are confirmed and approved by the Chairman of the meeting at the next sitting.</p> | |
| Explanation for departure | : | | |
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| 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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board has a formalised Board Charter, which sets out the roles, functions, composition and processes of the Board. The Board Charter provides guidance to the Board in relation to the Board's role, duties, responsibilities and authorities which are in line with the principles of good corporate governance. The Board Charter acts as a point of reference for Board members.</p> <p>The Board reviews the Board Charter at least annually and makes amendment where necessary to ensure that they remain relevant with the Board's objectives, current laws and practices. The Board Charter was reviewed and last updated in June 2022.</p> <p>The Board Charter is available on the Company's website. www.mynews.com.my</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

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

Practice 3.1

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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Board is committed to establish a corporate culture that fosters common goal of achieving sustainable profitability, whilst cultivating ethical business conducts. The Board has adopted the Code of Ethics and Conduct for Directors which upholds integrity, transparency and ethical practices of the business activity.</p> <p>The Code of Ethics and Conduct for Directors is published in the Company’s website at www.mynews.com.my</p> | |
| Explanation for departure | : | | |
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| <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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>A Whistle-Blowing Policy has been established to enhance the Group's commitment in upholding and achieving integrity, transparency and accountability in the conduct of its business. The Whistle-Blowing Policy serves to provide an avenue to any party, internal or the public to raise concerns, report or disclose any improper behaviour and conduct on a confidential basis, without fear of any form of victimisation, harassment or retaliation.</p> <p>Mynews' whistle-blowing policy is available on the Company's website at www.mynews.com.my</p> <p>Any enquiries, misconduct or complaints can be emailed to mynewscareline@mynews.com.my or cucareline@mycu.my</p> |
| Explanation for departure | : | |
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| <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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | <p>One of the principal responsibilities of the Board is to ensure that the Company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.</p> <p>Currently, the Board and Executive Committee review the Company's sustainability performance in addressing the Company's material sustainability risks and opportunities.</p> <p>A Sustainability Working Group, consists of the Executive Committee (one of them is the Sustainability Officer) and Senior Management, was set up to steer the Group's sustainability efforts as well as to guide and monitor the Company's sustainability performance. Mr. Dang Tai Wen, the Deputy Group Chief Executive Officer is designated as the Sustainability Officer to oversee and apply ESG (Environmental, Social and Governance) reporting framework and standards. The sustainability progress in terms of ESG will be discussed amongst the Executive Committee Members and the Sustainability Officer will report the outcome/results/status to the Board every quarter.</p> | |
| Explanation for departure | : | | |
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| <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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Sustainability Statement in the Company's Annual Report 2022 aims to communicate the Company's commitment in sustainability, activities and progress, to Mynews' stakeholders. It provides comprehensive information on sustainability management and performance towards Environmental, Social and Governance ("ESG") strategies, performance and commitments.</p> <p>This Sustainability Statement is prepared in accordance with Global Reporting Initiative ("GRI") reporting guidelines, and it is guided by Bursa Malaysia Sustainability Reporting Guide 2nd Edition.</p> <p>This Statement provided our stakeholders with Environmental, Social and Governance ("ESG") information about Mynews. It shares Mynews' commitment to sustainability with its important stakeholders including employees, investors, customers, business partners and the communities it operates in.</p> | |
| Explanation for departure | : | | |
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| <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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | Some of the Board members have attended and will continue to attend trainings to stay abreast with and understand the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities. The Board is fully cognizant of the climate-related risks and opportunities. | |
| Explanation for departure | : | | |
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| <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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Board and Senior Management have performed their respective roles in addressing material sustainability risks and opportunities. The performance evaluation of the Board in addressing the Company's material sustainability was evaluated through the annual Board's Evaluation.</p> <p>Whereas for the performance of Senior Management, a set of Key Performance Indicator ("KPI") to assess the performance of the Senior Management on the ESG matter will be established.</p> | |
| Explanation for departure | : | | |
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| <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.

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| Application | : | Adopted |
| Explanation on adoption of the practice | : | The Board had identified Mr. Dang Tai Wen, the Deputy Group Chief Executive Officer of the Company as the designated person to provide dedicated focus to manage sustainability strategically. He together with the other Executive Committee Members are responsible to steer and provide guidance to the sustainability working group to address sustainability risks and opportunities when exercising the duties of developing and implementing of Company strategies and business plans. |

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Nominating Committee (NC) reviews the Board Succession Plan i.e. the composition, tenure, skills and experience matrix of the Board annually.</p> <p>The Board had adopted Practice 5.3 where the tenure of an Independent Director does not exceed a term of nine (9) years to ensure progressive refreshing of the Board's composition.</p> <p>The NC assessed the performance of the Directors standing for re-election at the Company's 10th Annual General Meeting via the Board Evaluation. Amongst others, the Board Evaluation assessed the Directors' competencies, contribution, performance, calibre, personality, independence and their ability to act in the best interest of the Company.</p> <p>The Directors' rotation list was presented to the NC for endorsement prior to recommendation to the Board for approval and the retiring Directors had given their consent on their re-election during the Company's Board Meeting.</p> |
| Explanation for departure | : | |
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| <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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board comprises of seven (7) Directors, four (4) of whom are Independent Non-Executive Directors. The independent directors participate actively to provide independent advice, views and judgements in the decision-making process. They ensure that a balanced and unbiased deliberation process is in place to safeguard the interest of all stakeholders. As and when a potential conflict of interest arises, it is a mandatory practice for the Directors concerned to declare their interest and abstain from the deliberation and decision-making process.</p> <p>The independent Directors whose profile set out in the Annual Report 2022 are as follows:</p> <ul style="list-style-type: none">• Ms Soon Dee Hwee <i>Senior Independent Non-Executive Director</i>• En Mohd Suffian Bin Suboh <i>Independent Non-Executive Director</i>• Mr Christopher Koh Swee Kiat <i>Independent Non-Executive Director</i>• Puan Latifah Binti Abdul Latiff <i>Independent Non-Executive Director</i> |
| Explanation for departure | : | |
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| <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.

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| Application | : | Applied | |
| Explanation on application of the practice | : | In June 2022, the Board revised its Board Charter to limit the tenure of its Independent Directors to nine (9) years. The Company has an option to retain its Independent Directors beyond nine (9) years by seeking annual shareholders’ approval through a two-tier voting process and should provide justification. During the financial year under review, none of the Independent Directors has exceeded the cumulative terms of nine (9) years. | |
| Explanation for departure | : | | |
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| 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 5.4 - Step Up

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

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| <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 : | 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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board has at all times promoted and welcomed diversity and gender mix in its composition and this is reflected in the Board's composition comprising of different skill sets, experience, age, gender and background.</p> <p>The Nominating Committee, which comprises of Independent Non-Executive Directors, is responsible for making recommendation relating to any new appointment to the Board. Any nomination received shall be assessed by the Nominating Committee before putting the recommendation for appointment to the Board for consideration and approval.</p> <p>For the appointment of new Directors, the Nominating Committee shall assess the suitability of candidates, taking into consideration the following:</p> <ul style="list-style-type: none">• Competencies – qualifications, knowledge, industrial experience expertise and past achievements.• Contributions – appointment scope, role, commitment level, professionalism and integrity.• Diversity representation – appropriateness and the fulfilment of the Board's desired mix of competencies. <p>A brief description of each Director's background is stated in the Directors' Profile in the Annual Report.</p> <p>In respect of Board size and composition, the Board is of the view that its size, mix and competencies and diversity representation as well as the balance between executive, non-executive and independent Directors are adequate and commensurate with the Group's business operations and needs.</p> |

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| | Appointment of key Senior Management was also made on the same considerations. | |
| Explanation for departure | : | |
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| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing 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.

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| Application | : | Departure |
| Explanation on application of the practice | : | |
| Explanation for departure | : | <p>The policies and procedures for Board appointments are set out in the Board Charter and Fit and Proper Policy.</p> <p>During the FY 2022, there was a change in the Board composition. The Independent Non-Executive Chairman was redesignated to Executive Chairman on 1 March 2022. Two (2) new Independent Directors had been appointed and one (1) of the Executive Director had resigned from the Board on 1 June 2022.</p> <p>In the course of identifying experienced, qualified and fit for purpose candidates, the Nominating Committee had shortlisted the potential candidates via recommendations from Directors. The NC is of the view that presently this source is sufficient and the independent sources are not used to identify suitably qualified candidates.</p> <p>This is due to the process that takes place after receiving the recommendations from the NC, the Board goes through a formal, rigorous and transparent process for the final appointment of Directors. The Board is guided by a set of criteria on the recruitment and evaluation process of Directors. Nonetheless, the independent sources might be used in the future appointments if necessary.</p> <p>In appointing a Director, consideration is given to the current composition of the Board and the tenure of each Director on the Board. This is to determine whether there is a need to bring new skills and perspective to the boardroom.</p> <p>Additionally, focus will not only be on whether a Director's background and current activities qualify him or her as independent, but also whether the Director can act independently of Management.</p> |

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

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| Measure | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice. | |
| Timeframe | : | Choose an item. | |

Intended Outcome

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

Practice 5.7

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The profiles of Directors are published in the Annual Report and the Company's website. These include their age, gender, tenure of service, directorship in other companies (listed entities and public companies), working experience and any conflict of interest as well as their shareholdings in the Company, if any. The reasons for the appointment and reappointment of the Directors are also stated in the explanatory notes to the agenda in the Notice of the 10th Annual General Meeting.</p> <p>In accordance with Article 114(1) of the Company's Constitution, Mr. Dang Tai Luk and Mr. Dang Tai Hock will retire as Directors. While Puan Latifah Binti Abdul Latiff and Mr. Christopher Koh Swee Kiat, who were newly appointed to the Board on 1 June 2022 will retire as Directors in accordance with Article 124 of the Company's Constitution.</p> <p>For the purpose of determining the eligibility of the Directors to stand for re-election at the 10th AGM, the Board through the NC's recommendation, had assessed the retiring Directors by considering the following:</p> <ol style="list-style-type: none">1) The Directors' performance, based on the Self and Peer Assessment results of the Board Evaluation during FY 2022.2) The Directors' level of contribution to the Board deliberations through his/her skills, experience and strength in qualities.3) For Independent Directors, the level of independence demonstrated by the Independent Directors and the ability to act in the best interest of the Company in decision-making.4) Whether the Directors have the character, integrity, experience and competence to discharge their role effectively.5) The Directors' ability to commit and devote adequate time to fulfil their responsibilities effectively. <p>Based on the aforesaid assessment, the Board and the NC were satisfied that the said retiring Directors have met the Board's expectations by</p> |

| | | |
|--|---|--|
| | continuously discharging their duties diligently as Directors of the Company. Accordingly, the Board would recommend their re-election to the shareholders at the forthcoming 10 th 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

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 Nominating Committee comprises 3 members, all of whom are Independent Non-Executive Directors and the committee is chaired by Ms Soon Dee Hwee who is a Senior Independent Non-Executive Director.</p> <p>The profile of Ms Soon Dee Hwee is available on the Company's Annual Report 2022.</p> <p>The Nominating Committee has carried out its duties in accordance with its Terms of Reference. The Terms of Reference of the Nominating Committee is available on the Company's website at www.mynews.com.my</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |
| | | |

Intended Outcome

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 | : | With the appointment of Puan Latifah Binti Abdul Latiff on 1 June 2022, the Board currently has two women Directors out of a total of seven Directors, representing 28.57% of the full Board. | |
| | | The Board is cognizant of increasing more female participation in the Board, in the near future. | |
| | | The Board comprises of directors who have diverse experience from different industries and had objectively shared their knowledge and experience during decision making process. | |
| | | Occasionally, Senior Management (Heads of Department), which comprises majority females, are invited to contribute their diverse perspectives and insights during Board Meetings. In view thereof, decisions are made objectively and in the best interest of the Company. | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice. | |
| Timeframe | : | Choose an item. | |

Intended Outcome

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

Practice 5.10

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

| | | |
|--|---|--|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board had established a Gender Diversity Policy, formalising its approach to boardroom and senior management diversity. The Board views that diversity of the Board and Senior Management's composition are important to facilitate optimal decision-making by harnessing different insights and perspectives.</p> <p>The Board has two (2) female members (Ms Soon Dee Hwee and Puan Latifah Binti Abdul Latiff) and shall accord priority on increasing the female participation whenever there is any new appointment of member.</p> <p>Upon recommendation by the Management and Nominating Committee, the Board shall appoint a gender diverse Board and Senior Management with a broad spectrum of perspectives, including but not limited to education background, age, ethnicity, skills, knowledge, expertise, experience, competencies, integrity and/or other commitments that the candidate will bring to complement the Board and Senior Management.</p> <p>The Board discloses the said Policy in the Company's Annual Report 2022.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 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.

| | |
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| <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 | <p>The Board, Board Committees and individual Directors are assessed annually by the Nominating Committee and the Directors collectively on the following:</p> <ul style="list-style-type: none">• Effectiveness of the Board as a whole• Contribution and performance of each individual Director• Contribution and performance of the Board Committees (Audit Committee, Risk Management Committee, Remuneration Committee and Nominating Committee)• Independence of the Independent Non-Executive Directors <p>Annual assessments are conducted and each of the Directors is given the opportunity to provide feedbacks on the effectiveness of the Board as a whole and the individual performance and contribution to the Board. In addition, the Nominating Committee members also assessed the contribution and performance of the Board Committees and each individual member. The results of all the assessments are then collated by the Company Secretary and tabled to the Nominating Committee for deliberation.</p> <p>The Nominating Committee is satisfied with the effectiveness of the Board and the Board Committees based on the annual assessments conducted. The results of the assessment were affirmed by 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> | |

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|------------------|---|--|--|
| 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 Company has a clear process for setting the remuneration for Directors to ensure that it is competitive to attract and retain the Directors.</p> <p>The Remuneration Committee is responsible to review, assess and recommend the remuneration packages of the Executive Directors and the C-Level personnel to ensure that they are sufficiently attractive to retain them with due consideration of the individual's performance, seniority, experience and scope of responsibility.</p> <p>The Executive Directors' remuneration is designed to link rewards to the Group's and individual performance whilst the remuneration of the Non-Executive Directors is determined in accordance with their experience and the level of responsibilities assumed. Additionally, in ensuring that the Directors' remuneration is in line with the market and competitive to retain and attract talents, reference is made to the Directors' remuneration offered by other public listed companies of similar industry and same level of market capitalisation.</p> <p>The Executive Directors do not take part in the decision on their own remuneration. Likewise, the remuneration of the Non-Executive Directors is a matter for the Board as a whole, with individual Director abstaining from discussion of his/her own remuneration.</p> <p>The policy and procedures on the Directors' remuneration are stated in the Board Charter and a stand-alone Remuneration Policy which are available on the Company's website at www.mynews.com.my</p> |
| Explanation for departure | : | |

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

Intended Outcome

The 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 Remuneration Committee was established to review and recommend the appropriate level of remuneration packages for the Board and C-Level personnel. In addition, the Remuneration Committee also reviews the Group's annual increment and bonus pay-out taking into consideration the Group's performance.</p> <p>The Remuneration Committee carried out its duties in accordance with its Terms of Reference. The Terms of Reference of the Remuneration Committee is available on the Company's website at www.mynews.com.my</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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 disclosure on a named basis for the remuneration of individual Director and breakdown of the individual Director's remuneration such as fees, salary, bonus, benefits in-kind and other emoluments is stated in the Corporate Governance Overview Statement of the Annual Report 2022. |

| 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 | Dang Tai Luk | Executive Director | 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 | 743 | Input info here | 13 | Input info here | 756 |
| 2 | Dang Ta Wen (resigned on 1 June 2022) | Executive Director | 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 | 669 | Input info here | 17 | Input info here | 686 |
| 3 | Dang Tai Hock | Executive Director | 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 | 286 | Input info here | 17 | Input info here | 303 |
| 4 | Ding Lien Bing (redesignated to Executive Chairman on 1 March 2022) | Independent Director | 30 | 5 | Input info here | Input info here | Input info here | Input info here | 35 | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here |
| 5 | Ding Lien Bing (redesignated to Executive Chairman on 1 March 2022) | Executive Director | 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 | 358 | Input info here | Input info here | Input info here | 358 |
| 6 | Soon Dee Hwee | Independent Director | 79 | 12 | Input info here | Input info here | Input info here | Input info here | 91 | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here |
| 7 | Christopher Koh Swee Kiat (appointed on 1 June 2022) | Independent Director | 25 | 4 | Input info here | Input info here | Input info here | Input info here | 29 | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here |
| 8 | Mohd Suffian Bin Suboh | Independent Director | 70 | 12 | Input info here | Input info here | Input info here | Input info here | 82 | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here | Input info here |
| 9 | Latifah Binti Abdul Latiff (appointed on 1 June 2022) | Independent Director | 25 | 4 | Input info here | Input info here | Input info here | Input info here | 29 | 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 | : | For confidentiality, the details of the remuneration, on a named basis, for the top 5 Senior Management are not disclosed as the Board is of the view that the disclosure of such information may put the Company in a disadvantage position given the keen competition for talent in the industry in which the Group operates. | |
| | | In the best interest of the Group and the staff concerned, the Board shall not disclose such information. | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | Please explain the measure(s) the company has taken or intend to take to adopt the practice. | |
| Timeframe | : | Choose an item. | |

| 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 Chairman of the Audit Committee is not Chairman of the Board. This is to ensure the overall effectiveness and independence of the Audit Committee.</p> <p>The Chairman of the Audit Committee is Ms Soon Dee Hwee, whereas the Chairman of the Board is Mr Ding Lien Bing.</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 had adopted the best practice of requiring a cooling off period of at least three (3) years before a former key audit partner is to be appointed as a member of the Audit Committee.</p> <p>None of the members of the Board were former key audit partners and the Board has no intention to appoint any such person as a member of the Board at this juncture.</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 Audit Committee applies the best practices in the assessment of the external auditors to ensure their suitability, objectivity and independence.</p> <p>Based on the annual assessment conducted for the financial year ended 31 October 2022, which included the quality of audit review procedures, adequacy of the firm's expertise and its resources to carry out the audit the Audit Committee was satisfied with the performance of the external auditors.</p> <p>Grant Thornton Malaysia PLT had also confirmed to the Audit Committee their independence throughout the audit engagement in respect of the financial year under review.</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 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

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|--|---|--|
| Application | : | Adopted |
| Explanation on adoption of the practice | : | <p>The entire Audit Committee comprises members who are Independent Directors, namely: -</p> <ol style="list-style-type: none">1) Ms Soon Dee Hwee – Chairman of Audit Committee <i>Senior Independent Non-Executive Director</i>2) En Mohd Suffian Bin Suboh – Member of Audit Committee <i>Independent Non-Executive Director</i>3) Puan Latifah Binti Abdul Latiff – Member of Audit Committee <i>Independent Non-Executive Director</i>4) Christopher Koh Swee Kiat – Member of Audit Committee <i>Independent Non-Executive Director</i> |

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 Committee members possess a wide range of skills and they are financially literate and able to understand matters within the purview of the Audit Committee including the financial reporting and performance of the Group. The Audit Committee members have and will continue to attend continuous professional development programmes from time to time to address any skills or knowledge gaps according to their needs.</p> <p>Ms. Soon Dee Hwee, the Chairman of the Audit Committee, is a professionally qualified accountant having vast experience in the finance industry including the financial reporting process.</p> | |
| Explanation for departure | : | | |
| | | | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |
| | | | |

Intended Outcome

Companies 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 has the oversight responsibility of the adequacy and effectiveness of the Group's internal controls which comprise the governance, risk and controls aspects. The oversight function of these areas was delegated by the Board to the Audit Committee and Risk Management Committee.</p> <p>The Board believes that effective oversight review of risk management and internal control is important to help the Group to achieve its various objectives at many levels and having considered the risks that the Group faces whilst balancing out the interest of its many stakeholders and protecting the Group's assets and investments.</p> <p>The Group adopts a 3 line of defence structure for the governance and management of its system of internal controls. The internal audit function is outsourced to Crowe Governance Sdn Bhd which reports directly to the Audit Committee. Whereas the Risk Management Department provides support and facilitates the implementation of an enterprise-wide risk management and internal control functions.</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 regards risk management and internal control as an integral part of business operations. An approved Enterprise Risk Management ("ERM") Framework developed based on ISO 31000 is in place and provides guidance to both the Board and Management on risk management, governance and risk process. The framework sets out the process towards risk identification, risk assessment, risk evaluation, risk treatment, monitoring and reporting of risk. Control effectiveness is reviewed to ensure adequate controls are in place to manage the risks identified and a Risk Management Report is tabled to the Risk Management Committee on a quarterly basis.</p> <p>The Risk Management Report comprises the following:</p> <ul style="list-style-type: none">- Identification of new risks or changes in existing risks- Evaluation of risks identified and profiling of risks- Controls implemented or additional controls to be introduced- Updating of the risks register- Emerging risks- Incidents Reporting |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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 Risk Management Committee was established on 1 March 2018 and it comprises majority of independent directors:</p> <ol style="list-style-type: none">1) Mr Dang Tai Hock – Chairman <i>Executive Director</i>2) Ms Soon Dee Hwee – Member <i>Senior Independent Non-Executive Director</i>3) En Mohd Suffian Bin Suboh – Member <i>Independent Non-Executive Director</i>4) Puan Latifah Binti Abdul Latiff – Member <i>Independent Non-Executive Director</i> |

Intended Outcome

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

Practice 11.1

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

| | | | |
|--|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Group has outsourced its internal audit function to Crowe Governance Sdn Bhd ("Crowe Governance"), an independent professional services firm, to assist the Audit Committee in discharging its duties and responsibilities more effectively.</p> <p>Crowe Governance assists in obtaining the assurance regarding the effectiveness of the system of internal control and reports directly to the Audit Committee on issues and recommendations arising from each review.</p> <p>The Audit Committee had reviewed the quality of the internal audit function and assessed the effectiveness of the internal audit process and found them to be satisfactory. The Audit Committee and Crowe Governance met privately without the Management's presence to facilitate discussions which is free from the Management's influence.</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 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 independent professional firm, Crowe Governance Sdn Bhd which is reporting directly to the Audit Committee.</p> <p>The engagement Executive Director, Mr. Amos Law is a Certified Internal Auditor ('CIA'). The number of staff deployed for the internal audit reviews ranges from 2 to 4 staff per visit, including the engagement Director. Staff involved in the internal audit reviews possesses professional qualification and/or a university degree.</p> <p>The internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p> <p>Internal audits were conducted using a risk-based approach and were guided by the International Professional Practice Framework (IPPF).</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 recognises the value of transparent, consistent and regular communications with its stakeholders.</p> <p>The Company announces its quarterly results, annual reports or announcement on material corporate exercise to its stakeholders via Bursa Malaysia.</p> <p>The Board ensures that the stakeholders are given the opportunity to speak and seek clarifications during the Company’s virtual AGM for effective and transparent communication with its stakeholders.</p> <p>The Company also maintains a website at www.mynews.com.my for the stakeholders and general public to access information on, amongst others, the Group’s profile, corporate profile, products, financial performance and announcements to Bursa Malaysia.</p> <p>The Group also maintains Facebook and Instagram social media pages to communicate information on new products, promotions, new outlet openings and updates on the operational activities.</p> <p>Any request for information regarding the Group can be forwarded to:-</p> <table><tr><td>Telephone:</td><td>03-6158 6000</td></tr><tr><td>Email</td><td>mynewscareline@mynews.com.my cucareline@mycu.my</td></tr></table> | Telephone: | 03-6158 6000 | Email | mynewscareline@mynews.com.my cucareline@mycu.my |
| Telephone: | 03-6158 6000 | | | | | |
| Email | mynewscareline@mynews.com.my cucareline@mycu.my | | | | | |
| Explanation for departure | : | | | | | |
| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | | | | |
| Measure | : | | | | | |

| | | | |
|------------------|---|--|--|
| Timeframe | : | | |
|------------------|---|--|--|

Intended Outcome

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 | : | | |
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| <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.

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|--|---|---|--|
| Application | : | Applied | |
| Explanation on application of the practice | : | The Notice of the Ninth (9th) Annual General Meeting (“AGM”) of the Company held on 26 April 2022 was announced to Bursa Securities and despatched on 24 February 2022 which fulfilled the 28 days’ notice requirement. | |
| Explanation for departure | : | | |
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| <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 | : | During the Company’s 9 th AGM held on 26 April 2022, all Directors attended the meeting. All questions raised by shareholders and Minority Shareholders Watch Group were addressed accordingly either during the Question & Answer session at the 9 th AGM or in written form prior to the said AGM. | |
| Explanation for departure | : | | |
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| Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below. | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 13.3

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 | : | <p>The Company had leveraged on technology to conduct its 9th AGM as a fully virtual meeting through live streaming on 26 April 2022. All members participated in the 9th AGM via online platform and voted electronically using the Remote Participation and Voting (RPV) facilities in accordance with Section 327 of the Companies Act 2016. The shareholders and proxies of the Company were also able to submit their questions electronically via the virtual event platform before and during the 9th AGM.</p> <p>For the 9th AGM, the Company had appointed Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) as Poll Administrator to conduct the polling process, and Asia Securities Sdn Bhd as Scrutineers to verify the poll results. The results of all votes casted in respect of each resolution were displayed on-screen at the virtual 9th AGM. Subsequently, the poll results were announced via Bursa LINK and the announcement to Bursa Securities was posted on the Company’s website on even date.</p> |
| Explanation for departure | : | |
| | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 13.4

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

| | |
|--|---|
| <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 Company's 9th AGM was held as a fully virtual meeting on 26 April 2022. The Company had on 24 February 2022 issued the Annual Report 2021 for the 9th AGM together with the Administrative Guide which had provided the guidance on the conduct of the virtual meeting,</p> <p>The shareholders were allowed to submit their questions electronically through the online platform provided by the share registrar, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") via its TIH Online website at https://tiah.online prior to the 9th AGM, or used the query box to transmit questions to the Board of Directors via Remote Participation and Voting (RPV) facilities during live streaming of the 9th AGM.</p> <p>The Chairman of the 9th AGM had informed the shareholders during the live streaming that they could submit their questions to the Board during the AGM via the RPV facilities. The questions posed by shareholders were displayed on the screen for the participants of the meeting and the Chairman or the Group Chief Executive Officer responded to the questions accordingly, before the commencement of the poll voting.</p> <p>As the shareholders were allowed to submit questions from 24 February 2022 onwards, they were given sufficient opportunity to pose their questions before and also via online platform during the AGM. The Company had ensured that all the relevant questions were answered.</p> <p>The questions raised and responses given for the 9th AGM of the Company were uploaded on the Company's website.</p> |
| Explanation for departure | : |

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| <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.

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 | : | Applied |
| Explanation on application of the practice | : | <p>In view of the health and safety concerns relating to Covid-19, the Company's Annual General Meeting (AGM) in 2020, 2021 and 2022 were held virtually.</p> <p>The Remote Participation and Voting (RPV) facilities provided by the share registrar, Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at https://tiih.online allowed shareholders to pose questions to the Board via typed text in the query box. The shareholders may submit their questions at any time from the day of the Notice of AGM and up to the time when the meeting was in progress.</p> <p>Through the TIIH Online platform and live broadcasting, the shareholders had experienced real time interaction with the Board during 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 13.6

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

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|--|---|---|
| <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 for the 9 th Annual General Meeting ("AGM") held on 26 April 2022 was posted on the Company's website at www.mynews.com.my on 11 May 2022, which is within 30 business days from the date of the 9 th 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 | : | |

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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