

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0241
COMPANY NAME : SIAB HOLDINGS BERHAD
FINANCIAL YEAR : December 31, 2022

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("the Board") leads and determines the strategic direction and oversees the overall management of SIAB Holdings Berhad ("the Company") and its subsidiaries ("the Group"). It also ensures appropriate risk management and internal control systems are in place and regularly reviews such systems to ensure their adequacy, integrity and effectiveness. The Board is also responsible for setting the corporate values and promoting good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour while ensuring that its obligations to shareholders and other stakeholders are met.</p> <p>The Board is guided by a Board Charter. Pursuant to ACE Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Malaysian Code on Corporate Governance issued and updated on 28 April 2021 ("MCCG"), the Board has on 26 June 2021 approved the Board Charter and noted that the Board Charter is in line with both ACE LR and MCCG. The Board Charter sets out the Board's strategic intent and outlines the roles and responsibilities of the Board and its committees, individual directors and the Chairman as well as the respective meetings' requirements. The Board Charter is subject to review as and when necessary and it is available on the Company's website at www.siabmy.com.</p> <p>The Managing Director, who is appointed by the Board, is responsible for the day-to-day management of the Group's business as well as implementation of policies and decisions approved by the Board and making strategic decisions for the expansion of the Group's business. The Managing Director is supported by a management team whose members are tasked to oversee key operating areas within the Group.</p> <p>The Board is supported by the following board committees with delegated specific responsibilities:</p> <ul style="list-style-type: none">▪ Audit & Risk Management Committee

	<ul style="list-style-type: none"> ▪ Nomination Committee ▪ Remuneration Committee <p>The board committees are authorised by the Board to deal with and to deliberate on matters delegated to them in accordance with their respective Terms of Reference (“TOR”). Each board committee operates its functions within its respective TOR approved by the Board. The Chairman or Chairwoman of the respective board committees reports to the Board on matters deliberated and recommendations made by the respective board committees.</p> <p>The Board Charter and the respective TORs of each board committee are accessible via the Company’s website at www.siabmy.com.</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>Tan Sri Dato' Sri Mohamad Fuzi Bin Harun is the Chairman of the Company and has been appointed as Chairman of the Company since 24 June 2021. The Chairman is primarily responsible for ensuring the effective functioning of the Board and leading the Board in its collective oversight of management by focusing on strategy, governance and compliance.</p> <p>The roles and responsibilities of the Chairman are clearly set out in the Board Charter. Apart from being primarily responsible for leading the Board, the Chairman carries out the following roles:</p> <ul style="list-style-type: none">▪ Leading the Board in the adoption and implementation of good corporate governance practices in the Company;▪ Leading Board meetings and discussions, facilitating the effective contribution of all directors at board meetings, ensuring that no member dominates discussions and that appropriate discussions and opinions amongst members are forthcoming;▪ Representing the Board to shareholders and chairing General Meetings of shareholders;▪ The efficient organisation and conduct of the Board's functioning, including establishing the agenda for board meetings in consultation with the Executive Directors, chairing Board meetings and ensuring that the Board behaves in accordance with the Code of Ethics for Directors and Executives;▪ Ensuring the Board's decisions have been implemented;▪ Ensuring that the directors receive accurate, timely and clear information in a form and of a quality appropriate to enable it to discharge their duties. All directors are entitled to request additional information where they consider such information necessary to make informed decisions;▪ Ensuring that new directors receive a full, formal and tailored induction on joining the Board;▪ Ensuring that the directors continually update their skills, knowledge and familiarity with the Company in order to fulfil their roles both on the Board and board committees;▪ The promotion of constructive and respectful relations between directors, and between the board and management including promoting a culture of openness and debate without any one director dominating the discussion;

		<ul style="list-style-type: none"> ▪ Overseeing that adequate time is available for thorough deliberation of key matters and that decisions are taken on a sound and well-informed basis, including the consideration of all strategic and critical issues; ▪ Ensuring that the views of shareholders are communicated to the Board as a whole, and that governance and strategy issues are discussed with major shareholders; ▪ Providing guidance and mentoring to the Executive Directors as well as maintaining regular dialogue with the Executive Directors and senior management to ensure he is kept informed of all major issues and matters affecting the Group; and ▪ Reviewing matters of concern to the Group together with the Managing Director. In discharging his role, the Chairman also works with key senior management, manages the Board, and promotes effective relations with shareholders, other stakeholders and the public. 		
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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 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has a Managing Director ("MD") instead of a Chief Executive Officer. The positions of Chairman and MD are held by different individuals with their roles clearly defined in the Board Charter.</p> <p>The Chairman is Tan Sri Dato' Sri Mohamad Fuzi Bin Harun whilst the MD of the Company is Mr Ng Wai Hoe.</p> <p>There is a clear division of responsibilities between the Chairman and the MD to ensure a proper balance of power and authority, insofar as no one individual has unfettered powers of decision-making.</p> <p>The Chairman is responsible for the orderly conduct and effectiveness of the Board in addition to facilitate constructive deliberation of matters in hand in leading the Board in its collective oversight of management.</p> <p>The MD leads the management of the Group and has overall responsibility for the operating units and the implementation of the Board's policies and strategies approved by the Board for the purpose of running the business and the day-to-day management of the Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board, Tan Sri Dato' Sri Mohamad Fuzi Bin Harun, is not a member of any of the board committees (Audit & Risk Management Committee, Nomination Committee and Remuneration Committee). The Chairman does not participate in any of the board committee meetings.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by two Company Secretaries who have the requisite credentials and are qualified Chartered Secretaries under Section 235(2) of the Companies Act 2016. as they are members of The Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA").</p> <p>The two named Company Secretaries of SIAB Holdings Berhad are:</p> <ul style="list-style-type: none">▪ Lau Yen Hoon (MAICSA 7061368) (SSM PC No. 202008002143); and▪ Tan Siew Hong (MAICSA 7066226) (SSM PC No. 201908001915). <p>The Company Secretaries advise the Board on corporate governance matters, corporate disclosures and ensure adherence to the relevant statutory and regulatory requirements.</p> <p>The Company Secretaries also provide the required support to the Board in carrying out its duties and stewardship role, providing the necessary advisory role with regards to the Company's Constitution, board and governance documentation as well as compliance with all regulatory requirements, codes, guidance and legislation.</p> <p>The roles and responsibilities of the Company Secretaries include, but are not limited to, the following:</p> <ul style="list-style-type: none">▪ supporting the Board in compliance with the statutory requirements of the Companies Act 2016, the ACE LR of Bursa Securities, the Capital Market Services Act 2007, and such other relevant legislations within their agreed scope of responsibilities;▪ facilitating the convening for meetings of the Board, shareholders and other stakeholders and advise on matters relating to company secretarial matters relating thereto as and when required; and▪ updating and maintaining all statutory registers and books and maintaining record keeping of all important company documents such as the certificate of incorporation, share certificates, meeting minutes, constitutions, etc. <p>All directors have access to the advices and services of the Company Secretaries.</p>

Explanation for departure :		
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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>A full year corporate calendar, which sets out the meeting dates of the Board, board committees and Annual General Meeting ("AGM") as well as the closed period reminders, is prepared and circulated to the directors before the start of each calendar year to allow directors sufficient time in planning ahead of such meetings.</p> <p>Prior to the scheduled meetings, the Board and board committees are provided with a structured agenda together with management reports and comprehensive board meeting papers at least 5 business days prior to the meeting to ensure that the Directors have sufficient preparation time and information to make an informed decision at each meeting. The board meeting papers contain relevant information required to enable the directors to discharge their duties effectively. In order for meetings to be effective, the meeting agenda is organised by taking into consideration the complexities of the proposals or matters for deliberation. An indication will be provided to guide the Board and/or the board committees as to whether the matters are for approval, discussion or notation so that the meetings can be conducted efficiently.</p> <p>All directors have unrestricted direct access to and interaction with the key senior management team, where they are briefed on matters or major developments concerning the Group operations. Where necessary, members of the key senior management team will be invited to attend Board and/or board committee meetings to report and update on areas of business within their responsibility to provide board members insights of the business and clarify any issues raised by the directors in relation to the operations of the Group.</p> <p>All issues discussed, decisions and conclusions including dissenting views made, and whether any director was abstained from voting or deliberating on a particular matter at the Board and/or board committee meetings as well as any required actions to be taken by responsible parties, are minuted by the Company Secretaries in attendance. Minutes of meetings are circulated to all Board members in a timely manner and signed by the Chairman of the Board or board committees as a correct record of the proceedings of the meeting based on the confirmation from all the Board or board committee members.</p>

Explanation for departure :		
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Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>As explained in Practice 1.1 above, the Board is guided by a Board Charter. Pursuant to ACE LR of Bursa Securities and MCCG, the Board has on 26 June 2021 approved the Board Charter and noted that the Board Charter is in line with the requirements of both MCCG and ACE LR of Bursa Securities.</p> <p>The Board Charter sets out the Board's strategic intent and outlines the respective roles and responsibilities of the Board, board committees, individual directors and the Chairman as well as the respective meetings requirements and issues or decisions reserved for the Board.</p> <p>The Board Charter is subject to review as and when necessary and it is available on the Company's website at www.siabmy.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established and adopted a Code of Conduct and Ethics for Directors ("CCED") and a separate Code of Conduct and Discipline for Employees. The CCED, which is also incorporated in the Board Charter, has been formulated to enhance the standard of corporate governance and promote ethical conduct of the Directors. The CCED is to be observed by all directors of SIAB Group.</p> <p>Key components in the CCED include:</p> <ul style="list-style-type: none">▪ principles of the code;▪ compliance with laws and regulations;▪ conflict of interests;▪ anti-bribery and corruption;▪ safeguarding of assets;▪ confidentiality;▪ fair dealing and anti-competition;▪ insider trading; and▪ whistleblowing / reporting violations of the CCED. <p>This CCED shall be reviewed by the Board every three years or as required when internal or external events warrant a more frequent review to be undertaken. The CCED for Directors has been approved and adopted by the Board on 23 February 2022. The CCED is also published on the Company's website at www.siabmy.com.</p> <p>For employees, a Code of Conduct and Discipline for Employees has been set out in the employees' handbook to maintain a uniform set of values and ethics within the Group.</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 board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to upholding values and the highest standard of work ethics for all directors, managers and employees in line with good corporate governance and business integrity practices.</p> <p>In recognising the above, the Company has adopted a Whistleblowing Policy to provide an avenue for all employees of the Group and members of the public to raise concerns or disclose any improper conduct involving the Group and its directors or employees.</p> <p>Confidentiality in respect of all matters raised under this policy and the identity of the whistle-blower will be ensured and protected, unless otherwise required by law. The Company assures that all reports will be treated in the strictest of confidence and promptly investigated. This will strengthen the accountability and transparency in the business affairs of the Group and allow appropriate actions to be taken to resolve them effectively.</p> <p>With effect from 23 February 2022, the Group has also made effective the Anti-Bribery & Corruption Policy that sets out the policy, framework and responsibilities of the directors, employees and associated persons as defined in the policy with regards to observing and upholding the Group's strong stance towards any form of bribery or corruption with reference to the main offences as stipulated in the Malaysian Anti-Corruption Commission Act, 2009.</p> <p>The Whistle-blowing and Anti-Bribery & Corruption policies are published on the Company's website at www.siabmy.com. Any reporting could be submitted to Datuk Lim Tong Lee, the ARMC Chairman at the designated email address: ARMC@siabmy.com.</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 the importance for the Group to address sustainability risks and opportunities to support its long-term strategy and success. Subsequent to the listing of Siab Holdings Berhad on 28 February 2022, the Board has instituted a clear sustainability governance model to effectively steer the Group towards achieving its sustainability objectives and reviewing the progress of its future sustainability initiatives. It also ensures that the Group focuses on embedding relevant and material sustainability practices into all the business areas that the Group operates in.</p> <p>The Board is ultimately accountable for the overall governance of sustainability matters of the Group, including setting strategies, priorities and targets.</p> <p>Key senior management, comprising representatives from each business division, manages material sustainability matters of the Group and reports to the Board. The senior management team also coordinates the sustainability working group team in carrying out their duties and responsibilities.</p> <p>The sustainability working group comprises employees appointed by the senior management team to plan, execute and monitor sustainability matters. This team comprises employees from the respective operating divisions who are responsible for executing, monitoring and reporting sustainability-related initiatives which assist senior management in making informed decision to achieve the Group's sustainability goals.</p> <p>The oversight role by the Board allows the Group to translate its sustainability strategies into effective execution of the initiatives in the respective departments.</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 Group engaged with both its internal and external stakeholders throughout the fiscal year as part of the sustainability materiality assessment process. Internal and external stakeholders have been engaged through various platforms to identify what is important to them and to the Group. This also allows the Group to develop initiatives that cater to evolving needs of both internal and external stakeholders to support the Group's long-term strategy and success.</p> <p>Engagement approaches include:</p> <ul style="list-style-type: none">▪ General meetings▪ Annual report and audited financial statements▪ Quarterly financial results▪ Bursa announcements▪ Public and media announcements▪ Company website▪ Open face-to-face communication▪ Company events▪ Internal communication (emails, dialogues with the MD etc.)▪ Bi-annual performance appraisals▪ Corporate social responsibility initiative	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>To integrate sustainability, the Board has instituted a clear governance model for sustainability to effectively steer the Group towards achieving its sustainability objectives and review the progress of its future sustainability initiatives. It also ensures that the Group focuses on embedding relevant and material sustainability practices into all the business areas that SIAB Group operates in.</p> <p>The Group engaged with both its internal and external stakeholders throughout the fiscal year as part of the sustainability materiality assessment process. Internal and external stakeholders have been engaged through various platforms to identify what is important to them and to the Group. This also allows the Group to develop initiatives that cater to evolving needs of both internal and external stakeholders to support the Group's long-term strategy and success.</p> <p>The materiality assessment process for financial year ("FY") 2022 also took into consideration any priority shifts that may have taken place over the past two years, given the focus on recovery, and moving forward after the COVID-19 pandemic. Each material sustainability matter has also been ranked and prioritised based on their importance to our business operations and stakeholders.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>A board effectiveness assessment for FY2022 was conducted by Tricor Corporate Service Sdn Bhd through circulation of assessment questionnaire and forms to evaluate the effectiveness of the Board, Board Committees and the performance, personality and quality aspects of individual directors as well as independence of all independent non-executive directors.</p> <p>The assessment comprised of evaluation of the Board as a whole, board committees and Directors, based on the main areas relating to board mix and composition, quality of information and decision making, boardroom activities, board's relationship with management, Environmental, Social and Governance (ESG) issues, as well as performance evaluation of the Board Committees. The assessment also includes a review of the performance of the Board in addressing the Company's material sustainability risks and opportunities.</p> <p>In FY2022, two ESG meetings were held. Both meetings were attended by two board members, the Group Chief Financial Officer and management representatives from the sustainability working team.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Board has designated Mr Koo Seong Hoe, the Group Chief Financial Officer, to manage sustainability initiatives and integrate sustainability considerations in the operations of the company.</p> <p>In FY2022, two ESG meetings were held. Both meetings were attended by two board members, the Group Chief Financial Officer and management representatives from the sustainability working team.</p>

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 Company was listed on the ACE Market of Bursa Securities on 28 February 2022. The Nomination Committee ("NC") was established by the Board on 26 June 2021. The NC has been entrusted with the responsibility of proposing and recommending new nominees to the Board and assessing individual directors on an on-going basis. The composition of the NC above complies with Rule 15.08A(1) of ACE LR of Bursa Securities and the practices of the MCCG. The NC is guided by its Terms of Reference ("TOR") which, inter alia, sets out the purpose, composition, roles and responsibilities, authority as well as the internal procedural matters for the NC, a copy of which is made available on the Company's website at www.siabmy.com.</p> <p>The NC reviews annually and recommends to the Board the structure, size, balance and composition of the board and board committees. This requires a review of the required mix of skills and experience including core competencies which non-executive directors should bring to the board and other qualities for the board to function effectively and efficiently. Thereafter, the Board carries out its own assessment of the recommendations made by the NC and determines the appointments to be made. The Company Secretaries ensure that all appointments are properly made, and that legal and regulatory obligations are met. The Board has also put in place a process to provide for the orderly succession of the board and the management team.</p> <p>The NC was satisfied that the board composition, in term of size, mix of competencies and diversity representation and the balance between executive, non-executive and independent directors as per ACE LR, was adequate and in line with SIAB Group's business operations and needs.</p> <p>The overall results of the board effectiveness assessment conducted for FY2022 were positive with all evaluated areas rated as either "average" or "above average", reflecting strong performance by the Board, board committees, individual Directors and members of the board committees. It was satisfied that they had been effective in their discharge of functions, roles and duties and had also met the performance criteria in the relevant areas of assessments.</p>

	The Board is also cognisant that a formal, rigorous and transparent process for the appointment and re-election of directors should be put in place based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender in evaluating whether a director has the character, experience, integrity, competence and time to discharge his role effectively. The Board has in place a Director's Fit and Proper policy, which was adopted and approved by the board on 30 May 2022. The Director's Fit and Proper policy is available on the Company's website at www.siabmy.com .	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board currently has seven board members, comprising one Executive Director (the Managing Director), two Executive Directors and four Independent Non-Executive Directors.</p> <p>Hence, the Company fulfilled the prescribed requirements for one-third (1/3) of the membership of the Board to be independent members pursuant to the ACE Listing Requirements of Bursa Malaysia Securities Berhad. This also fulfills Practice 5.2 to have at least half of the Board comprising independent directors.</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 5.3

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	:	The Company was listed on the ACE Market of Bursa Securities on 28 February 2022. None of the independent directors has served the Board exceeding a cumulative period of nine years.	
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 5.4 - Step Up

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

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application	: Adopted
Explanation on adoption of the practice	: As explained in Practice 1.1 above, the Board is guided by a Board Charter. Pursuant to ACE LR of Bursa Securities and MCCG, the Board has on 26 June 2021 approved the Board Charter and noted that the Board Charter is in line with the requirements of both MCCG and ACE LR of Bursa Securities. The Board Charter stipulates that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years and it is available on the Company's website at www.siabmy.com .

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>In evaluating candidates for the board and senior management, the NC applies strictly the concept of meritocracy, with no specific targets towards, nor discrimination against, any age group, cultural background or gender criteria although these attributes are taken into consideration in deriving a decision.</p> <p>The Board believes that diversity in skills and experience is fundamental towards good governance and in enhancing the effectiveness of Board deliberation. The Board consists of qualified individuals with diverse experience, backgrounds and perspectives and who have demonstrated commitment to the Company from the attendance at meetings and deliberations at the same. The composition and size of the Board is such that it facilitates the making of informed and critical decisions.</p> <p>The Executive Directors are complemented by their experience and independent views of the independent non-executive directors who are professionals in the field of finance, accounting, administration, strategic management, and research and development. The Board members possess a fair range of business, finance, accounting, administration, research and development, and legal experience. The mix of skills and experience are vital in directing and supervising the Group's overall business activities in light of the increasing challenging economic and operating environment in which the Group operates.</p> <p>The board also has in place a Director's Fit and Proper policy, which was adopted and approved by the board on 30 May 2022. The Director's Fit and Proper policy is available on the Company's website at www.siabmy.com.</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	:	In identifying and nominating candidates to fill board vacancies when they arise, appointment of additional new Director, or replacement of key senior management, the NC sources candidates, normally through recommendations by fellow directors or major shareholders, and evaluates candidates based on, amongst others, their skills, knowledge, competency, experience, time commitment, character, professionalism and integrity. The NC also utilises independent sources to identify suitably qualified candidates. In evaluating candidates, the NC applies strictly the concept of meritocracy, with no specific targets towards, nor discrimination against, any age group, cultural background or gender criteria although these attributes are taken into consideration in deriving a decision.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The details of directors' age, gender, interests, qualifications, positions or other relationships, working experience and occupation are set out in the Profile of Directors section in the annual report 2022.</p> <p>The explanatory notes in the Notice of AGM includes the recommendation by the NC and the decision by the Board to support the re-election of directors.</p> <p>There was no new appointment of directors in FY2022.</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	:	The NC was established by the Board on 26 June 2021, comprising three members, all of whom are independent non-executive directors. The Chairman of the NC is Dato’ Sri Shahril bin Mokhtar, an Independent Non-Executive Director.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board currently has seven members, comprising one Executive Director (the Managing Director), two Executive Directors and four Independent Non-Executive Directors.</p> <p>Three out of the seven board members are women directors (43%):</p> <ul style="list-style-type: none">▪ Lim Mei Hwee (Executive Director)▪ Tan Sok Moi (Executive Director)▪ Andrea Huong Jia Mei (Independent Non-Executive Director)	
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 5.10

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 views diversity in the board room as an essential factor in ensuring an effective and well-functioning Board. The NC as part of its objectives, reviews and oversees that the diversity needs of the Board is sought as part of the Board’s selection and recruitment exercise when considering the appointment of new directors taking into consideration the diversity of the Board in terms of gender, nationality, age, ethnicity, cultural and socio-economic background of its directors.</p> <p>This can be found in the Board Charter and the NC TOR, both of which are available on the Company’s website at www.siabmy.com.</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.

<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 effectiveness of the Board is vital to the success of the Group. As such, the Board, through its NC, conducts a rigorous evaluation process to assess the performance of the Board, Board Committees and each individual board member on an annual basis. Since the Company's listing on the ACE Market of Bursa Securities on 28 February 2022, the Board decided that the first board effectiveness assessment for FY2022 be conducted by an independent firm of consultants. The Board is also committed to have the board effectiveness assessment performed by external consultants once every three years.</p> <p>The externally facilitated board effectiveness assessment for FY2022 was conducted by Tricor Corporate Service Sdn Bhd through circulation of assessment questionnaire and forms to evaluate the effectiveness of the Board, Board Committees and the performance, personality and quality aspects of individual directors as well as independence of all independent non-executive directors.</p> <p>The assessment comprised of evaluation of the Board as a whole, Board Committees and Directors, based on the main areas relating to board mix and composition, quality of information and decision making, boardroom activities, board's relationship with management, Environmental, Social and Governance (ESG) issues, as well as performance evaluation of the Board Committees. For individual directors' self/peer evaluations, the assessment criteria include fit and proper, contribution and performance, as well as calibre and personality.</p> <p>The overall results of the board effectiveness assessment conducted for FY2022 were positive with all evaluated areas rated as either "average" or "above average", reflecting strong performance by the Board, Board Committees, individual Directors, and members of the Board Committees. It was satisfied that they had been effective in their</p>

	<p>discharge of functions, roles and duties and had also met the performance criteria in the relevant areas of assessments.</p> <p>This has been disclosed in the Corporate Governance Overview Statement section of the annual report.</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 level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

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

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has established a remuneration policy to determine the remuneration package which takes into account the demands, complexities and performance as well as skills and experience of the directors and senior management.</p> <p>The remuneration policy applies to the Executive Directors, Non-Executive Directors and key senior management of the Group. The policy has been designed to support the Group’s key strategies, create a strong performance-oriented environment, in order to attract, motivate and/or retain talents of high calibre.</p> <p>The remuneration policy was approved and adopted by the Board on 23 February 2022 and is available on the Company’s website at www.siabmy.com. A periodic review of the remuneration policy will be performed by the Remuneration Committee and any recommendation for revisions shall be presented to the Board for approval.</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 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 ("RC") comprises three members, all of whom are independent non-executive directors. The composition of the RC is as follows:</p> <ul style="list-style-type: none">▪ Andrea Huang Jia Mei – Chairwoman▪ Datuk Lim Tong Lee – Member▪ Dato' Sri Shahril bin Mokhtar – Member <p>The RC is responsible for carrying out annual reviews and providing recommendations to the Board on the overall remuneration policy for directors and key senior management team, to ensure that the remuneration policy remains in support of its corporate objectives and shareholder value and is in tandem with its culture and strategy. The roles and responsibilities of the RC are set out in the RC's TOR, which is published on the Company's website at www.siabmy.com.</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	:	Refer to table below

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total							
1	Ng Wai Hoe	Executive Director	Input info here	120	540	90	Input info here	144	894	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Lim Mei Hwee	Executive Director	Input info here	120	480	80	Input info here	130	810	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Tan Sok Moi	Executive Director	Input info here	120	420	70	Input info here	116	726	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	Independent Director	120	Input info here	Input info here	Input info here	Input info here	Input info here	120	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Dato' Sri Shahril bin Mokhtar	Independent Director	48	Input info here	Input info here	Input info here	Input info here	Input info here	48	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
6	Datuk Lim Tong Lee	Independent Director	48	Input info here	Input info here	Input info here	Input info here	Input info here	48	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	Andrea Huang Jia Mei	Independent Director	48	Input info here	Input info here	Input info here	Input info here	Input info here	48	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>Due to confidentiality and sensitivity of information, the Company disclosed the details of the top six senior management's remuneration in aggregate under the Corporate Governance Overview Statement section of the annual report 2022, without disclosing on name basis. An aggregate amount of remuneration or compensation of the key management personnel was disclosed under Note 25 to the audited financial statements for the financial year ended 31 December 2022.</p> <p>In addition, the number of senior management personnel whose remuneration falls within the respective bands has been disclosed in bands of RM50,000 in the Corporate Governance Overview Statement section of the annual report 2022. The Company will review its internal process and consider applying the recommended disclosure practice in future.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

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	:	The Chairman of the Audit & Risk Management Committee ("ARMC"), Datuk Lim Tong Lee, is not the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has adopted and incorporated a policy that requires a former key audit partner to observe a cooling-off period of at least three years before being appointed as a member of the ARMC in its TOR. The ARMC TOR is available on the Company’s website at www.siabmy.com. The Board will adhere to the same when considering the appointment of an ARMC member.</p> <p>As of to-date, none of the members of the ARMC is a former key audit partner of the Company’s external audit firm.</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>Under the ARMC TOR, the ARMC is responsible for carrying out an annual review of the performance of the external auditors, including assessment of independence of the external auditors in the performance of their obligations and to review the suitability of the external auditors.</p> <p>The ARMC met with the external auditors once, without the presence of the Managing Director and key senior management team, to discuss their audit findings in relation to the Group's financial statements and any other observations they might have during the audit process for the financial year ended 31 December 2022. The ARMC, in adhering to the policies and procedures adopted by the Company in assessing the suitability and independence of the external auditors, undertakes an annual assessment of the quality of audit which encompasses the performance and quality of the external auditors and their independence, objectivity and professionalism.</p> <p>The assessment process involves identifying the areas of assessment, setting the minimum standard and devising tools to obtain relevant data. The areas of assessment include among others, the external auditors' calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit and non-fees. An assessment checklist was used to obtain input from management.</p> <p>The ARMC also reviews the audit and non-audit services provided by the external auditors. In reviewing such services, the ARMC ensures that the independence and objectivity of the external auditors are not compromised. The Company's external auditors, Messrs KPMG PLT, has confirmed their independence throughout the conduct of the audit engagement in accordance with the independence requirements set out in the By Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants.</p>

	The ARMC was satisfied with the suitability of Messrs. KPMG PLT based on the quality of audit, performance, competence and sufficiency of resources the audit team provided to the Company and the Group.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The ARMC comprises solely independent directors. The composition of the ARMC is as follows:</p> <ul style="list-style-type: none">▪ Datuk Lim Tong Lee (Chairman) – Independent Non-Executive Director▪ Dato' Sri Shahril bin Mokhtar (Member) – Independent Non-Executive Director▪ Andrea Huong Jia Mei (Member) – Independent Non-Executive Director <p>The composition of the ARMC above complies with Rule 15.09(1)(a) and (b) of ACE LR of Bursa Securities and practices 9.4 (step-up) of MCCG.</p>

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>All members of the ARMC possess the relevant experience and expertise to discharge their duties effectively. The qualifications and experience of the individual members of the ARMC are disclosed in the Profile of Directors section of the annual report 2022.</p> <p>The ARMC members are mindful of the need to continue to enhance their skills and knowledge to assist them in discharging their duties. They have attended relevant development and training programmes according to their individual needs to keep abreast of relevant developments in accounting and auditing standards and other relevant changes in laws and regulations and to enhance their ability in discharging their duties and responsibilities more effectively.</p> <p>Details of the training programmes attended by all directors, including the members of the ARMC, are set out in Corporate Governance Overview Statement section of the annual report 2022.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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 recognises its overall responsibility to practice and maintain an effective risk management and sound internal control, which include reviewing its adequacy, integrity, and effectiveness to ensure that the shareholders' interests and the Group's assets are safeguarded. In view of the inherent limitations in any system of risk management and internal control, the Board acknowledges that the system is designed to manage the Group's key areas of risk within an acceptable risk profile, rather than eliminate the risk of failure. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement of financial information, loss, fraud or any unforeseeable circumstances.</p> <p>The Board, supported by the Audit and Risk Management Committee ("ARMC"), exercises monitoring oversight on the establishment and implementation of a risk management framework, periodically evaluates its effectiveness and enhance the system as and when there are changes to business environment and regulatory guidelines.</p> <p>The Board is assisted by the Management in implementing the approved policies and procedures on governance, identifying and analysing the key business risk faced by the Group, designing and applying suitable internal controls to manage these risks and monitoring the effectiveness of the internal controls and the governance processes.</p> <p>The Statement on Risk Management and Internal Control can be found in the 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	:		
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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>As part of the risk management process, the Group maintains a Risk Registry and a Risk Management Handbook. The Risk Registry is maintained to evaluate principal business risks and risk profiles which identify the risk factors, statement of risks, risk owners, likelihood, impacts, and proposed risk mitigation actions. The Risk Management Handbook summarises the risk management methodology, approach and processes, roles and responsibilities, and various risk management concepts.</p> <p>The risk identification process reviews and identifies issues arising from changes in both the external business environment and internal operating conditions. The risk measurement guidelines comprise financial and non-financial qualitative measure of risk consequences. The risk measurement guidelines are applied in allocating risk likelihood rating and risk impact rating. The risk control actions are designed and implemented based on the priority sequence.</p> <p>The respective risk owners are entrusted to identify risks and to ensure that adequate control systems are implemented to mitigate risks faced by the Group. The process of identifying, evaluating, monitoring and managing significant risks is embedded in the various work processes and procedures of the respective operational functions and the management team. The key risks categories of the Group encompass business and strategic risks, financial risks, operational risks and regulatory or compliance risk.</p> <p>The Statement on Risk Management and Internal Control can be found in the 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

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	:	Not Adopted
Explanation on adoption of the practice	:	

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's internal audit function is outsourced to Sterling Business Alignment Consulting Sdn Bhd ("SBAC"), a professional internal audit services provider. SBAC is not involved in the operations of the Group. To ensure independence of SBAC, the outsourced internal auditors report directly to the ARMC on a quarterly basis.</p> <p>SBAC undertakes internal audit reviews based on the annual audit plan that is developed based on the internal auditors' understanding of the Group's business environment and significant business processes that have an impact on the Group's performance in consultation with management and inputs from the ARMC.</p> <p>During the financial year under review, the outsourced internal auditors have reviewed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of a major subsidiary and recommended possible improvements to the internal control process. This is to provide reasonable assurance that such system continues to operate satisfactorily and effectively within the Group.</p> <p>The outsourced internal auditors also advised the executives and operations heads on areas for improvement and carry out follow-up reviews on the status of their recommendations. The internal audit reports which contained the relevant audit findings and recommendations are submitted to the ARMC for deliberation. The ARMC reviews the adequacy of the scope, functions, competency and resources of the outsourced internal audit team.</p> <p>Details of the Group's internal control system and framework are set out in the Statement on Risk Management and Internal Control in the annual report 2022.</p> <p>The external auditors have during the course of their external audit work reviewed the internal audit reports and internal audit progress report and were satisfied that it is adequate. The external auditors have also reviewed the Statement on Risk Management and Internal Control in accordance with ACE LR and the Audit and Assurance Practice Guide 3 issued by the Malaysian Institute of Accountants.</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 Group's internal audit function is outsourced to Sterling Business Alignment Consulting Sdn Bhd ("SBAC"), a professional internal audit services provider. SBAC is not involved in the operations of the Group. To ensure independence of SBAC, the outsourced Internal Auditors report directly to the ARMC on a quarterly basis during AC meetings.</p> <p>Each audit review is engaged by approximately two to three internal auditors depending on the areas of audit. From the review, opportunities for improvement to the system of internal control were identified and presented to the AC via internal audit reports, whilst Management formulated the relevant action plans to address the issues noted. The internal audit function has adopted the International Professional Practices Framework set by the Institute of Internal Auditors. SBAC ensures that its staff are professionally guided and trained to develop the appropriate competencies to perform their duties during the internal audit review. The outsourced internal auditors are free from any relationships or conflicts of interest.</p> <p>The ARMC Report can be found in the 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

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 Board is cognisant that effective and timely communications are essential in maintaining good relationship with stakeholder and cultivate trust and understanding between the Group and stakeholders. Through extensive disclosures of appropriate and relevant information, using various channels of communication on a timely basis, the Group aims to effectively provide shareholders and investors with information to fulfil transparency and accountability objectives.</p> <p>The Company is committed to keeping the shareholders, investors and stakeholders informed of the Group's business and corporate developments. Such information is disseminated via press release, the Company's annual reports, circulars to shareholders, quarterly financial results and the various prescribed announcements made to Bursa Securities.</p> <p>The Group leverages on information technology to create ease of access and convenience in all communications for stakeholder. Shareholders and investors are encouraged to access the Company's corporate website at www.siabmy.com to obtain the latest information, announcements and other corporate disclosures of the Company from time to time. Continuous improvement and development of the website will be undertaken by the Company to ensure easy and convenient access.</p> <p>Quarterly Financial Results were announced to Bursa Securities within two months after the end of each quarter, i.e. immediately after the financial results are approved at the board meetings and the audited financial statements of the Company were prepared within four months from the close of the financial year respectively, to provide shareholders and the public investors the updated view of the Group's financial performance.</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	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The 1st Annual General Meeting (“AGM”) of the Company was held on 21 June 2022 and the Notice of the 1st AGM accompanying the annual report 2021 of the Company was issued to the shareholders and published on a nationally circulated newspaper on 29 April 2022, i.e. at least 28 days prior to the date of the forthcoming 1st AGM.</p> <p>The forthcoming 2nd AGM of the Company will be held on 21 June 2023 and the Notice of the 2nd AGM accompanying the annual report 2022 of the Company will be issued to the shareholders and published on a nationally circulated newspaper on 29 April 2023, i.e. at least 28 days prior to the date of the forthcoming 2nd AGM.</p> <p>This complies with the 21 days’ notice requirement as required under the Companies Act 2016 and the 28 days’ notice requirement as required by Practice 13.1 of MCCG. The Notice of AGM will be accompanied with explanatory notes to shareholders regarding their entitlement to attend the AGM and their rights to appoint a proxy as well as detailed explanations for each resolution to be tabled at the AGM to enable shareholders to make informed decisions in exercising their voting rights.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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>All directors of the Company including the Chairs of the Audit & Risk Management Committee, Nomination Committee and Remuneration Committee, were present at the Company’s 1st Annual General Meeting (“AGM”) which was held on 21 June 2022 to engage with shareholders and provide meaning responses to questions raised by shareholders.</p> <p>The key senior management team was also present at the 1st AGM to provide explanation and clarification to the shareholders on any questions addressed to them.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company’s 1st AGM was conducted virtually through live streaming to facilitate the shareholders to participate at the AGM remotely and the voting of all the resolutions tabled at the AGM were carried out electronically (e-voting).</p> <p>The entire AGM proceeding was held using the Remote Participation and Voting Facilities (“RPV”) provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) via its TIIH Online website at https://tiih.online.</p> <p>The Administrative Guide of the AGM as well as the user guide with detailed registration and voting procedures were shared with the shareholders and the same were also published on the Company’s website.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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	: The Chairman ensured that sufficient time was allocated for the Board and Management to address all questions submitted by the shareholders electronically prior to the AGM of the Company via TIH Online website at https://tiah.online , and questions posted by the shareholders during the Company's 1 st AGM, via real time submission of typed texts in the query box during the Question-and-Answer ("Q&A") session of the agenda. Apart from the Board, the Managing Director, the Group Chief Financial Officer and external auditors were also invited to address shareholders' queries. During the Q&A session, the Managing Director was invited by the Chairman to share the Company's responses to questions submitted in advance of the AGM by the shareholders. To ensure effective communication with the shareholders at a fully virtual general meeting, questions posed by the shareholders were displayed on screen for the meeting participants' reference. As mentioned under Practice 13.2 of MCCG, for the benefit of the shareholders, the Managing Director presented the Group's business operations and outlook, which covered the following areas: a) performance review of FY2021 vs FY2020; b) operational highlights for FY2021; c) summary of 1st quarter FY2022 financial results; and d) overall outlook for FY2022.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:

Timeframe	:		
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Intended Outcome

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>The Company's 1st AGM was conducted fully virtual through an online meeting platform accessible through TIIH Online website at https://tiih.online and online remote voting via remote participation and voting facilities, where shareholders could attend, speak (in the form of real time submission of typed texts) and vote (collectively, "participate") remotely.</p> <p>The detailed procedures to participate in the 1st AGM were provided to shareholders in the Administrative Guide of the AGM sent through email or by ordinary post. It was also published in the Company's website at www.siabmy.com.</p> <p>Shareholders were allowed to pose questions electronically prior to the Company's 1st AGM via TIIH Online website at https://tiih.online, and during the AGM via real time submission of typed texts in the query box during the Q&A session of the agenda. The Chairman ensured that sufficient time was allocated for the Board and management to address all questions submitted by the shareholders prior to the AGM or during the AGM. Questions from shareholders were displayed on screen and made visible to the meeting participants when the Board and key senior management addressed the questions posed during the question and answers session.</p> <p>The Q&A session served as an interaction between the directors, key senior management and shareholders during the fully virtual meeting. Whilst the members were in attendance in the proceedings of the 1st AGM, he/she could submit the votes online for the resolutions tabled at the 1st AGM. Voting on resolutions was carried out by way of poll and the results were validated by an independent scrutineer appointed by the Company.</p>

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

Intended Outcome

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	:	Minutes of the Company's 1 st AGM held on 21 June 2022 detailing the meeting proceedings including questions raised by shareholders with the responses by the Company, was published at the Company's website at www.siabmy.com , no later than 30 business days after completion of 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	:	

**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.

Not applicable
