

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 4006  
**COMPANY NAME** : Oriental Holdings Berhad  
**FINANCIAL YEAR** : December 31, 2023

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 includes business sustainability considerations. Amongst others, the activities of the Board include approving annual business plans, annual capital and operating budget, and monitoring the Group's performance and progress towards meeting its strategic objectives in the medium 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>

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.

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 including environmental, social, and governance matters.

The AC assists and supports the Board to review the process for the preparation of the Group’s financial reports including significant financial reporting issues and judgements, the integrity of internal control system, and the external and internal audit processes and outcomes.

The RC is primarily responsible for reviewing and recommending to the Board the remuneration of Executive Directors in accordance with the Director Remuneration Policy.

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.

The RMC is tasked to review the Group’s risk management system, processes, and strategies. It assists the Board to fulfil its oversight responsibility to ensure the management of overall risk exposure of the Group.

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 2023.

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. In this regard, the Board has established a Sustainability Policy which guides the overall sustainability direction of the Group.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>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"><li>• acting as chief spokesperson and representative of the Board and Company;</li><li>• ensuring that the Board is aware of its statutory obligations to the Company, its shareholders, employees and other stakeholders;</li><li>• presiding at Board and shareholder meetings and ensuring the proceedings thereof comply with good conduct and practices;</li><li>• 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;</li><li>• 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;</li><li>• 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;</li><li>• 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;</li><li>• liaising and co-ordinating input from all Directors, especially Board Committees' Chairman, to optimise the effectiveness of the Board and its Committees;</li><li>• ensuring the adequacy and integrity of the Board governance processes; and</li><li>• performing other responsibilities assigned by the Board from time to time.</li></ul>
<b>Explanation for departure</b>	:	

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 (5) 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>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 1.4**

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	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 Independent Non-Executive Directors. The AC, NC, and RC carry out their roles and responsibilities in accordance with their respective Terms of Reference objectively.  The Chairman does not participate in any of the meetings of the AC, NC, or RC.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	



## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 Company Secretaries oversee the Board's adherence with Board policies and procedures and brief the Board on the content and timing of announcements to Bursa Malaysia Securities Berhad, amongst others. The Board is also 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, with an aim to enhance the effective functioning of the Board and ensure regulatory compliance.</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>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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.</p> <p>In rare circumstances, exceptions may be made by OHB for ad-hoc and urgent agenda items where meeting materials will be circulated less than 7 calendar days prior to the meeting. During the deliberation of such matters, the Chairman of the meeting will ensure all Directors or Board Committee members have sufficient information and clarification to make informed decisions.</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 in a timely manner 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"><li>• obtaining full and unrestricted access to any information pertaining to the OHB;</li><li>• obtaining full and unrestricted access to the advice and services of the Company Secretaries; and</li><li>• obtaining independent professional or other advice.</li></ul> <p>This is in line with the Paragraph 15.04 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").</p>
<b>Explanation for departure</b>	:	

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has reviewed and updated the Board Charter on 28 November 2023 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"><li>• OHB Group's vision, mission and values;</li><li>• the roles and responsibilities of the Board including matters reserved for the decision of the Board;</li><li>• the Board structure including board balance and mix, roles and responsibilities of the Chairman, Executive Directors, Non-Executive Directors and Company Secretary;</li><li>• application of the Group's Fit and Proper Policy to the Board;</li><li>• the roles of individual Board Committees (i.e. EXCO, AC, RC, NC and RMC);</li><li>• Board processes (e.g. meeting frequency, agenda, Directors' external commitments and conflict of interest, Directors' remuneration);</li><li>• delegation of authority to Board Committees (e.g. EXCO, AC, RC, NC and RMC) whilst retaining overall responsibility and oversight;</li><li>• restriction on the tenure of Independent Non-Executive Directors;</li><li>• Directors' Code of Ethics; and</li><li>• annual assessment of the Board, Board Committees, and individual Directors.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>OHB Directors are subject to the Directors' Code of Ethics which 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, observe high standards of corporate governance, exercising ethical business practices including addressing conflict of interest situations via declaration, and prohibiting misuse of information such as insider trading.</p> <p>OHB has also 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"><li>• External environment;</li><li>• Work environment;</li><li>• Safe and healthy environment;</li><li>• Usage of OHB's property;</li><li>• Compliance with laws;</li><li>• Fair dealing with others, illegal or questionable gifts or favours;</li><li>• Gifts and entertainment;</li><li>• Travel and hospitality;</li><li>• Donations and sponsorships;</li><li>• Employment outside OHB Group;</li><li>• Foreign transactions;</li><li>• Political contribution and activities;</li><li>• Opportunities;</li><li>• Conflicts of interests;</li><li>• Fraud and actions constituting fraud;</li><li>• Insider trading;</li><li>• Abuse of power;</li><li>• Money laundering;</li><li>• Gratification, Bribery and Corruption;</li><li>• Facilitation payment; and</li><li>• Sexual harassment.</li></ul>

	<p>A summary of OHB's Code of Ethics is available on the Company's website.</p> <p>The Board has established the following supporting policies:</p> <ul style="list-style-type: none"> <li>• Anti-Bribery and Corruption Policy – <i>Made available on the Company's website;</i></li> <li>• Corporate Disclosure and Communication Policy – <i>Made available on the Company's website;</i></li> <li>• Director Remuneration Policy – <i>Made available on the Company's website;</i></li> <li>• Director Fit and Proper Policy – <i>Made available on the Company's website;</i></li> <li>• Sustainability Policy – <i>Made available on the Company's website;</i></li> <li>• Gift and Entertainment Policy – <i>Internal policy;</i></li> <li>• Donation and Sponsorship Policy – <i>Internal policy;</i></li> <li>• Conflict of Interest Declaration Form for all Directors and Executive and above – <i>Internal document;</i> and</li> <li>• Disciplinary procedure – <i>Internal document.</i></li> </ul> <p>The implementation of these policies and procedures are driven by the Management while the Board reviews the effectiveness of the policies and procedures from time to time via the assessment of the Group's internal control systems.</p>
<p><b>Explanation for departure</b> :</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><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 identity of a whistleblower shall be maintained confidential within the legitimate needs of laws and ensuing evaluation or investigation. The Whistle Blowing Policy also accord the whistleblower with protection from reprisal within the OHB Group as a direct consequence of their disclosure. Retaliation against a whistleblower is prohibited and deemed to be a violation of the Whistle Blowing Policy.</p> <p>The Internal Audit function oversees the implementation of the Whistle Blowing Policy of OHB as well as assisting the AC to investigate the reports made where required. Whistleblowing reports will be escalated and discussed with the AC, prior to channelling them to the Board of Directors of OHB depending on the seriousness and nature of the suspected wrongdoings. The Board reserves the right to make final decision on whistleblowing reports.</p> <p>The Whistle Blowing Policy was last reviewed on 14 April 2022 by the Board to ensure its ongoing effectiveness.</p> <p>During the financial year under review, the AC received 6 cases of whistleblowing. All cases were duly investigated by the Internal Audit Department and acted upon by the AC. Where necessary, recommendations were escalated to the Board for further review and action. The whistleblowers identities were protected at all times, in accordance with our commitment to fostering a culture of transparency and accountability within the Group.</p>



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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 established a Sustainability Policy which aims to communicate the Company's direction and commitment with regards to sustainability in its businesses, focusing on 3 main areas of environmental, social, and governance aspects. The Sustainability Policy is published on OHB's corporate website.</p> <p>In the Board's review of the corporate strategies and business plans of the business segments, it takes into consideration the Company's Sustainability Policy, as well as considerations that drives the long-term sustainability of the business.</p> <p>The EXCO, which comprises of Executive Directors and is responsible for carrying out the responsibilities of a Sustainability Committee, met five (5) times during the year to review the performance of each segment and reported to the Board.</p> <p>The Board also review the Group's material sustainability matters annually. The material sustainability matters are determined via the Group's materiality assessment processes considering matters which significantly reflect the business sustainability impacts and matters which substantively influence stakeholders' assessments and decisions.</p>
<b>Explanation for departure</b>	:	

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 as a communication to stakeholders.</p> <p>Based on both corporate strategy and feedback from internal and external stakeholders, the Board has identified three (3) key areas of focus in its Sustainability Policy as follows:</p> <ul style="list-style-type: none"><li>• Environment - committed to identifying, managing and minimising the environmental impact.</li><li>• Social - the Group seeks to protect the lives and health of its employees and communities that surround its operations.</li><li>• 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.</li></ul> <p>The Group also communicates relevant sustainability strategies and progress to stakeholders through its corporate website, various reports including Annual Report, and engagements with stakeholders through the Group's various stakeholder engagement channels. This includes the Sustainability Report which serves as a key tool to communicate sustainability strategies, priorities, and targets and achievements to internal and external stakeholders.</p> <p>A summary of the Group's engagement channels with stakeholders and the relevant sustainability focus is available on OHB's Sustainability Report FY2023.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

### 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board consists of a mix of skills and experience, enabling the Board to consider sustainability from various perspectives in its review of the business strategies and performance.</p> <p>In addition, the Executive Directors who are actively involved in the Group’s businesses, reports to the Board on sustainability issues or concerns faced by the business and the relevant industries, enabling the Board to be apprised of specific sustainability issues and trends involved in the Group’s business.</p> <p>The Board is also supported by competent Company Secretaries who also provide regular updates on sustainability issues and requirements.</p> <p>During the year, all the Directors attended a training on sustainability, namely, “Amendment to the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) on Sustainability Training for Directors”.</p> <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>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The assessment forms for the annual assessment of the Board and individual Directors were last revised in 2022. The revision introduced assessment criteria which considers the performance of the Board in managing the Company's material sustainability risks and opportunities, including focuses on:</p> <ul style="list-style-type: none"> <li>• Board's review on the Company's sustainability strategies and roadmap;</li> <li>• the conduct of materiality assessment, including consideration of sustainability risks particularly climate change, human labour rights, and green financing;</li> <li>• actions taken to stay abreast with and understand the sustainability issues relevant to the Company and its businesses, including climate-related risks and opportunities; and</li> <li>• incorporation of sustainability considerations in key decision-making.</li> </ul>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	



## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC reviews the Board composition and tenure of each Director on annual basis and makes relevant recommendations to the Board. At the deliberations, the Director being discussed abstains from taking part in the deliberations.</p> <p>Annually, the NC reviews the Directors who are subject to re-appointment or re-election. In its review, the NC considers, amongst others, the needs of the Board, tenure of the Director, as well as the quality and performance of the Director. On these bases, the NC makes recommendation to the Board. The Board further makes recommendation to the stockholders and includes them in the notice to Annual General Meeting ("AGM").</p> <p>The NC and the Board reviewed the Directors who are retiring at the forthcoming AGM and subject to re-election pursuant to Clause 103 and Clause 110 of the Company's Constitution respectively. The Board, with the Directors in question abstaining from the deliberation of their own review, supports and recommends the re-election of the following Directors for stockholders' approval at the forthcoming AGM:</p> <p><u><i>Retire by rotation pursuant to Clause 103 of the Company's Constitution</i></u></p> <ul style="list-style-type: none"><li>• Dato' Seri Lim Su Tong;</li><li>• Dato' Sri Datuk Wira Tan Hui Jing; and</li><li>• Ms. Tan Kheng Hwee.</li></ul> <p><u><i>Retire pursuant to Clause 110 of the Company's Constitution</i></u></p> <ul style="list-style-type: none"><li>• Dato' Ong Eng Bin; and</li><li>• Dato' Md Radzaif Bin Mohamed.</li></ul> <p>The NC has reviewed the abovementioned Directors and is of the view that these Directors satisfy the Board's requirements and expectation with respect to their performance. The Board concurred with the NC's recommendation and recommended the abovementioned Directors to stockholders for their re-appointment and/or re-election.</p> <p>Mr. Lee Kean Teong ("Mr. Lee") has served as an Independent Non-Executive Director for 9 years. The NC and the Board (with Mr. Lee recusing himself and abstaining from deliberation and decision-making)</p>

	<p>had reviewed his fit and proper assessment and recommended with justifications, for stockholders' approval in the upcoming AGM on 13 June 2024 to retain Mr. Lee as an Independent Non-Executive Director beyond the 9-year tenure.</p> <p>Ms. Mary Geraldine Phipps, whose tenure has exceeded the 12-year limit, has retired from the Board on 31 May 2023, concurrent with the coming into effect of the amendment to the Listing Requirements to restrict the tenure of the Independent Non-Executive Director to 12 years.</p> <p>In addition, the NC had reviewed the skill sets, the wealth of expertise as well as professional experiences of 4 potential candidates to fill the vacancy for Independent Non-Executive Director before making decisions on candidates to be proposed for IDs.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>	:	
<p><b>Timeframe</b></p>	:	

### 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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board does not comprise a majority of Independent Directors with the composition as shown below:</p> <ul style="list-style-type: none"><li>• 5 Executive Directors</li><li>• 4 Independent Non-Executive Directors</li><li>• 1 Non-Independent Non-Executive Directors</li></ul> <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>While the Board lacks a majority of Independent Non-Executive Directors, there exists an equitable distribution of Executive Directors and Non-Executive Directors in the boardroom.</p> <p>The presence of Non-Executive Directors, including Independent Non-Executive Directors, brings objectivity to the Board oversight and decision-making process, enabling it to constructively challenge and probe Management’s proposal for strategies as well as management performance, at the same time bringing diverse perspectives and insights to the Board. The Non-Executive Directors provide check and balance within the Group’s governance structure. In addition, they serve as conduits between stakeholders and Management by taking into account feedback received from stakeholders during Board discussions.</p> <p>Based on the annual assessment of the Board and Board Committees carried out for FY2023, 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>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	The NC and the Board will continue to assess the effectiveness and objectivity of the Board’s performance, placing emphasis on a

	composition that facilitate an efficient and effective decision-making in the best interest of the Company.	
<b>Timeframe</b>	:	Others

### 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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>As outlined in the Board Charter, the Board has set a limit for the tenure of Independent Non-Executive Director to a consecutive or cumulative term of nine (9) years. The Independent Non-Executive 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 Non-Executive Director beyond the 9-year tenure and below the 12-year limit as stipulated in the Listing Requirements.</p> <p>Mr. Lee Kean Teong was appointed to the Board on 31 March 2015 and would be serving the Board beyond 9 years by FY2024. The NC had reviewed his fit and proper assessment and recommended to the Board to retain him as Independent Non-Executive Director. The Board concurred with the NC's recommendation and shall recommend with justifications, for stockholders' approval in the upcoming AGM on 13 June 2024 to retain Mr. Lee as an Independent Non-Executive Director beyond the 9-year tenure and below the 12-year limit as stipulated in the Listing Requirements.</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"><li>• consistency with the 1-share 1-vote standard under the Companies Act 2016 ("Act");</li><li>• fairness in terms of voting rights amongst the same class of stockholders; and</li><li>• consistency with the Company's Constitution.</li></ul>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	: 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 Non-Executive Directors beyond their 9-year tenure is a more practical approach for the Company. 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 Non-Executive 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.
<b>Timeframe</b>	: Others

**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board considers the appointment of Directors based on merits and qualities such as skills and experience. The Board also 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 Group's Fit and Proper Policy and the criteria as outlined below:</p> <ul style="list-style-type: none"><li>• Skills, knowledge, expertise and experience;</li><li>• Professionalism;</li><li>• Diversity;</li><li>• Level of integrity;</li><li>• Commitment;</li><li>• Competence;</li><li>• Character;</li><li>• Contribution and performance;</li><li>• Time commitment and value contribution (number of directorships and other external obligations held);</li><li>• Any potential or actual conflict of interest situations; and</li><li>• Tenure for existing directors (to ensure that the composition of the board is refreshed periodically).</li></ul> <p>The appointment of and promotion to Key Senior Management positions are mainly merit-driven and with due regard to the above criteria, as well.</p>



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

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC’s Terms of Reference provides that the NC is responsible for sourcing candidates for directorships to OHB’s Board and making recommendations to the Board. The NC’s Terms of Reference further provides that the sourcing for candidates for directorships may consider various sources including directors’ registry, open advertisements and independent search firms, in addition to recommendations by Directors, Senior Management, or shareholders.</p> <p>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 FY2023, the NC had utilised independent sources as well as recommendations by Directors to identify 4 potential candidates to fill the vacancy for Independent Non-Executive Director.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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>In the notice of OHB's 61<sup>st</sup> AGM, the Board included comments on whether the Board supports the resolutions relating to the re-appointment, election, and re-election of Directors, together with the Board's rationale for each of the Directors, which were based on reasons including the contribution of the said Directors to the functioning of the Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied												
<b>Explanation on application of the practice</b>	:	During the financial year under review, Ms. Mary Geraldine Phipps ceased to be the Chairman of the NC and retired from the Board on 31 May 2023. On 1 July 2023, Puan Nazriah Binti Shaik Alawdin, an Independent Non-Executive Director, was appointed as the new Chairman of the NC. The NC comprised exclusively of Independent Non-Executive Directors. The composition of NC is presented in the table below:												
		<table border="1"><thead><tr><th>Name of Director</th><th>Position</th><th>Directorate</th></tr></thead><tbody><tr><td>Puan Nazriah Binti Shaik Alawdin</td><td>Chairman</td><td rowspan="4">Independent Non-Executive Director</td></tr><tr><td>Mr. Lee Kean Teong</td><td rowspan="3">Committee member</td></tr><tr><td>Dato' Ong Eng Bin</td></tr><tr><td>Dato' Md Radzaif Bin Mohamed</td></tr></tbody></table>	Name of Director	Position	Directorate	Puan Nazriah Binti Shaik Alawdin	Chairman	Independent Non-Executive Director	Mr. Lee Kean Teong	Committee member	Dato' Ong Eng Bin	Dato' Md Radzaif Bin Mohamed		
Name of Director	Position	Directorate												
Puan Nazriah Binti Shaik Alawdin	Chairman	Independent Non-Executive Director												
Mr. Lee Kean Teong	Committee member													
Dato' Ong Eng Bin														
Dato' Md Radzaif Bin Mohamed														
<b>Explanation for departure</b>	:													
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>														
<b>Measure</b>	:													
<b>Timeframe</b>	:													

### 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	At present, the composition of our Board comprises 2 women Directors out of 10 Directors, i.e. 20%.	
		The Board is mindful that any gender representation should be in the best interest of the Company. Our Board has established a Board Diversity Policy to guide the composition of the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	The NC and the Board will continue to leverage various channels, including independent recruitment firms, directors' registries and professional body memberships to identify a wider spectrum of suitable and talented individuals for directorships, including female candidates.	
<b>Timeframe</b>	:	Others	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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>The Board has formalised a Board Diversity Policy which sets out the approach to diversity for the Board and Key Senior Management. The policy is central to:</p> <ul style="list-style-type: none"> <li>• identifying and creating the right balance of skills and industry experience, background and gender of Directors;</li> <li>• retaining Directors based on performance and merit, in the context of skills, time commitment and experience, in order for the Board to be effective;</li> <li>• 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</li> <li>• 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.</li> </ul>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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## 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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <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"><li>(a) assessment of the Board, as a whole;</li><li>(b) Director’s self and peer assessment;</li><li>(c) self-evaluation/declaration of Director’s independence; and</li><li>(d) assessment of each Board Committee.</li></ul> <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 2023, 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> <p>1) The external consultant reviewed the Performance Assessment Forms and their criteria, considering the following, amongst others:</p> <ul style="list-style-type: none"><li>(a) assessment of the Board:<ul style="list-style-type: none"><li>i board mix and composition, including size, knowledge, and experience;</li><li>ii independence of Directors;</li><li>iii effectiveness of Board meetings;</li><li>iv the Board’s effectiveness in the review of governance, risk, and controls of the Group;</li><li>v the Board’s review of the Group’s sustainability;</li></ul></li></ul>



	<ul style="list-style-type: none"> <li>vi the Board’s activities carried out in relation to its responsibilities stipulated in the Board Charter;</li> <li>vii whether the Board is kept abreast of relevant developments and updates, including in relation to sustainability issues;</li> </ul> <p>(b) assessment of each Board Committees:</p> <ul style="list-style-type: none"> <li>i the Board Committee’s activities carried out in relation to its responsibilities stipulated in their respective Terms of References;</li> <li>ii the contribution and performance of each of the Board Committee members;</li> </ul> <p>(c) assessment of each Director:</p> <ul style="list-style-type: none"> <li>i character;</li> <li>ii integrity;</li> <li>iii time commitment;</li> <li>iv skills, experience and their individual contribution to the Board;</li> <li>v ability to express dissenting views;</li> <li>vi ongoing professional development including in relation to sustainability issues.</li> </ul> <p>2) The external consultant distributed the Performance Assessment Forms to the Directors for their completion;</p> <p>3) The Directors completed and incorporated their feedback/ comments in the relevant Performance Assessment Forms and submitted the same to the independent external consultant;</p> <p>4) The independent external consultant compiled and analysed the results from the completed Performance Assessment Forms taking into consideration the Directors’ comments;</p> <p>5) 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>6) The Board Assessment indicated that the Board had performed well in maintaining independence when deliberating conflict of interest matters, its review on financial matters, risk management and internal controls, as well as the Chairman’s leadership to the Board in encouraging deliberation and participation in decision making;</p> <p>7) The NC deliberated the review and recommendations of the independent external consultant 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"> <li>(a) Actively driving future-oriented strategy and performance improvement;</li> <li>(b) Sustainability oversight and management;</li> <li>(c) Board deliberation on succession planning.</li> </ul>
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	<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>In addition, the independent external consultant also shares the overall assessment results of each individual Director to the respective Directors, including highlights of areas where they have done well and areas where there could be improvements, to enable their performance improvement.</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><b>Explanation for departure</b></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><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board via its RC has formalised a Director Remuneration Policy to guide the Board Committee in determining the remuneration of Directors and Key Senior Management. Generally, there are two types of remuneration packages, i.e. for the Executive Directors/ Key Senior Management and for the Non-Executive Directors.</p> <p><b>Executive Directors/Key Senior Management (N1)</b></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.</p> <p><b>N1:</b> 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><b>Non-Executive Directors</b></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 Board 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.</p> <p>The Director Remuneration Policy is published on OHB’s corporate website. Further details on Board remuneration matters are also available in the Corporate Governance Overview Statement which is included in OHB’s Annual Report FY2023.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>		
<p><b>Timeframe</b></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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established a committee, namely the RC, that is responsible for reviewing and recommending to the Board the remuneration of Executive Directors in accordance with the Director Remuneration Policy, as well as reviewing the overall remuneration framework and relevant criteria.</p> <p>The Board, as a whole, deliberates the recommended remuneration of Non-Executive Directors with the Directors concerned abstaining from the decision in respect of his or her individual remuneration. The proposal 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 formalised in Board Charter and made available on the Company's website.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The RC reviewed and recommended to the Board, the remuneration for all Executive Directors of the Company. The Board, as a whole, deliberated the recommended remuneration of 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 <b>received/receivable</b> by the Directors of the Company for FY2023 is as follows (the disclosure below also serves to comply with paragraph 11 of Part A, Appendix 9C of Listing Requirements):</p> <p><i>Notes:</i> <b>Fee:</b> including Director fees, meeting attendance fees, Chairman and Board Committee fees.</p> <p><b>Other emoluments:</b> including incentive, EPF &amp; SOCSO, provision/reversal for Directors' performance, remuneration received from local and oversea subsidiaries Company.</p> <p><b>Allowance:</b> including entertainment and meeting allowance.</p> <p>@ Mr Mitsuharu Funase 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 was 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	327	-	-	-	-	-	327	421	-	891	165	-	2,989	4,466
2	Dato' Robert Wong Lum Kong, DSSA, JP, CMJA (UK)	Executive Director	116	-	-	-	-	-	116	307	50	1,631	251	1,485	710	4,434
3	Dato' Seri Lim Su Tong	Executive Director	115	-	-	-	-	-	115	182	-	3,294	263	-	459	4,198
4	Ms Tan Kheng Hwee	Executive Director	116	-	-	-	-	-	116	175	-	3,033	247	25	887	4,367
5	Dato' Sri Datuk Wira Tan Hui Jing	Executive Director	116	-	-	-	-	-	116	245	1	2,386	86	-	1,446	4,164
6	Mr. Lee Kean Teong	Independent Director	203	-	-	-	-	-	203	203	-	-	-	-	-	203
7	Pn. Nazriah Binti Shaik Alawdin	Independent Director	195	-	-	-	-	-	195	195	-	-	-	-	-	195
8	Dato' Ong Eng Bin (Appointed on 1 July 2023)	Independent Director	89	-	-	-	-	-	89	89	-	-	-	-	-	89
9	Dato' Md Radzaif Bin Mohamad (Appointed on 1 July 2023)	Independent Director	89	-	-	-	-	-	89	89	-	-	-	-	-	89
10	Mr. Mitsuharu Funase	Non-Executive Non-Independent Director	138	-	-	-	-	-	138	138	-	-	-	-	-	138
11	Datin Loh Ean (Alternate Director to Dato' Robert Wong Lum Kong, DSSA, JP, CMJA (UK)) **	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	12	-	1,509	-	-	-	1,521

12	Ms. Mary Geraldine Phipps (Retired on 31 May 2023)	Independent Director	100	-	-	-	-	-	100	100	-	-	-	-	-	100
13	Pn. Sharifah Intan Binti S.M. Aidid (Retired on 18 April 2023)	Independent Director	53	-	-	-	-	-	53	53	-	-	-	-	-	53
14	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	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.

<b>Application</b>	:	Not applicable - all members of senior management are members of the board	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

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.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>At present, the Chairman of the AC is Mr. Lee Kean Teong, 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’s Terms of Reference (“TOR”) and AC Report, addressing the independence and objectivity of the Committee.</p> <p>In FY2023, the AC had revised its TOR to encompass changes related to Conflict of Interest (“COI”) pursuant to Paragraph 15.12(1)(h) of the MMLR, expanding the role of the AC to review COI situations that arose or persist (in addition to those that may arise) and the measures taken to resolve, eliminate, or mitigate the COI.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Terms of Reference of AC provides that a former partner of the external audit firm of the listed company shall observe a cooling-off period of at least three (3) years before being appointed as a member of the AC.</p> <p>There was no appointment of a former partner of OHB Group's external audit firm as OHB's AC member during the year.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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. The AC has also established policies and procedures on non-audit services that may be provided by the external auditor, including pre-approved non-audit services which may be provided and the procedures for other non-audit services to be approved by the AC before the services are rendered.</p> <p>The assessment on the suitability, objectivity and independence of the external auditor is conducted yearly by AC.</p> <p>Amongst others, the AC's assessment on the external auditor considers the quality, performance, independence and objectivity, audit scope and planning as well as audit communications of the external auditor.</p> <p>The AC assessed the external auditor and has also received confirmation from the external auditor 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. The AC made recommendations to the Board to support its proposal on the appointment of external auditor to be tabled at the forthcoming AGM.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	Pn. Sharifah ceased to be a member of the AC on 31 March 2023, and the AC currently comprises solely of Independent Non-Executive Directors.



## Intended Outcome

There is an effective and independent Audit Committee.

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

## Practice 9.5

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

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

<b>Application</b>	:	Applied															
<b>Explanation on application of the practice</b>	:	As at 31 December 2023, one (1) out of the four (4) members of the AC, namely Mr. Lee Kean Teong is a member of professional accountancy bodies, which is in accordance with paragraph 15.09(1)(c) of the Listing Requirements. <table border="1"><thead><tr><th>Name</th><th>Qualification</th><th>Background</th></tr></thead><tbody><tr><td>Mr. Lee Kean Teong (Chairman)</td><td>Chartered Accountant of Malaysian Institute of Accountants  Member of Malaysian Institute of Certified Public Accountants</td><td>He was a partner of KPMG Malaysia for more than 20 years.  Extensive experience in audit and management consulting.</td></tr><tr><td>Pn. Nazriah Binti Shaik Alawdin (Committee Member)</td><td>Took up law in 1994 and called to Bar in 1995</td><td>Partner of a leading legal firm based in Penang, Kuala Lumpur, and Johor Bahru.  Extensive experience in banking, commercial and land matters.</td></tr><tr><td>Dato' Ong Eng Bin (Committee Member)</td><td>Bachelor of Arts (Honours) in Accounting and Finance</td><td>Extensive experience in banking.</td></tr><tr><td>Dato' Md Radzaif Bin Mohamed (Committee Member)</td><td>Degree in Mechanical Engineering and Masters in Welding Technology</td><td>Extensive experience in automotive.</td></tr></tbody></table>	Name	Qualification	Background	Mr. Lee Kean Teong (Chairman)	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 20 years.  Extensive experience in audit and management consulting.	Pn. Nazriah Binti Shaik Alawdin (Committee Member)	Took up law in 1994 and called to Bar in 1995	Partner of a leading legal firm based in Penang, Kuala Lumpur, and Johor Bahru.  Extensive experience in banking, commercial and land matters.	Dato' Ong Eng Bin (Committee Member)	Bachelor of Arts (Honours) in Accounting and Finance	Extensive experience in banking.	Dato' Md Radzaif Bin Mohamed (Committee Member)	Degree in Mechanical Engineering and Masters in Welding Technology	Extensive experience in automotive.
Name	Qualification	Background															
Mr. Lee Kean Teong (Chairman)	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 20 years.  Extensive experience in audit and management consulting.															
Pn. Nazriah Binti Shaik Alawdin (Committee Member)	Took up law in 1994 and called to Bar in 1995	Partner of a leading legal firm based in Penang, Kuala Lumpur, and Johor Bahru.  Extensive experience in banking, commercial and land matters.															
Dato' Ong Eng Bin (Committee Member)	Bachelor of Arts (Honours) in Accounting and Finance	Extensive experience in banking.															
Dato' Md Radzaif Bin Mohamed (Committee Member)	Degree in Mechanical Engineering and Masters in Welding Technology	Extensive experience in automotive.															

	<p>Based on the outcome of Board Assessment conducted for FY2023, the Board is satisfied with the performance of the AC and AC members, including their demonstration of ability 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 developments, including on subjects on Conflict of Interest and Sustainability Training for Directors.</p> <p>Refer to the Corporate Governance Overview Statement in the Annual Report FY2023 for the details of training attended by the Directors during the year.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>	:	
<p><b>Timeframe</b></p>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board oversees the development and maintenance of an adequate and effective risk management and internal control framework for the Group and respective segments to identify, evaluate and monitor the business risks, as well as establishing or enhancing internal controls to manage risks.</p> <p>In this regard, the Board is assisted by the RMC whose role includes overseeing and reviewing risk management matters of the Group. The Board is also assisted by the AC who reviews the Group's internal control systems via the works of the Internal and External Auditors.</p> <p>Through the work of the RMC and the AC, as well as considering the written assurance from the Executive Chairman, Executive Directors and Group Chief Financial Officer, the Board reviews the adequacy and effectiveness of the Group's risk management and internal control systems on an annual basis.</p> <p>Further details are available under the Statement on Risk Management and Internal Control in the Annual Report FY2023.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has an Enterprise Risk Management ("ERM") Framework which facilitates the structured identification, evaluation, management, monitoring, and reporting of risks faced by the Group's business. The ERM supports the continuous enhancement of the internal control system, which prioritises resource in addressing risks which may have greater significance to the Group.</p> <p>Details regarding the features of the Group's risk management and internal control systems, as well as the Board's comments on their adequacy and effectiveness are available under the Statement on Risk Management and Internal Control in the Annual Report FY2023.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group maintains an in-house Internal Audit function, and the Head of Internal Audit reports to the AC directly. The roles and responsibilities of the AC, in relation to the internal audit activities and internal auditors, are outlined in the Terms of Reference of AC.</p> <p>The AC assesses the performance of Internal Auditors on an annual basis, including ensuring that the Internal Auditors perform their functions effectively and independently throughout the course of their engagement. The AC also 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 performed by the AC for FY2023 in relation to the internal audit function include the following:</p> <ul style="list-style-type: none"><li>• Reviewed the Internal Audit Plan (scope of work inclusive of governance, risk management and selected internal control processes) with the Head of Internal Audit to ensure adequate scope and comprehensive coverage of the activities of the Group;</li><li>• Reviewed the Internal Audit Report from the Head of Internal Audit and discussed the findings, root cause, audit issues and weaknesses highlighted, Management action plans, and progress;</li><li>• Reviewed and approved the Internal Audit Department’s operating budget;</li><li>• Reviewed the Internal Audit Charter and structure to ensure it remains effective;</li><li>• Reviewed the skills and experience present within the Internal Audit Department, including the Internal Auditors’ training and training policy; and</li><li>• Endorsed any remuneration adjustments of the Internal Auditors.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 (“IIAM”).</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 AC assesses the performance of Internal Audit function on an annual basis to ensure the Internal Auditors have performed effectively and have acted independently in the conduct of internal audit activities. All seven (7) 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.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises its roles in fostering a transparent, active and constructive communication with its stakeholders. In this regard, the Board ensures there are channels to engage with stakeholders to obtain sufficient understanding of their interest and needs, as well as to communicate relevant information to stakeholders including relevant sustainability strategies, priorities, targets, and performance.</p> <p>The Board has also formalised a "Corporate Disclosure and Communication Policy" to govern the dissemination of information to stakeholders. Amongst others, the policy covers the procedures on publications of reports, conduct of events such as analyst and investors' engagement sessions, procedures on responding to market rumours, confidential information and leakage of private information. These procedures ensure timely and effective dissemination of information to stakeholders, focusing on shareholders.</p> <p>As the primary contact person dealing with investor relations matters, the contact numbers and addresses of Group Chief Financial Officer are made available on the corporate website of OHB. Furthermore, OHB's investor relations' e-mail, ir@ohb.com.my is provided on the website.</p> <p>The Board reviews the Group's overall engagement with stakeholders on an annual basis. A summary of the Group's engagement with stakeholders during the financial year under review is discussed in the Sustainability Report FY2023.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### 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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>OHB has published an Annual Report and a Sustainability Report that is in accordance with Bursa Malaysia's Enhanced Sustainability Reporting and with reference to Global Reporting Initiatives ("GRI") Sustainability Reporting Standards for the financial year ended 31 December 2023.</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 Board is of the view that the existing Annual Report and Sustainability Report together provides a holistic view of the Group's performance, including financial and non-financial information, the long-term sustainability of the Group's businesses, and includes elements of an integrated report such as the 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, the contact details of the Company Secretaries and the Group Chief Financial Officer are also made publicly 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.*

<b>Measure</b>	:	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.	
<b>Timeframe</b>	:	Others	

### 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The notice of OHB's 61 <sup>st</sup> AGM was circulated on 28 April 2023, which is at least 28 days prior to the date of the meeting, i.e. 15 June 2023.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All Directors attended OHB's 61<sup>st</sup> AGM on 15 June 2023.</p> <p>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"> <li>• written queries from Minority Shareholders Watch Group ("MSWG"), relating to operational and financial;</li> <li>• written queries from named stockholders submitted before the AGM; and</li> <li>• written queries from stockholders during the AGM questions and answers ("Q&amp;A") session in relation to the audited financial statements for the financial year ended 31 December 2022.</li> </ul> <p>The Chairpersons of the Board Committees were also prepared to answer any questions addressed to them.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In accordance with paragraph 8.29A of Listing Requirements, all resolutions set out in the notice of the 61<sup>st</sup> 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 <a href="https://web.vote2u.my">https://web.vote2u.my</a>.</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>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> <p>The Board, in its selection of service providers for the AGM, considered the credibility and track record of the providers, cyber security, and data protection and security, amongst others.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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## Intended Outcome

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

## Practice 13.4

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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: At OHB's 61 <sup>st</sup> AGM, the Chairman of the Board has specifically expressed that every member present at the 61 <sup>st</sup> AGM either in person, 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. Questions had been posed via real time submission in the software's query box.  The Group Chief Financial Officer presented an overview of the Group's FY2022 performance and outlook for 2023 and shared the responses to questions submitted in advance by the Minority Shareholders Watch Group and other stockholders. There was also a Q&A session where similar questions were grouped together and answered accordingly. The Directors, including Chairpersons of the Board Committees, were present and prepared to answer questions addressed to them.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### 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>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The 61<sup>st</sup> AGM of OHB was conducted through live streaming and online remote participation by using RPV Facilities via online meeting platform.</p> <p>The online meeting platform was organised from <a href="https://web.vote2u.my">https://web.vote2u.my</a> 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.</p> <p>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 the Directors and/or Management personnel.</p> <p>The full AGM minutes, including questions posed by stockholders and the responses by OHB and the outcome of resolutions, amongst others, were published on OHB’s website within 30 business days after the AGM.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	

<b>Timeframe</b>	:		
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**Intended Outcome**

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

**Practice 13.6**

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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The minutes of OHB's 61 <sup>st</sup> AGM (held on 15 June 2023), which details the meeting proceedings including the Q&A discussions, were published on OHB's website on 14 July 2023, i.e. no later than 30 business days after the AGM.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**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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