

CORPORATE GOVERNANCE REPORT

STOCK CODE : 3484
COMPANY NAME : DAMANSARA HOLDINGS BERHAD
FINANCIAL YEAR : June 30, 2021

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>Damansara Holdings Berhad (“DBHD” or “the Company”) has put in place appropriate measures to align its corporate governance practices with the commercial principles of the Company.</p> <p>All Board members are expected to act in a professional manner, thereby upholding the core values of integrity with due regard to their fiduciary duties and responsibilities. All Board members are responsible to the Company for achieving a high level of good corporate governance, oversees the activities of the Management in carrying out their delegated duties and exercises their business judgement to act in what they reasonably believe to be in the best interests of the Company and its shareholders.</p> <p>As prescribed by the Malaysian Code on Corporate Governance (“MCCG”), the Board’s duties and responsibilities in meeting the goals and objectives of the Company, is included in its Board Charter. The Board Charter forms an integral part of each Director’s duties and responsibilities including the Terms of Reference (“TOR”) of the Board Committees. The Board Charter is made available on the Company’s website at www.dbhd.com.my.</p> <p>The Board together with the Management on an annual basis, conduct a strategy review and budget challenge session whereby it provides an avenue for the Board and Management to discuss among others, the strategic direction of the Company for a given year, the financial and operational performance of the Company, the setting of the Key Performance Indicators (“KPIs”), budget allocation, etc.</p> <p>The Group Managing Director (“GMD”), assisted by the Senior Management team, is responsible for the business and day-to-day management of the Company. The Board will monitor the performance of the Group through the quarterly progress report presented to the Board by Management of the Company.</p> <p>The Board through the Board Risk Management Committee reviews the</p>

	<p>periodic risk report of the Group to ensure that the risk management and control measures are in place.</p> <p>The Board Audit Committee provides critical oversight of the Group’s financial reporting process, monitoring the external and internal auditing processes, compliance with relevant legal and statutory matters, etc.</p> <p>Meanwhile, the Board Nomination and Remuneration Committee is tasked with the responsibility of, among others, overseeing the succession planning and talent management of the Company, establishing a competitive remuneration policy of the Group, etc.</p> <p>The Board has identified the Annual Report and the Annual General Meeting as the key channel of communications with the shareholders/stakeholders, to report the progress and performance of the Company.</p>
Explanation for departure	: Not applicable
<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>The Company is led by YB. Dato' Ahmad Zahri bin Jamil, an Independent Non-Executive Chairman which has an extensive experience in the public sector.</p> <p>The Chairman's roles and responsibilities are clearly defined in the Board Charter of the Company, among others are as follows:</p> <ul style="list-style-type: none">• Providing leadership for the board so that the board can perform its responsibilities effectively.• Setting the board agenda and ensuring that board members receive complete and accurate information in a timely manner.• Leading board meetings and discussions.• Encouraging active participation and allowing dissenting views to be freely expressed.• Managing the interface between board and management.• Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the board as a whole.• Leading the board in establishing and monitoring good corporate governance practices in the Company. <p>The Board Charter is made available on the Company's website at www.dbhd.com.my.</p>
Explanation for departure	:	Not applicable
<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 Chief Executive Officer ("CEO") are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>Currently, the positions of Chairman and CEO are held by two different individuals. YB. Dato' Ahmad Zahri bin Jamil leads the Board as the Non-Executive Chairman, whilst Encik Azman bin Tambi Chik, Group Managing Director ("GMD"), assisted by the Senior Management team, is responsible for the business and day-to-day management of the Company.</p> <p>The Board Charter clearly specifies the separation of the roles and responsibility that shall be portrayed by the Chairman and the GMD.</p> <p>The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board, whilst the GMD holds the principal responsibilities of reporting, clarifying, communicating and recommending key strategic and operational matters and proposals to the Board for deliberation, consideration and approval as well as implementation of policies and strategies within the Group.</p>
Explanation for departure	:	Not applicable
<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 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>On 30 August 2021, the Company had appointed Cik Syarina binti Ismail as the Group Company Secretary in place of Encik Mustaffa bin Abdul Razak who was demised on 31 July 2021.</p> <p>The Company Secretary is a qualified Chartered Secretary (ICSA) and Associate Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA).</p> <p>The Company Secretary advises the Board on corporate disclosures and compliance with the relevant changes to the laws, rules and regulations, which include amendments on Companies Act, 2016, Malaysian Code on Corporate Governance and Main Market Listing Requirements (MMLR).</p> <p>The Company Secretary plays an advisory role to the Board in relation to the Company's Constitution, the Board's policies and procedures, and compliance with the relevant regulatory requirements, codes or guidance and legislations. The Company Secretary is suitably qualified, competent and capable of carrying out the duties required.</p> <p>The Company Secretary serves notice to the Directors and Principal Officers to notify them of closed periods for trading in the Company's shares, in accordance with Chapter 14 of the MMLR of Bursa Securities. The Company Secretary also ensures the providing of relevant and accurate information of the meeting materials, recording of meeting minutes and resolutions of the Board and Board Committees for the Board's deliberation and approval.</p> <p>In order to ensure the Company Secretary is well updated on the relevant regulations, several trainings on listing requirements, Companies Act, 2016 updates and corporate governance had been attended by the Company Secretary as part of her continuous professional development. She has also attended many relevant continuous professional development programmes as required by MAICSA for practicing Chartered Secretaries.</p> <p>The roles and responsibilities of the Company Secretary are set out in the Board Charter, which is available on the Company's website at www.dbhd.com.my.</p>

Intended Outcome

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

Practice 1.4

Explanation for departure	:	Not applicable	
<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

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>The Directors in discharging their duties and responsibilities are entitled to have full and unrestricted access to both financial and non-financial information and to management on matters relating to the Group's operational and financial performance.</p> <p>Eight (8) Board meetings were held during the Financial Year 2021.</p> <p>The Notice of the meeting together with the Agenda, full set of Board papers to be deliberated at each Board meeting. The Board papers are circulated to all Directors at least five (5) business days prior to each Board meeting, to ensure the Directors have sufficient time and information to review and make an informed decision at each Board meeting.</p> <p>In addition, to ensure the Directors are well-informed of the proceedings held, the minutes of meetings are recorded by the Company Secretary and circulated to Directors within a reasonable timeframe upon conclusion of the meetings.</p> <p>The Board always ensures that the minutes of meetings accurately reflect the deliberations and decisions of the Board, and any Director who has abstained from voting and deliberating on a particular matter will be recorded in the minutes accordingly.</p> <p>Decisions, recommendations and request from the Board for appropriate follow up actions to be taken by Management are communicated to Management by the Company Secretary after the Board and/or Board Committee meetings.</p>
Explanation for departure	:	Not applicable
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Intended Outcome

Timeframe :		
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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 acts as a source of reference to the Board for matters relating to the Board's organisation, responsibilities and procedures, etc. The powers and authority of the Board are derived from the Company’s Constitution, the Companies Act 2016 and the Listing Requirements, as amended from time to time.</p> <p>The Board Charter is available on the Company’s website at www.dbhd.com.my.</p> <p>The Board Charter clearly identifies the respective roles and responsibilities of the Board, Board Committees, the Chairman, the GMD and the Senior Independent Director.</p> <p>The Board Charter is reviewed from time to time and updated in accordance with the needs of the Company and any new regulations that may have an impact on the roles and responsibilities of the Board/Committees.</p> <p>The Board is aware of the importance of continuous training for the Directors to enable them to discharge their duties effectively. The Board will continuously evaluate and determine the training needs of the Directors as prescribed in the Board Charter. All Directors are encouraged to attend continuous education programmes and seminars to keep abreast of the current developments and business environment affecting their roles and responsibilities.</p> <p>The Group Company Secretary Division facilitates and coordinates internal and external training programmes that are beneficial in aiding the Directors in discharging their duties and responsibilities effectively.</p> <p>During the financial year under review, there were limited trainings attended by the Board members due to the Movement Control Order. The trainings attended by the Board members are as follows:-</p>

Intended Outcome

	No.	Director	Courses
	1.	YB Dato' Ahmad Zahri bin Jamil	<ul style="list-style-type: none"> • Dealing with Enforcement under Bursa Listing Requirement & Conduct of Directors of Listed Corporations and Their Subsidiaries. (26 August 2020) • Revised Malaysian Code on Corporate Governance (9 September 2021)
	2.	Encik Azman bin Haji Tambi Chik	<ul style="list-style-type: none"> • Dealing with Enforcement under Bursa Listing Requirement & Conduct of Directors of Listed Corporations and Their Subsidiaries. (26 August 2020) • Mandatory Accreditation Program (21 August 2020) • Corporate Governance Case Studies - MAICSA (19 May 2021) • Revised Malaysian Code on Corporate Governance (9 September 2021)
	3.	YBhg Dato' Mohd Aisom bin Omar	<ul style="list-style-type: none"> • Dealing with Enforcement under Bursa Listing Requirement & Conduct of Directors of Listed Corporations and Their Subsidiaries. (26 August 2020) • Revised Malaysian Code on Corporate Governance (9 September 2021)
	4.	Encik Shahrizam bin A Shukor	<ul style="list-style-type: none"> • Dealing with Enforcement under Bursa Listing Requirement & Conduct of Directors of Listed Corporations and Their Subsidiaries. (26 August 2020)
	5.	Puan Vinie Chong Pui Ling	<ul style="list-style-type: none"> • Dealing with Enforcement under Bursa Listing Requirement & Conduct of Directors of Listed Corporations and Their Subsidiaries. (26 August 2020) • Revised Malaysian Code on Corporate Governance (9 September 2021)
Explanation for departure	: Not applicable		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			

Intended Outcome

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 of Directors of DBHD has prioritized to maintain an ethical corporate culture and a healthy business conduct for the Group. In enhancing the above, the Code of Conduct and Ethics will be periodically reviewed and disseminated its updates to all the Directors, Management and staff through electronic mail or internal memorandum.</p> <p>The Board and all employees of the Group are committed to adhering to best practices in corporate governance and observing the highest standards of integrity and behaviour in all activities conducted by the Group, including the communication with its stakeholders and within the environment in which the Group operates.</p> <p>The principles on which the Code of Conduct and Ethics relies, are those that concern transparency, integrity, accountability and corporate social responsibility.</p> <p>In addition, the Employee Handbook has also been initiated by the Management and disseminated to the employees of the Group. It is embedded as part of the Company’s on-boarding session to all new employees.</p> <p>The Code of Conduct and Ethics for Directors is available in the Company’s website at www.dbhd.com.my.</p>
Explanation for departure	:	Not applicable
<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 Board has established a Whistle-Blowing Policy which provides a medium or channel for the employees and stakeholders to report and disclose genuine concerns on wrongdoings, malpractices, unethical behavior and misconduct without any fear of reprisal.</p> <p>The Group has also put in safeguards to protect the identity of the Whistleblower to encourage employees of the Group to report any breach or reasonably suspected wrongful malpractices without fear of reprisal so that the problem can be identified at an early stage and resolved quickly within the Group.</p> <p>The Board is responsible for overseeing the implementation of the Whistle-Blowing Policy and all whistle-blowing concerns are reported directly to the Chairman of Audit Committee. The Chairman of Audit Committee shall determine the nature of the concerns and shall instruct the Investigating Officer to assess and investigate the concerns.</p> <p>The Investigating Officer is required to report all concerns raised, the status of all pending and on-going investigations, and any action taken or to be taken as a result of the investigations, to the Chairman of Audit Committee and/or the Group Managing Director.</p> <p>The Board will ensure the Whistle-Blowing Policy in place is adhered by all personnel level.</p> <p>The Whistle-Blowing Policy is available in the Company's website at www.dbhd.com.my</p>
Explanation for departure	:	Not applicable
<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 4.1

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>Presently, the Board of DBHD comprises four (4) Independent Non-Executive Directors out of five (5) Directors. With more than half of the Board comprises the Independent Directors, it will provide sound decision-making process by the Board without any bias or prejudices to the stakeholders of the Company.</p> <p>The Group has made good use of the Board's diversity in thought, perspective, knowledge, skills, industry experience, cultural and geographical background, age, ethnicity and gender, to retain its competitive advantage. These diversities have been considered in determining the optimum composition of the Board and if necessary, will be balanced accordingly.</p>
Explanation for departure	:	Not applicable
<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 4.2

The tenure of an independent director does not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) 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 justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.

Application	:	Not applicable - No independent director(s) serving beyond 9 years	
Explanation on application of the practice	:	Not applicable	
Explanation for departure	:	Not applicable	
<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	:	Not applicable	

Intended Outcome

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

Practice 4.3 - Step Up

The board has a policy which limits the tenure of its independent directors to nine (9) years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 4.4

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.

Application	:	Applied
Explanation on application of the practice	:	<p>To ensure an appropriate diversity in the skills, experience, age, ethnicity, gender and cultural background of the Board, the Board Nomination and Remuneration Committee (“BNRC”) is responsible to seek suitable potential candidate(s). Its duties and responsibilities are stated in its TOR.</p> <p>In accessing the potential candidate(s) for the Board, the BNRC has considered candidates based on objective criteria, merit and with due regard for diversity in skills, experience, age, gender and cultural background. Presently, the Board is made up of members with a mix of skill sets, background and experiences in their respective areas that contributes effectively in directing the management and business affairs of the Group. The Board supports the representation of women in the composition of the Board and currently has one (1) woman Director on the Board.</p> <p>An appropriate strategy and measures are used to identify the best possible candidates on recruitment process for Senior Management of the Company. This will be based on the current team’s strengths and weaknesses and hence, the focus will be directed on the best fit of knowledge, experience, age, cultural background and gender needed by the Management team.</p>
Explanation for departure	:	Not applicable
<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

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

Practice 4.5

The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

Application	:	Applied
Explanation on application of the practice	:	A Board Diversity Policy has been established by the Board Nomination and Remuneration Committee ("BNRC"), which stated that the Board must have at least one (1) female Director in the composition of the Board. The BNRC has achieved its target of having at least one (1) female Director in the composition of the Board by having Puan Vinie Chong Pui Ling as our Independent Non-Executive Director.
Explanation for departure	:	Not applicable
<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 4.6

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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The identification and appointment of new Directors undergo a process led by the Board Nomination and Remuneration Committee which reviews the required mix of skills, experience and other qualities of the Directors to ensure that the Board is functioning effectively and efficiently.	
		Currently, the identification for appointment of directors is largely based on recommendation from existing Directors, senior management and major shareholders.	
		In line with the recommendation of the Malaysian Code on Corporate Governance, other than relying on the recommendation from the existing Board members, management and/or major shareholders, the Board will also explore independent sources to identify suitable qualified candidates, where necessary.	
<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 4.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Nomination and Remuneration Committee (“BNRC”) comprises exclusively Independent Non-Executive Director and chaired by an Independent Director. The BNRC held five (5) meetings during the financial year and all members attended the meeting.</p> <p>During the financial year, the composition of BNRC was as follows:</p> <ol style="list-style-type: none">1) YB. Dato’ Ahmad Zahri bin Jamil (Chairman)2) YBhg. Dato’ Mohd Aisom bin Omar (Member)3) Puan Vinie Chong Pui Ling (Member) (appointed as a member of BNRC on 13 April 2020)4) Tuan Hj Abdullah bin Md Yusof (Member) (ceased as a member of BNRC on 18 March 2020) <p>The Terms of Reference of BNRC is published on the Company’s website at www.dbhd.com.my.</p>
Explanation for departure	:	Not applicable
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.1

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 and its outcome.

For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

Application :	Applied
Explanation on application of the practice :	<p>The Board has, through the Board Nomination and Remuneration Committee (“BNRC”), conducted the following annual assessments in the financial year ended 30 June 2021:-</p> <p>a) Directors’ self-assessment</p> <p>The annual assessment of the Directors is based on a comprehensive assessment system, which commences with the completion of a set of comprehensive Self-Assessment Form detailing all assessment criteria which must be completed by each Director for evaluation by the BNRC. Criteria for the self-assessment include self-ratings on the Director’s knowledge, support of the mission and goals of the Company, time commitment, and active participation on the Board.</p> <p>The completed evaluation forms were submitted to the Company Secretary, who tabulated the results for tabling at the BNRC meeting.</p> <p>Based on the evaluation conducted in the financial year ended 30 June 2021, the BNRC and the Board were satisfied with the performance of the individual Directors.</p> <p>b) Board Audit Committee Members’ Self and Peer Evaluation</p> <p>The members of the Board Audit Committee (“BAC”) will assess themselves and their peers separately. The self-assessment by the members of the BAC will be used by the BNRC together with the BAC’s Evaluation Questionnaire to assess the overall performance of the BAC.</p>

	<p>c) Board Committees' Evaluation</p> <p>The BNRC will assess the performance of Board Committees, namely Board Audit Committee and Board Risk Management Committee on an annual basis. The deliberations of the BNRC and the Board are duly minuted in their respective meetings.</p> <p>The Board is satisfied that the combination of different professionals and skills of each Director provide much diversity of perspectives and comprehension to lead and guide the Group in this competitive business environment.</p> <p>The Committee and the Board are satisfied with the current size of the Board and with the mix of qualifications, skills and experience of its Board members.</p> <p>d) Assessment of Independent Directors</p> <p>The Board has also assessed the independence of the Independent Directors on the Board, taking into account the following:-</p> <ul style="list-style-type: none"> • fulfillment of the definition of an independent director as set out in Paragraph 1.01 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements; • ability to exercise independent judgement and act in the best interests of the Company; • potential conflicts of interest with regards to any contracts or transactions with the Group; • significant personal or social relationship with the Management or major shareholders (including their family members) other than those on a professional level consistent with their duties and generally expected of them; • derivation of other remuneration and benefits apart from Directors' fees and other benefits approved by shareholders. <p>All the Independent Directors had executed their respective Declaration of Independence.</p>
<p>Explanation for departure</p>	<p>Not applicable</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	
<p>Timeframe</p>	

Intended Outcome

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

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

Practice 6.1

The board has in place 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 policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Nomination and Remuneration Committee ("BNRC") has established policies and procedures in determining remuneration packages for Directors and Senior Management of the Group. To ensure a fair remuneration package to attract, retain and motivate the Executive Directors and Senior Management, the policies and procedures are reviewed periodically and made available at the Company's website.</p> <p>The BNRC will ensure that the determination of Directors' remuneration is attributed to a few key factors such qualification, experience and responsibilities of the Directors to the Board and Board Committees.</p> <p>With regard to the remuneration package received by the Independent Directors, the BNRC will ensure that it does not conflict with their independency and objectivity of judgement made by the Independent Non-Executive Directors in providing their independent views and unbiased decisions.</p>
Explanation for departure	:	Not Applicable
		Not Applicable
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

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

Practice 6.2

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 Nomination and Remuneration Committee ("BNRC") comprises wholly of Independent Directors. The Terms of Reference ("TOR") of the BNRC is published on the Company's website at www.dbhd.com.my.</p> <p>The Board is of view that the existing BNRC has been functioning effectively and efficiently in matters relating to the nomination and remuneration functions and therefore, no separation is needed.</p> <p>During the financial year, the BNRC has undertaken the following activities:</p> <ol style="list-style-type: none">i. consider and recommend to the Board suitable candidates for appointment as Board members of the Company, Committees, subsidiaries and associates.ii. reviewed the performance of the Directors retiring by rotation and recommended to the Board on the re-election of directors.iii. conducted the Board evaluations exercise on the effectiveness of the Board and Board Committees for the financial year 2021.iv. reviewed and recommended to the Board, the remuneration packages of the Group's Managing Directors and Senior Management, including their terms of employment or contract of employment/service; benefit-in-kind; pension or incentive scheme entitlements; bonuses and fees; and any compensation payable on termination of the employment/service contract.

	<p>v. reviewed with the Group Managing Director, his goals and strategies and evaluate his performance against the Group's targets and strategies.</p> <p>vi. considered and recommended to the Board, the compensation/severance payments for Executive Directors and Senior Management, in the event of early termination of the employment/service contract.</p>
<p>Explanation for departure</p>	<p>: Not applicable</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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 7.1

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

Application	:	Applied																																																							
Explanation on application of the practice	:	<p>Remuneration of Directors for the Financial Year 2021 is as follows:-</p> <table border="1"> <thead> <tr> <th>Name of Directors</th> <th>Salaries⁽⁵⁾ RM</th> <th>Fees RM</th> <th>Allowances⁽⁶⁾ RM</th> <th>Bonus & Benefits in Kind</th> </tr> </thead> <tbody> <tr> <td>Non-Executive Directors</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Dato' Ahmad Zahri bin Jamil</td> <td>-</td> <td>180,000</td> <td>103,000</td> <td>-</td> </tr> <tr> <td>Dato' Mohd Aisom bin Omar</td> <td>-</td> <td>90,000</td> <td>20,000</td> <td>-</td> </tr> <tr> <td>Shahrizam bin A.Shukor</td> <td>-</td> <td>90,000</td> <td>19,000</td> <td>-</td> </tr> <tr> <td>Vinie Chong Pui Ling</td> <td>-</td> <td>90,000</td> <td>23,000</td> <td>-</td> </tr> <tr> <td>Executive Directors</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Azman bin Tambi Chik ⁽¹⁾</td> <td>766,182</td> <td>55,000</td> <td>6,000</td> <td>-</td> </tr> <tr> <td>Tuan Haji Abdullah bin Md Yusof ⁽²⁾</td> <td>232,683</td> <td>35,000</td> <td>7,000</td> <td>-</td> </tr> <tr> <td>Azhari bin Abdul Hamid ⁽³⁾</td> <td>579,467</td> <td>25,000</td> <td>2,000</td> <td>-</td> </tr> <tr> <td>Ts. Brian Iskandar bin Zulkarim ⁽⁴⁾</td> <td>493,260</td> <td>15,000</td> <td>2,000</td> <td>-</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) Appointed as Director and redesignated to Group Managing Director on 1 August 2020</p> <p>(2) Resigned as Executive Vice Chairman on 13 July 2020.</p> <p>(3) Ceased office as Group Executive Director on 6 May 2020.</p> <p>(4) Resigned as Group Managing Director on 27 March 2020.</p> <p>(5) Salaries inclusive employment allowances (if any).</p> <p>(6) Allowances including meeting allowance.</p>	Name of Directors	Salaries ⁽⁵⁾ RM	Fees RM	Allowances ⁽⁶⁾ RM	Bonus & Benefits in Kind	Non-Executive Directors					Dato' Ahmad Zahri bin Jamil	-	180,000	103,000	-	Dato' Mohd Aisom bin Omar	-	90,000	20,000	-	Shahrizam bin A.Shukor	-	90,000	19,000	-	Vinie Chong Pui Ling	-	90,000	23,000	-	Executive Directors					Azman bin Tambi Chik ⁽¹⁾	766,182	55,000	6,000	-	Tuan Haji Abdullah bin Md Yusof ⁽²⁾	232,683	35,000	7,000	-	Azhari bin Abdul Hamid ⁽³⁾	579,467	25,000	2,000	-	Ts. Brian Iskandar bin Zulkarim ⁽⁴⁾	493,260	15,000	2,000	-
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Explanation for departure	:	Not applicable																																																							

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

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 7.2

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	:	Applied										
Explanation on application of the practice	:	<p>The Board has identified the top five (5) senior management as follows:</p> <p>Name & Designation</p> <ol style="list-style-type: none"> 1) Azhari Bin Abdul Hamid (Group Chief Operating Officer ("GCOO")) 2) Azua Binti Kamarudin (Group Chief Corporate Officer ("GCCO")) 3) Azman Bin Tambi Chik (Group Managing Director ("GMD")) 4) Zain Azrai bin Zainuddin (Group Chief Financial Officer ("GCFO")) 5) Shamsul bin Mohd Salleh (Managing Director ("MD"), TMR Urusharta (M) Sdn Bhd) <p>The top five senior management's remuneration in bands of RM50,000 are disclosed as follows:-</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Bands</th> <th>Name</th> </tr> </thead> <tbody> <tr> <td>RM500,000 to RM550,000</td> <td>1. Azhari Bin Abdul Hamid (GCOO) 2. Azua Binti Kamarudin (GCCO)</td> </tr> <tr> <td>RM550,000 to RM600,000</td> <td>1. Shamsul bin Mohd Salleh (MD TMR)</td> </tr> <tr> <td>RM700,000 to RM750,000</td> <td>1. Azman Bin Tambi Chik (GMD)</td> </tr> <tr> <td>RM800,000 to RM850,000</td> <td>1. Zain Azrai Bin Zainuddin (GCFO)</td> </tr> </tbody> </table>	Bands	Name	RM500,000 to RM550,000	1. Azhari Bin Abdul Hamid (GCOO) 2. Azua Binti Kamarudin (GCCO)	RM550,000 to RM600,000	1. Shamsul bin Mohd Salleh (MD TMR)	RM700,000 to RM750,000	1. Azman Bin Tambi Chik (GMD)	RM800,000 to RM850,000	1. Zain Azrai Bin Zainuddin (GCFO)
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RM800,000 to RM850,000	1. Zain Azrai Bin Zainuddin (GCFO)											
Explanation for departure	:	Not applicable										

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

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

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 7.3 - 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	:	For security reasons, details of individual senior management's remuneration are not shown. The Board will consider disclosing the remuneration of individual senior management's as and when it is deemed appropriate.

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 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Audit Committee ("BAC") is chaired by Encik Shahrizam bin A Shukor and two (2) other Independent Non-Executive Directors.</p> <p>Encik Shahrizam bin A Shukor is an Associate Member of Certified Practising Accountants, Australia and a member of Malaysian Institute of Accountants (MIA) with many years of experience in the accounting profession.</p> <p>The duties and responsibilities of the Chairman are outlined in the BAC TOR, which is available on the Company's website at www.dbhd.com.my.</p>
Explanation for departure	:	Not applicable
<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 8.2

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

Application	:	Applied
Explanation on application of the practice	:	The TOR of the Board Audit Committee ("BAC") has included MCCG recommendation that requires a former key audit partner to observe a cooling-off period of at least two years (2) before being appointed as a member of the BAC. During the year, the Company has not appointed any former key audit partner as a member of BAC.
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 8.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, through its Board Audit Committee ("BAC") maintains a formal and transparent relationship with its External Auditors. The Board had delegated the responsibility to the BAC for making recommendations on the appointment, re-appointment or removal of the External Auditors as well as on their remunerations. The Audit Committee ensured that the External Auditors work closely with the Internal Auditors to enhance the effectiveness of the overall audit process.</p> <p>The BAC assessed the performance and effectiveness of the External Auditors annually, considering amongst others, their qualifications, effectiveness of the audit process, quality of service and their independence.</p> <p>The External Auditors also confirmed to the BAC that they had been independent throughout the audit engagement in respect of the financial under review.</p> <p>During the financial year, Messrs. Al Jafree Salihin Kuzaimi PLT has been appointed as External Auditors in place of Messrs. Jamal, Amin & Partners, whom are resigned from the Company and Group as External Auditors.</p>
Explanation for departure	:	Not applicable
<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 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Board Audit Committee ("BAC") of DBHD consists of three (3) members and all of them are Independent Directors of the Company.</p> <p>During the financial year, the composition of BAC was as follows:</p> <ol style="list-style-type: none">1) Encik Shahrizam bin A Shukor (Chairman)2) YBhg. Dato' Mohd Aisom bin Omar (Member) (appointed as a member of BACM on 13 April 2020)3) Puan Vinie Chong Pui Ling (Member)4) Tuan Hj Abdullah bin Md Yusof (Member) (ceased as a member of BAC on 18 March 2020)

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 8.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate 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 reviews the performance of the Board Audit Committee through the annual Board Committee assessment. Members of the Audit Committee have relevant accounting or related experience/expertise in auditing to perform their duties effectively.</p> <p>The Chairman and the members of the Board Audit Committee are financially literate and have carried out their duties in accordance with the Terms of Reference of the Board Audit Committee.</p> <p>Members undertake continuous professional development to keep abreast of the latest and relevant developments in the accounting and auditing standards, practices, rules, regulations, etc.</p> <p>The qualifications of the Board Audit Committee members are disclosed in the Board of Directors' Profile in the Annual Report.</p> <p>Based on the annual Board Committee assessment, the Board is satisfied with the performance of the Board Audit Committee and its members.</p>
Explanation for departure	:	Not applicable
<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 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a Board Risk Management Committee ("BRMC") to assist its overall responsibility for the Group's system of internal control and risk management framework. The risk management framework is designed to identify, assess and mitigate any risks associated with future projects, proposed investment or divestment, as well as managing other associated risks that the Group may face and has faced.</p> <p>Reviews are conducted on a quarterly basis or internally as appropriate to identify, evaluate, monitor and manage significant risks and to ensure that an effective internal control framework is in place. The internal control system is designed to manage, rather than eliminate, risks of not adhering to the Group's policies and objectives within the risk appetite and risk tolerance as approved by the Board.</p> <p>The Legal, Compliance and Risk Management Division ("LCORM") reported directly to the BRMC members. The process of identification, monitoring and risk management is discussed in the Statement on Risk Management and Internal Control, included in the 2021 Annual Report.</p>
Explanation for departure	:	Not applicable
<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 9.2

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 recognises that the Risk Management Framework was designed to identify, evaluate, monitor and manage principal risks that will provide reasonable assurance on the achievement of the following objectives:</p> <ul style="list-style-type: none">• Effectiveness and operational efficiency;• Reliability of financial reporting;• Compliance with applicable laws and regulations; and• Safeguarding of Group's assets. <p>The Enterprise Risk Management which is under the responsibility of Legal, Compliance and Risk Management Division ("LCORM"), continuously reviews the adequacy and effectiveness of the risk management processes that are in place within the Group.</p> <p>In order to properly manage the risks, the Board recognises the fact that an appropriate and accurate system of internal control should be in place. The Board has adopted the Committee of Sponsoring Organisations of the Treadway Commission's (COSO) Internal Control – Integrated Framework comprising the following five (5) fundamental components that include Control Environment, Risk Assessment, Control Activity, Information and Communication and Monitoring.</p> <p>The Group has an Internal Audit Department ("IAD"), which reports directly to the Board Audit Committee ("BAC"). Its role is to provide the Board the assurance regarding the adequacy and integrity of the internal controls across the Group.</p> <p>The Internal Auditors adopt a risk-based approach towards the planning and conduct of their audits, and this is consistent with the Group's framework in designing, implementing and monitoring its internal control system.</p> <p>Reports on internal audit findings together with recommendations for Management actions are presented to the BAC on a quarterly basis or at appropriate intervals as agreed by BAC. The BAC Chairman will update the Board after each meeting with the Internal Auditors.</p>

Explanation for departure	:	Not applicable	
<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 9.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>DBHD has established Board Risk Management Committee ("BRMC"), which comprises all Independent Directors.</p> <p>During the financial year, the BRMC composition is as follows:</p> <ol style="list-style-type: none">1) YBhg. Dato Mohd Aisom bin Omar (Chairman)2) Encik Shahrizam bin A Shukor (Member)3) Puan Vinie Chong Pui Ling (Member)4) Tuan Hj. Abdullah bin Md Yusof (Member) (ceased as a member of BRMC on 18 March 2020) <p>The BRMC's duties and responsibilities are stated out in its TOR as published on the Company's website at www.dbhd.com.my.</p>

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 10.1

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>DBHD has established a Group Internal Audit Division (“GIAD”) which reports directly to the Chairman of BAC and reports to the Group Managing Director on administrative matters. The GIAD is to provide assurance to the Board that the internal controls are effective and function independently.</p> <p>The core function of Internal Audit is to conduct an independent appraisal of the Group’s activities as a service to the Management. The Internal Audit functions play an important role in assisting the Management to establish and maintain the best possible internal control environment within the Group. The sound internal control environment would ensure the Group’s compliance with legal and regulatory requirements, safeguarding of assets, record adequacy, prevention or early detection of frauds, material misconducts and irregularities as well as operational efficiency.</p> <p>Internal Audit reports are tabled and presented to the BAC at its quarterly meetings.</p> <p>As recommended by MCCG, the BAC has reviewed the Internal Audit Plan for the financial year 2021 on 25 November 2020 and the revised version on 25 March 2021.</p>
Explanation for departure	:	Not applicable
<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 10.2

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>During the financial year, Encik Zulkefli bin Hashim (“Encik Zulkefli”) was appointed as Head, Group Internal Audit Department (“GIAD”) in place of Puan Azullaiha binti Abdullah. Encik Zuklefli holds a Bachelor of Business (Accounting) degree from Monash University, Melbourne.</p> <p>The department is staffed by five (5) internal auditors including the Head of GIAD with relevant experience and qualifications and all are free from any relationship or conflict of interest, which could impair their objectivity and independence.</p> <p>Internal Audit function of the Company is carried out in accordance with the Institute of Internal Audit of Malaysia’s Framework.</p>
Explanation for departure	:	Not applicable
<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 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>DBHD continuously commits its efforts to improve and review communication channels with stakeholders. Some of the communication channels effectively implemented by the Company includes the issuance of press releases, and the announcements of quarterly results and material events on a timely basis via Bursa LINK. This has enables shareholders to make informed investment decisions with regard to their investments.</p> <p>In addition, the Company has established an Investor Relations function to ensure that there are a proper, effective and transparent channel of communication with all stakeholders. Group Chief Financial Officer has been identified as the contact personnel for Investor Relation, who is responsible to facilitate an effective and transparent communication between the Company and its stakeholders.</p> <p>The Company appreciates feedback from its shareholders and encourages them to actively participate in discussions and deliberations. During the annual and other general meetings, shareholders have direct access to Board members who are willing to answer their questions, either on specific resolutions or on the Company in general. The Company ensures that a reasonable time is provided to the shareholders for discussion at the meeting before each resolution is proposed.</p>
Explanation for departure	:	Not applicable
<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 11.2

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	:	Not adopted as the Company is not classified as "Large Company".	
		The Annual Report of the Company which includes a Management Discussion and Analysis Statement as well as other comprehensive financial and non-financial information disclosures, should be able to promote the desired level of transparency and accountability to all our stakeholders.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 12.1

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>The Company dispatched the Notice of its 58th Annual General Meeting ("58th AGM") to shareholders more than the 28 days prior to the meeting, as the AGM Notice was issued on 11 June 2020 and the 58th AGM was held on 26 August 2020.</p> <p>This is to ensure the shareholders received timely information about the AGM and enable them to make the necessary arrangements to attend and participate the AGM in person or through corporate representatives or proxies. It also enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the AGM.</p>
Explanation for departure	:	Not applicable
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 12.2

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>The Chairman and the Board encourage shareholders to attend and participate in the AGM held annually. Shareholders are given the opportunity to seek clarification by making use of the Questions and Answers session during the AGM on every matter related to DBHD's business and financial performance.</p> <p>The Management and External Auditors were also present at the Company's 58th AGM to respond to the shareholders' queries.</p> <p>The proceedings of the 58th AGM included the presentation by Management on DBHD Group's corporate and business update highlights, to deepen the shareholders' understanding of the Company's state of affairs.</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 12.3

Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate—

- including voting in absentia; and
- remote shareholders' participation at General Meetings.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>On 26 August 2020, the Company had its 58th Annual General Meeting (“AGM”) at the Grand Ballroom, Level 1, Forest City Phoenix International Golf Hotel, Gelang Patah, Johor, as the the majority of the shareholders are based in Johor. The Company believes that it is appropriate to hold the AGM in Johor Bahru where the majority shareholders in Johor could attend and vote. The Company adopted Electronic Voting System (E-Voting) as the voting process at its 58th AGM for all proposed resolutions, to ensure more accurate and fast polling results.</p> <p>In view of the current COVID-19 pandemic, the Company had taken the necessary precautions and preventive measures in complying with the directives issued by the Ministry of Health Malaysia, the National Security Council, Ministry of International Trade and Industry and other relevant authorities. These include the option of remote shareholder and proxy participation at the Extraordinary General Meeting (“EGM”).</p> <p>On 29 July 2021, the Company had its Extraordinary General Meeting which conducted fully virtual and entirely via remote and participation and voting (“RPV”). The Administrative Notes with detailed registration and voting procedures were shared with the shareholders and the same were also published on the Company’s website. The Company had engaged Messrs. Tricor Investors and Issuing House Services Sdn Bhd as the Poll Administrator to conduct the polling process and Messrs. Asia Securities Sdn Bhd to verify the poll results.</p>
<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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