

CORPORATE GOVERNANCE REPORT

STOCK CODE : 4006
COMPANY NAME : Oriental Holdings Berhad
FINANCIAL YEAR : December 31, 2021

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is responsible for governing and directing the affairs of Oriental Holdings Berhad ("OHB") and its subsidiaries (collectively referred to as the "Group"), enhancing long-term shareholder value whilst taking into account the interests of other stakeholders and maintaining high standards of transparency, accountability, and integrity.</p> <p>In discharging its duties, the Board sets the Group's vision, mission, and values which are published on corporate website and communicated to all stakeholders.</p> <p>The Board reviews and adopts the Group's strategic plan which focussed on business sustainability; approving annual business plans, annual capital and operating budget and monitoring the Group's performance and progress towards meeting its strategic objectives in the mid to long term.</p> <p>The Board has also established a Corporate Disclosure and Communications Policy to guide effective and orderly communication of information to investors, stakeholders, and the general public. Through Management, various channels are also deployed to engage with the Group's stakeholders with a view to communicate relevant information and obtain stakeholders' views to understand their interests and concerns which are then considered in the business decision-making process.</p> <p>Premised on high standards of transparency, accountability and integrity, the Board is dedicated to discharging its duties with unfettered objectivity, due care and skill in the best interest of the Company as enshrined in the Board Charter, which includes a formal schedule of matters reserved for the Board.</p>

	<p>In order to effectively discharge its stewardship role, the Board has established Board Committees, namely, the Executive Committee (“EXCO”), Audit Committee (“AC”), Remuneration Committee (“RC”), Nominating Committee (“NC”) and Risk Management Committee (“RMC”), to oversee matters within their purviews approved by the Board and to report to the Board on key issues deliberated at their respective meetings. The ultimate responsibility for decision making, however, resides with the Board.</p> <p>In determining the strategic objectives of the Group, the Board is supported by the EXCO which develops the Group’s strategic objectives and plans for the Board’s adoption. The EXCO is responsible for overseeing the implementation of strategies, plans, and policies, as adopted by the Board, in the Group’s business segments. The EXCO meets at least quarterly to review the business performance and Key Performance Indicators of the Group’s business segments, which are presented by the respective segment’s Performance Coordinating Team (“PCT”), and subsequently reports to the Board. In carrying out its roles and responsibilities, the EXCO also incorporates considerations relating to business sustainability.</p> <p>The AC assists and supports the Board to oversee the Group’s processes for preparation of financial information, its internal control system and independence of the Group’s external and internal auditors.</p> <p>The RC is primarily responsible for recommending to the Board the remuneration of Executive Directors, drawing from outside advice, if necessary.</p> <p>The NC oversees the nomination and election of new Directors, the conduct of Directors’ annual assessment and the facilitation of Directors’ induction, training and succession programmes.</p> <p>The RMC is tasked to review and recommend risk management policies and strategies for the Group. It assists the Board to fulfil its oversight responsibility to manage the overall risk exposure of the Group.</p> <p>Details of the functions of the AC, NC, RC, and RMC are disclosed under Corporate Governance Overview Statement, Audit Committee Report, and Statement on Risk Management and Internal Control in the OHB’s Annual Report 2021.</p> <p>The Board also sets the tone on corporate social responsibility and sustainable development activities which stem from the fundamental principles of good corporate governance and striking a harmonious synergy between corporate pursuits and social obligations. The Group is committed to ensure that economic, environment and social considerations are integrated into business activities.</p>
<p>Explanation for departure</p>	<p>:</p>

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

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group is headed by a Board comprising of ten Directors. The Chairman of the Board is Datuk Loh Kian Chong who was appointed on 1 January 2015.</p> <p>As outlined in the Board Charter, the responsibilities of the Chairman, amongst others, are as follows:</p> <ul style="list-style-type: none">• acting as chief spokesperson and representative of the Board and Company;• ensuring that the Board is aware of its statutory obligations to the Company, its shareholders, employees and other stakeholders;• presiding at Board and shareholder meetings and ensuring the proceedings thereof comply with good conduct and practices;• establishing frequency and timing of Board meetings as well as reviewing such practice from time to time, as considered appropriate, or as requested by the Board;• functioning as facilitator at Board meetings and ensuring that no member, whether executive or otherwise, dominates discussion. The Chairman shall also encourage Board members to participate in discussions and that relevant opinions amongst members are forthcoming, resulting in logical and understandable outcomes;• ensuring that all Directors are enabled and encouraged to participate at Board meetings. This includes ensuring that all relevant issues are on the agenda and that all Directors receive timely and relevant information tailored to their needs and that they are properly briefed on issues arising at Board meetings;• ensuring Executive Directors accept their share of responsibilities of governance and provide regular updates on all issues pertinent to the welfare and future of the Group to the Board;• liaising and co-ordinating input from all Directors, especially Board Committees' Chairman, to optimise the effectiveness of the Board and its Committees;• ensuring the adequacy and integrity of the Board governance processes; and• performing other responsibilities assigned by the Board from time to time.
Explanation for departure	:	

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

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The positions of Chairman and Chief Executive Officer ("CEO") of OHB are held by different individuals, i.e. Datuk Loh Kian Chong as the Chairman whilst Dato' Robert Wong Lum Kong, DSSA, JP, CMJA (UK) and Dato' Seri Lim Su Tong are the joint Group Managing Directors. Ms. Tan Kheng Hwee and Dato' Sri Datuk Wira Tan Hui Jing serve as Executive Directors.</p> <p>The Board believes that segregation of positions of the Chairman and CEO allows OHB to promote accountability and facilitate division of responsibilities as well as ensure a balance power between Chairman and the CEO.</p> <p>Additionally, the Board has established an EXCO comprising all five Executive Directors to assist the Board in overseeing the execution of day-to-day activities of the Company with a view of achieving long term business sustainability.</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

<p><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></p>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: <p>The Chairman of the Board is not a member of the AC, NC, or RC. Each of the AC, NC, and RC is comprised exclusively of Non-Executive Directors, majority of whom are Independent Directors. The AC, NC, and RC carry out their roles and responsibilities in accordance with their respective Terms of Reference objectively.</p> <p>As provided in their respective Terms of Reference, the AC, NC, and RC shall have access to information and advice necessary to each committee's delivery of their roles and responsibilities. This included having access to, as well as inviting, external service providers, professionals, other Directors, and employees to attend meetings to present, brief, or clarify on specific matters. As necessary, the Chairman of the Board will also be invited to the meetings of the AC for such purposes.</p> <p>The Chairman of the Board, when attending AC meeting, is only present on such matter requiring his clarification and views. Deliberations of the AC is carried out without the involvement of the Chairman of the Board as well.</p> <p>At the relevant Board meetings subsequent to the meetings of the AC, the committee chairperson briefs the Board, which, as a whole, deliberates the works including the recommendations of the AC objectively.</p> <p>The Board is of the view that the attendance of the Chairman of the Board, who attends only by invitation, for specific matters and not throughout the entire committee meetings, and the fact that the Chairman of the Board was not involved in the deliberation of the relevant AC meeting facilitates an effective functioning of the AC and the Board. The Board opines that the spirit and substance of Practice 1.4, as well as the Intended Outcome 1.0, have been applied and achieved.</p>

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: The Board is of the view that Practice 1.4 has been applied in substance and in spirit, and the Board will ensure strong governance practices and controls continued to be carried out to ensure the objective functioning of the AC, RC, and NC, and the Board, as well as reducing self-review risk to a minimal level in the Board’s deliberation of the works of these Board Committees.
Timeframe	: Others Nil

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>Ms. Ong Tze-En (MAICSA 7026537) and Ms. Tai Yit Chan (MAICSA 7009143) were appointed as the joint Company Secretaries of OHB on 31 December 2012. They are Chartered Secretaries by profession and their qualifications are in accordance with Section 235(2)(a) of Companies Act 2016. Being members of Chartered Secretaries Malaysia (MAICSA), Company Secretaries have taken the steps to keep themselves apprised on changes to legislative promulgations, particularly those relevant to corporate governance.</p> <p>The Board is regularly updated and advised by the Company Secretaries on statutory and regulatory requirements to guide the Board in adopting the best practices in the realm of corporate governance. The Company Secretaries also oversee the adherence with Board policies and procedures and brief the Board on the content and timing of announcements to Bursa Malaysia Securities Berhad.</p> <p>The right to appoint and remove the Company Secretaries in accordance with Sections 236 and 239 of Companies Act 2016 is enshrined in the Company's Constitution.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	: Applied
Explanation on application of the practice	<p>The Company Secretaries circulate the meeting pack including the meeting agenda and meeting materials to all Directors at least seven (7) calendar days prior to the meeting to ensure Directors have sufficient time to review meeting materials and facilitate an effective meeting. The said practice is in line with Guidance to Practice 1.6 of the Malaysian Code on Corporate Governance ("MCCG") which states that "the meeting materials should be circulated at least five business days in advance of the Board meeting".</p> <p>Exception is made by OHB for ad-hoc and urgent agenda items whereby the meeting materials will be circulated less than 7 calendar days prior to the meeting. The meeting notices are circulated 7 calendar days before the Board and Board Committees meetings and include the date, time and place of the meeting as well as the matters to be discussed in accordance with Paragraph 3 of the Third Schedule of Companies Act 2016.</p> <p>Company Secretaries record decisions of the Board and Board Committees, including key deliberations, rationale of each decision made and any significant concerns or dissenting views during the meeting. The minutes also indicate whether any Director abstained from voting or excused himself or herself from deliberating on particular matters. The meeting minutes will be circulated to the Board and Board Committee for confirmation subsequent to the meeting to ensure the completeness and accuracy of the minutes.</p> <p>As stated in the Board Charter, every Director has the right to the resources, whenever necessary and reasonable for the performance of his duties, at the cost of OHB, including but not limited to:</p> <ul style="list-style-type: none">• obtaining full and unrestricted access to any information pertaining to the OHB;• obtaining full and unrestricted access to the advice and services of the Company Secretaries; and• obtaining independent professional or other advice. <p>This is in line with the Paragraph 15.04 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").</p>

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

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has reviewed and updated the Board Charter on 14 April 2022 to take into consideration changes to Listing Requirements and Malaysian Code on Corporate Governance. The Board Charter is published on the OHB's website at which outlines the following:</p> <ul style="list-style-type: none">• OHB Group's vision, mission and values;• Roles and responsibility of the Board including matters reserved for the decision of the Board;• Board structure including board balance and mix, role of the Chairman (i.e. chief spokesperson), Executive Directors (i.e. oversees implementation of Board policies), Non-Executive Directors (i.e. contribute to the development of strategy) and Company Secretary;• Roles of individual Board Committees (i.e. EXCO, AC, RC, NC and RMC);• Board processes (e.g. meeting frequency, agenda, Directors' external commitments and conflict of interest, Directors' remuneration);• Delegation of authority to Board Committees (e.g. EXCO, AC, RC, NC and RMC) whilst retaining overall responsibility and oversight;• Restriction on the tenure of Independent Directors;• Directors' Code of Ethics; and• Board and member assessment.
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

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>OHB has formalised a Code of Ethics which serves to provide guidance for employees on how ethical matters are to be dealt with. The Code of Ethics covers issues related to:</p> <ul style="list-style-type: none">• External environment;• Work environment;• Safe and healthy environment;• Usage of OHB's property;• Compliance with laws;• Fair dealing with others, illegal or questionable gifts or favours;• Gifts and entertainment;• Travel and hospitality;• Donations and sponsorships;• Employment outside OHB Group;• Foreign transactions;• Political contribution and activities;• Opportunities;• Conflicts of interests;• Fraud and actions constituting fraud;• Insider trading;• Abuse of power;• Money laundering;• Gratification, Bribery and Corruption;• Facilitation payment; and• Sexual harassment. <p>Together with Management, the Board has established and implemented the following supporting policies:</p> <ul style="list-style-type: none">• Anti-Bribery and Corruption Policy – <i>Made available on the Company's website;</i>• Gift and Entertainment Policy – <i>Internal policy;</i>• Donation and Sponsorship Policy – <i>Internal policy;</i>

	<ul style="list-style-type: none"> • Conflict of Interest Declaration Form for all Directors and Executive and above – <i>Internal document</i>; and • Disciplinary procedure – <i>Internal document</i>. <p>The Directors’ Code of Ethics is incorporated in the Board Charter and reviewed periodically. It guides the conduct of Directors so as to act in the best interest of the OHB and its stakeholders. The content of the Directors’ Code of Ethics also covers aspects such as prohibition on insider trading and declaration on conflict of interest.</p> <p>A summary of OHB’s Code of Ethics is available on the Company’s website.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>OHB has formalised its Whistle Blowing Policy and it is made available on the Company's website.</p> <p>As outlined in the policy, stakeholders, employees and members of the public can raise legitimate concerns, unethical or questionable practice in confidence without the risk of reprisal to the designated recipients of OHB, i.e. the Chairman of the AC and the Head of Internal Audit. Whistleblowers may report the suspected wrongdoing through various channels such as phone, electronic mail ("e-mail"), or in writing under confidential cover.</p> <p>The Internal Audit function oversees the implementation of the Whistle Blowing Policy of OHB as well as assists the AC to investigate the reports made. Whistleblowing reports will be escalated and discussed with the AC, prior to channelling them to the Board of Directors of OHB based on the gravity of the suspected wrongdoings. The Board reserves the right to make final decision on whistleblowing reports.</p> <p>Three whistleblowing reports were received and acted upon for financial year 2021. The Internal Audit function has conducted proper investigation and reported to AC.</p> <p>The Whistle Blowing Policy has been reviewed and adopted by the Board in conjunction with the Group's exercise to enhance the ethical standards and framework. The policy is subjected to a review every 3 years once by the AC and Board.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.1

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>One of the principal responsibilities of the Board in OHB's Board Charter is to oversee the governance of sustainability in the Company, including setting the Company's sustainability strategies, priorities and targets. This includes ensuring that the Company's obligations to shareholders and other stakeholders are met and understood.</p> <p>The Board has defined 3 key focus areas on sustainability in the Sustainability Policy. The EXCO members who form the Sustainability Committee reviews the performance of each segment and reports to the Board.</p> <p>The EXCO, which comprises of Executive Directors met seven times during the year to review the performance and sustainability of each business unit where sustainability is linked to the direction and target of each business unit to achieve the Group's common goal.</p> <p>The Board is mindful of the seismic shifts that the COVID-19 pandemic has brought about to the economies and its impact on the sustainability of the Group. Accordingly, the Board reviewed the impacts, challenges and formulated plans to further strengthen the Group's foundation for a sustainable growth.</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

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

Practice 4.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter stipulates the responsibility of the Board in ensuring the Company’s sustainability strategies, priorities, and targets, as well as performance against these targets are communicated to its internal and external stakeholders.</p> <p>In line with this, the Board has formalised a Sustainability Policy and published it on OHB’s website.</p> <p>Based on both corporate strategy and feedback from internal and external stakeholders, the Board has identified three key areas of focus in its Sustainability Policy as follows:</p> <ul style="list-style-type: none"> • Environment - committed to identifying, managing and minimising the environmental impact. • Social - the Group seeks to protect the lives and health of its employees and communities that surround its operations. • Governance - the Group believes that good governance is more than just a pursuit towards complying with all the prescripts but that it translates into better business performance and creates a more sustainable value for the Group. <p>Details of each focus area can be found on the website.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is supported by a competent Company Secretary who provide regular updates on sustainability issues and requirements.</p> <p>During the year, the Directors attended trainings on:</p> <ul style="list-style-type: none"> • Malaysian Code on Corporate Governance – to keep abreast on changes such as Practice 4 on the need to address sustainability risks and opportunities • Prevention and Control of COVID-19 Pandemic • Board Dynamics - What are the Key Governance Reporting & Compliance Requirements • OECD/G20 Inclusive framework - BEPS 2.0 Implementation Plan • Global Summit of Integrated Reporting Communities <p>The Board is mindful of the capacity and competency required in addressing sustainability and materiality issues and is taking necessary steps to enhance the understanding and knowledge of the Directors.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	: Applied
Explanation on application of the practice	<p>The NC conducted a performance evaluation during the year to evaluate the performance of the Board as a whole, Board Committees and individual Directors.</p> <p>The assessment forms were revised to include questions on sustainability oversight by Management and the results were presented to the Board in February 2022. The questions included are as below:</p> <ul style="list-style-type: none"> • The Board periodically review the Company's sustainability strategies and roadmap to ensure that its business and sustainability goals are aligned? • The Board undertake periodic materiality assessment of its ESG risks (via risk registers or heat maps) alongside Management to analyse the financial impacts arising from ESG-related risks, particularly on climate change impact, human labour rights and green financing? • The Board takes actions to stay abreast with and understand the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities? • With sustainability at the heart of the Company's operations and business, the Board is able to infuse ESG considerations and standpoints (Environmental, Social and Corporate Governance) into key decision-making? <p>An average score of 2.8 and 2.6 out of a 3-scale rating indicated a satisfactory performance of the Board and EXCO committee respectively.</p> <p>The Board is not complacent and will continue to strive for an improvement in the rating.</p>
Explanation for departure	:
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC reviews the Board composition and tenure of each Director on annual basis. The Director whose tenure are being discussed abstains from taking part in the deliberations.</p> <p>The Committee reviews the performance and contribution and document the rationale for re-appointment of Director. The Committee is satisfied that the Directors have met the objectives and intended outcome of the MCCG principles. Key rationales are:</p> <ul style="list-style-type: none"> • ability to perform duties diligently and remain objective and independent in expressing views; • fulfils the criteria on independence as prescribed by Bursa Securities to ensure there's check and balance in the Board; • ability to exercise independent judgment and act in the best interest of the Group; • free of any relationship that may interfere independent judgement; • skills, knowledge and understanding of the Group's business operation and needs; and • ability to participate effectively during meetings. <p>In appointment of new Director, the Committee evaluates the needs of the Group against the skills of the candidate to bridge the gap.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Departure																				
Explanation on application of the practice	:																					
Explanation for departure	:	<p>The Board does not comprise a majority of Independent Directors with the composition as shown below:</p> <table border="1"><thead><tr><th>No</th><th>Directorship</th><th>Number of Directors</th><th>Name</th></tr></thead><tbody><tr><td>1</td><td>Executive Director</td><td>5</td><td><ul style="list-style-type: none">Datuk Loh Kian ChongDato' Robert Wong Lum Kong, DSSA, JP, CMJA (UK)Dato' Seri Lim Su TongMs. Tan Kheng HweeDato' Sri Datuk Wira Tan Hui Jing</td></tr><tr><td>2</td><td>Independent Non-Executive Director</td><td>3</td><td><ul style="list-style-type: none">Ms. Mary Geraldine PhippsMr. Lee Kean TeongPn. Nazriah Binti Shaik Alawdin</td></tr><tr><td>3</td><td>Non-Independent Non-Executive Director</td><td>2</td><td><ul style="list-style-type: none">Pn. Sharifah Intan Binti S. M. AididMr. Mitsuharu Funase</td></tr><tr><td></td><td>Total</td><td>10</td><td></td></tr></tbody></table> <p>On 1 January 2022, the Board has appointed Mr. Mitsuharu Funase as the Non-Independent Non-Executive Director after the resignation of Mr. Yoshitaka Nakamura on 31 December 2021.</p> <p>The composition, however, is in line with the Board Charter and Paragraph 15.02(1) of the Listing Requirements which requires at least one third of the Board members to be independent.</p> <p>Although the Board does not have a majority of Independent Directors, there is an even balance of Executive Directors and Non-Executive Directors in the boardroom.</p> <p>The roles of the 5 Non-Executive Directors encompass the monitoring of the Group's performance as well as constructively challenge and contributing to the development of the Group's strategy. The Non-</p>	No	Directorship	Number of Directors	Name	1	Executive Director	5	<ul style="list-style-type: none">Datuk Loh Kian ChongDato' Robert Wong Lum Kong, DSSA, JP, CMJA (UK)Dato' Seri Lim Su TongMs. Tan Kheng HweeDato' Sri Datuk Wira Tan Hui Jing	2	Independent Non-Executive Director	3	<ul style="list-style-type: none">Ms. Mary Geraldine PhippsMr. Lee Kean TeongPn. Nazriah Binti Shaik Alawdin	3	Non-Independent Non-Executive Director	2	<ul style="list-style-type: none">Pn. Sharifah Intan Binti S. M. AididMr. Mitsuharu Funase		Total	10	
No	Directorship	Number of Directors	Name																			
1	Executive Director	5	<ul style="list-style-type: none">Datuk Loh Kian ChongDato' Robert Wong Lum Kong, DSSA, JP, CMJA (UK)Dato' Seri Lim Su TongMs. Tan Kheng HweeDato' Sri Datuk Wira Tan Hui Jing																			
2	Independent Non-Executive Director	3	<ul style="list-style-type: none">Ms. Mary Geraldine PhippsMr. Lee Kean TeongPn. Nazriah Binti Shaik Alawdin																			
3	Non-Independent Non-Executive Director	2	<ul style="list-style-type: none">Pn. Sharifah Intan Binti S. M. AididMr. Mitsuharu Funase																			
	Total	10																				

	<p>Executive Directors provide the relevant checks and balances, focusing on shareholders' interests by contributing diverse perspectives and insights to the Board.</p> <p>Based on the annual Board performance assessment carried out, the Board is satisfied with the current Board composition and believe the decisions were made objectively in the best interests of the Company, taking into account diverse perspectives and insights.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	<p>The NC and the Board will continue to assess the effectiveness and objectivity of the Board's performance based on current composition. OHB will consider to appoint higher number of Independent Directors without undue disruption or making unwieldy changes to its composition.</p>
Timeframe	:	<p>Within 3 years</p>

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	:	Departure																
Explanation on application of the practice	:																	
Explanation for departure	:	<p>As outlined in the Board Charter, the Board has set a limit for the tenure of Independent Director to a consecutive or cumulative term of nine (9) years. The Independent Director may continue to serve on the Board beyond the 9 years tenure in the capacity of a Non-Independent Non-Executive Director. Nonetheless, the Board may recommend, with justifications, for stockholders' approval to retain an Independent Director beyond the 9-year tenure.</p> <p>The Board does not adopt a 2-tier voting process as the Board wishes to maintain:</p> <ul style="list-style-type: none">• consistency with the 1-share 1-vote standard under the Companies Act 2016 ("Act");• fairness in terms of voting rights amongst the same class of stockholders; and• consistency with the Company's Constitution. <p>The summary of years of service of the Company's Independent Non-Executive Directors as of 31 December 2021 is tabulated as follows:</p> <table border="1"><thead><tr><th>No</th><th>Independent Non-Executive Directors</th><th>Joined Date</th><th>Years of Service</th></tr></thead><tbody><tr><td>1</td><td>Ms. Mary Geraldine Phipps</td><td>14 August 2009</td><td>12 years and 4 months</td></tr><tr><td>2</td><td>Mr. Lee Kean Teong</td><td>31 March 2015</td><td>6 years and 9 months</td></tr><tr><td>3</td><td>Pn. Nazriah Binti Shaik Alawdin</td><td>11 November 2021</td><td>1 month</td></tr></tbody></table> <p>Ms. Mary Geraldine Phipps has served as an Independent Non-Executive Director for a cumulative term of more than 9 years. The Board has obtained stockholders' approval to retain Ms. Mary Geraldine Phipps as Independent Non-Executive Director beyond the 9-</p>	No	Independent Non-Executive Directors	Joined Date	Years of Service	1	Ms. Mary Geraldine Phipps	14 August 2009	12 years and 4 months	2	Mr. Lee Kean Teong	31 March 2015	6 years and 9 months	3	Pn. Nazriah Binti Shaik Alawdin	11 November 2021	1 month
No	Independent Non-Executive Directors	Joined Date	Years of Service															
1	Ms. Mary Geraldine Phipps	14 August 2009	12 years and 4 months															
2	Mr. Lee Kean Teong	31 March 2015	6 years and 9 months															
3	Pn. Nazriah Binti Shaik Alawdin	11 November 2021	1 month															

	<p>year tenure at 59th Annual General Meeting (“AGM”) held on 27 October 2021.</p> <p>Following the annual assessment conducted by the NC for the financial year ended 31 December 2021, the NC (with Ms. Phipps abstaining from deliberation and decision-making) formed the view that the independence of Ms. Phipps remained unimpaired, that her judgement over business dealings of the Group had not been influenced by familiarity with or interest of other Directors, stockholders, or Management, and that she is able to continue to bring objectivity and impartiality to the Board, Board Committees, and in other aspects of Board activities as an Independent Non-Executive Director, as well as contributing to facilitating objective board decisions made in the best interests of the Company considering diverse perspectives and insights.</p> <p>Accordingly, the Board wishes to retain Ms. Phipps as an Independent Non-Executive Director in the Company’s forthcoming 60th AGM. Key justifications to support the Board’s intention are stated in the Corporate Governance (“CG”) Overview Statement in the Annual Report 2021.</p> <p>The Board will seek stockholders’ approval for the retention of Ms. Phipps as an Independent Non-Executive Director at the Company’s forthcoming 60th AGM.</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>: On the basis of respecting stockholders’ rights in accordance with the 1-share 1-vote standard under the Act, principle of equal voting rights amongst the same class of stockholders, and to maintain consistency with the Company’s Constitution, the Board is of the view that the single-tier voting approach towards obtaining stockholders’ approval for the continuance of Independent Directors beyond their 9-year tenure is a more practical approach for the Company.</p> <p>In additional, the Board will continue to ensure all stockholders are able to provide relevant sounding to the Board in relation to the continuance of Independent Directors beyond their 9-year tenure limit. The outcome of the single-tier voting will also be considered by the Board and the NC in their understanding of the stockholders’ viewpoints, especially if there is significant number of votes against such resolution.</p>
<p>Timeframe</p>	<p>: Others Nil</p>

Intended Outcome

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

Practice 5.4 - Step Up

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

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

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

Application	:	Applied
Explanation on application of the practice	:	<p>In line with Paragraph 15.08A (3) of the Main Market Listing Requirements, the criteria in appointing Directors were indicated in the Board Charter to endorse Board diversity.</p> <p>The Board strives to ensure that there is no discrimination on the basis of, but not limited to, race, age, ethnicity, gender, nationality, political affiliation, religious affiliation, sexual orientation, marital status, education, physical ability or geographic region when deciding the composition of the Board.</p> <p>The NC is responsible to review and assess the Board and Key Senior Management's composition and mix and make recommendations on the appointment of new Directors and Key Senior Management (where relevant).</p> <p>As stated in the Terms of Reference of NC, the suitability of the candidate will be assessed based on the criteria as outlined below:</p> <ul style="list-style-type: none">• Skills, knowledge, expertise and experience;• Professionalism;• Diversity;• Level of integrity;• Commitment;• Competence;• Character;• Contribution and performance;• Time commitment and value contribution (number of directorships and other external obligations held); and• Independence. <p>The appointment of and promotion to Key Senior Management positions are mainly merit-driven and with due regard to the above criteria.</p>

	<p>In respect of the workforce diversity, female employees made up 24% of the total workforce of the Group.</p> <p>The NC deliberated and concluded that the appointment of Pn. Nazriah Binti Shaik Alawdin as Independent Non-Executive Director fulfils the legal and cultural background requirements of OHB. Her experience would contribute a more nuanced perspective on issues that could be brought forth for discussion. In addition, she currently holds 1 other directorship in a public listed company which allows her to devote the required time to serve the Board effectively.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC Terms of Reference states that the Committee is responsible for sourcing candidates for directorships in OHB and making candidature recommendations to the Board for concurrence prior to the tabling of a resolution in the general meeting for stockholders' approval.</p> <p>Additionally, NC is responsible for developing and reviewing the Board Diversity policy (covering Board members and Key Senior Management) to ensure a diverse range of qualified candidates are considered for Board appointments.</p> <p>In identifying candidates for appointment of Independent Non-Executive Director, the Committee had prioritised appointment of female Director to enhance the Board diversity.</p> <p>The NC considered 1 recommendation from an existing Board member and another candidate from the outsourced corporate secretarial services provider. The outsourced corporate secretarial service provider is an independent party with diverse client base and business interaction with other Independent Directors in the industry.</p> <p>The NC evaluated both candidates against the criteria set out in the Terms of Reference. Deliberation and justification were documented and the NC recommends the appointment of Pn. Nazriah Binti Shaik Alawdin as Independent Non-Executive Director for the Board of Director's approval.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The profiles of all Directors are published in the Annual Report and on Bursa Malaysia's website. These include their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest.</p> <p>A statement accompanying notices of general meetings on details of individuals who are standing for election and re-election as Directors was published in the Annual Report. This statement included Directors who retire on rotation in accordance with Clause 103 of the Company's Constitution and re-appointment of an Independent Non-Executive Director serving more than 9 years.</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 of OHB is chaired by Ms. Mary Geraldine Phipps who is an Independent Non-Executive Director. The NC comprises exclusively Non-Executive Directors, a majority of whom are independent, as codified in Listing Requirements. The composition of NC is presented in the table below:			
		No	Name of Directors	Position	Types/ Nature of Directors
		1	Ms. Mary Geraldine Phipps	Chairman	Independent Non-Executive Director
		2	Mr. Lee Kean Teong	Committee Member	Independent Non-Executive Director
		3	Pn. Nazriah Binti Shaik Alawdin		Independent Non-Executive Director
4	Pn. Sharifah Intan Binti S. M. Aidid	Non-Independent Non-Executive Director			
Explanation for departure	:				
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>					
Measure	:				
Timeframe	:				

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	Benchmarked against the gender diversity policy pronouncement espoused by the Government to have at least 30% women representation on the boards of public listed companies, OHB's Board comprises three (3) women Directors since year 2009 and in November 2021, the number increased to four (4) women Directors out of ten (10) Directors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board strives to ensure that there is no discrimination on the basis of, but not limited to, race, age, ethnicity, gender, nationality, political affiliation, religious affiliation, sexual orientation, marital status, education, physical ability or geographic region when deciding the composition of the Board.</p> <p>The Board and NC ensure that the recruitment and selection practices at all levels are appropriately structured so that a diverse range of candidates are considered and that there are no conscious or unconscious biases against certain candidates.</p> <p>In line with paragraph 15.08A(3) of Listing Requirements, the Board has formalised a Board Diversity Policy which sets out the approach to diversity of the Board and Key Senior Management. The policy outlines the following:</p> <ul style="list-style-type: none">• Identifying and creating the right balance of skills and industry experience, background and gender of Directors;• Retaining Directors based on performance and merit, in the context of skills, time commitment and experience, in order for the Board to be effective;• Providing a safe and healthy environment for the views of Board members to be heard, their concerns attended to and where, bias, discrimination and harassment on any matter are not tolerated; and• Reviewing and assessing the Board and Key Senior Management's composition and mix and make recommendations on the appointment of new Directors and Key Senior Management. <p>The Board Diversity Policy has been published in the Annual Report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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 Terms of Reference of the NC outlined the assessment criteria on the effectiveness of the Board as a whole, Board Committees and the contribution of each individual Director (“Board Assessment”) on an annual basis.</p> <p>The NC has established a Board Assessment process which includes a set of policies and procedures guiding the following:</p> <ul style="list-style-type: none">(a) assessment of the Board, as a whole;(b) Director’s self and peer assessment;(c) self-evaluation/declaration of Director’s independence; and(d) assessment of each Board Committee. <p>The assessments are carried out via self and peer-assessment forms (“Performance Assessment Forms”), as applicable.</p> <p>For the financial year ended 31 December 2021, the NC has engaged an independent external consultant to facilitate the Board Assessment.</p> <p>The Board Assessment activities carried out during the year are summarised as follows:</p> <ul style="list-style-type: none">(1) the external consultant reviewed the Performance Assessment Forms and their criteria, considering the following, amongst others:<ul style="list-style-type: none">(a) assessment of the Board:<ul style="list-style-type: none">(i) board mix and composition, including size, knowledge, and experience;(ii) independence of Directors;(iii) effectiveness of Board meetings;

	<ul style="list-style-type: none"> (iv) the Board’s effectiveness in the review of governance, risk, and controls of the Group; (v) the Board’s review of the Group’s sustainability; (vi) the Board’s activities carried out in relation to its responsibilities stipulated in the Board Charter; (vii) whether the Board is kept abreast of relevant developments and updates, including in relation to sustainability issues; <p>(b) assessment of each Board Committees:</p> <ul style="list-style-type: none"> (i) the Board Committee’s activities carried out in relation to its responsibilities stipulated in their respective Terms of References; (ii) the contribution and performance of each of the Board Committee members; <p>(c) assessment of each Director:</p> <ul style="list-style-type: none"> (i) character; (ii) integrity; (iii) time commitment; (iv) skills, experience and their individual contribution to the Board; (v) ability to express dissenting views; (vi) ongoing professional development including in relation to sustainability issues. <p>(2) The NC adopted the review and recommendations of the independent external consultant;</p> <p>(3) Assisted by the Company Secretary, the Performance Assessment Forms were distributed to the Directors;</p> <p>(4) The Directors completed and incorporated their feedback/ comments in the relevant Performance Assessment Forms and returned the same to the independent external consultant;</p> <p>(5) The independent external consultant compiled and analysed the results from the completed Performance Assessment Forms taking into consideration the Directors’ comments;</p> <p>(6) The independent external consultant prepared a report on the Board Assessment, based on the compiled results, and presented to the NC. The report incorporated the Directors’ comments on a no-name basis to provide anonymity to the Directors;</p> <p>(7) The Board Assessment indicated that the Board had performed well in areas of managing conflict, meeting administration and conduct, discharging of duties and responsibilities;</p>
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	<p>(8) The NC deliberated on the Board Assessment results and a number of enhancements were agreed upon. The NC presented the Board Assessment results and key enhancements to the Board in relation to:</p> <ul style="list-style-type: none"> (a) the NC's conclusion of the overall effectiveness of the Board, Board Committees, and individual Directors; (b) the training needs of the Board, Board Committees, and Directors; (c) the NC's recommendation for the re-election/re-appointment of Directors, as relevant; and (d) dissemination of individual Directors' performance results for their personal reference and improvement. <p>The Board Assessment process facilitated by the independent external consultant provided independence and objectivity to the Board Assessment process. The Board is satisfied with the effectiveness of the Board, Board Committees and individual Directors, based on the mix and composition of the Board members which comprises wide skills set and range of experiences.</p> <p>The Board, assisted by the NC, has also identified topics and areas of training which will be provided to the Board/Directors in the coming financial year.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

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 via its RC has formalised Directors' Remuneration Policy to guide the Board Committee in determining the remuneration of Directors. There are two different types of remuneration packages that are established by RC to assess the suitability and reasonableness of the remuneration of Executive Directors/ Key Senior Management and Non-Executive Directors.</p> <p><u>Executive Director/Key Senior Management (N1)</u></p> <p>For Executive Directors/Key Senior Management, performance-related elements such as Company's growth and profitability are taken into the consideration of assessment in order to align the interest of the Executive Directors/Key Senior Management with long-term objectives and business strategy of the Company. The Committee ensures that the remuneration is linked to the performance of OHB.</p> <p>Remuneration for Executive Directors/Key Senior Management consists of both fixed (i.e. base salary) and variable (performance-based incentive) remuneration components. The remuneration of the Executive Directors/Key Senior Management is designed to ensure the Company's continued ability to attract and retain the most qualified Executive Board members/Key Senior Management. The remuneration computation formula for Executive Directors/Key Senior Management is outlined in the Directors' Remuneration Policy.</p> <p>N1: The EXCO members by virtue of their positions as Executive Directors of the Group forms part of the Key Senior Management of the Group that is primarily responsible for the business operations of OHB's core business and principal subsidiaries.</p>

	<p><u>Non-Executive Director</u></p> <p>On the other hand, the remuneration of Non-Executive Directors must reflect the experience, time commitment, scope of responsibilities and contribution to the effective functioning of the Board.</p> <p>The fees of the Non-Executive Directors are reviewed by the RC as and when necessary, taking into account the fees paid to Non-Executive Directors of comparable companies and capacity to attract and retain highly competent Non-Executive Directors. Non-Executive Directors are not entitled to receive performance-based bonuses nor participate in short-term and/or long-term incentive plans. The details of the remuneration composition is outlined in the Directors' Remuneration Policy.</p> <p>The Directors/Key Senior Management Remuneration Policy is made available on the Company's website.</p>	
<p>Explanation for departure</p>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	:	
<p>Timeframe</p>	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied																		
Explanation on application of the practice	:	<p>The Board has established a committee, namely the RC, which comprises solely Non-Executive Directors, with a majority of whom are independent to oversee remuneration related matters. The composition of the RC is presented in the table below:</p> <table border="1"><thead><tr><th>No</th><th>Name of Directors</th><th>Position</th><th>Types/ Nature of Directors</th></tr></thead><tbody><tr><td>1</td><td>Mr. Lee Kean Teong</td><td>Chairman</td><td>Independent Non-Executive Director</td></tr><tr><td>2</td><td>Ms. Mary Geraldine Phipps</td><td rowspan="3">Committee Member</td><td>Independent Non-Executive Director</td></tr><tr><td>3</td><td>Pn. Nazriah Binti Shaik Alawdin</td><td>Independent Non-Executive Director</td></tr><tr><td>4</td><td>Pn. Sharifah Intan Binti S. M. Aidid</td><td>Non-Independent Non-Executive Director</td></tr></tbody></table> <p>In relation to the implementation of Directors' Remuneration Policy, the RC discusses and recommends to the Board regarding the remuneration packages for different types of Directors (e.g. Executive Director/ Key Senior Management and Non-Executive Director).</p> <p>The RC reviews and recommends the remuneration package for Executive Directors/Key Senior Management to the Board.</p> <p>The Board, as a whole, approves the recommended remuneration of Non-Executive Directors with the Directors concerned abstaining from the decision in respect of his or her individual remuneration. The recommendation on Directors' fees and benefits payable is tabled for stockholders' approval at the forthcoming AGM.</p> <p>The Terms of Reference of RC, which deals with the roles and responsibility as well as matters reserved for the Committee is</p>	No	Name of Directors	Position	Types/ Nature of Directors	1	Mr. Lee Kean Teong	Chairman	Independent Non-Executive Director	2	Ms. Mary Geraldine Phipps	Committee Member	Independent Non-Executive Director	3	Pn. Nazriah Binti Shaik Alawdin	Independent Non-Executive Director	4	Pn. Sharifah Intan Binti S. M. Aidid	Non-Independent Non-Executive Director
No	Name of Directors	Position	Types/ Nature of Directors																	
1	Mr. Lee Kean Teong	Chairman	Independent Non-Executive Director																	
2	Ms. Mary Geraldine Phipps	Committee Member	Independent Non-Executive Director																	
3	Pn. Nazriah Binti Shaik Alawdin		Independent Non-Executive Director																	
4	Pn. Sharifah Intan Binti S. M. Aidid		Non-Independent Non-Executive Director																	

	formalised in Board Charter and made available on the Company's website.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year under review, the RC reviewed and recommended to the Board, the remuneration for all Executive Directors of the Company. The Board, as a whole, approves the remuneration of Non-Executive Directors with the Directors concerned abstaining from the decision making in respect of their individual remuneration. Directors' fees and benefits payable will be tabled for approval at the forthcoming AGM.</p> <p>The remuneration received/receivable by the Directors of the Company for the financial year 2021 are as follows (disclosure below also serves to comply with paragraph 11 of Part A, Appendix 9C of Listing Requirements):</p> <p>Fee: including Director fees, meeting attendance fees, Chairman and Board Committee fees.</p> <p>Other emoluments: including incentive, EPF & SOCSO, provision/reversal for Directors' performance, remuneration received from local and oversea subsidiaries Company.</p> <p>Allowance: including entertainment and meeting allowance.</p> <p>@ Mr Yoshitaka Nakamura is the representative from Honda Motor Co., Ltd. Director fee received by Honda Motor Co., Ltd. whilst meeting attendance fees received by himself.</p> <p>** Datin Loh Ean (Alternate Director to Dato' Robert Wong Lum Kong, DSSA, JP, CMJA (UK)), the salary and other emoluments are received from oversea subsidiaries Company which she is the Director of the Company.</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Datuk Loh Kian Chong	Executive Director	309	-	-	-	-	-	309	395	-	825	99	-	3,287	4,606
2	Dato' Robert Wong Lum Kong, DSSA, JP, CMJA (UK)	Executive Director	109	-	-	-	-	-	109	295	50	1,631	251	24	2,210	4,461
3	Dato' Seri Lim Su Tong	Executive Director	109	-	-	-	-	-	109	166	-	2,966	147	-	441	3,720
4	Ms. Tan Kheng Hwee	Executive Director	109	-	-	-	-	-	109	156	1	2,659	208	18	1,333	4,375
5	Dato' Sri Datuk Wira Tan Hui Jing	Executive Director	109	-	-	-	-	-	109	217	1	1,959	-	-	2,251	4,428
6	Ms. Mary Geraldine Phipps	Independent Director	220	-	-	-	-	-	220	220	-	-	-	-	-	220
7	Mr. Lee Kean Teong	Independent Director	172	-	-	-	-	-	172	172	-	-	-	-	-	172
8	Pn. Nazriah Binti Shaik Alawdin (Appointed on 11 November 2021)	Independent Director	27	-	-	-	-	-	27	27	-	-	-	-	-	27
9	Pn. Sharifah Intan Binti S.M. Aidid	Non-Executive Non-Independent Director	171	-	-	-	-	-	171	171	-	-	-	-	-	171
10	Mr. Yoshitaka Nakamura (Resigned on 31 December 2021) @	Non-Executive Non-Independent Director	132	-	-	-	-	-	132	132	-	-	-	-	-	132
11	Datin Loh Ean (Alternate Director to Dato' Robert Wong Lum Kong,	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	1,383	-	-	-	1,383

	DSSA, JP, CMJA (UK) **															
12	Dato' Ghazi bin Ishak (Demised on 13 August 2021)	Independent Director	109	-	-	-	-	-	109	109	-	-	-	-	-	109
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	:	Applied – the company discloses the remuneration of members senior management who are not members of the board
Explanation on application of the practice	:	The members of EXCO by virtue of their positions as Executive Directors of the Group are the Key Senior Management of the Group that is primarily responsible for the business operations of OHB's core business and principal subsidiaries. Their remuneration has been disclosed under Practice 8.1.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of the AC is Ms. Mary Geraldine Phipps, who is distinct from the Chairman of the Board. In addition, the Chairman of the AC is an Independent Non-Executive Director, as enumerated under paragraph 15.10 of Listing Requirements.</p> <p>The roles and responsibilities of the AC are clearly detailed in AC Terms of Reference and AC Report, addressing the independence and objectivity of the Committee.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Terms of Reference of AC has been updated to include the requirement for 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 AC.</p> <p>There was no appointment of former external audit firm partner during the year.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Terms of Reference of AC has outlined the roles and responsibilities of AC in reviewing the suitability, objectivity, and independence of the external auditor.</p> <p>In early 2013, the AC has also formalised the policy and procedures on the nature of non-audit services that may be provided by the external auditor.</p> <p>The assessment on the suitability, objectivity and independence of the external auditor is conducted yearly by AC via a customised evaluation instrument. The first assessment was done in year 2017 for financial year 2016 and this year will be the sixth year in carrying out the assessment. The evaluation instrument covers quality processes/ performance, independence and objectivity, audit scope and planning as well as audit communications of external auditor.</p> <p>The Board has also received confirmation from its external auditor to ensure that the team from external audit firm has been independent throughout the conduct of audit engagement in accordance with the terms of relevant professional and regulatory requirements.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied		
Explanation on application of the practice	:	Two out of the four members of the AC, namely Ms. Mary Geraldine Phipps and Mr. Lee Kean Teong are members of professional accountancy bodies, which is in accordance with paragraph 15.09 of Listing Requirements.		
		Name	Qualification	Background
		Ms. Mary Geraldine Phipps (Chairman)	Chartered Accountant registered with the Malaysian Institute of Accountants Certified Public Accountant under the Malaysian Institute of Certified Public Accountants Member of the Malaysian Institute of Taxation and currently serve as a fellow of the Chartered Tax Institute of Malaysia	In 1982, she was a partner of KPMG. In 1990, she was appointed Managing Partner of the Penang practice of KPMG. Extensive experience in taxation and tax advisory services.
Mr. Lee Kean Teong (Committee Member)	Chartered Accountant of Malaysian Institute of Accountants Member of Malaysian Institute of Certified Public Accountants	He was a partner of KPMG Malaysia for more than 19 years. Extensive experience in audit and management consulting.		

	Pn. Nazriah Binti Shaik Alawdin (Committee Member) (Appointed on 11 November 2021)	Took up law in 1994 and called to Bar in 1995	Partner of a leading legal firm based in Penang and Kuala Lumpur. Extensive experience in banking, commercial and land matters.
	Pn. Sharifah Intan Binti S. M. Aidid (Committee Member)	Took up law in 1980 and called to Bar in 1985	20 years in teaching profession. Currently work as consultant in Messrs. Lim Huck Aik & Co, Advocates & Solicitors.
	<p>Based on the outcome of Director's performance assessment conducted, the Board is satisfied with the AC performance as its Chairman and members are able to understand matters under the purview of the AC including the financial reporting process.</p> <p>During the year under review, all members of the AC attended relevant training sessions in order to upskill themselves and keep themselves abreast of the latest market developments relevant to the growth and performance of the Group.</p> <p>Refer to the CG Overview Statement in the Annual Report 2021 for the details of trainings attended by the Directors during the year.</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 10.1

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

Application	:	Applied						
Explanation on application of the practice	:	<p>The Board through its RMC has established the risk management and internal control framework for the Group and respective segments to identify, evaluate and monitor the business risks.</p> <p>The Management of respective segments is responsible to manage the business risks and report to the Corporate Office and the RMC.</p> <p>Salient elements of OHB’s Internal Control System are summarised below:</p> <table border="1" data-bbox="560 992 1406 1648"> <thead> <tr> <th data-bbox="560 992 770 1066">Control Mechanism</th> <th data-bbox="770 992 1406 1066">Internal Control Activities</th> </tr> </thead> <tbody> <tr> <td data-bbox="560 1066 770 1323">Limits of authority and responsibility</td> <td data-bbox="770 1066 1406 1323"> <ul style="list-style-type: none"> • Formally defined and documented lines of responsibility as well as delegation of authority. • Hierarchical reporting is in place to achieve its strategies and operational objectives as well as provide documented and auditable trail of accountability. </td> </tr> <tr> <td data-bbox="560 1323 770 1648">Planning, monitoring, reporting and safeguarding</td> <td data-bbox="770 1323 1406 1648"> <ul style="list-style-type: none"> • Preparation of annual budget by all business segments for approval by EXCO. • PCT reviews the KPIs and reports to the EXCO on a quarterly basis. • AC reviews the quarterly financial results and evaluates significant unusual variances. • Management meetings are held regularly to identify, discuss and resolve key Management issues. </td> </tr> </tbody> </table> <p>Further details are available in the Statement on Risk Management and Internal Control of the Annual Report.</p>	Control Mechanism	Internal Control Activities	Limits of authority and responsibility	<ul style="list-style-type: none"> • Formally defined and documented lines of responsibility as well as delegation of authority. • Hierarchical reporting is in place to achieve its strategies and operational objectives as well as provide documented and auditable trail of accountability. 	Planning, monitoring, reporting and safeguarding	<ul style="list-style-type: none"> • Preparation of annual budget by all business segments for approval by EXCO. • PCT reviews the KPIs and reports to the EXCO on a quarterly basis. • AC reviews the quarterly financial results and evaluates significant unusual variances. • Management meetings are held regularly to identify, discuss and resolve key Management issues.
Control Mechanism	Internal Control Activities							
Limits of authority and responsibility	<ul style="list-style-type: none"> • Formally defined and documented lines of responsibility as well as delegation of authority. • Hierarchical reporting is in place to achieve its strategies and operational objectives as well as provide documented and auditable trail of accountability. 							
Planning, monitoring, reporting and safeguarding	<ul style="list-style-type: none"> • Preparation of annual budget by all business segments for approval by EXCO. • PCT reviews the KPIs and reports to the EXCO on a quarterly basis. • AC reviews the quarterly financial results and evaluates significant unusual variances. • Management meetings are held regularly to identify, discuss and resolve key Management issues. 							
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 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has, through its RMC established a risk management and internal control framework that was implemented throughout the Group, which is firmly embedded in the Group's key processes. Management is to identify, evaluate, monitor and report of risks and internal control as well as provide assurance to the Board that it has done so in accordance with the policies adopted by the Board.</p> <p>The key features of the Group's risk management and internal control framework are clearly detailed in the Statement on Risk Management and Internal Control, which include:</p> <ul style="list-style-type: none">• risk management organisation;• risk appetite (quantitative and qualitative); and• risk reporting. <p>In November 2021, the RMC had received the interim update on the Group risk compilation 2021 from an external consultant. In February 2022, the Group top 8 risks were identified with management controls and management action plan to manage the risks and reported to the RMC and Board. In addition, the outcome of corruption risk assessment has been reviewed by the RMC.</p> <p>The Group Risk Management Policy and Procedures have been updated and approved in February 2019 with the latest risk reporting framework, e.g. risk organisation structure, frequency and risk reporting documents for the Group.</p> <p>The Board has received assurance in writing from Executive Chairman, Executive Directors and Group Chief Financial Officer that the risk management and internal control system has been operating adequately and effectively, in all material aspects. Further assurance is provided by the in-house Internal Audit function, which operates across the Group.</p>
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 10.3 - 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 roles and responsibilities of the AC are outlined in the Terms of Reference of AC. The AC assesses the performance of Internal Auditors on an annual basis to ensure that the Internal Auditors perform their functions effectively and independently throughout the course of their engagement.</p> <p>The AC ensures that Internal Audit function carries out their work according to a recognised framework (i.e. International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors), covering governance, risk management and internal control processes.</p> <p>The activities that the AC performed for the financial year 2021 in relation to Internal Audit function include the following:</p> <ul style="list-style-type: none"> • Reviewed the Internal Audit Plan (scope of work inclusive of governance, risk management and selected internal control processes) with the Head of Internal Audit department to ensure adequate scope and comprehensive coverage of the activities of the Group; • Reviewed the Internal Audit Report from the Head of Internal Audit and discussed the root cause, audit issues as well as Management action plan; • Discussion on unsatisfactory findings of Internal Audit Reports; • Reviewed and approved the Internal Audit Department’s operating budget; • Reviewed the performance of Internal Audit function from the formal evaluation as follows: <ul style="list-style-type: none"> - Internal Audit Charter and Structure; - Internal Auditors’ skills and experience; and • Communication with Executive Directors and Management.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Internal Audit Department is currently lead by Mr. Choo Mun Yew, a member of Malaysian Institute of Accountants (MIA), Malaysian Institute of Certified Public Accountants (MICPA) as well as a chartered member of The Institute of Internal Auditors Malaysia (CMIIA).</p> <p>The Internal Audit Department governs itself through adherence to International Professional Practices Framework (“IPPF”) promulgated by The Institution of Internal Auditors. The IPPF encompasses the Definition of Internal Auditing, Core Principles, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing.</p> <p>The Internal Audit function has engaged the Institute of Internal Auditors Malaysia (“IIAM”) to perform Quality Assurance and Improvement Program in 2014.</p> <p>All eight (8) Internal Audit personnel (including the Head of Internal Audit) are free from any relationships or conflicts of interest, which could impair their objectivity and independence, as disclosed in the Audit Committee Report.</p> <p>In accordance with paragraph 30 of Part A, Appendix 9C, Bursa’s Listing Requirements, disclosure of cost of Internal Audit function for the financial year ended 31 December 2021 was made available, amounting to RM1.586 million each for the Company and for the Group level.</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 recognises the importance of facilitating a transparent, active and constructive communication with its stakeholders. Therefore, the Board has formalised "Corporate Disclosure and Communication Policy" in addressing the issue of disseminating material information. The content of the said policy includes areas such as dissemination of reports and events (Annual Report, Analyst and investors meeting and etc.), procedures on responding to market rumours, confidential information and leakage of private information.</p> <p>The summary of key matters discussed at the previous AGM has also been disclosed on its website as required by Listing Requirements.</p> <p>The contact numbers and addresses of Group Chief Financial Officer are made available on the corporate website of OHB as the primary contact person. Furthermore, OHB's investor relations' e-mail, ir@ohb.com.my is provided on the website to facilitate effective communication from the 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

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

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

Practice 12.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>OHB has published an Annual Report and a Sustainability Report which is based on the Global Reporting Initiative (GRI) Standards for the financial year ended 31 December 2021.</p> <p>OHB's Annual Report is not yet an Integrated Report based on the parameters set out by the International Integrated Reporting Council's ("IIRC") Integrated Reporting Framework.</p> <p>The content of OHB's Annual Report (such as Chairman's Statement, Management Discussion and Analysis, Corporate Governance Overview Statement, Audit Committee Report, Statement on Risk Management and Internal Control) and Sustainability Report have broadly addressed certain elements of Integrated Reporting such as organisation overview, outlook and external environment, governance policies, performance and the basis of preparation and presentation.</p> <p>In addition to the Annual Report and Sustainability Report, contact details for the Company Secretaries and the Group Chief Financial Officer are made available to ease stakeholders' access and enquiry(ies) to pertinent information for informed decision making.</p> <p>The Board believes that the present format of the Annual Report provided sufficient information for stakeholders to make informed decisions.</p> <p>The Board will ensure that the Group engages sufficiently with stakeholders to better understand their objectives and expectations and, via established engagement channels, communicate relevant information required by stakeholders to make informed decisions, including with respect to the governance, environmental, and social responsibilities of the Company.</p>

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

Measure	:	The Board will seek to undertake a readiness assessment to identify the structural changes that would be necessitated from the proposed transition to Integrated Reporting.	
Timeframe	:	Others	8 years

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	For the 59th AGM which was held on 27 October 2021, the notice was circulated on 5 October 2021, 22 days prior to the AGM. In addition to sending the notice, OHB also published the Notice of AGM on its corporate website and released via Bursa Malaysia.	
		The Corporate Disclosure and Communication Policy contains a policy stipulation that the notice of OHB AGM shall be given at least twenty-one (21) days prior to the AGM and will be announced through Bursa Malaysia, OHB's corporate website as well as daily newspaper. This is in compliance with the paragraph 7.15 of Listing Requirements which requires at least 14 days before the meeting or at least 21 days before the meeting where any special resolution is to be proposed or where it is an AGM.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Notice of AGM will be issued to stockholders at least 28 days prior to the next AGM.	
Timeframe	:	Within 1 year	

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 attended the 59th AGM on 27 October 2021. The Executive Chairman, Executive Directors and Group Chief Financial Officer were responsible for answering the questions relating to operations raised by stockholders as follows:</p> <ul style="list-style-type: none"> • Written queries from Minority Shareholders Watch Group (“MSWG”), relating to operational and financial as well as corporate governance matters; • Written queries from named stockholders; and • Written queries from stockholders in relation to the audited financial statements for the financial year ended 31 December 2020. 	
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>In accordance with paragraph 8.29A of Listing Requirements, all resolutions set out in the notice of the 59th AGM were put to vote by poll and the voting was conducted through online remote voting via a Remote Participation and Voting ("RPV") Facilities by Vote2U at https://web.vote2u.my (Domain Registration Numbers with MYNIC D6A471702).</p> <p>The results of the poll were duly validated by Messrs TJH Consultancy Services Sdn Bhd, the independent Scrutineer appointed by the Company. The results were announced to Bursa Malaysia on the same day.</p> <p>In line with the Guidance Note on Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 18 April 2020, the 2021 AGM was conducted virtually from the Broadcast Venue on RPV Facilities as a precautionary measure amid COVID-19 pandemic. The RPV Facilities provided by Boardroom Corporate Services Sdn. Bhd. enabled stockholders to exercise their right as a member of the Company to participate by posing questions to the Board of Directors and/or Management of the Company in advance or via real time submission of typed texts and voting remotely.</p> <p>Stockholders who were unable to attend the virtual meeting may appoint a proxy to attend and vote on behalf. This is provided for in the Company's Constitution.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	<p>At the 59th AGM, the Chairman of the Board has specifically expressed that every member present virtually at this AGM today either in person, or by proxy or by corporate representative, has the right to participate, ask question and vote on the resolutions as stated in the agenda of the meeting. Participants could pose questions via real time submission of typed texts in the query box.</p> <p>The Group Chief Financial Officer presented an overview of the Group's performance for 2020 and impact of pandemic on 2021 outlook and responded to questions from MSWG and other stockholders.</p> <p>The Chairman then proceeded to the questions and answers ("Q&A") session and recapped that those questions of similar nature would be grouped together for a more structured response from the Board.</p> <p>Upon completion of the Q&A session, Datuk Chairman thanked the participants for their queries and proceeded with online voting by poll.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: The 59th AGM of OHB was conducted through live streaming and online remote participation by using RPV Facilities via online meeting platform. The online meeting platform was organised from www.Vote2u.my which is registered with MYNIC (Domain Registration Numbers with MYNIC D6A471702) and is recognised as a meeting venue or place for the purpose of Section 327(2) of the Companies Act 2016 (“the Act”) as clarified in the FAQs on Virtual General Meetings issued by Companies Commission of Malaysia on 8 June 2021. During the AGM, stockholders posed questions by typing in the text box provided via the meeting platform. Similar questions were then grouped and read out to all meeting participants followed by the response from Directors and/or Management personnel. In this manner, there is full disclosure of questions posed by stockholders as well as OHB’s response. Minutes of the AGM and key discussion matters were published on OHB’s website. The key discussion matters summarise the Q&A posed by the stockholders and their respective responses.
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	: Departure
Explanation on application of the practice	:
Explanation for departure	: Outcome of the meeting including poll results were published through announcement to Bursa Malaysia immediately after the conclusion of the AGM. In addition, extract on key discussion matters were published on OHB's website. The key discussion matters summarise the Q&A posed by the stockholders and their respective responses.
	The key discussion matters addressed the direct concerns of the stockholders with detailed response.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: OHB will publish the minutes of the general meeting no later than 30 business days after the conclusion of the general meeting.
Timeframe	: Within 1 year

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

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

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