

CORPORATE GOVERNANCE REPORT

STOCK CODE : 1368
COMPANY NAME : UEM Edgenta Berhad
FINANCIAL YEAR : December 31, 2022

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The ultimate and overall responsibility for corporate governance, strategic direction, financial and organisational matters of the Group lies with the Board. In discharging its roles and responsibilities, the Board is guided by the Board Charter and the Discretionary Authority Limits ("DAL") which outlines the duties and responsibilities of the Board, as well as matters that the Board may delegate to the Board Committees, the Managing Director/Chief Executive Officer and Management.</p> <p>The DAL is regularly reviewed to ensure effective governance and control, while still allowing for flexibility in pursuing new business opportunities. These reviews also ensure that the DAL remains relevant and adaptable to the rapid innovation and growth of the Company's business.</p> <p>The Board met regularly to perform its principal responsibilities, which are amongst others, as follows:-</p> <ol style="list-style-type: none">1) Establishing, reviewing and adopting the strategic plans and direction for the Group.2) Overseeing the conduct of the Group's business to evaluate whether the business is being properly managed.3) Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks.4) Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management.5) Reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines.

	<p>On 25 & 26 October 2022, the Board of Directors met with the Management for a Board Strategy Meeting. The theme for the Strategy Meeting was “Commitment with Purpose: Strengthening Resilience with Technology and Sustainability” which is in line with the Company’s directions.</p> <p>At this meeting, the progress and year to date performance of the Company as compared to the performance target set by the Board early of the year was deliberated. The Board of Directors also interacts directly with Head of Business/Divisions to understand their key operational challenges and gaps, deliberating on the next steps to be taken by each business unit, and also set the Group’s strategy, plan and budget for 2023 and beyond.</p> <p>Subsequent to the Board Strategy Meeting, the Management then presented their Annual Operating Plan 2023 at the Board Meeting held on 28 November 2022. The presented Annual Operating Plan 2023 contained the strategies and business plans that were decided at the Board Strategy Meeting in October 2022.</p> <p>The Board has endorsed the following core values of the Group. These values will serve as a guide for all employees in their actions and conduct, helping them to meet the objectives and goals as a Company or as individuals. By embodying these values, employees will uphold the Group’s Mission and Vision, and contribute to its ongoing success.</p> <ul style="list-style-type: none"> • Future Focused • Imagine New Ways • Respect for All • Solutioning Mindset • True to Our Word
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Tan Sri Dr. Azmil Khalid, the Chairman of the Board, who is an Independent Non-Executive Director, together with the other Board Members, are responsible for setting the policy framework within which the Management is to work.</p> <p>His main responsibility is to lead and manage the work of the Board in order to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. He serves as the main liaison person between the Board and the Management. He also leads the discussion on the strategies and policies recommended by the Management and chairs the meetings of the Board and the shareholders.</p> <p>The duties and responsibilities of the Chairman are set out in the item 2.0 in Appendix 1 of the Board Charter, which is available at https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>Based on the Board Effectiveness Assessment 2022, it was noted that all other Board Members agreed that the Chairman demonstrates effectiveness and excellent leadership.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied				
Explanation on application of the practice	:	<p>The positions of Chairman of the Board and Managing Director/Chief Executive Office ("MD/CEO") of the Company are held by separate individuals who are unrelated to each other.</p> <table border="1"> <tr> <td>Chairman of the Board</td> <td>Tan Sri Dr. Azmil Khalid</td> </tr> <tr> <td>MD/CEO</td> <td>En. Syahrnzam Samsudin</td> </tr> </table> <p>The separation of roles is to ensure a balance of power and authority between the Chairman and the MD/CEO. Their positions are separated and clearly defined under items 2.0 and 3.0 respectively in Appendix 1 of the Board Charter, which is available at https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>The Chairman leads the Board to ensure the Board effectively discharges its leadership, control roles and assists the Board fulfil the goals it sets by assigning specific tasks to members of the Board. He also acts as liaison between the Board and Management, carries out other duties as requested by the Board as a whole, depending on need and circumstances.</p> <p>The MD/CEO is primarily responsible for overseeing the day-to-day management of the business with power, discretions, and delegations authorised in the Discretionary Authority Limits and implementing the policies and strategies adopted by the Board. He is accountable for leading the Management team, implementing the policies/decisions approved by the Board, building a dynamic corporate culture with the requisite skills and competency and acting as the Group's chief spokesperson. He is also responsible for developing and recommending to the Board annual operating plans and budgets that support the Group's long-term vision, strategy and vision, formulating and monitoring the implementation of major corporate policies.</p>	Chairman of the Board	Tan Sri Dr. Azmil Khalid	MD/CEO	En. Syahrnzam Samsudin
Chairman of the Board	Tan Sri Dr. Azmil Khalid					
MD/CEO	En. Syahrnzam Samsudin					
Explanation for departure	:					
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Measure	:					

Timeframe	:		
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Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Applied
Explanation on application of the practice	: Tan Sri Dr. Azmil Khalid, the Chairman of the Board, is not a member of the Audit Committee ("AC") or the Nomination and Remuneration Committee ("NRC"). The AC was chaired by Mr. Robert Tan Bun Poo until his retirement on 16 June 2022. Thereafter, Ms. Shirley Goh who was a member of the AC, was re-designated as Chairperson on 1 August 2022. Meanwhile, NRC is chaired by Pn. Rowina Ghazali Seth. The Chairman of the Board does not participate in these specified committees' meetings by way of invitation.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by a Company Secretary, Ms. Chiew Siew Yuen who is accountable to the Board through the Chairman of the Board and Committees on all governance matters. Ms. Chiew Siew Yuen has seventeen (17) years of experience in corporate secretarial practice and is an associate member of the Malaysian Institute of Chartered Secretaries and Administrators.</p> <p>The Company Secretary is a central source of information and advises the Board and its Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company. The Board members have unlimited access to the professional advice and services of the Company Secretary.</p> <p><u>Roles of the Company Secretary</u></p> <ol style="list-style-type: none">1) Provides advisory with regard to the Company's Constitution, Board policies and procedures, corporate governance best practices, and ensure compliance with regulatory requirements, listing rules, codes and legislations.2) Attends and ensure that all Board and Board Committees decisions are well recorded in the minutes and subsequently action items are communicated promptly to the Management for implementation.3) Assist in reviewing the Board Meeting agendas and Board Meeting papers, where applicable, prior to circulation to the Board Members.4) Coordinate and ensure the timely completion and circulation of Board and Committee papers.5) Facilitates induction programmes for new directors and assists with professional development of Directors.6) Ensure processes and proceedings of general meetings are in place and properly managed.7) Facilitates the Board in conducting the annual Board Effectiveness Assessment. <p>The Company Secretary maintains up-to-date knowledge of the regulatory requirements by regularly attending relevant continuous professional development programmes as required and is in a position to advise the Board and its Committees on compliance matters as appropriate.</p>

	<p>The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging its function.</p> <p>Based on the Board Effectiveness Assessment 2022, all Board Members agreed that:-</p> <ol style="list-style-type: none"> 1) The minutes were properly recorded the discussion and resolutions of meetings; and 2) The Board is provided with adequate secretarial support. 	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

Practice 1.6

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

Application	: Applied
Explanation on application of the practice	<p><u>Meeting calendar</u> The planning for meeting calendar begins before the start of every financial year, as early as Q3. Meetings for the financial year 2022 were pre-planned in advanced in year 2021. Calendars were issued to block the Directors' time. Special meetings would be called as and when required.</p> <p><u>Meeting agendas</u> The proposed meeting agendas would be cleared by the Chairman via a pre-board meeting with the MD/CEO, Chief Financial Officer, Chief Strategy Officer and Company Secretary. He would also ensure that the allocated time for each agenda is sufficient for a holistic deliberation i.e. longer time would be allocated for the discussion of approval and strategy papers.</p> <p><u>Meeting papers</u> As guided by the Company's Board Charter, the meeting materials are to be furnished to the Directors at least 5 business days in advance of each meeting. This is to ensure Directors have sufficient time to read and evaluate the matters to be discussed for a meaningful deliberation on the matters tabled for decision making.</p> <p>The Board papers contain both quantitative and qualitative information and are presented in a manner which is concise and include comprehensive management reports, minutes of meetings, proposal papers and supporting documents. This will enable Directors to review, consider, and if necessary, obtain further information or research on the matters to be deliberated in order to be properly prepared at the meetings, thereby enabling informed decisions to be made.</p> <p>To ensure this is achieved, the Company Secretary has shared a template with guiding principles, which is available in the Company's Brand Toolbox for reference. All proposals for tabling must be approved for submission by the MD/CEO.</p> <p><u>Circulation timeline of meeting papers</u> To ensure that the meeting materials are provided to Directors within the stipulated time, the Company Secretary sends out an email to Management notifying the meeting dates and the submission deadlines</p>

	<p>of the meeting materials ahead of scheduled meetings. The meeting dates are also available for the information of all Senior Management on the shared calendar.</p> <p>Upon receipt of the meeting materials, the papers would be disseminated to all Directors in a paperless manner via an iPad-based solution which stores meeting documents digitally in a secured manner. An email would be sent to Directors notifying that the papers are available for access on their iPads.</p> <p>The Company's Discretionary Authority Limits, Board Charter and relevant policies are also available in the iPad-based solution for the ease of Directors' references.</p> <p><u>Meeting day</u> Board Committee meetings are never combined with the main Board meetings in a single sitting.</p> <p><u>Post-Board meetings</u> The Company Secretary would facilitate post-board meetings with the MD/CEO and Senior Management, to ensure action items were communicated for Management's action. The Company Secretary also follow up on the status of the actions to be taken by the Management for reporting to the Board.</p> <p><u>Minutes</u> All deliberations and outcomes are documented in the minutes.</p> <p>The minutes are circulated to the Board for perusal together with the meeting materials for the next meeting.</p>
<p>Explanation for departure</p>	<p>:</p>
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<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>Pursuant to item 15.0 of the Board Charter, the Board Charter shall be reviewed by the Board periodically to ensure it remain relevant and consistent with the Company's objective, latest practices and laws.</p> <p>The Board Charter is in line and relevant with the Companies Act 2016, Malaysian Code of Corporate Governance ("MCCG") and Main Market Listing Requirements. It is also included with the additional duties and responsibilities of the Board arising from the establishment of Integrity and Compliance Function (equivalent of the "Integrity and Governance Unit" as per the Guideline for the Management of Integrity & Governance Unit issued by Malaysian Anti-Corruption Commission).</p> <p>The Board Charter sets out the following for guidance:-</p> <ol style="list-style-type: none">1) Duties and Responsibilities of the Board, which addressed the issues and decisions reserved for the Board.2) Principal responsibilities of the Board Committees.3) Duties and Responsibilities of the Chairman, MD/CEO and Non-Executive Director/Independent Director. <p>In May 2022, the review of the Board Charter was conducted in conjunction with the review of the Company's corporate governance practices with reference to the revised MCCG issued by the Securities Commission on 28 April 2021. Having conducted the review, the Board approved various changes to the Board Charter to incorporate the applicable practices and guidance of the revised MCCG and at the same time, to keep it up to date and consistent with the Board's objectives and responsibilities as well as the Corporate Governance Framework of the Company.</p> <p>One of the updates to the Board Charter was to incorporate the elaboration on Board's commitment and responsibility in creation of sustainability culture and governance of sustainability.</p>

	<p>In addition to the Board Charter, each Board Committees has its own Terms of Reference which defines their roles and responsibilities.</p> <p>The Board Charter is available for access at https://www.uemedgenta.com/about-us/corporate-governance.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	: Applied
Explanation on application of the practice	<p>The Company's Code of Conduct, which incorporates a Code of Ethics, requires all officers and employees to observe high standards of business and personal ethics in carrying out duties and responsibilities. As employers and representatives of UEM Edgenta, or any of its subsidiaries, they must practice honesty and integrity in fulfilling their duties and responsibilities, and comply with all applicable laws and regulations. It is thus the responsibility of all officers and employees to comply with the Code of Conduct and to report violations or suspected violations thereto.</p> <p>The Company's Code of Conduct for employees is available at:- https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>The Company also has a separate Code of Ethics for Directors, which is included in the Board Charter under item 13.0 and is available at:- https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>UEM Edgenta is committed to promote and support a working environment which reflects the Company's commitment to maintain highest level of integrity and ethical standards through the conduct of our operations.</p> <p>In 2022, the Company continued educating and creating awareness on Anti-Bribery and Anti-Corruption via periodic email communications. Engagement sessions were also held with business teams. Among other matters, the engagement sessions also emphasize the importance of Integrity & Compliance.</p> <p>UEM Edgenta Berhad continues to be committed in promoting values of integrity and good governance as well as the intolerance on the abuse of power and corrupt practices in any form throughout the organisation.</p>

	<p>Among the Anti-Bribery Anti-Corruption (“ABAC”) initiatives implemented across the Company include the ABAC Policy Statement, ABAC Guide, Code of Conduct, Corruption Risk Assessment, Conflict of Interest, Whistleblowing Policy & Reporting Channel, as well as periodic communications such as online learning on Risk, Integrity and Compliance.</p> <p>The Company also embarked on a journey of obtaining the ISO 37001:2016 Anti-Bribery Management System (ABMS) Certification to establish and implement a practical ABMS that complies with the “T.R.U.S.T.” principles in the MACC Act 2009, particularly in the prevention, detection, response and investigation of bribery towards better business ethics and compliance programmes.</p> <p>All Board Member and employees are required to complete an Annual Mandatory Conflict of Interest Declaration by the first quarter of every year.</p> <p>The Company also adopts a “No Festive Gift Policy” whereby all personnel of the Company are barred from accepting gifts or gratuities from external parties. All gift delivered would be returned. Signage of “No Festive Gift Policy” and “Code of Ethics” are also placed at the reception at the Lobby for the information of all visitors.</p> <p>In addition to that, the Company also adopts a Whistleblowing Policy where it encourages the reporting of wrongdoing in good faith, with the assurance that personnel or any parties making such reports shall be treated fairly, their identity remains confidential and are protected from retaliation. All staff are made aware of the available channels for whistleblowing via email broadcast.</p> <p>Besides the Code of Conduct for Employees and Directors, the Company also has a Code of Conduct for Business Partners, Anti-Bribery and Anti-Corruption Policy Statement and Whistleblowing Policy Statement.</p> <p>In May 2022, the Board established the Fit and Proper Policy, to ensure formal, rigorous and transparent process for the appointment and re-election of directors and/or senior management of the Company and its subsidiaries as the appointment of the right person with the right skills, experience and credibility to the leadership team is clearly imperative on the integrity and governance of the Company.</p> <p>All the abovementioned policies are available https://www.uemedgenta.com/about-us/corporate-governance.</p>
<p>Explanation for departure :</p>	

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

Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company is committed to the highest standards of professionalism, honesty, integrity and ethical behaviour in the conduct of its business and operations. With this, the Whistleblowing Policy has been formulated to enable employees of UEM Edgenta Berhad and members of the public to report instances of unethical behaviours, improper conduct, actual or suspected fraud and/or abuse with the Company.</p> <p>All Company stakeholders including directors, officers, and employees of UEM Edgenta Berhad as well as members of the public are eligible to make Protected Disclosures under the Policy. No unfair treatment will be meted out against a Whistleblower by virtue of him/her having submitted a Protected Disclosure under this policy.</p> <p>A Whistleblowing Committee consist of the following members is also set up to assist in investigation purposes:-</p> <ol style="list-style-type: none">1) Chairman of Board Governance and Risk Committee (“BGRC”)2) Head of Risk, Integrity & Compliance3) Head of Internal Audit4) Company Secretary5) Head of Legal <p>All communications made in good faith that discloses or demonstrates information that may evidence malpractice or unethical activity will be addressed to the Chairman of the Board of Directors or the Chairman of BGRC.</p> <p>The Whistleblowing Policy Statement is available at https://www.uemedgenta.com/about-us/corporate-governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group recognises that good corporate governance is essential in supporting our businesses in executing its strategies and in generating long-term shareholder value. Hence, we uphold the highest principles of transparency and accountability and align our corporate governance practices to the relevant regulatory frameworks.</p> <p>On governance of sustainability matters, the Board Charter and the Terms of Reference of the Board Governance and Risk Committee ("BGRC") has been amended accordingly to reinforce the Board's role on sustainability. This includes clarifying ultimate responsibility on integration of sustainability into the business and delegating sustainability oversight to the BGRC. Management will be responsible for implementing sustainability initiatives, but the Board retains overall responsibility for the sustainability directions of the Company.</p> <p>During the beginning of the Company's official journey in Environmental, Social and Governance ("ESG"), the Board of UEM Edgenta has empowered the Management to oversee the formulation, development and implementation of an ESG framework for the Group. This framework incorporates ESG considerations into the Group's risk mitigation, compliance and investment strategies, with the goal of enhancing the Company's sustainability and social responsibility practices.</p> <p>Together with an external ESG adviser, the team worked with a defined scope to perform materiality assessment on UEM Edgenta, validate its material matters, benchmark exercise against peers and standards, develop and outline the Sustainability Statement of the Company and subsequently the creation of an ESG roadmap which includes the approach, material matters and performance measurement catered for UEM Edgenta.</p>

	<p>This ESG/Sustainability Roadmap was approved by the Board in May 2022. The ESG governance structure and Terms of Reference was also enhanced. Focus groups for Priority Material Matters were also formed.</p> <p>The Company has also undertaken an external material matter engagement process with external stakeholders to gain their feedback on what they felt was material to UEM Edgenta from a sustainability point of view. The feedbacks enable us to refresh our materiality matrix and guide us in our initiatives to address ESG risks in our business.</p> <p>The ESG Steering Committee which was formed in year 2021, continues to support the Company's ongoing commitment to environmental stewardship, health and safety, corporate social responsibility, corporate governance and sustainability as relevant to the Company, within the scopes defined in its Terms of Reference.</p> <p>An ESG team was also formed to drive the execution of ESG within the group.</p> <p>On a quarterly basis, the team continues to provide updates on its ESG journey to the BGRC and Board.</p>
Explanation for departure	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	
Timeframe	

Intended Outcome

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

Practice 4.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Sustainability Statement FY2022 of the Company was disclosed in the Annual Report 2022 where regular and active communication with internal and external stakeholders on commitments undertaken can be found.</p> <p>On 1 August 2022, the first ESG Awareness Month was launched, during which the Sustainability Roadmap was revealed. The goal of ESG Awareness month was to raise widespread awareness of ESG issues, which are an integral part of a two-year journey towards sustainability.</p> <p>The Company further communicates its sustainability policies and practices to internal and external stakeholders through disclosures made on its corporate website, internal communication channels, targeted press releases and announcements.</p> <p>Additionally, communications are also made through sustainability related capacity building events such as webinars and online strategy discussions.</p> <p>The Company’s Sustainability Policy is available at https://www.uemedgenta.com/about-us/corporate-governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.3

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

Application	: Applied
Explanation on application of the practice	<p>The Board acknowledges the crucial role it plays in reviewing and approving strategic initiatives to ensure they support the long-term value creation of UEM Edgenta. In this regard, the Board considers economic, environmental, social and governance aspects that will underpin its intended sustainability strategy. To this end, Board members have been taking active steps to enhance their ESG knowledge by attending ESG-related courses to stay abreast with the business and understand the relevant sustainability issue.</p> <p>During the year, some of the ESG topic seminars/talks attended by board members are:-</p> <ul style="list-style-type: none">• Path to Net Zero• Investing in a Sustainable Transition• Sustainability Training• Positioning Corporate Malaysia for a Sustainable Future• Steward Leadership for Sustainability• Overseeing the Economic, Environmental, Social & Governance Perspective of a Listed Issuer's Business• Inflation, Looking Recession & Climate Change: A Tricky Balancing Act?• ESG Disclosures: Improving the quality of ESG Data and its Impact• Enhanced Sustainability Reporting Framework• Benchmark your ESG Activities to Attract Investors• Ecosperity Week 2022• Climate Governance: A Standing Item on Board Agendas• Climate Governance from a Risk Viewpoint• Sustainable Investing: ESG at the Forefront• Sustainability & its Impact of Organisations• CIMB Roundtable with UN Habitat• Characteristics of ESG & Sustainability Leadership• ESG Designation Program• C-Suites Takeaway COP27• Bursa Malaysia Enhanced Sustainability Reporting Framework• Sustainability Update and Climate Risk Training• MIA International Accountants Conference 2022: Leading ESG, Charting Sustainability• Rising to the ESG Challenge: Routes Towards Effective Governance

	<ul style="list-style-type: none"> • Climate Change and Carbon: Taking a Financial Risk and Reporting Perspective • Towards a Zero Carbon Future: The New Funding Landscape and Supply Chain Opportunity • Climate Change and Accessing the Capital Markets • Conversations on Climate Governance • Carbon Markets and Carbon Pricing • ESG Disclosure at a Glance: Key Developments and Future Trends • Environmental and Human Rights Due Diligence in Europe and Asia • How is the Climate Agenda Going to Affect me (PLC focus)? • Creating Long-Term Value with ESG Strategy • Understanding Sustainability & Climate Risks – Future Proof your Business • Law, Policy and Regulation and Masterclass on Sustainability Reporting • Global Sustainability Standards: Convergence and the Future <p>On 14 September 2022, the UEM Edgenta’s ESG Adviser has also conducted a Board Sustainability Awareness Session for the Board of the Company.</p> <p>Meanwhile, the Company Secretary also takes effort in continuously identifying suitable training/talks/programme relating to ESG from different organisers for recommendation to the Board.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	The Board at its meeting held in February 2022 approved the adoption of a new Corporate Scorecard Framework 2022 which had included specific ESG’s Key Performance Indicators (KPI) as part of the performance evaluation of the Board and Senior Management pertaining to the Company’s material sustainability risk and opportunities.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

<i>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.</i>	
Application	: Adopted
Explanation on adoption of the practice	: The MD/CEO is the designated person to provide dedicated focus to manage sustainability strategically in the operations of the Company. He leads the ESG Steering Committee which comprised of the following members:- <ol style="list-style-type: none">1) Chief Strategy Officer2) Chief Financial Officer3) Chief People Officer4) Chief Digital Officer5) Head of Legal6) Company Secretary The ESG Steering Committee is responsible for the following:- <ul style="list-style-type: none">• Oversees development of sustainability strategy and frameworks and recommend revisions.• Monitor the implementation of sustainability strategy and initiatives.• Deliberates and reviews annual sustainability matters and risks, Key Performance Indicators and performance for Board's considerations.• Oversees and considers input from ESG Working Team to ensure robustness of sustainability management system. Meanwhile, the ESG Team led by the Chief Strategy Officer was established to drive execution within the UEM Edgenta Group.

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Pursuant to item 8.15 of the Board Charter, the Nomination and Remuneration Committee ("NRC") reviews the Board's Composition annually.</p> <p>Through the annual Board Effectiveness Assessment ("BEA"), the performance of the Board as a whole and the individual performance of the Directors are evaluated. Via the results of the BEA 2022, the NRC conducted an evaluation on the directors who are eligible for re-election and if deem fit, recommends for their re-appointment at the Annual General Meeting. The tenure of each director was also considered as part of the evaluation process.</p> <p>For the upcoming re-appointment at the AGM, the tenure of each Director has also been reviewed on 15 March 2023. Meanwhile, the results of the BEA were tabled to the NRC and Board on 15 March 2023 and 28 March 2023 respectively.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Applied																		
Explanation on application of the practice	:	<p>As at 31 December 2022, the Board had nine (9) members, comprising an Independent Non-Executive Chairman, one (1) Executive Director, three (3) Non-Independent Non-Executive Directors and four (4) Independent Non-Executive Directors as follows:-</p> <table border="1"><tr><td>Tan Sri Dr. Azmil Khalid</td><td>Independent Non-Executive Chairman</td></tr><tr><td>En. Syahrnizam Samsudin</td><td>MD/CEO</td></tr><tr><td>Dato' Mohd Izani Ghani</td><td>Non-Independent Non-Executive Director</td></tr><tr><td>Dato' Noorazman Abd Aziz</td><td>Non-Independent Non-Executive Director</td></tr><tr><td>Dato' George Stewart LaBrooy</td><td>Independent Non-Executive Director</td></tr><tr><td>Rowina Ghazali Seth</td><td>Independent Non-Executive Director</td></tr><tr><td>Mohd Asrul Ab Rahim</td><td>Non-Independent Non-Executive Director</td></tr><tr><td>Shirley Goh</td><td>Independent Non-Executive Director</td></tr><tr><td>Jenifer Thien Bit Leong</td><td>Independent Non-Executive Director</td></tr></table> <p>The Company complied with Paragraph 15.02(1) of the Main Market Listing Requirements. All Independent Non-Executive Directors, which constitutes 55.6% of the Board, satisfy the independence test of the Main Market Listing Requirements.</p>	Tan Sri Dr. Azmil Khalid	Independent Non-Executive Chairman	En. Syahrnizam Samsudin	MD/CEO	Dato' Mohd Izani Ghani	Non-Independent Non-Executive Director	Dato' Noorazman Abd Aziz	Non-Independent Non-Executive Director	Dato' George Stewart LaBrooy	Independent Non-Executive Director	Rowina Ghazali Seth	Independent Non-Executive Director	Mohd Asrul Ab Rahim	Non-Independent Non-Executive Director	Shirley Goh	Independent Non-Executive Director	Jenifer Thien Bit Leong	Independent Non-Executive Director
Tan Sri Dr. Azmil Khalid	Independent Non-Executive Chairman																			
En. Syahrnizam Samsudin	MD/CEO																			
Dato' Mohd Izani Ghani	Non-Independent Non-Executive Director																			
Dato' Noorazman Abd Aziz	Non-Independent Non-Executive Director																			
Dato' George Stewart LaBrooy	Independent Non-Executive Director																			
Rowina Ghazali Seth	Independent Non-Executive Director																			
Mohd Asrul Ab Rahim	Non-Independent Non-Executive Director																			
Shirley Goh	Independent Non-Executive Director																			
Jenifer Thien Bit Leong	Independent Non-Executive Director																			
Explanation for departure	:																			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																				
Measure	:																			
Timeframe	:																			

Intended Outcome

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

Practice 5.3

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	:	None of the Independent Directors of the Company exceeds a term limit of nine (9) years as at 31 December 2022, summarised as follows:-			
		Years of Service (#)	0 < # ≤ 1	1 < # ≤ 3	3 < # ≤ 6
		Number of Directors	0	2	3
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.

<p>Application</p>	<p>: Applied</p>
<p>Explanation on application of the practice</p>	<p><u>Appointment of Board Members</u></p> <p>The Board has put in place adequate and effective selection process and procedures for the recruitment or appointment of new Directors and members of the Board Committees. UEM Edgenta Berhad has no active politician appointed to the board.</p> <p>In assessing and making recommendations to the Board on the candidacy of Directors or appointment of Directors to Board committees, the Nomination and Remuneration Committee (“NRC”) considers the candidates’ competencies, time commitment, contribution and performance, skills, knowledge, expertise and experience, professionalism, background, character and integrity, leadership qualities, boardroom diversity including gender diversity. In the case of candidates for the position of Independent Non-Executive Directors, the NRC also evaluates the candidates’ ability to discharge such responsibilities/functions as expected from an Independent Non-Executive Director.</p> <p>For the appointment of new Directors, the Company adopts the nomination process which involves identification of candidates, assessment of candidates based on the criteria, covering both qualification and experience set by the Board, meeting with the candidates, and deliberation and recommendation of suitable candidates by the NRC to the Board for approval.</p> <p>The process of appointment of new Directors are as follows:-</p>  <pre> graph LR A[Identification of Competencies / Skills] --> B[Selection of Candidates] B --> C[Interaction Session with Candidates] C --> D[NRC's assessment and deliberation] D --> E[Recommendation for Board's Approval] </pre> <p>In early 2022, the NRC reviewed and recommended to the Board the Board Succession Plan for proposed new director in replacement of the</p>

retiring Mr. Robert Tan Bun Poo. The plan consists of the selection criteria, mode of search/nomination, search timeline/process and the optimum board size. However, the appointment for the new director was put on hold.

All new board members would undergo a Board Induction Programme where they would be briefed in detail on the following:-

- Governance Structure and Governance of the Company
- Group Strategy
- Businesses of the Group
- Operational Excellence & HSSE
- Financial perspective
- Human Resources matters of the Group
- Risk, Integrity & Compliance
- Legal updates of the Company

Additionally, the NRC has also recommended for all directors of the Company to attend at least one external briefing on Section 17A, MACC Act as part of Directors' training and development.

During the financial year under review, En. Mohd Asrul Ab Rahim who was appointed on 21 January 2022, has attended the Board Induction Programme, which is spread out over 2 days on 3 & 4 March 2022.

The appointment of board members and senior management are guided by the items 2.2.1 and 2.2.15 respectively in the Terms of Reference of NRC.

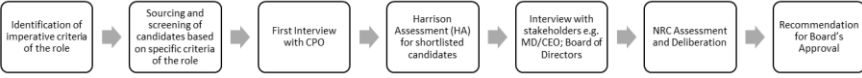
The Terms of Reference of NRC are available at <https://www.uemedgenta.com/about-us/corporate-governance>.

Appointment of Senior Management

For the appointment of new senior management, the Company adopts a comprehensive selection process which involves (1) sourcing and screening of candidates based on specific criteria of the role covering both qualification and experience required for the role; (2) interview and assessment by the hiring manager and other relevant stakeholders; (3) online assessment on job fit and personality traits that would support / hinder the incumbent in the job; and (4) deliberation and recommendation of suitable candidates to the NRC for endorsement to the Board for approval.

NRC assesses and recommends to the Board the candidacy of Senior Management of Grade UT2 and other senior critical roles whose appointment are based on objective criteria, merit with due regards for diversity in skills, experience, age and cultural value fit.

The process flow for appointment of new senior management is summarised as follows: -

	 <p>The shortlisted candidates for interview by relevant stakeholders including (but not limited to) MD/CEO and Members of the Board of Directors will undergo online assessment based on required competencies for the role. The tool will help to determine essential high-performance traits and those that will accelerate, or hinder performance related to specific positions. The assessment uses predictive analytics to pre-screens applicants for cognitive ability and job specific behaviour providing actionable data for effective decisions. The assessment results will be considered together with findings from the interview sessions in selection of suitable candidates for recommendation by NRC and for approval by the Board.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied	
Explanation on application of the practice	:	The appointment of En. Mohd Asrul Ab Rahim was nominated by the major shareholder. During the year, following the retirement of Mr. Robert Tan Bun Poo at the AGM, the Board, through Nomination and Remuneration Committee, reviewed profiles of candidates from a mixture of recommendations made by existing board members, major shareholder and searches through independent sources i.e. Institute of Corporate Directors Malaysia and Wholesome Leaders Asia. Besides that, the Board also conducts desktop searches to identify suitable candidates. However, the Board had not made any selection/decision.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	The details of individuals who are standing for re-election as directors are included in the Statement Accompanying the Notice of the Annual General Meeting ("AGM") to enable shareholders to make an informed decision. The Notice of the 60 th AGM is available on the Company's website.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of the Nomination and Remuneration Committee ("NRC") is Pn. Rowina Ghazali Seth, an Independent Non-Executive Director of the Company.</p> <p>The duties and responsibilities of the Chairman of NRC are as set out in the Terms of Reference of NRC.</p> <p>The Terms of Reference of NRC are available at https://www.uemedgenta.com/about-us/corporate-governance.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	As at 31 December 2022, three (3) out of nine (9) directors are women, representing 33% of the board composition:- 1) Pn. Rowina Ghazali Seth 2) Ms. Shirley Goh 3) Ms. Jenifer Thien Bit Leong	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The Company does not have a policy on gender diversity. The appointments are made based on merits and taking cognizance of the requirements such as the 30% women directors on board to ensure balanced gender and skills diversity.</p> <p>Although the Board and Company does not have any gender diversity policies and targets or any set measures to meet any target, nonetheless, the Group is an equal opportunity employer, and all appointments and employments are based strictly on merits and are not driven by any racial or gender bias.</p> <p>As at 31 December 2022, out of the nine (9) Board members, three (3) are females. This translates to 33% women directors on the Board of the Company.</p> <p>Within the Company's Executive Leadership team, six (6) out of 16 members are females. This translates to 38% women on the Executive Leadership team of the Company.</p> <p>In overall, UEM Edgenta Group has fairly balanced diversity where 53% of staff workforce are women.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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 conducts annual evaluation of its activities and performance. As UEM Edgenta Berhad is not a Large Company by the definition stipulated in the MCCG 2021, the Board evaluation was facilitated by the Company Secretary via the online portal for the year under review. Through its Board Effectiveness Assessment (“BEA”) which is designed to identify the strengths and weaknesses of the Board operations and established a common understanding of the Board’s roles and responsibilities with a view to maximising Board performance, the Board via NRC evaluates the overall Board’s performance against criteria that the Board determines are important to its success. Self and peer evaluation questionnaire are sent to the Directors via online portal for their completion and at the same time to obtain their feedback, views and suggestions to improve the performance of the Board and its Board Committees. The evaluation criteria includes the Board’s structure, operations and interaction and roles and responsibilities of the Board and its committees. In addition, the BEA also includes the evaluation on the Board’s composition in regards to the mix of skills, character, experience, integrity, competence and time commitment. The outcome of the BEA 2022 are as follows:- 1) The Directors had contributed positively to the Board as a whole by providing quality input and adding value to Board meetings. Members of the Board demonstrated strong commitment and pride in discharging their duties and responsibilities.

- 2) The Directors and Chief Financial Officer has the character, experience, integrity, competence and time to effectively discharge their roles.
- 3) All members of the Board agreed that the Chairman of the Board demonstrates effective and excellent leadership.
- 4) The Board has the relevant mix of skills and experience to function effectively.
- 5) The Board Committees carried out duties in accordance with their terms of references.

The Independent Directors are independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement and objective or the ability to act in the best interests of the Company.

Based on the ratings of the assessments, the following key strengths were noted:-

- 1) A diversified and right size of Board.
- 2) Right matters reserved for Board's deliberation and decision, with the right allocation of time and right frequency.
- 3) Board Papers are well structure and well synthesised with critical analysis.
- 4) Minutes properly recorded the decisions and resolutions of meeting.
- 5) Adequate secretarial support provided.
- 6) The Members of the Board has sufficient access to the Chairman and Management.
- 7) There is open and constructive communication.
- 8) Board provided with sufficient information on Group's risk profile and risk management procedures.

Arising from the Board's feedback through the BEA 2022, the following areas are identified for focus of actions:-

- 1) Consideration of board composition with expertise such as Healthcare Experience, Digital Business and Management/Marketing of Global Business.
- 2) Improvement in paper distribution time and further enhancement in quality of meeting paper.
- 3) Areas requiring ongoing attention for continuous improvement in relation to Board roles are Strategy planning, KPI monitoring, Human capital development & succession management, and Sustainability in environmental, social and governance practices
- 4) Continuous Professional Development Programme in topics such ESG, delivering growth in recession, global trends in technology, risk management, international business as well as briefings by

	Management on the Company's Customer and Employee Value Proposition.	
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	:	<p>The Directors' remuneration is reviewed from time to time and is determined at levels which enable the Group to attract and retain Directors with the relevant experience and expertise needed to manage the Group effectively.</p> <p>Non-Executive Directors are paid a fixed base fee on a quarterly basis. With the recommendation from the NRC, the Board as a whole determines the remuneration for Non-Executive Director with directors concerned abstaining from deliberation or voting on decision in respect of their remuneration. The aggregate amount of Directors' fee to be paid to Non-Executive Directors is subject to the approval of the shareholders at general meeting.</p> <p>The Management is looking into enhancing the current Senior Management Remuneration Framework. However, the revision is currently deferred due to the corresponding deferment of a Long Term Incentive Plan. The prevailing compensation approach applies, taking into account the demand and complexities of the role, the competencies required, the performance of the Company, as well as the individual employee.</p> <p>The MD/CEO is subject to a 3-year service contract with the Company. He is not paid an attendance allowance nor Directors' fees. His remuneration is structured so as to link rewards to corporate and individual performance. Performance is measured against specified targets by reference to the Group's Annual Business Plan. The reward process also takes into account relevant market comparisons and</p>

	<p>competitive pressures in the industry. The deliberation of his performance is done without the presence of any executives.</p> <p>The Remuneration Policy for Non-Executive Directors is available on the Corporate Website. Meanwhile, the Management will determine the appropriateness of the publication of Senior Management Framework on Company's website upon its finalisation.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure :</p>		
<p>Timeframe :</p>		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied								
Explanation on application of the practice	:	<p>At the end of the financial year, the NRC comprises three (3) Non-Executive Directors, out of which two (2) are Independent. The NRC consist of the following members:-</p> <table border="1"><thead><tr><th>Name of members</th><th>Designation</th></tr></thead><tbody><tr><td>Rowina Ghazali Seth</td><td>Independent Non-Executive Director (Chairperson)</td></tr><tr><td>Dato' Mohd Izani Ghani</td><td>Non-Independent Non-Executive Director</td></tr><tr><td>Dato' George Stewart LaBrooy</td><td>Independent Non-Executive Director</td></tr></tbody></table> <p>The duties and responsibilities of the NRC are as set out in the Terms of Reference of the NRC, which is available for access at https://www.uemedgenta.com/about-us/corporate-governance.</p> <p>The Board Remuneration Framework was last reviewed by the NRC in August 2020.</p> <p>Based on a benchmarking exercise conducted internally, it was found that the Directors' fees for the Company was within the median range. Therefore, the NRC was of the opinion that the remuneration framework remains competitive and thus recommended that it would be appropriate for the Board's Remuneration to remain unchanged. The Board concurred with NRC's recommendation.</p>	Name of members	Designation	Rowina Ghazali Seth	Independent Non-Executive Director (Chairperson)	Dato' Mohd Izani Ghani	Non-Independent Non-Executive Director	Dato' George Stewart LaBrooy	Independent Non-Executive Director
Name of members	Designation									
Rowina Ghazali Seth	Independent Non-Executive Director (Chairperson)									
Dato' Mohd Izani Ghani	Non-Independent Non-Executive Director									
Dato' George Stewart LaBrooy	Independent Non-Executive Director									
Explanation for departure	:									

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

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Directors' remuneration breakdown of individual directors which includes fees, salary, bonus, benefit in-kind and other emoluments for FY2022 is set out in the table below.</p> <p>Note to the table:- ^ Remuneration waived by Khazanah Nasional Berhad effective from 1 January 2022.</p> <p>Other emoluments include contributions to defined contribution plans.</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	Tan Sri Dr. Azmil Khalid	Independent Director	210.0	3.0	0	0	40.8	0	253.8	210.0	3.0	0	0	40.8	0	253.8
2	Syahrunizam Samsudin (MD/CEO)	Executive Director	0	13.0	255.0	255.0	7.0	71.0	601.0	0	50.0	1,020.0	255.0	28.0	191.0	1,544.0
3	Dato' Mohd Izani Ghani (Remuneration paid to UEM Group Berhad)	Non-Executive Non-Independent Director	123.0	0	0	0	0	0	123.0	123.0	0	0	0	0	0	123.0
4	Dato' Noorazman Abd Aziz	Non-Executive Non-Independent Director	123.0	6.0	0	0	0	0	129.0	123.0	6.0	0	0	0	0	129.0
5	Dato' George Stewart LaBrooy	Independent Director	154.2	0	0	0	0	0	154.2	154.2	0	0	0	0	0	154.2
6	Rowina Ghazali Seth	Independent Director	148.0	0	0	0	0	0	148.0	148.0	0	0	0	0	0	148.0
7	Shirley Goh	Independent Director	146.3	3.0	0	0	0	0	149.3	146.3	3.0	0	0	0	0	149.3
8	Jenifer Thien Bit Leong	Independent Director	159.9	0	0	0	0	0	159.9	159.9	0	0	0	0	0	159.9
9	Mohd Asrul Ab Rahim ^ (Appointed on 21 January 2022)	Non-Executive Non-Independent Director	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Robert Tan Bun Poo (Retired on 16 June 2022)	Independent Director	79.8	0	0	0	0	0	79.8	79.8	0	0	0	0	0	79.8
11	Wong Shu Hsien ^ (Resigned on 21 January 2022)	Non-Executive Non-	0	0	0	0	0	0	0	0	0	0	0	0	0	0

		Independent Director														
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	:	The Board is of the opinion that the disclosure of the Senior Management's individual remuneration components would not be in the best interest of the Group due to confidentiality and talent retention purposes.	
		As an alternative to the recommended practices, the Board agreed on the disclosure of remuneration paid to top 5 Senior Management of the Group as follows:	
		Top Five Senior Management (not including MD/CEO)	Number of Senior Management
		From RM500,001 - RM750,000	2
		From RM750,001 - RM1,000,000	3
		From RM1,000,001 - RM1,250,000	-
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee ("AC") comprises three (3) members who are all Non-Executive Directors, a majority Independent.</p> <p>Mr. Robert Tan Bun Poo, an Independent Non-Executive Director was the Chairman of the AC until his retirement on 16 June 2022.</p> <p>He is a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants (MICPA), Malaysian Institute of Taxation and a Fellow of the Institute of Chartered Accountants in Australia.</p> <p>Ms. Shirley Goh who was a member of the AC, was redesignated as Chairperson of the AC on 1 August 2022. She is also an Independent Non-Executive Director.</p> <p>Ms. Shirley Goh is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and Malaysian Institute of Accountants (MIA).</p> <p>The Chairman of the Board is Tan Sri Dr. Azmil Khalid.</p> <p>For further reference of the roles and responsibilities of the AC Chairman, the Terms of Reference of AC are available at https://www.uemedgenta.com/about-us/corporate-governance</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>During the year under review, no members of the Board were former key audit partners.</p> <p>The Terms of Reference of the Audit Committee stipulated that former key audit partners must observe a cooling-off period of at least three (3) years before being appointed as a member of the Committee, to be in line with updated MCCG issued in 2021.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, through the Audit Committee ("AC") maintains a transparent and professional relationship with the Internal and External Auditors. The AC has been explicitly accorded the authority to communicate directly with both the Internal and External Auditors. Currently, Messrs Ernst & Young PLT provides independent and professional external auditing services to the Group.</p> <p>The Annual Transparency Report was tabled to AC on 20 February 2023 and Board on 28 February 2023.</p> <p>The AC conducted the yearly assessment on the suitability and independence of the External Auditors.</p> <p>The External Auditors are evaluated and considered on the following:</p> <ul style="list-style-type: none">• the competency, reputation and performance;• the timeliness and quality of their communications with the AC and the Company;• the quality of services and sufficiency of resources provided by the engagement team during the audit and throughout the financial year; and• their independence, objectivity and professional scepticism. <p>In the year 2022, the AC met up with the External Auditors twice in the absence of the MD/CEO and Management.</p> <p>The Company has established policies via the Terms of Reference ("TOR") of the AC on governing the provision of non-audit services that can be provided by the External Auditors. The TOR was regularly reviewed and was last reviewed on 25 November 2021.</p> <p>The External Auditors had confirmed to the Board their independence in providing their services for the year under review.</p> <p>The Board was satisfied with the outcome of the assessment of the External Auditors on their suitability and independence, and will be</p>

	recommending for their re-appointment at the forthcoming annual general meeting, subject to the approval of the shareholders.	
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	:	<p>As at 31 December 2022, the Audit Committee ("AC") consists of three (3) members, all of whom are Non-Executive Directors, with a majority of them being Independent Directors. This complies with Paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>The AC Chairperson, Ms. Shirley Goh, is a member of the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA). Meanwhile, En. Mohd Asrul Ab Rahim is a member of MIA and Institute of Chartered Accountants in England and Wales (ICAEW).</p> <p>As at 31 December 2022, all AC members had attended courses related to development in accounting and auditing standards, practices and rules.</p> <p>The following are the related courses attended by AC members:-</p> <p><u>Ms. Shirley Goh</u></p> <ol style="list-style-type: none">1) FIDE Core Program Module A and B2) Islamic Finance for Board of Directors Programme3) MIA International Accountants Conference 20224) AMLA – Prevention of Money Laundering and Terrorism Financing5) Audit Oversight Board's Conversation with Audit Committee <p><u>Ms. Jenifer Thien Bit Leong</u></p> <ol style="list-style-type: none">1) Finance Essentials for Non-Finance Directors2) Audit Oversight Board's Conversation with Audit Committee

	<p>En. Mohd Asrul Ab Rahim</p> <ol style="list-style-type: none"> 1) MIA Webinar Series: MFRS/IFRS Technical Update 2022 2) Audit Committee: The Megatrends & Priorities for Board 3) Audit Oversight Board’s Conversation with Audit Committee <p>In ensuring that the Board undertakes continuous professional development, the Management would continue to recommend training or courses related to developments in accounting and auditing standards, practices and rules to AC members.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has overall responsibility for the system of Risk Management and Internal Control which includes financial controls, operational and compliance controls to ensure that shareholders’ investments, customers’ interests and the Company’s assets are safeguarded.</p> <p>The Statement on Risk Management and Internal Control as set out in the Annual Report 2022 provides an overview of the state of internal controls within the Group.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, through the Board Governance and Risk Committee (“BGRC”), oversees the Company’s risk management framework and policies.</p> <p>At every quarterly meetings, the BGRC reviewed the Risk Management Status Report and Integrity & Compliance Progress Report of the Company.</p> <p>In addition, the BGRC reviewed the Integrity & Compliance Report to MACC bi-annually.</p> <p>For the financial year 2022, the BGRC had also reviewed the following:-</p> <ul style="list-style-type: none"> • Risk Management Plan 2022; • Integrity & Compliance Plan 2022; • Business Continuity Management (“BCM”) Plan 2022 and BCM updates; • ISO 37001 Anti-Bribery Management System Policy Review which includes Anti-Bribery & Anti-Corruption Statement and Whistleblowing Policy Statement; • Business Licenses & Accreditation updates; • Statement on Risk Management and Internal Control; • Corporate Governance Overview Statement and Corporate Governance Report; • Sustainability Statement; • Environmental, Social and Governance updates including Sustainability Roadmap; • Whistleblowing cases; • Revised Terms of Reference of the BGRC; and • MCCG Gap Analysis and Action Plan. <p>Kindly refer to the Statement on Risk Management and Internal Control in the Annual Report 2022 for the Risk Management Framework and Policies and Procedures of the Company.</p>
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted										
Explanation on adoption of the practice	:	<p>The Board Governance and Risk Committee ("BGRC") operates within its terms of reference, mainly to undertake governance and compliance duties and responsibilities in addition to the oversight of risk management matters.</p> <p>At the end of the financial year, the BGRC comprises four (4) Non-Executive Directors, out of which three (3) are Independent. As at 31 December 2022, the BGRC consist of the following members:-</p> <table border="1"><thead><tr><th>Name of members</th><th>Designation</th></tr></thead><tbody><tr><td>Dato' George Stewart LaBrooy</td><td>Independent Non-Executive Director (Chairman)</td></tr><tr><td>Dato' Noorazman Abd Aziz</td><td>Non-Independent Non-Executive Director</td></tr><tr><td>Pn. Rowina Ghazali Seth</td><td>Independent Non-Executive Director</td></tr><tr><td>Ms. Jenifer Thien Bit Leong</td><td>Independent Non-Executive Director</td></tr></tbody></table> <p>The Terms of Reference of BGRC are available at https://www.umedgenta.com/about-us/corporate-governance</p>	Name of members	Designation	Dato' George Stewart LaBrooy	Independent Non-Executive Director (Chairman)	Dato' Noorazman Abd Aziz	Non-Independent Non-Executive Director	Pn. Rowina Ghazali Seth	Independent Non-Executive Director	Ms. Jenifer Thien Bit Leong	Independent Non-Executive Director
Name of members	Designation											
Dato' George Stewart LaBrooy	Independent Non-Executive Director (Chairman)											
Dato' Noorazman Abd Aziz	Non-Independent Non-Executive Director											
Pn. Rowina Ghazali Seth	Independent Non-Executive Director											
Ms. Jenifer Thien Bit Leong	Independent Non-Executive Director											

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Internal Audit Department (“IAD”) is established as an independent appraisal function to assist both the AC and the Board of Directors in discharging their duties and to provide assurance to the Management and the Board of Directors that all aspects of the operations of the Company are functioning within the acceptable limits and expectations. The IAD carries out the internal audit function of the Group.</p> <p>The IAD reports functionally to AC and administratively to the MD/CEO of the Company. The AC assessed the overall performance of internal audit function and approved the IAD’s performance scorecard.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Internal Audit function of the Company is performed by in-house Internal Audit Department (“IAD”) which provides the Audit Committee independent assessment and assurance on the adequacy and effectiveness of the UEM Edgenta Group’s system of internal controls.</p> <p>For the purpose of preserving its independence, the IAD reports functionally to the Audit Committee and administratively to the Managing Director/Chief Executive Officer. To ensure objectivity, all IAD personnel have no direct responsibilities or authority over any of the activities it reviews. For financial year 2022, all the IAD personnel have declared that they were and had been independent, objective and have complied with the declaration of conflict of interest requirements.</p> <p>As at 31 December 2022, IAD had a total of 9 personnel. Besides relevant work experiences gained from internal and/or external auditing, all IAD personnel have a minimum of tertiary education from various fields, including accounting, finance, business & management and corporate administration.</p> <p>In addition, some IAD personnel are Certified Internal Auditor, Disaster Recovery Certified Specialist (DCRS), Information Technology Infrastructure Library (ITIL) Certified and Chartered Global Management Accountant (CGMA).</p> <p>The IAD activities and processes are closely guided by the International Professional Practice Framework (IPPF) on Internal Auditing issued by the Institute of Internal Auditors and the five elements of the Committee of Sponsoring Organisations of the Treadway Commission (COSO), as well as UEMEd Code of Ethics.</p> <p>In the absence of a Head of Internal Audit, two (2) Deputy Senior Managers of IAD were jointly responsible for overseeing the performance of the department for the financial year 2022.</p>

	<p>The Company has been searching for a new Head of Internal Audit since Ms Yee Poh Chun’s departure on 31 December 2021. The first candidate identified in April 2022 declined the offer, which led to the search being restarted. The search continued until October 2022, when a second candidate accepted the offer but then decided not to join the company in middle of December 2022. The search has been re-initiated for a third time in December 2022.</p> <p>In the meantime, the current Head of Risk, Integrity and Compliance Department, Puan Faizatul Farhah Ghazali (“Pn Farhah”), has been appointed as the Acting Head of Internal Audit Department effective from 1 February 2023 until the new Head of Internal Audit is on board.</p> <p>Prior to Puan Farhah’s appointment with the Company, she served as the Head of Group Enterprise Risk Management at Axiata Group Berhad with more than 20 years of leadership experience in risk, governance and audit across various industries.</p>	
Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure		
Timeframe		

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>UEM Edgenta Berhad ensures that communication with shareholders and various stakeholders are transparent, timely and complete.</p> <p>Besides announcements released by the Company through BursaLINK, which are also available on the Company's website, the public may access for more information about the Company at www.uemedgenta.com.</p> <p>In addition, the Company also held analyst briefings and issue press releases to disseminate information to the public at large.</p> <p>Shareholders may forward any concern/queries to Investor Relations at ir@edgenta.com and all relevant and appropriate issues raised will be addressed accordingly.</p> <p>The details of the Stakeholder Engagement within the Group are as set out in the Annual Report 2022.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Company embarked on its sixth Integrated Reporting this year, and it has fully adopted integrated reporting based on a globally recognised framework.	
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	:	In 2022, the Notice of Annual General Meeting (“AGM”) was given to shareholders more than 28 days prior to the AGM. The notice was issued on 29 April 2022 and the AGM was held on 16 June 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

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>All Directors attended the Annual General Meeting (“AGM”) held on 16 June 2022.</p> <p>The AGM is the principal forum for dialogue with shareholders. Shareholders are provided with an opportunity to participate in the question and answer session in which shareholders may raise questions pertaining to the business activities of the Company. To encourage participation of shareholders at general meetings, the Chairman invites questions from shareholders for every agenda items of the meeting.</p> <p>Besides the Directors, the Senior Management and External Auditors were also in attendance to respond to shareholders queries.</p> <p>The responses to questions submitted in advance of the AGM by the Minority Shareholders Watch Group and several retail shareholders were also shared with the shareholders during the meeting.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	The 59 th Annual General Meeting (“AGM”) held on 16 June 2022 was conducted in its entirety via live streaming and online remote voting at the Broadcast venue at Menara UEM. The remote participation and electronic voting for the AGM was facilitated by Boardroom Share Registrars Sdn. Bhd. via Lumi AGM meeting platform at https://meeting.boardroomlimited.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

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	: Prior to the Annual General Meeting (“AGM”), Shareholders may submit questions electronically via email to ir@edgenta.com or Boardroom Smart Investor Portal. During the AGM, Shareholders were provided with sufficient opportunity to pose questions via real time submission at the Lumi AGM platform. All questions received were responded either at the meeting or via email personally to shareholders post-AGM. The questions received prior to the AGM were published on the company website at https://www.uemedgenta.com/investor-relations/reports-publications .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Applied
Explanation on application of the practice :	<p>The 59th Annual General Meeting (“AGM”) was conducted via Remote Participation and Electronic Voting facilities through Lumi AGM meeting platform at https://meeting.boardroomlimited.my. This online portal allows shareholders to:-</p> <ul style="list-style-type: none"> • Participate in meetings remotely via live streaming • Vote online remotely on resolution(s) tabled at meetings <p>The Management carried out dry run prior to the 59th AGM to ensure a smooth AGM broadcast. Persons involved were each assigned with tasks to carry out on the day of the broadcast.</p> <p>Questions submitted electronically prior to the AGM and real time submission during the AGM at Lumi AGM meeting platform were projected during the live streaming for the benefit of the members.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The Minutes of the 59 th AGM held on 16 June 2022 was published on the Company's website within 30 business days, i.e. on 22 July 2022. Minutes of AGM is available at:- https://edgenta.irplc.com/investor-relations/New/pdf/2021/Summary-of-Minutes-59th-agm.pdf
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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