

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7031
COMPANY NAME : Amtel Holdings Berhad
FINANCIAL YEAR : November 30, 2022

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors of the Company ("the Board") has the ultimate responsibility to set strategic direction and policy in relation to the business and affairs of the Company and its subsidiaries ("the Group") for the benefit of the shareholders and other stakeholders of the Company. The Board is accountable to shareholders for the performance of the Group. The Board provides the overall governance as well as stewardship and oversight for the direction and management of the Company and the Group. In discharging its duties and functions effectively, the Board delegates certain responsibilities to the following Board Committees in accordance with the respective written Terms of Reference: • Audit Committee • Remuneration Committee • Nomination Committee The Chairman of the respective Board Committees will report to the Board the outcome of the Board Committees meetings for the Board's consideration and final decision. The Board assumes, amongst others, the following roles and responsibilities in discharging its obligation: (i) Review, challenge and decide on Management's proposals for the Company and the Group, which include corporate strategy and business plans and monitor the implementation by Management; (ii) Review and adopt corporate objectives of the Company and the Group which include performance targets, medium-term goals and long-term goals; (iii) Oversee the resources and operational conducts of the Company and the Group's businesses, to evaluate and assess

		Management's performance to determine whether the businesses are being properly managed; (iv) Decide on the steps that are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensure that such steps are taken; (v) Identify and understand the principal risks of the businesses of the Company and the Group and recognise that business decisions involve the taking of appropriate risks; (vi) Set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate Risk Management Framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks; (vii) Ensure that Senior Management has the necessary skills and experience, and that there are measures in place to provide for the orderly succession of Senior Management; (viii) Ensure that the Company adopts an effective communication strategy to enable effective communication with shareholders and other stakeholders; (ix) Review the adequacy and integrity of the Group's internal control systems and ensure that there is a sound framework for internal controls and risk management which complies with applicable laws, regulations, rules, directives and guidelines; (x) Promote good corporate governance culture within the Company which reinforces ethical, prudent and professional behaviour; (xi) Delegates certain responsibilities to the various Board Committees with clearly defined Terms of Reference to assist the Board in discharging its responsibilities; (xii) Ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability; and (xiii) Ensure the integrity of the Company's financial and non-financial reporting.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Board is led by a Non-Independent Non-Executive Chairman.	
		The Chairman is responsible for leadership of the Board in ensuring Board effectiveness and conduct of the Board. The roles and responsibilities of the Chairman, amongst others, are as follows: (i) Providing leadership to the Board so that the Board can perform its responsibilities effectively, cohesively and independently of Management; (ii) Setting the Board agenda and ensuring the Board members receive complete and accurate information in a timely manner; (iii) Leading Board meetings and discussions, as well as encouraging active participation and allowing dissenting views to be freely expressed; (iv) Promoting constructive and respectful relationships between Board members and managing the interface between Board and Management; (v) Ensuring appropriate steps are taken to provide effective communication with shareholders and other stakeholders and that their views are communicated to the Board as a whole; and (vi) Leading the Board in establishing and monitoring good corporate governance practices in the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	There is a clear division of the roles and responsibilities between the Company's Chairman and Chief Executive Officer to ensure a balance of control, power and authority. The Board is led by YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin, the Non-Independent Non-Executive Chairman and the executive management is led by Dato' Koid Hun Kian, the Chief Executive Officer. The Chairman is responsible for leadership of the Board in ensuring Board effectiveness and conduct of the Board. The Chief Executive Officer assumes the overall responsibility for the Group's operational activities and effectiveness and implements the Board's policies, strategies and decisions. The Chief Executive Officer leads the Management team in carrying out the corporate strategies and objectives of the Group. The Chief Executive Officer is responsible to the Board for the day-to-day management of the businesses of the Company and the Group. The role and responsibilities of the Chairman and the Chief Executive Officer are clearly defined in the Board Charter.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	YTM. Tunku Dato' Seri Kamel Bin Tunku Rijaludin, the Non-Independent Non-Executive Chairman of the Company is also a member of the Remuneration Committee, Audit Committee and Nomination Committee. The Board took cognisance that having the same person assume the position of Chairman of the Board and member of Board Committees gives rise to the risk of self-review and may impair the objectivity of the Chairman and the Board when deliberating on the observations and recommendations put forth by the Board Committees. Nevertheless, the Chairman is not involved in the management and operational matters of the Company, and he always provides constructive ideas and opinions to the Board and Board Committees respectively and showed impartiality in his judgement and conduct based on different perspectives as a Board Chairman and member of Board Committees.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	The Board is supported by suitably qualified and competent Company Secretaries. The Company maintains two (2) named Company Secretaries namely, Ms. Chin Mun Yee, a member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and Ms. Hoh Yit Foong, a Licensed Secretary (LS). Both Company Secretaries have the requisite credentials and are qualified to act as Company Secretaries pursuant to Section 235(2) of the Companies Act 2016. The specific responsibilities of the Company Secretaries include the following: (i) ensure compliance with listing and related statutory obligations; (ii) attend Board, Board Committees and general meetings, and ensure the proper recording of minutes; (iii) ensure proper upkeep of statutory registers and records; (iv) assist in preparation for and conduct of meetings; and (v) continuously update the Board on changes to Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and other related legislation and regulations. All Directors have access to the advice and services of the Company Secretaries, who are responsible to the Board for ensuring that Board procedures are complied with.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Board is supplied with appropriate and timely information to enable it to discharge its duties. The Board papers are distributed to all Directors prior to the Board meetings and sufficient time is given to enable Directors to evaluate the matters to be discussed in order to discharge their duties effectively and efficiently. The Directors are free to seek any further explanation and information they consider necessary to facilitate informed decision-making. Senior Management may be invited to attend Board meetings, when necessary, to furnish explanations and comments on the relevant agenda item(s) tabled at the Board meetings or to provide clarifications on issues that may be raised by the Board or any Director. All Directors, whether as a full Board or in their individual capacity have unrestricted access to the information, advice and services of the Company Secretaries and the Senior Management team in the Group in carrying out their duties. Upon conclusion of the meetings, the draft minutes prepared by the Company Secretaries are circulated to the Board in a timely manner to ensure that the minutes of meetings accurately reflect the deliberations and decisions of the Board, including those Directors who are abstain from voting or deliberating on a particular matter and tabled for review in the next meeting. The Board Committees meetings attended by all Directors do not affect the objective and independent discussion by the Board Committees. Matters that require objective and independent discussion would be discussed without the presence of the Executive Directors. For example, private meetings with External Auditors. The Board Committees members are free to deliberate and decide on matters relating to the Board Committees meetings without undue influence from Executive Directors.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

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

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has in place a Board Charter. The Board Charter provides a clear statement on the roles and responsibilities of the Board and those delegated to Management and outlines the core principles of corporate governance to which the Group subscribes and serves as a source of reference and primary induction literature providing insights to Board members and Senior Management and it is made available for reference on the Company's corporate website at www.amtel.com.my. All the Board members are aware of their duties and responsibilities and also serve as a base for the Board in assessing its collective performance and that of each individual Director. The Board Charter would be reviewed on a periodic basis and may be amended by the Board from time to time, to ensure its relevance in assisting the Board to discharge its duties with the changes in the laws and regulations and to remain consistent with the Board's objectives and responsibilities. The Company has updated its Board Charter on 8 March 2023 to include issues and decisions reserved for the Board.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has formalised a Code of Conduct and Ethics for Directors setting out the standards of conduct expected from Directors to inculcate good ethical conduct, whilst the Group has also established a separate Code of Conduct and Ethics for Employees to protect and enhance the Group's reputation for honesty and integrity. Both of the abovementioned Codes are to provide the fundamental guiding principles and standards applicable to the Directors and employees. All Directors and employees are expected to behave ethically and professionally at all times and be accountable for full compliance with the Codes. Both Codes are available on the Company's corporate website at www.amtel.com.my.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Group has in place a Whistleblowing Policy to provide employees with an accessible avenue to report matters of serious concern and/or improper conduct that may affect the professional and compliant operation of the Group’s businesses.	
		The Whistleblowing Policy sets out and identifies the appropriate communication and feedback channels which facilitate whistleblowing and is available on the Company’s website at www.amtel.com.my .	
		The Board had established and approved the Anti-Bribery and Corruption Policy to set out the Group’s responsibilities to comply with laws against bribery and corruption and to provide information and guidance to those working for the Group on how to recognise and deal with corruption and bribery issues.	
		The Anti-Bribery and Corruption Policy is available on the Company’s website at www.amtel.com.my .	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	The Board plays a key role in supporting sustainability initiatives. The Chief Executive Officer and Management team are responsible for identifying and managing Economic, Environmental and Social ("EES") risks and opportunities, as well as measuring the Group's sustainability performance. In order to strengthen the sustainability commitment, a high-level committee namely, Sustainability Management Committee ("SMC") has been established comprising predominantly personnel from the Senior Management to look into the various aspects of fulfilling the Group's obligation and commitment, and to ensure an effective approach in the adoption and implementation of sustainability policy and practices. To effectively discharge its responsibilities, the SMC is supported by a subcommittee i.e., the Sustainability Working Group ("SWG") represented by various personnel such as Heads of Departments, Operations Managers and Accounts Executives from the various departments. The SWG manages and monitors the implementation and performance of EES initiatives and then reports to the SMC. The SWG is further divided into different sub-groups based on their area of focus.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 4.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company's sustainability strategies, priorities and targets as well as performance against these targets are not communicated to its internal and external stakeholders.	
	:	The Group has begun reporting on the Group's sustainability activities and performance in the Annual Report since year 2018. These reports are available on the Company's website at https://amtel.com.my/investor-relations/annual-report/. The Board together with Management are working to set the Company's sustainability strategies, priorities and targets as well as performance against these targets and shall communicate the same to its internal and external stakeholders upon finalisation.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 4.3

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board is cognisant that Directors are expected to have a strong understanding and be able to engage in rigorous discourse with Management in addressing sustainability-related risks.	
		The Board would undertake the relevant training to stay abreast with and understand the sustainability issues relevant to the Company and its businesses, including climate-related risks and opportunities.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 4.4

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company acknowledges that it is the responsibility of the Board and Senior Management to address material sustainability risks and opportunities and the performance evaluation of the Board and Senior Management should consider how well the Board and Senior Management have performed their respective roles.	
		The Company has enhanced its Board and Board Committees Performance Evaluation Form by including questionnaires on Environmental, Social and Governance issues.	
		The Company is still working on enhancing the performance evaluation of its Senior Management by including sustainability-related key performance indicators.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board with the assistance of the Nomination Committee has codified the need for periodic review and refreshing of the Board so as to ensure that the composition is in line with the best interests of the Company and better practices of corporate governance. For the purpose of determining the eligibility of the Directors to stand for re-election at the Annual General Meeting ("AGM") of the Company, the Board through its Nomination Committee undertakes a formal evaluation to determine the eligibility of each retiring Director in line with Practice 6.1 of the Malaysian Code on Corporate Governance, which includes the following: • Performance of the individual Directors; • Independence of the Independent Non-Executive Directors; and • Fit and Proper assessment. Based on the recent annual assessment and evaluation, the Nomination Committee is satisfied with the performance of the Director who is standing for re-election and has recommended to the Board the proposed re-election in accordance with the Constitution of the Company. The Board supported the Nomination Committee's recommendation to re-elect the eligible Director standing for re-election at the forthcoming AGM of the Company. The Director who is to retire shall abstain from deliberation and decision on his own eligibility to stand for re-election at the meeting.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 5.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board currently has six (6) members comprising the following: (i) One (1) Non-Independent Non-Executive Chairman; (ii) Two (2) Independent Non-Executive Directors; and (iii) Three (3) Executive Directors. The Board complies with Paragraph 15.02 of the MMLR of Bursa Securities which requires at least two (2) Directors or one-third (1/3rd) of the Board, whichever is higher, to be Independent Non-Executive Directors. The Board is mindful that the composition does not comprise half of Independent Non-Executive Directors. The Board believes that the existing Independent Non-Executive Directors are capable to act as vigilant gatekeepers and at the same time acting as a check and balance on the Group's Management, which ultimately aims to safeguard the assets of the Group and protect the interests of the Company and shareholders as a whole. Therefore, the lack of at least half of the Independent Non-Executive Directors on the Board does not jeopardise the independence of the Board's deliberations and all decisions were made in the best interest of the Company. Nevertheless, the appointment of an additional Independent Non-Executive Director will be considered when a suitable candidate is identified in line with the Group's strategic objectives.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	During the financial year under review, the Board and the Nomination Committee have determined not to retain Mr. Siow Hock Lee, who had served on the Board for a cumulative term of more than twelve (12) years, as an Independent Non-Executive Director of the Company at the forthcoming AGM of the Company. Mr. Siow Hock Lee shall retire at the conclusion of the forthcoming AGM of the Company as he has indicated his intention not to seek re-election at the forthcoming AGM of the Company to be in line with the amended MMLR of Bursa Securities which limit the tenure of the Independent Non-Executive Director to not more than a cumulative period of twelve (12) years. In the event that the Director is to remain as an Independent Non-Executive Director after the ninth year, the Company shall first justify the Director's independence and obtain annual shareholders' approval through a two-tier voting process at every AGM of the Company to retain the Independent Non-Executive Director who has served the Board for more than nine (9) years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Nomination Committee is responsible for making recommendations for the appointment of Directors to the Board. Any new nomination received by the Nomination Committee is to be assessed and reviewed by the Nomination Committee with appropriate selection criteria and processes and to identify candidates for directorships of the Company and members of the relevant Board Committees prior to recommendation to the Board for their assessment and approval. In making recommendations for suitable candidates, the Nomination Committee considers the following: • candidates' skills; • knowledge; • experience; • age; • cultural background; and • gender. The appointment of Senior Management is based on the policies in the Group's Human Resource Manual.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	The Nomination Committee is responsible for recommending suitable candidates to the Board for its consideration. All nominations to the Board shall first be considered by the Nomination Committee, taking into consideration inter-alia the current and future needs of the Group and the credential of the potential Director. The procedures for the appointment of new Director(s) comprise among others, the following steps: • Identification of candidate(s); • Assessing the suitability of the proposed candidate(s); • Final deliberation by Nomination Committee; and • Recommendation to the Board. In identifying suitable candidates, the Nomination Committee is also open to referrals from external advisors to facilitate the search. During the financial year under review, the Company does not appoint any new Director to the Board of the Company.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	The details of the Director seeking re-election are set out in the Director’s Profile and the explanatory notes accompanying the Notice of the Twenty-Sixth AGM of the Company have included the justification on whether the Board supports the re-election of the said Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Nomination Committee is Ir. Chew Yook Boo who is an Independent Non-Executive Director.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Currently, there is no woman Director on Board.	
		Nevertheless, the Board acknowledges the importance of gender diversity and is in the midst of appointing a woman Director to align with the amended MMLR of Bursa Securities to have at least one (1) woman Director on the Board by 1 June 2023.	
		The Board would also consider increasing female representation when a vacancy arises and/or suitable candidates are identified.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Currently, the Board does not have any Gender Diversity Policy and has not set a gender diversity target as of the reporting period of this report.	
		The Board will, from time to time, review the Boardroom diversity to ensure that it includes the necessary mix of relevant skills and experience required to perform its roles.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	The Board, through the Nomination Committee, conducts the following annual assessments: • The effectiveness of each Director's ability to contribute to the effectiveness of the Board and the relevant Board Committees; • The effectiveness of the Board as a whole; • The Director's declaration on fit and proper; and • The Audit Committee members' evaluation. The assessment criteria include the mix of skills, size, current composition, experiences, competencies and other qualities required to meet the needs of the Group and to comply with the provisions of the MMLR of Bursa Securities. All assessments and evaluations carried out by the Nomination Committee are properly documented. The summaries of the assessments prepared by the Company Secretaries are tabled at the Nomination Committee meeting, for the Nomination Committee's assessment and evaluation. The conclusion of the Nomination Committee's assessment will be minuted and the minutes are included in the Board papers for the Board's notification.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Remuneration Committee is responsible to review and recommend the remuneration package of the Chief Executive Officer, Executive Directors and Non-Executive Directors as well as ensuring the levels of remuneration are sufficiently attractive and able to retain and motivate experienced, qualified and high calibre Directors to support and drive the business strategies, long-term objectives, and values of the Group. The Remuneration Policy for Directors can be found on the Company's corporate website at www.amtel.com.my. The Board is of the view that the remuneration package of the Senior Management shall be determined based on the criteria set under the Remuneration Policy approved by the Chief Executive Officer with the consultation of the Human Resources department.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has in place a Remuneration Committee which comprises solely Non-Executive Directors. The duties and responsibilities of the Remuneration Committee shall include the following: 1. To review periodically the Remuneration Policy for Directors pertaining to the remuneration of Directors; 2. To assist the Board in the implementation of the Remuneration Policy for Directors to ensure the remuneration packages are determined on the basis of the Directors' merits, qualifications, competency, responsibilities, contributions and experiences, having regard to the Company's operating results, individual performance and comparable market statistics; 3. To review and recommend to the Board the remuneration packages for the Executive Directors, Chief Executive Officer and Non-Executive Directors in all its forms, drawing from outside advice if necessary; and 4. To carry out any other duties and responsibilities as may be delegated or defined by the Board from time to time. The Terms of Reference of the Remuneration Committee can be found on the Company's corporate website at www.amtel.com.my.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The remuneration breakdown of individual Directors on a named basis is disclosed in the Company's Annual Report for the financial year ended 30 November 2022 as follows:

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	YTM. Tunku Dato' Seri Kamel bin Tunku Rijaludin	Non-Executive Non-Independent Director	62.4	2	-	-	-	-	64.4	91.2	2	-	-	-	-	93.2
2	Mr. Siow Hock Lee	Independent Director	57.6	2	-	-	-	-	59.6	57.6	2	-	-	-	-	59.6
3	Ir. Chew Yook Boo	Independent Director	57.6	2	-	-	-	-	59.6	57.6	2	-	-	-	-	59.6
4	Dato' Koid Hun Kian	Executive Director	-	2	480	26	31.2	20.8	560	-	2	480	26	31.2	20.8	560
5	Mr. Lim Hun Teik	Executive Director	-	2	-	-	-	-	2	-	2	233.2	11.4	8.8	30.3	285.7
6	Mr. Koid Siang Loong	Executive Director	-	2	-	-	-	-	2	-	2	209.9	10.3	-	27.5	249.7
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure										
Explanation on application of the practice	:											
Explanation for departure	:	Currently, the Company has only four (4) senior personnel. The aggregate remuneration paid to the top four (4) senior personnel (including salaries, bonuses, benefits-in-kind and statutory contributions) for the financial year under review are provided in the bands of RM50,000 based on the number of senior personnel in those bands instead of on a named basis due to confidentiality and sensitivity of each remuneration package. These senior personnel are Group Chief Executive Officer, Group Chief Operating Officer and Chief Executive Officers of the subsidiaries. The aggregate remuneration paid to the senior personnel in bands of RM50,000 is shown below: <table><tr><td>Remuneration Bands</td><td>Senior Personnel</td></tr><tr><td>RM150,001 – RM200,000</td><td>1</td></tr><tr><td>RM200,001 – RM250,000</td><td>1</td></tr><tr><td>RM250,001 – RM300,000</td><td>1</td></tr><tr><td>RM550,001 – RM600,000</td><td>1</td></tr></table> Note: Successive bands of RM50,000 are not shown entirely as they are not represented. The Board through the Remuneration Committee will ensure that the remuneration of the Senior Management commensurate with their key performance achievements and the performance of the Company.	Remuneration Bands	Senior Personnel	RM150,001 – RM200,000	1	RM200,001 – RM250,000	1	RM250,001 – RM300,000	1	RM550,001 – RM600,000	1
Remuneration Bands	Senior Personnel											
RM150,001 – RM200,000	1											
RM200,001 – RM250,000	1											
RM250,001 – RM300,000	1											
RM550,001 – RM600,000	1											
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.												
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.										

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Audit Committee and the Chairman of the Board are held by different persons. The Chairman of the Audit Committee, Ir. Chew Yook Boo is not the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	None of the Audit Committee members was a former partner of the external audit firm of the Company i.e., the former partners of the audit firm and/or affiliate firm (including those providing advisory services, tax consulting, etc.). The Company has revised its terms of reference of the Audit Committee on 8 March 2023 to require a former partner of the external audit firm of the Company to observe a cooling-off period of at least three (3) years before being eligible to be appointed as a member of the Audit Committee.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	The Audit Committee assesses the effectiveness of the External Auditors as well as the independence and objectivity of the External Auditors. In its assessment, the Audit Committee considered several factors, which included competency, audit quality and resources of the firm. Written assurance shall be obtained from the External Auditors annually, confirming their independence in accordance with the By-laws of the Malaysian Institute of Accountants. The External Auditors provide such declaration in their annual audit plan presented to the Audit Committee prior to the commencement of the audit for a particular financial year. Based on the results of the assessment for the financial year under review, the Audit Committee is satisfied with the quality of services, adequacy of resources provided, independence, objectivity and professionalism demonstrated by the External Auditors in carrying out their functions.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	All members of the Audit Committee are financially literate and have the relevant accounting, finance and/or related financial experience and expertise to effectively discharge their duties.	
		All members of the Audit Committee had undertaken continuous professional development. The trainings and courses attended by the members of the Audit Committee are disclosed in the Annual Report 2022.	
		The qualification and experience of the individual Audit Committee members are disclosed in the Directors’ Profile segment in the Annual Report 2022.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board recognises its overall responsibility in establishing and maintaining a sound risk management and internal control system as well as reviewing the adequacy and effectiveness of these systems. In view of the limitations that are inherent in any system of risk management and internal control, it is important to note that these systems are designed to manage rather than eliminate all risks that may impede the achievement of the Group's business objectives and goals. Hence, such systems can only provide a reasonable and not absolute assurance against material misstatement of management and financial information, financial losses or fraud. Risk management is embedded in the Group's operations and management systems. The Board with the assistance of the outsourced internal audit function has established processes for identifying, evaluating and managing the significant risks affecting the core businesses of the Group. The information on risk management and internal control are set out in the Statement on Risk Management and Internal Control in the Annual Report 2022.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	The Group's Risk Management Framework is outlined in its Enterprise Risk Management Policy ("ERM Policy"). It is the policy of the Group to achieve best practices in the management of all significant risks that threaten to adversely impact the Group, which includes its business strategies, operation and key functional areas, employees, assets and customers. The Group adopts the Committee of Sponsoring Organizations of the Treadway Commission Enterprise Risk Management ("ERM") methodology to cultivate and promote risk ownership and continuous monitoring of key risks identified. The Group had formalised an ERM Committee ("ERMC") which is headed by the Group Operations Manager. The team comprises Strategic Business Unit heads together with key management and is assisted by the Internal Auditors to determine and communicate policy, objectives, procedures and guidelines. The ERMC also directs and monitors the implementation of ERM practices and performance throughout the Group. The ERMC also presented its ERM Policy statement and objectives which were tabled and approved by the Board. The key features of the Group's Risk Management Framework and internal control system are disclosed in the Statement on Risk Management and Internal Control in the Annual Report 2022.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	The Group outsourced its internal audit function to a professional service firm, PKM Partners (M) Sdn. Bhd. ("PKM") to assist the Board and Audit Committee in discharging their responsibilities by providing independent and objective advisory services. The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control is satisfactory and operating effectively. The Internal Auditors report directly to the Audit Committee and undertake internal audit functions on a systematic and cyclic basis and on selected business processes. The Internal Auditors adopt a risk-based approach and prepare its audit plan based on the risk profiles of the major business segments of the Group. The internal audit plan is assessed annually by the Audit Committee and the Board to ensure the plan remains relevant and aligned with the Group's key business risks and business strategies which may change in response to the dynamics of its operating environment. The Internal Auditors tabled the results of their review to the Audit Committee on a half-yearly basis. The results of the Internal Auditors' review containing audit findings, Management's responses and recommendations were presented to the Audit Committee for discussions and deliberations. The details and summary of works of the internal audit function are further disclosed in the Audit Committee Report in the Company's Annual Report 2022.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied	
Explanation on application of the practice	:	The Group outsourced its internal audit function to a professional service firm, PKM to assist the Board and Audit Committee in discharging their responsibilities by providing independent and objective advisory services. The engagement team is headed by its director, Mr. Tee Lay Peng, who is a member of the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA). PKM is staffed by three (3) personnel of all levels, including the director. The Audit Committee receives assurance from the outsourced Internal Auditors that all assigned Internal Auditors' engagement team personnel remain independent, objective and free from any relationships or conflicts of interest in carrying out their internal audit duties throughout the engagement. The internal audit function is carried out by adopting the Committee of Sponsoring Organisations of the Treadway Commission ERM methodology.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	Communication and engagement with stakeholders are made through various platforms i.e., media other than general meeting(s), press announcements, analyst briefings and via electronic means such as the website. The Company's corporate website at www.amtel.com.my serves as one (1) of the most convenient ways for shareholders and members of the public to gain access to corporate information, financial information, corporate governance, news, events and announcements to Bursa Securities relating to the Group. The AGMs of the Company and any other meetings of the shareholders represent the principal forum for dialogue and interaction with all shareholders and investors. The shareholders are given the opportunity and time to participate in the open question and answer session with regard to the agenda items of the general meeting or other concerns over the Group's businesses as a whole. The Chairman, Chief Executive Officer, other Board Committees Chairmen, Senior Management team and External Auditors are available during the general meeting to respond to the shareholders' queries. The Board has put in place a Corporate Disclosure Policy and Procedures to promote comprehensive, accurate and timely disclosure pertaining to the Company and the Group's matters to regulators, shareholders and stakeholders. The Group has a dedicated electronic email, ahb@amtel.com.my, to which stakeholders can direct their queries or concerns.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.2

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

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Notice of the Twenty-Fifth AGM of the Company was issued on 30 March 2022, at least twenty-eight (28) days prior to the AGM of the Company scheduled to be held on 25 May 2022. The notice of the AGM of the Company includes the details of the proposed resolutions and the explanatory notes to enable shareholders to make an informed decision in exercising their voting rights.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied	
Explanation on application of the practice	:	All the Directors, including the Chair of the Audit Committee, Nomination Committee and Remuneration Committee attended the Twenty-Fifth AGM of the Company held on 25 May 2022. The Board would ensure that all the Directors, including the Chair of the Audit Committee, Nomination Committee and Remuneration Committee attend all future AGMs of the Company to allow the shareholders to raise questions and clarify any issues they may have relating to each resolution tabled for approval.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Company’s AGM will be held virtually via an online platform where shareholders will be able to submit the proxy form electronically; register for remote participation and voting at AGM; attend and participate at AGM remotely via live streaming; and vote online remotely on resolutions tabled at the AGM of the Company. The Company has also undertaken the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: The Chairman of the Board via an online platform provides shareholders ample time to submit questions and questions are responded to by the Board members and Senior Management. As guided by the Securities Commission Malaysia, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders, proxies and/or corporate representatives shall communicate with the main venue of the virtual general meeting of the Company via real-time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the virtual general meeting of the Company as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders, proxies and/or corporate representatives may email their questions to eservices@sshsb.com.my during the virtual general meeting. The questions and/or remarks submitted by the shareholders, proxies and/or corporate representatives will be broadcasted and responded to by the Chairman/Board/relevant advisers during the virtual general meeting. In the event of any unattended questions and/or remarks submitted, the Company will respond to the said unattended questions and/or remarks after the virtual general meeting via email.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:

Timeframe	:		
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Intended Outcome

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	On 25 May 2022, the Company conducted its Twenty-Fifth AGM virtually by engaging SS E Solutions Sdn. Bhd. as the service provider for remote participation and voting facilities. The Board takes all necessary measures to ensure the shareholders were participating seamlessly. The questions received from shareholders were read out but not made visible to all meeting participants during the Twenty-Fifth AGM of the Company and the Chairman or Senior Management team provided their responses accordingly. The Board will respond to the relevant questions relating to the financial and business performance, strategy and prospects of the Company during the AGM of the Company. For unattended relevant questions that are not being answered, the Board will respond via email and the minutes of the reply will be published on the Company's website.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The minutes of the Twenty-Fifth AGM of the Company held on 25 May 2022 was uploaded to the Company's corporate website at https://amtel.com.my/investor-relations/agm-egm/ no later than thirty (30) business days after the AGM of the Company.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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

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