

CORPORATE GOVERNANCE REPORT

STOCK CODE : 6904
COMPANY NAME : Subur Tiasa Holdings Berhad
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges its leadership role in the direction and business operations of the Group toward enhancing shareholders' value and ensuring long term sustainable development and growth of the Group.</p> <p>The Board delegates the authority to the Group Managing Director who is supported by the Senior Management team in achieving the corporate objectives. The Group Managing Director remains accountable to the Board for the performance of the Group.</p> <p>The Board also delegates specific responsibilities to Board Committees, namely Audit Committee, Nomination Committee and Remuneration Committee, all of which operate within defined terms of reference. All Board Committees do not have executive power but report to the Board on all matters considered and the ultimate responsibility for decision making on recommendations presented by the Board Committees lies with 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

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>YBhg. Datuk Tiong Thai King, the Board Chairman, is responsible for leadership of the Board in ensuring effective conduct of the Board and encourages participation and deliberation by all Board members.</p> <p>The Chairman leads the Board in setting strategic direction of the Group. In setting the agenda for Board meetings, the Chairman with the assistance of the Company Secretary, ensures pertinent and relevant matters are included in the meeting agenda for discussion.</p> <p>The Chairman encourages participation and deliberation by all members of the Board to enable the Board in making informed decisions. The Chairman ensures all Directors are properly briefed on issues tabled at the Board meetings and ensure sufficient time is allocated for discussions on complex or contentious issues.</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 the Chairman and the Managing Director are held by two different individuals, namely YBhg. Datuk Tiong Thai King and YBhg. Dato' Tiong Ing respectively. Moreover, the Chairman is a Non-Independent Non-Executive Director whereas the Managing Director is an Executive Director, providing a clear distinction and separation of the two roles, maintaining a balance of power and authority to the Board's dynamics, and ensuring no one individual has unfettered decision-making powers.</p> <p>The Group's Board Charter clearly delineates the roles of the Chairman and the Managing Director, where the Chairman focuses on ensuring effectiveness of the Board whilst the Managing Director focuses on ensuring efficiency and effectiveness of the Group's operations.</p> <p>The roles of the Chairman and Managing Director are outlined in the Board Charter, which is available on the website at www.suburtiasa.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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 :	<p>The Chairman, YBhg. Datuk Tiong Thai King is presently not a member of the Audit Committee ("AC"), Nomination Committee ("NC") and Remuneration Committee ("RC").</p> <p>The Chairman has never been a member of AC, NC, and RC since the date of his appointment to the Board on 13 October 2021.</p> <p>This is in line with Practice No. 1.4 of Malaysian Code on Corporate Governance ("MCCG"), where Board Chairman should not be a member of the AC, NC, and RC. This is to alleviate self-review risk and ensure impartiality in decision-making by Board Chairman.</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 1.5

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 has appointed Mr. Kelvin Chung Vui Yeng (MIA 47542) and Ms. Voon Jan Moi (MAICSA No. 7021367) as Company Secretaries of the Company.</p> <p>The Company Secretaries are qualified secretaries as required pursuant to the Malaysian Companies Act 2016. The Company Secretaries are the members of the Malaysian Institute of Accountants (MIA) and Malaysian Association of Institute of Chartered Secretaries and Administrators (MAICSA) respectively. They are competent in carrying out their work and to advise the Board on issues relating to compliance with laws and requirements as well as the Code of Corporate Governance.</p> <p>The Company Secretaries attended all Board and Board Committees meetings and ensure that all the meetings are convened in accordance with the Board procedures and terms of reference of the Board Committees. All proceedings, matters arising, deliberations, in terms of the issues discussed, and resolutions at the Board's meetings and Board Committees' meetings are properly recorded in the minutes by the Company Secretaries, confirmed by the Board and Board Committees, and signed by the respective Chairman.</p> <p>The Company Secretaries also ensure that the Company complies with all applicable statutory and regulatory requirements. They also liaise with auditors, lawyers, bankers, tax agents, shareholders and other stakeholders in respect of company secretarial and compliance matters.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>In order to ensure all Directors are supplied with all necessary information and sufficient time to consider matters to be deliberated at Board and Board Committee meetings, the Company Secretaries circulate the meeting agenda, together with meeting papers to all members of the Board and Board Committees seven (7) days in advance of the meeting. This will enhance the effectiveness and efficiency of meetings via sufficient time for Directors to review the information provided, to make enquiries, and to seek additional information and clarification before decision is made.</p> <p>In the event any urgent matters are required to be included as part of the meeting agenda after circulation of the meeting agenda, the Company Secretaries will at soonest possible, circulate the updated/ revised meeting agenda or materials to the Board or Board Committee members.</p> <p>Upon conclusion of each meeting, the Company Secretaries prepare the Board/ Board Committee meeting minutes, properly record issues deliberated, including how decisions and conclusions are arrived at and matters where Directors are required to abstain for voting and deliberation. Minutes of meetings are circulated to all Board members and confirmed as a correct record by the Board and Board Committee at the next meeting or earlier.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has adopted a Board Charter which provides Directors with greater clarity regarding the role and responsibilities of the Board, Board Committees, Chairman and Managing Director; the requirements of Directors in carrying out their role and discharging their duties to the Company; and the Board's operating practices. The Board Charter is reviewed annually and updated in line with changes in the guidelines issued by the regulatory authorities. The summary of the Board Charter is accessible through the Company's website at www.suburtiasa.com .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has adopted a Code of Conduct covering Business Ethics, workplace safety, employees' personal conduct and for Directors in the performance and exercise of their duties and responsibilities as Directors of the Company.</p> <p>The Board has also established its Anti-Bribery and Anti-Corruption Policy for the Group, with the objective to manage risks in relation to bribery and corruption.</p> <p>A summary of the Code of Conduct and Anti-Bribery and Anti-Corruption Policy are available on the Company's website at www.suburtiasa.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group is committed to achieving and maintaining a high standard of integrity and accountability in the conduct of its businesses and operations. In this respect, the Whistleblowing Policy adopted by the Company provides and facilitates a mechanism for any employee and associate to report concerns, in good faith, of any suspected and/or known instances of misconduct, wrongdoings, corruption, fraud, waste and/or abuse involving the resources of the Group.</p> <p>The Whistleblowing Policy sets out the internal channel and outlines how and to whom a concern may be properly raised. The identity of the whistleblower is kept confidential and protection is accorded to the whistleblower against any form of reprisal.</p> <p>The Board together with management, reviews the Whistle-Blowing Policy as and when the need arises to ensure it is kept contemporary.</p> <p>The Whistleblowing Policy is available on the Company's website at www.suburtiasa.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied	
Explanation on application of the practice	:	As stipulated in the Group’s Board Charter, the Board represent the highest authority in reviewing, approving and monitoring the Group’s strategic direction including sustainability matters. Material sustainability matters are handled by Senior Management via frequent deliberations at monthly management and operation meetings, which are cascaded to Managing Director for review.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group’s sustainability strategies, priorities, and actual performance against benchmarks are cascaded internally during monthly management and operation meeting and deliberated during Board of Directors’ quarterly meeting.</p> <p>The Group’s overall sustainability milestones are documented in the Sustainability Statement that is made available to all the stakeholders via the Group’s corporate website and its Annual Report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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 put utmost priority on climate-related risk and opportunities as part of its sustainability matters apart from those pertinent sustainability-related issues.</p> <p>Senior Management has updated the Board progressively on the latest sustainability requirements, regulations, and compliance that are relevant to the Group’s business operations such as the Malaysian Sustainable Palm Oil certification (“MSPO”) and the Malaysian Criteria and Indicators for Sustainable Forest Management.</p> <p>The Group has undertaken various initiatives to stay informed about sustainability issues pertinent to its operations, as detailed in the Sustainability Report of the Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination Committee (“NC”) conducts annual evaluations and performance appraisals of the Board.</p> <p>The Board Evaluation Criteria by NC has included aspects pertaining to sufficient identification of risk and impact to the Group, evaluation of the Group’s strategies, business plan, and issues including identification of relevant key performance indicators for monitoring of Executive and Senior Management’s performance.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Managing Director of the Group spearheaded the tasks and strategies concerning the Group's sustainability which is deliberated and cascaded to Senior Management team via monthly management and operation meetings.

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination Committee (“NC”) is tasked to evaluate the effectiveness of the Board and Committees including its composition, size, and the contributions of each Director.</p> <p>On annual basis, NC shall review the performance of each director based on the Board and Board Committee Evaluation form (“BBCE”), which among others included assessment on the Board’s right mix of knowledge and experience, impacts to Senior Management’s decision-making, and significant input and time allocated by respective Board members.</p> <p>As such, based on the BBCE, NC shall propose and recommend to the Board for Board members with satisfactory appraisal for re-election.</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>The Board consists of six (6) members, including three (3) Independent Directors, two (2) Non-Independent Non-Executive Directors, and one (1) Managing Director. This composition ensures that half of the Board members are Independent Directors. Collectively, the Directors offer a diverse range of expertise in business, regulation, industry, and finance, which is highly relevant to guiding the Group's direction.</p> <p>The Board ensures that at least half of the Board members consist of Independent Directors of caliber, with necessary skills, experience, qualification and other core competencies, in order to carry sufficient weight in making balanced, objective and accountable decisions.</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 5.3

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	:	<p>Mdm. Ngu Ying Ping who had served as an Independent Director for more than nine (9) years in the Board, was re-designated as a Non-Independent Non-Executive Director with effect from 1 May 2023.</p> <p>Mr. Tiong Ing Ming has served for more than nine (9) years in the Board. However, the Board of Directors ("Board") through the Nomination Committee ("NC") have assessed his performance and thereby recommended his continued tenure as an Independent Director of the Company, based on the following justifications:</p> <ul style="list-style-type: none">(a) His experience, networking, understanding of business and objectively in approach enables him to provide the Board and Board Committees with pertinent expertise, skills and competence and his independent judgement will continue to add credence to the Company;(b) He remains professionally independent and vocal, actively participated in deliberations and exercised independent judgment at Board and Board Committee meetings without being influenced by operational consideration; and(c) He acts in the best interests of all shareholders and his continuation in office as Independent Director will provide a check and balance to operational management. <p>The NC and the Board are satisfied that Mr. Tiong Ing Ming is able to exercise independent judgement and has the ability to act in the best interest of the Group. Mr. Tiong Ing Ming has abstained from all deliberations at the NC and Board meetings in relation to the matter.</p> <p>As such, the Board shall seek annual shareholders' approval through a two-tier voting process.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board adopts a formal and transparent procedure for appointment of Directors, where the Nomination Committee (“NC”) shall recommend to the Board the suitable candidates with due regard for diversity in skills, experience, age, cultural background and gender.</p> <p>The appointment of Senior Management which is delegated to the Managing Director of the Company, are based on competencies, experience, integrity, skills set and other qualities.</p> <p>The candidates are assessed based on the process and criteria as set out in the Directors’ Fit and Proper Policy, which is available on the Company’s website at www.suburtiasa.com.</p> <p>The Board is generally satisfied with the current mix of skills and qualities of Directors, the performance, effectiveness and composition of the Board and its Committees. The current Board size and composition is well-balanced. The Directors have the character, experience, integrity, competence and time to effectively discharge their respective roles.</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	:	<p>The Nomination Committee (“NC”) is responsible to recommend the identified candidate to the Board if there is vacancy arises from resignation, retirement or any other reasons or if there is a need to appoint additional Director with the required skill or profession to the Board.</p> <p>The assessment or evaluation process on the proposed candidate may include, at the NC’s discretion, reviewing of the candidate resume, curriculum vitae and other biographical information, confirming the candidate’s qualifications and conducting legal and other background searches as well as formal or informal interview at the Nomination Committee’s discretion. The NC would also assess the candidate’s integrity, wisdom, independence, ability to make independent and analytical inquiries, ability to work as a team to support the Board, understanding of the business environment and the willingness to devote adequate time and commitment to attend to the duties of the Board.</p> <p>Upon completion of the assessment and evaluation of the proposed candidate, the NC would make its recommendation to the Board for their evaluation and decision on the appointment of the proposed candidate.</p> <p>On May 1, 2023, Mr. Teng King Huat was appointed to the Board following the procedures outlined in the Directors’ Fit and Proper Policy. This policy is accessible on the Company’s website at www.suburtiasa.com.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The details of the Directors interest, position and experience are set out in the Directors’ profile in the Annual Report. The performance of the directors is assessed by the Nomination Committee (“NC”) and Board before recommendation is made to the shareholders for consideration.</p> <p>For Independent Directors, the NC also assess their relationship with the executives that might influence, or reasonably be perceived to influence their capacity to bring an independent judgement and to act in the best interests of the listed company as a whole.</p> <p>The NC is responsible to ensure that the procedures for appointing any new Directors or reappointment of Directors are transparent and their evaluation should be based on their merits, qualifications, experiences, skills, competencies and knowledge.</p> <p>The Company Secretaries are to ensure that all appointments of new Directors and reappointment of Directors are properly carried out and all legal and regulatory obligations are met.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee is chaired by Mr. Poh Kee Eng , a Senior Independent Director of the Company, and the remaining two (2) members are two (2) Independent Directors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	The Board has adopted a gender diversity policy and set a target of having a least one (1) woman Director on the Board. The Board currently has two (2) women Directors namely YBhg. Dato' Tiong Ing and Mdm. Ngu Ying Ping, with more than 30% of the Board members are women Directors. The Board will ensure that women candidates are sought as part of its recruitment exercise should the needs arise in the future.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group via its Board Diversity Policy and Diversity in Workforce Policy emphasizes on boardroom diversity, not limited to gender, ethnicity, and age while encouraging employment diversity to ensure it has appropriate mix of skills and talent to conduct its business and achieve the Group’s goals.</p> <p>The Board has adopted a gender diversity policy and set a target of having a least one (1) woman Director on the Board. The Board currently has two (2) women Directors, with more than 30% of the Board members.</p> <p>The Group’s Board Diversity Policy and Diversity in Workforce Policy are made available on the Company’s website at www.suburtiasa.com.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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 Nomination Committee (“NC”) facilitates and organises the annual assessment for the Board, Board Committees and individual Directors. The Board, via its NC has conducted annual evaluation on the effectiveness of the Board and its Committees based on the Board and Board Committee Evaluation form (“BBCE”). The Board has reviewed the terms of office and performance of the Board Committees and each of the members and was satisfied that the Board Committees and members have carried out their duties in accordance with the terms of reference of the respective committees. The Board is satisfied with the current mix of skills and qualities of Directors, the performance, effectiveness and composition of the Board and its Committees. The current Board size and composition is well-balanced. The Directors have the character, experience, integrity, competence and time to effectively discharge their respective roles. NC, based on criteria set out in the Listing Requirements, assess the Independent Directors annually in terms of their skills, experience, contributions, background, any conflict of interests, and their ability to exercise independent and objective judgement during the Board’s deliberations and to act in the best interests of the Company. NC has assessed all the independent directors and concluded that they met the criteria and are able to bring unbiased and independent view and advice in discharging their duties and responsibilities.
Explanation for departure	:

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

Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Remuneration Committee ("RC") is responsible for developing the remuneration policy and recommending the remuneration packages for Directors and Senior Management of the Company. The policy is available on the Company's website at www.suburtiasa.com.</p> <p>The Board has adopted remuneration policies and procedures for the Executive Directors to ensure that the remuneration package offered is sufficient to attract and retain Directors with necessary calibre, experience and quality required to run the Group in an effective and efficient manner. In formulating the remuneration package, the RC considers factors such as the scope of responsibility, job functions, market rates in comparable companies, as well as individual and corporate performance.</p> <p>In the case of Non-Executive Directors, the level of remuneration reflects the experience, expertise and level of responsibilities undertaken by the particular Non-Executive Director concerned.</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 level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

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

Practice 7.2

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

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

Application	:	Applied				
Explanation on application of the practice	:	The Remuneration Committee ("RC") comprises solely Non-Executive Directors, a majority of whom are Independent Directors as follows:				
		<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Chairperson</td> <td>Mdm. Ngu Ying Ping</td> </tr> <tr> <td>Members</td> <td>Mr. Tiong Ing Ming Mr. Poh Kee Eng</td> </tr> </table>	Chairperson	Mdm. Ngu Ying Ping	Members	Mr. Tiong Ing Ming Mr. Poh Kee Eng
		Chairperson	Mdm. Ngu Ying Ping			
Members	Mr. Tiong Ing Ming Mr. Poh Kee Eng					
<p>The principal responsibilities of the RC in accordance with the terms of reference are to:</p> <ul style="list-style-type: none"> • review Non-Executive Directors' and Executive Directors' remuneration packages and make appropriate recommendations to the Board for approval; and • recommend to the Board the quantum of bonuses, rewards and incentive structures for the Executive Directors. <p>The Board to deliberate and approve the remuneration of the Executive Directors and recommend the remuneration of Non-Executive Directors (with individual Directors abstaining from discussion in respect of their own remuneration) to shareholders for approval at the Annual General Meeting. The term of reference of the RC is made available on the Company's website at www.suburtiasa.com.</p>						
Explanation for departure	:					
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>						

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The detailed disclosure on named basis for the remuneration of individual Directors is disclosed as follows:

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	YBhg. Dato' Tiong Ing	Executive Director	60,500	1,250,000	2,400,000	1,200,000	6,600	294,000	5,211,100	102,500	1,250,000	2,400,000	1,200,000	6,600	294,000	5,253,100
2	YBhg. Datuk Tiong Thai King	Non-Executive Non-Independent Director	66,000	0	0	0	0	0	66,000	66,000	0	0	0	0	0	66,000
3	Ngu Ying Ping	Non-Executive Non-Independent Director	60,500	0	0	0	0	0	60,500	102,500	0	0	0	0	0	102,500
4	Tiong Ing Ming	Independent Director	60,500	0	0	0	0	0	60,500	60,500	0	0	0	0	0	60,500
5	Poh Kee Eng	Independent Director	60,500	0	0	0	0	0	60,500	60,500	0	0	0	0	0	60,500
6	Teng King Huat	Independent Director	40,333	0	0	0	0	0	40,333	40,333	0	0	0	0	0	40,333

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 Senior Management's remuneration components on named basis in the bands of RM50,000.00 are not disclosed due to confidentiality and sensitivity reasons. The Board is of the view that such disclosure will not be in the best interest of the Company given the highly competitive human resource environment for personnel with requisite knowledge, expertise and experience in multi-industry business.	
		The Senior Management's remuneration for the financial year ended 31 December 2023 is disclosed under Note 36 to the Financial Statements of the Annual Report 2023.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Not applicable.	
Timeframe	:	Others	Not applicable.

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	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Audit Committee is chaired by the Senior Independent Director, Mr. Poh Kee Eng, who is not the chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee ("AC") comprises three (3) members, all of whom are Independent Directors. At present, none of the Audit Committee members were the former key audit partners of the Company's external auditors.</p> <p>The Board will observe a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the AC is a former key audit partner.</p> <p>Subur Tiasa Holdings Berhad has adopted a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC. The policy has been included in the AC terms of reference, available on the Company's website at www.suburtiasa.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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 Company undertakes an annual assessment of the External Auditors, via the AC, based on the criteria including quality of audit services, audit fees and audit independence as set out in the Auditor Independence Policy.</p> <p>Based on the outcome of its assessment, the Board had enclosed AC's recommendation to re-appoint Messrs. Crowe Malaysia PLT as the external auditors at the forthcoming annual general meeting to be held in May 2024.</p> <p>In supporting the AC's assessment of their independence, the External Auditors had provided a written assurance, confirming that they were, and had been, independent throughout the conduct of the audit engagement with the Company in accordance with the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The Audit Committee of the Company comprises solely the following Independent Directors: - 1) Mr. Poh Kee Eng 2) Mr. Tiong Ing Ming 3) Mr. Teng King Huat

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>Audit Committee ("AC") comprises three (3) Independent Directors, who are financially literate and have necessary skills, financial experience and expertise to discharge their duties effectively. The qualification and experience of the AC members are further disclosed in the Directors' Profile on pages 3 to 5 of the Annual Report 2023.</p> <p>Details of the trainings attended by the respective member are disclosed in the Directors' Training on page 30 of the Annual Report 2023.</p> <p>The Nomination Committee ("NC") has in February 2024 evaluated the performance and effectiveness of the AC and RC, including contribution by each individual member. The NC collectively resolved that the AC and RC have discharged their responsibilities and functions as required.</p> <p>From time to time, the AC members are kept updated via the platform of their professional bodies, by the External Auditors or the Company Secretaries.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges that it is ultimately responsible for the adequacy and effectiveness of the Group's system of risk management and internal controls to safeguard all its stakeholders' interests and the Group's assets. This is vital to ensure that they are consistent with the overall Group's objectives with the help of the systems operating within an environment where losses and liabilities arising from risks, uncertainty and random events can be minimized, protected against and even avoided altogether.</p> <p>The Risk Management Committee provides oversight and direction for the implementation and application of the Risk Management Policy and framework, reviewing Risk Management Policy and framework and make recommendation to the Board for approval, reviewing risk management process and assessing whether they provide reasonable assurance that risk are effectively managed, reviewing key business risks to ensure that action and risk mitigation plans have been implemented effectively, encouraging promotion of risk management awareness among the staff and reporting key business risks of the Group 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

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	:	Detailed information on risk management and internal control within the Group is set out in the Statement on Risk Management and Internal Control in the Company’s Annual Report 2023 on pages 36 to 37. This statement has been reviewed by external auditors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has established an in-house internal audit (“IA”) function for the Group which reports directly to the Audit Committee (“AC”).</p> <p>The IA function is guided by the IA Charter. The primary role of the Internal Audit Department, based on the IA Charter is to provide independent, objective assurance and consulting services designed to add value and improve the company’s operations.</p> <p>As guided by the IA Charter, the internal audit function should be independent of the activities they audit to ensure impartial views and unbiased judgements and recommendations made to the Management and the Board. The IA function, including all of its staff, is not involved in performing routine non-auditing works or have direct responsibility over any activities, functions or tasks they are reviewing.</p> <p>For the financial year under review, internal auditing activities of the Group were carried out based on the IA plan 2023 as approved by the AC. The results of these internal auditing activities, including findings and action plans where necessary, were documented and reported/ recommended to the AC.</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 company has an in-house internal audit function. The Internal Audit Department plays an essential role in assisting the Audit Committee (“AC”) in discharging its duties and functions.</p> <p>The Internal Audit (“IA”) Charter specifies that the IA function should be independent of the activities they audit to ensure impartial views and unbiased judgements and recommendations made to the Management and the Board. To ensure its independence, the Head of IA reports directly to the AC.</p> <p>The AC has on 29 February 2024 reviewed the adequacy of the scope, functions, competency and resources of the IA function to meet the requirement of the Group’s current operations structure and size.</p> <p>At present, there is a total of 13 internal auditors in the IA Department. Mr. Wong Chung Teck who holds a Bachelor of Information Systems (Honours), is the head of the IA Department. The IA function is carried out in accordance with International Professional Practices Framework (“IPPF”) set by the Institute of Internal Auditors (“IIA”).</p> <p>Further details on the Internal Audit function are available in the Statement on Risk Management and Internal Control in the Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board and management acknowledge the importance of effective and transparent communications with shareholders and investors.</p> <p>The Board and management communicate with its stakeholders through various channels of communications:</p> <p>(a) announcements and disclosures to Bursa Securities, which include quarterly financial results, corporate announcements, annual reports, circulars and other material information that may affect investors' decision-making;</p> <p>(b) the Company's website, www.suburtiasa.com where stakeholders can access up-to-date corporate details, overview of business activities and operations, Company's performance and position, annual reports, and all announcements made, Board Charter, Terms of Reference of Board Committees and policies of the Company.</p> <p>This ensures that there is no selective dissemination of information and that there is always symmetry in the disclosure of information.</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	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Subur Tiasa Holdings Berhad understands that sufficient notice should be given to shareholders to allow them to make necessary arrangements to attend and participate in person or through corporate representatives, proxies or attorneys. More importantly, it enables shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting.</p> <p>The notice for the 27th Annual General Meeting (“AGM”) held on 30 May 2023 was given to the shareholders on 28 April 2023, 28 days prior to the AGM.</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 13.2

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 the Directors had attended the 27th Annual General Meeting of the Company held on 30 May 2023.</p> <p>The Chairman and management addressed shareholders' questions relating to the Group's financial performance, operational activities, business outlook, and corporate governance 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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The last Annual General Meeting (“AGM”) was held on 30 May 2023 at the office premises in Sibu, Sarawak to enable accessibility by the shareholder base. As such, the Board has not applied the process of voting in absentia. Nevertheless, the Board will consider the feasibility of leveraging on technology to facilitate voting in absentia and remote shareholders’ participation at AGM, considering amongst others, the cost-benefit of such facilities, security concerns, and other relevant aspects.	
		Shareholders are allowed to appoint corporate representatives or proxies to attend, speak and vote on their behalf at General Meeting. The Chairman announces the poll voting results at the AGM, and the poll results are announced on the same day through Bursa Link Service.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Not applicable.	
Timeframe	:	Others	Not applicable.

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: The last Annual General Meeting ("AGM") was held on 30 May 2023 at the office premises in Sibu, Sarawak to enable accessibility by the shareholder base. The Board, Senior Management and shareholders including the Minority Shareholders Watch Group were given opportunities to pose any questions pertaining to financial and non-financial matters. The questions and answers were subsequently published on the Company's website at www.suburtiasa.com .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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 :	Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice :	
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.6

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 Annual General Meeting (“AGM”) held on 30 May 2023 were published on the Company’s website at www.suburtiasa.com on the same day, which is within 30 business days from the AGM.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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

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