

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7077
COMPANY NAME : KERJAYA PROSPEK PROPERTY BERHAD
FINANCIAL YEAR : March 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 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 is fully aware of its continuing responsibilities over the stewardship of the Group's directions and operations and ultimately the enhancement of shareholders' value.</p> <p>The Group is led and managed by an effective Board with wide range of business experiences and expertise required to successfully direct and supervise the Group's business activities, which are vital to the success of the Group.</p> <p>The Board has the overall responsibility for, apart from its statutory responsibility, determining the Group's overall strategic plans including approving of major investments and financing decisions. Financial performance review and implementation of corporate governance practice in the Group are reserved for the Board, which also has responsibility for Executive Directors' Remuneration and succession planning for top management.</p> <p>In discharging the Board's duties, the Board is guided by its Board Charter as well as the terms of reference of the Board Committees as they set out the Board's roles, duties and responsibilities, the principles and practices of corporate governance to be followed and its commitment and fair practices to its stakeholders. Board Charter and the terms of reference of the Board Committees are published in the Company's website www.kpproperty.com.my under Corporate Governance section.</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

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

Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The present Chairman of the Company is Datin Toh Siew Chuon who was appointed since 19 June 2018.</p> <p>The Chairman is elected by the Board and presides at board meetings and shareholders' meetings. The Chairman has overall responsibility for running the Board and her effective leadership can ensure Board meetings are run efficiently with the right balance of opportunity to question and debate and coming to quick decisions made formally adopted so that the meetings progress.</p> <p>The Chairman oversees and evaluate the conduct and performance of the Group and undertake to ensure efficient functioning of the Board and that procedural rules are followed and quality information to facilitate decision-making is delivered to Board members on a timely basis.</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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Company has yet to identify a suitable candidate for the Managing Director position.
		As such, the Executive Chairman is relieving the role of Managing Director of the Group. The Board is mindful of the dual role of the Executive Chairman and the Managing Director held by Datin Toh Siew Chuon ("Datin Toh") but having regard to the experience and leadership of Datin Toh, the Board is opined the current arrangement is in the best interest of the Group. She is assisted by Executive Director, Mr. Tee Eng Seng who has more than 20 years of experience in Civil and Building Construction. Nonetheless, 60% of the Board members are Independent Directors on the Board, who are capable to express objective and independent views, the effectiveness of the Board and Board independence in terms of Malaysian Code on Corporate Governance ("MCCG") continues to be considerably enhanced and not in the least compromised.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: Presently, the Chairman of the board is not the member of the Audit & Risk Management Committee, Nomination Committee and Remuneration Committee. Datin Toh Siew Chuon (Executive Chairman) was invited to attend the committees' meeting, as her presence in the meeting was pivotal to provide valuable insights on the matters discussed in the meeting. However, she did not participate in the decision making of the resolutions, proposals and matters tabled for approval at the meeting.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	: Choose an item.

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretaries of the Company are Ms. Leong Shiak Wan, a member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and Puan Zuriati Binti Yaacob, a licensed secretary by the Companies Commission of Malaysia. Both of them have obtained Practising Certificate issued by Companies Commission of Malaysia.</p> <p>The Board recognises the importance of suitable qualified and competent Company Secretary to function as an advisor to the Board on corporate governance matters, compliance to rules and regulation and conduct of meetings in proper and effective manner.</p> <p>The Board review and consider the suitability, qualification, experience and competency of a candidate for Company Secretary prior to their appointment.</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	:	All meeting papers are circulated to the Directors a few days before Board of Directors' and other Committees' meetings. This is to ensure all Directors have reasonable time to study and prepare for the matters to be discussed in the meeting beforehand. Moving forwards, management will endeavour to improve to meet the recommended five (5) business days in advance of the meetings. Minutes are now circulated within one (1) month after the meeting instead of the previous practice of circulation before the next meeting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter has been adopted by the Board and it was last reviewed on 24 February 2022. The Board Charter set out the role, responsibilities, composition and operations of the Board and the commitment to corporate governance, including matters reserved for the Board.</p> <p>The Board will periodically review this Charter to ensure it remains consistent with the Company's objectives and Board's responsibilities and in compliance with any new regulations.</p> <p>The Board Charter is made available in the corporate website at: http://www.kpproperty.com.my under Corporate Governance section.</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 Board observes the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia and commits to ethical values through the maintenance of a code of conduct and ensure the implementation and compliance with the code of conduct.</p> <p>In discharging his/her duties, each Director must:</p> <ul style="list-style-type: none">• comply with laws, regulations and the Board Charter;• observe high standard of corporate governance;• exercise care and diligence;• act in good faith and in the best interests of the Company and the Group;• not improperly use his/her position or misuse information of the Group;• commit the time necessary to discharge effectively his/her role as a Director; and• declare any personal, professional or business interests that may arise and conflict with his/her responsibility as a Director. <p>The Code of Conduct and Ethics is included in the Board Charter and is made available in the corporate website at http://www.kpproperty.com.my under Corporate Governance section.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

The 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 Whistleblowing Policy governs the disclosures, reporting and investigation of misconduct within the Group as well as the protection offered to the persons making those disclosures from any reprisal treatment in accordance to Whistleblower Protection Act 2010. The scope of the policy applies to the Group's Board members, employees and other stakeholders.</p> <p>Under the Whistleblowing Policy, any person may report allegations of misconduct or any breach of law or regulation that may adversely impact the Group. Disclosures can be made to ANY of the following reporting channels, in strictly confidential manner:</p> <p>Email to whistleblowing@kpproperty.com.my whereby this email shall be auto forwarded to Mr. Kuan Ying Tung, the Company's Independent Non-Executive Director's personal email account, who shall bring the matter to the attention of the Audit & Risk Management Committee; or write to the attention of Mr. Kuan Ying Tung, the Company's Independent Non-Executive Director.</p> <p>The Whistleblowing Policy is made available in the corporate website at http://www.kpproperty.com.my under Corporate Governance section.</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 Company has formed a Sustainability Steering Committee which is directly accountable to the Board. The Sustainability Committee is currently chaired by Datin Toh Siew Chuon with Mr Tee Eng Seng as committee member. The heads from various departments form a Sustainability Function Team that reports to the Sustainability Committee.</p> <p>The responsibility of the Board includes the following: -</p> <ol style="list-style-type: none">1) Oversee the sustainability effort and initiatives of the Group;2) Review and endorse the material sustainability matters of the Group;3) Review and endorse the sustainability initiatives proposed by the Sustainability Committee;4) Review and endorse the annual sustainability report for inclusion in the annual report; and5) Set strategies that support long-term value creation. <p>The responsibility of the Sustainability Steering Committee to promote and embed sustainability in the Group includes overseeing the following:</p> <ol style="list-style-type: none">1) Stakeholders' engagement2) Identification of material sustainability matters that are relevant to the Group's business operation;3) Management of material sustainability risk and opportunities including of sustainability initiatives and measures to be implemented across the Group; and4) Tracking and communication of sustainability strategies, priorities and targets as well as performance against targets to internal and external stakeholders.
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	:	The sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders regularly via <ul style="list-style-type: none"> • Internal - emails, employee engagement, presentation to management and etc. • External - corporate website, annual report , investor presentations, analysts’ briefings and etc. 	
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	:	The Board provides its view and opinions on any of the Group sustainability issues during the Board meetings.	
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board and Senior Management have reviewed and formulated strategies to address the material sustainability risks and opportunities within the Group. However, the evaluation of such actions has yet to be embedded in the annual performance evaluation of the Board and Senior Management.	
		The Company does not have any alternative practice currently.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Not adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination Committee will assess and review the performance and effectiveness of the Board and Board Committees and to consider the appropriate size and composition of the Board. The underlying policy in determining the size and composition of the Board is based on the consideration of the complexity and scale of operations of the Company and the Group, the Board balance and Board’s capacity to discharge its responsibilities effectively.</p> <p>On an annual basis, the Nomination Committee will review the independence of the Independent Directors.</p> <p>In recommending the Directors for re-election to the Board, the Nomination Committee would refer to the individual Directors’ annual assessment result to ensure that feedback given and scoring achieved by the relevant directors who are retiring by rotation are satisfactory.</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	:	The existing board members consist of three Independent Directors and two Non-Independent Directors. 60% of the board comprises 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 5.3

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>Mr Kuan Ying Tung and Mr Low Wuu Shin were appointed as Independent Directors on 5 November 2018. Mr Tee Sun Ee was appointed as Independent Director on 22 November 2018.</p> <p>Currently, the Company does not have any independent non-Executive Director who has served a cumulative term limit of nine (9) years.</p> <p>For good corporate governance, upon completion of the nine (9) years, an Independent Directors may continue to serve on the Board subject to his re-designation as a Non-Independent Director. In the event the Board retains an independent director, who has served in the capacity for more than nine (9) years, the Board shall seek annual shareholders' approval. An Independent Director tenure is limited to not more than a cumulative period of 12 years.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.4 - 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	:	Besides considering criteria such as suitability, qualification, experience and competency of a candidate to the Board, the Board and Nomination Committee also take consideration of the requirement of balanced Board in view of board diversity in skills and knowledge, experience, age, cultural background, gender and ethnicity. On annual basis, the Nomination Committee will conduct a review on the Board mix of skills, experience and other qualities and submit its recommendations to the Board. The Directors are required to notify the Chairman of the Board before accepting any new directorships and to indicate the time expected to be spent on the new appointment. In any circumstances, the Directors must not hold more than 5 directorships in public listed companies in accordance with the Listing Requirements. This is to ensure the Directors do not have competing time commitments that may impair their ability to discharge their responsibilities effectively in the Company.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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 Board has in place a policy on Nomination Process of Directors to guide the Nomination Committee to identify, evaluate and recommend to the Board the candidate to be appointed as Director.</p> <p>In identifying candidates for appointment of directors, the Board and Nomination Committee will consider recommendations from existing board members, management, major shareholders and third-party sources to identify suitable qualified candidates, when necessary. New board candidates proposed to fill vacancy arises from resignation, retirement or any other reasons will be reviewed by Nomination Committee before recommending to the Board for further deliberation. The evaluation process may include reviewing the candidate's resume, biographic information, qualifications, skills, knowledge, expertise, experience, competency and his/her understanding of the Group's business environment.</p> <p>There is no new appointment of Director during the financial year ended 31 March 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

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 profiles of Directors include their age, gender, date of appointment, directorship in other companies, working experience and any conflict of interest as well as their shareholdings in Kerjaya Prospek Property Berhad, If any, are published in the Annual Report.	
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. Kuan Ying Tung, whom is an Independent Non-Executive Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Presently, the Board consists of five (5) Directors with a mixture of gender, where 20% of the Board members are women Directors. To comply with the 30% women Directors, the Board requires to appoint one (1) more women Director to the present composition.	
		The Company does not set any specific target for boardroom diversity and female representation will be considered when suitable candidates are identified.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board acknowledges the benefits and importance of gender diversity policy and target. When appointing a Director, the Nominating Committee will always evaluate and match the criteria of the candidate to the Board based on individual merits, experience, skill, competency, knowledge and potential contribution, whilst the Code will also be given due consideration for boardroom diversity.	
		The Company does not set any specific target for boardroom diversity and female representation will be considered when suitable candidates are identified.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Nomination Committee undertakes annual assessment to evaluate the performance of each individual directors, the effectiveness of the Board and the Board Committee. Thereafter, the summary results and recommendations (if any) will be tabled and discussed in the Board meeting. The process of evaluation was headed by the Nomination Committee and administered by the Company Secretary.</p> <p>The effectiveness of the Board and Board Committees are assessed in the areas of board structure/mix, decision making and boardroom participation and activities, meeting administration and conducts, skill and competencies and role and responsibilities whilst the performance of the individual Directors are assessed in the areas of contribution and interaction with peer, quality of the input of the Director, understanding of role, etc.</p> <p>During annual assessment exercise, the Directors are given a performance evaluation sheet for Individual Director Self/Peer Evaluation, Board and Board Committee Evaluation to complete. Sufficient time is given to the Directors to complete the forms and upon completion, the forms are submitted to the Chairman for tabling to the Nomination Committee for review in due course.</p> <p>The results of the annual assessment on the Board, the Board Committees and individual directors for the Financial Year were all satisfactory.</p> <p>The Directors who are subject to re-election and/or re-appointment at the next AGM shall be assessed by the Nomination Committee before recommendation is made to the Board and shareholders for the re-election and/or re-appointment. Appropriate assessment and recommendation by the Nomination Committee would be based on inter-alia the yearly assessment conducted.</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 7.1

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	:	The Board has put in place remuneration policy to determine the remuneration of Directors and Senior Management. Details in the policies and practices adopted by the Board are set out in the Corporate Governance Overview Statement contained in the Annual Report 2022. Essentially, the remuneration of the Executive Directors is linked to the financial performance of the Group and the respective Directors' individual performance. As for the Independent Non-Executive Directors, their remuneration is in the form of Directors' fee and benefits (i.e meeting allowance). Save for the foregoing, none of the Independent Non-Executive Directors received any other remuneration from the Company and/or the Group.
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	:	<p>The Board has a Remuneration Committee which operates within its defined Terms of Reference, a copy of which can be obtained from the Company's website at www.kpproperty.com.my under Corporate Governance section.</p> <p>The members of the Remuneration Committee are as follows and comprised wholly Independent Non-Executive Directors:</p> <ul style="list-style-type: none">(1) Mr. Kuan Ying Tung(2) Ir. Low Wu Shin(3) Mr. Tee Sun Ee <p>The remuneration of the Executive Directors (who are also the Senior Management) is reviewed and recommended by the Remuneration Committee to the Board for approval. All Directors shall abstain from discussions and decisions on their own remuneration. Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved during Annual General 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	:		
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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 published in the Annual Report under Corporate Governance Overview Statement.

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	Datin Toh Siew Chuon	Executive Director	35	-	-	-	-	-	35	-	-	396	33	-	51	480
2	Tee Eng Seng	Executive Director	35	-	-	-	-	-	35	-	-	396	33	-	51	480
3	Kuan Ying Tung	Independent Director	50	6	-	-	-	-	56	-	-	-	-	-	-	-
4	Ir Low Wu Shin	Independent Director	35	6	-	-	-	-	41	-	-	-	-	-	-	-
5	Tee Sun Ee	Independent Director	35	6	-	-	-	-	41	-	-	-	-	-	-	-
6	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				
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here				
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				
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				
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				
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				

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	:	Not applicable - all members of senior management are also members of the board	
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	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.				
2	Input info here	Input info here	Choose an item.	Choose an item.				
3	Input info here	Input info here	Choose an item.	Choose an item.				
4	Input info here	Input info here	Choose an item.	Choose an item.				
5	Input info here	Input info here	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	:	Adopted
Explanation on adoption of the practice	:	All Executive Directors are also top senior management of the Group. The detailed remuneration of the Executive Directors is disclosed in the Corporate Governance Overview Statement as contained in the Company's Annual Report 2022 and Practice 8.1 above.

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Datin Toh Siew Chuon	Executive Chairman	396	-	33	-	51	480
2	Tee Eng Seng	Executive Director	396	-	33	-	51	480
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of Audit and Risk Management Committee and the Board is held by two different individuals. The Chairman of the Audit and Risk Management Committee is Mr Kuan Ying Tung and the Chairman of the Board is Datin Toh Siew Chuon.	
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>As guided in the Audit and Risk Management Committee's Term of Reference, a member who was a former partner of the external audit firm of the Company is required to observe a cooling-off period of at least 3 years before being appointed to the Committee.</p> <p>The above requirements apply to all former partners of the audit firm and/or the affiliates firm (including those providing advisory services, tax consultancy, etc).</p> <p>During the financial year ended 31 March 2022, none of the present members of the Audit and Risk Management Committee were former partners of the external audit firm of the Company. With the present composition structure and practice, the Audit and Risk Management Committee is able to objectively review and report its findings and recommendations 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

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>Annually, the Audit and Risk Management Committee ("ARMC") will review the appointment, performance and remuneration of the External Auditors before recommending them to the Board for approval to seek shareholders' approval at the forthcoming Annual General Meeting ("AGM") for re-appointment. In assessing the External Auditors, the ARMC will take into consideration the adequacy of resources of the firm, quality of service and competency of the staffs assigned the audit as well as the auditors' independence and fee to determine the suitability and objectivity of the External Auditors.</p> <p>For effectiveness and independence conduct of the ARMC's functions, the ARMC have separate discussion with the External Auditors without the presence of the Executive Directors and employees of the Group as and when necessary to discuss matter that ARMC or the auditors believe should be discussed privately or to have a discussion about any matters or significance that arose during the audit process.</p> <p>Also, as part of the ARMC's review process, the ARMC will obtain assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>The ARMC had undertaken the above procedures in assessing the External Auditors and recommend to the Board for approval for seeking shareholders' approval at the 29th Annual General Meeting for the appointment of KPMG PLT as Auditors for the Company for the financial year ending 31 March 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

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 Board has established an effective and independent Audit and Risk Management Committee where the Audit and Risk Management Committee comprises solely of Independent Non-Executive Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board had reviewed the terms of office of the Audit and Risk Management Committee members and assess the performance of the Audit and Risk Management Committee through the annual board committee assessment facilitated by Nomination Committee. Based on this assessment, the Board is satisfied with the performance of the Audit and Risk Management Committee and the level of knowledge and skills of the Audit and Risk Management Committee members needed to discharge their duties and to understand the matters under the Committee's purview on financial reporting.</p> <p>In addition, the Audit and Risk Management Committee members of the Company also kept abreast to the changes and updates of accounting standards, practices and rules affecting 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 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is ultimately responsible for the overall risk management while the Executive Directors are primary responsible for managing risks in the Group. Issues related to risk management and internal control were also discussed and presented to the Audit and Risk Management Committee at its quarterly meetings.</p> <p>The Board has received assurance from the Executive Directors that the Group’s risk management and internal control systems are operating adequately and effectively, in all material aspects, based on the risk management framework adopted by the Group.</p> <p>Details of the risk management and internal control framework was published in the Company’s Annual Report under Statement on Risk Management & Internal Control.</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 acknowledges its responsibility for the Group's risk management and internal control which includes identifying principal risks, implementing appropriate control measures to manage risks and reviewing the adequacy and effectiveness of the risk management and internal control systems on continuous basis.</p> <p>The processes for identifying, evaluation, monitoring and managing significant risk that may impede the achievement of the Group's business and corporate objectives. The Board through the Audit and Risk Management Committee reviews the internal control processes to ascertain those measure taken to mitigate risk.</p> <p>The detail features of the risk management and internal control framework and the adequacy and effectiveness of this framework were published in the Company's Annual Report under Statement on Risk Management & Internal Control.</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	:	The Audit and Risk Management Committee comprises solely of Independent Directors: (1) Mr. Kuan Ying Tung (2) Ir. Low Wu Shin (3) Mr. Tee Sun Ee

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 of directors (“the Board”) acknowledges the importance of maintaining a sound system of internal control and effective risk management as part of its on-going efforts to practice good corporate governance.</p> <p>The Group’s Internal Audit function is outsourced to external consultant. The Internal Audit team reviews the risk identification procedures and control processes implemented by the Management, conducts audits that encompass reviewing critical areas that the Company faces and reports to the Audit and Risk Management Committee on a periodic basis. Any significant weaknesses identified during the reviews together with the improvement measures to strengthen the internal controls were reported to the Audit and Risk Management Committee.</p> <p>The Internal Audit team continues to independently, objectively and regularly review key processes, check compliance with policies/procedures, evaluate the adequacy and effectiveness of internal control, risk management and governance measures in respect of any non-compliance. The annual audit plan, established primarily on a risk-based approach, is reviewed and approved by the Audit and Risk Management Committee annually. The Audit and Risk Management Committee oversees the Internal Audit team’s functions, its independence, scope of work and resources.</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

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 Group’s internal audit function (“IAF”) is outsourced to a professional Internal Audit firm, Tricor Axcelasia Sdn. Bhd. The engagement Executive Director is Ms. Melissa Koay who has diverse professional experience in internal audits, risk management and corporate governance advisory. She is a Chartered Member of the Institute of Internal Auditors Malaysia, a member of the Malaysian Institute of Accountants and a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom. Ms. Melissa is also a Certified Internal Auditor. The number of staffs deployed for the internal audit reviews was 3 - 4 staffs per visit including the engagement Executive Director. The staffs involved in the internal audit reviews possesses professional qualification and/or a university degree. Certain of the staff are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p> <p>The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework (“IPPF”).</p> <p>The above was disclosed in Annual Report under Audit and Risk Management Committee 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

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 ensures that its shareholders are well informed via proper procedures which have been established for the timely release of material share price-sensitive information, quarterly financial results, regulatory financial statements and other matters affecting shareholders' interests and stakeholders as well.</p> <p>Periodically, the Group had also conducted analyst briefings during the year to provide detailed explanation and presentation about the business performance of the Group and its prospect.</p> <p>Stakeholders can obtain information on the Group by accessing the Company's and also Bursa Securities' websites.</p> <p>The following personnel have been identified as the investor contact person of the Group:</p> <p>Contact person: Mr. Yong Kah Hu Tel: 603-6277 2666 Email: ir@kpproperty.com.my</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company has not adopted integrated reporting framework for its financial year ended 31 March 2022 as the Company is not a 'large company' under Malaysian Code of Corporate Governance's definition.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board recognises the importance of accountability to its shareholders through proper communication with them. The Annual General Meeting is the principal form of dialogue with the shareholders. Shareholders are notified at least 28 days prior to the meeting and a copy of the Company's Annual Report is available for download from the Company's website before the meeting. All shareholders are encouraged to attend the Annual General Meeting and participate in its proceedings. Every opportunity is given to the shareholders to ask questions and seek clarification on the business and performance of the Group and the Company.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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 28th Annual General Meeting held on 9 September 2021.</p> <p>The Shareholders are encouraged to give their feedback and ask for clarification related to the conduct of the Company and performance of the Company. The Chairperson of the Board and Board Committees are required to revert those question/feedback under their purview in the Annual General 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 Company had leveraged on technology to facilitate remote shareholders' participation and electronic voting for the conduct of poll on the resolutions at its virtual Annual General Meeting ("AGM") held on 9 September 2021. The entire AGM proceedings were held through Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via its portal at https://tjih.online . The Administrative Guide including the procedures for RPV facilities were published in the Annual Report and Company's website. PRV facilities provide the option for shareholders to cast their votes virtually at general meeting without the need to appoint a proxy.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The 28th Annual General Meeting was held on a virtual basis through live streaming that allows remote participation of Directors and shareholders and their appointed proxies. The virtual AGM allows greater shareholders' participation as it facilitates electronic voting and remote participation including the right to pose questions to the Board and/or Management of the Company and vote at the AGM.</p> <p>At the 28th AGM, the Board presented the Groups' business overview and financial performance for the financial year ended 31 March 2021.</p> <p>In view that the shareholders were allowed to submit questions commencing 9 August 2021 (the date of notice of AGM), they were given sufficient opportunity to pose their questions before the AGM. The Chairman of the AGM had also informed the shareholders during that they could submit their questions and comments to the Board during the AGM via the RPV facilities. The answer of all the questions were addressed by the Executive Chairman, before the commencement of poll voting. Answers to questions received are published as part of the Minutes of the AGM on the Company's website at www.kpproperty.com.my.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application	: Applied
Explanation on application of the practice	: <p>Due to the constant evolving COVID-19 situation in Malaysia in year 2021, the 28th Annual General Meeting (“AGM”) was held on a virtual basis through live streaming on 9 September 2021.</p> <p>A step-by-step administrative guide was issued to assist shareholders on the registration, participation and voting using the platform prior to the meeting day. The Administrative Guide was also published in the Annual Report and Company’s website to encourage shareholders’ participation. Prior to the 28th AGM, a dry run was conducted to ensure that technical issues were resolved up front and were in working order.</p> <p>During the AGM, the Poll Administrator briefed the shareholders and proxies on the remote voting procedures and the manner to pose questions at the meeting.</p> <p>During the “Questions and Answers” session, the shareholders had experienced real time interaction with the Chairman and the Board during the AGM. Sufficient time and opportunity were given to the shareholders to raise their question and concern as explained under Practice 13.4. Questions posed by shareholders had been made visible to all meeting participants during the meeting itself.</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

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	: Minutes of the 28 th Annual General Meeting (“AGM”) have been made available to shareholders no later than 30 business days after the AGM on its website at www.kpproperty.com.my .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**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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