

CORPORATE GOVERNANCE REPORT

STOCK CODE : ILB 5614
COMPANY NAME : Integrated Logistics Berhad
FINANCIAL YEAR : December 31, 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>The Company has an experienced Board comprising two Executive Directors, one Non-Independent Non-Executive Director and three Independent Non-Executive Directors. The Board of Directors is primarily responsible for charting and reviewing the strategic direction of the Group and delegates the implementation of these directions to the management. The independent non-executive directors are considered independent of any business or other relationship or circumstances that could interfere with the execution of their independent judgement and decision making in the best interests of the Company.</p> <p>The responsibilities of the Board are inclusive of but not limited to:</p> <ul style="list-style-type: none">i. Charting the strategic direction, and setting out short term and long term plans for the Group.ii. Promoting ethical and best corporate governance culture in the Group.iii. Monitoring and reviewing compliance with internal control policies and risk management systems.iv. Monitoring compliance with relevant laws & regulations and accounting standards within the corporate and business environment.v. Overseeing and reviewing business operations within a systematic and controlled environment.vi. Monitoring the financial performance of the Group.vii. Appointing and determining the remuneration, duration and relevant appointment terms of the Executive Directors.viii. Assessing the performance of and developing the succession plan for the Executive Directors. <p>The Board composition represents a mix of knowledge, skills, and expertise which assist the Board in effectively discharging its stewardship and responsibilities. The profiles of the members of the Board are set out in the Annual Report.</p>

	<p>The Board had delegated to the CEO and his management team the day to day management of the Group.</p> <p>The responsibilities of the Management of the Group are inclusive of but not limited to:</p> <ul style="list-style-type: none"> i. Chart the strategic direction. ii. Develop short term & long term plans. iii. Monitoring financial results, comparison with budget & analysis of variances. iv. Statutory compliance. v. Highlight to the Board key areas needing attention. vi. Manage Investor relations. vii. Engage adequate & suitable qualified personnel. viii. Uphold Corporate Governance; avoid conflicts of interest & unethical practices. <p>The CEO, Mr Tee Tuan Sem, and his management team are responsible for implementing the plans chartered out and the day to day management of the Group, with clear authority delegated by the Board.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Company has a clear distinction and separation of roles between the Chairman and the CEO, with clear division of responsibilities. The Board of Directors is headed by Datuk R. Karunakaran, a Non-Independent Non-Executive chairman, who has broad exposure and extensive experience in the international trade and investment arena. As Chairman, he plays a vital role in leading and guiding the Board, and also serves as the communication point between the Board and the CEO.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The roles of Chairman and Executive Directors are exercised by different individuals. A clear segregation of their responsibilities and powers is stated and defined in the Company's Board Charter. Besides ensuring an appropriate balance of power and authority, the segregation of roles facilitate an open exchange of views and opinions between the Board and the Management in their deliberation of the business, strategies and key operations of the Group.</p> <p>The Chairman of the Company is Datuk R. Karunakaran, a Non-Independent Non-Executive Director whereas the Chief Executive Officer of the Company is Mr Tee Tuan Sem</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

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

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'.

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Company, Datuk R. Karunakaran is not a member of the Audit Committee, Nomination & Remuneration Committee and the Board does not allow the Chairman to participate in any or all of the committees’ meetings, by way of invitation.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.5

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 Secretary is a qualified Chartered Secretary (ICSA) and Fellow Member of the Malaysian Institute of Chartered Secretaries (MAICSA) who provide advice and regularly update the Board on good governance, board policies and procedures, administrative matters and corporate compliances. All Directors have unhindered access to the advice and services of the Company Secretary, whose appointment and removal is a matter of the Board as a whole.</p> <p>The Company Secretary also ensures that the Board is kept well informed on any regulatory requirements and update on the developments in the area of corporate governance that affect the duties and responsibilities of the Directors as well as the Company being a public listed company. In this respect, the Company Secretary has attended training and seminars conducted by relevant regulatory bodies to keep abreast with the relevant updates on statutory and regulatory requirements and updates on the MMLR of Bursa Securities.</p> <p>The Company Secretary also 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. Deliberations during the Board and Board Committees' meetings were properly minuted and documented by the Company Secretary.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has timely access to relevant information pertaining to the Group. Prior to each Board meeting, the Agenda for the meeting together with comprehensive management reports & proposal papers are furnished to all Directors for their perusal 5 business days before the meeting. Directors can obtain further clarifications from the management and the Secretary. Senior management and external advisors may be invited to attend Board Meetings to provide further details, clarifications and/or advise the Board as and when required on matters to be deliberated. Should any Director be unable to attend any Board meeting, he may give his opinion in advance, and such opinion will be considered in the decision making process at the Board meeting.</p> <p>All matters discussed and resolutions passed at each Board meeting are recorded in the minutes of the meeting. These minutes are circulated to all Directors for their confirmation and any Director can request for further clarification on the minutes prior to their confirmation.</p> <p>The members of the Board also evaluate business propositions and corporate proposals that require Board approval. The Board is regularly updated and advised on new regulatory requirements relating to the duties and responsibilities of Directors. Further advice can be obtained from the Company Secretary or from external professionals where necessary.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter sets out the composition, roles and responsibilities and processes of the Board.</p> <p>The Board Charter, which serves as a strategic guidance and effective oversight of management, is also intended to provide a concise overview of:</p> <ol style="list-style-type: none"> 1. the roles and responsibilities of the Board, the Chairman, individual directors, the Chief Executive Officer and management. 2. delegation of authority by the Board to various committees established in assisting the Board to execute its duties and responsibilities; and 3. Board operating procedures and practices pertaining to meetings, training and development, code of conduct and declarations on conflicts of interest. <p>The Company's Board Charter is published on the Company's website.</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>This Code of Ethics is formulated to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following aims:</p> <ol style="list-style-type: none">1. To establish a standard of ethical behaviour for directors based on trustworthiness and values that can be accepted, are held or upheld by any one person.2. To uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administering a company. <p>The Company's Code of Conduct and Ethics is published on the Company's website.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>1. Policy Statement</p> <p>a. Integrated Logistics Berhad ('ILB') is committed to achieving and maintaining high standards of behavior at work.</p> <p>b. All employees and stakeholders are encouraged to report in good faith genuine concerns about unethical behavior, malpractices, illegal acts or failure to comply with regulatory requirements without fear of reprisal.</p> <p>c. ILB views any harassments or retaliations in any form or manner against genuine whistle blowers seriously and will treat such action as gross misconduct, which may lead to dismissal.</p> <p>2. Whistle Blowing</p> <p>a. Whistle Blowing is a specific means by which a worker or stakeholder can report or disclose through established channels, concerns about unethical behavior, malpractices, illegal acts or failure to comply with regulatory requirements.</p> <p>b. Only genuine concerns should be reported under Whistle Blowing procedures. This report should be made in good faith with a reasonable belief that the information and any allegation in it are substantially true, and the report is not made for personal gain. Malicious and false allegations will be viewed seriously and treated as a gross misconduct.</p> <p>The Company's Whistle Blowing Policy is published on the Company's website.</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>ILB's sustainability governance is led by the Board of Directors' ("the Board"), who oversees the ILB sustainability agenda, practices, strategies and performance and set the tone from the top regarding the importance of sustainability in the creating values to stakeholders.</p> <p>The Board is supported by Senior Management ("SM"), comprising Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Chief Risk Officer ("CRO"). SM manages the sustainability policy, initiatives, targets as well as monitoring the effectiveness and performance of related initiatives.</p> <p>To further strengthen the sustainability initiatives, SM communicates ILB's sustainability direction to Operational Management ("OM"). OM comprises of appointed representatives of various divisions, who are responsible to identify, manage, and analyse sustainability categories, as well as EES risks, and organise, implement and monitor sustainability efforts. On a daily basis, the OM executes and implements the initiatives and report their operational activities in a variety of ways, including monthly reports, project progress reports, safety and health reports, etc.</p> <p>While we anticipate that our key stakeholders are increasingly interested to evaluate how we have managed and embraced ESG agendas, our Board is in the midst of identifying the relevant personnel with the appropriate skills and experience required to elevate ILB Group's sustainability efforts in line with the latest Code of Corporate Governance updated in year 2021. The said personnel is expected to take on the challenging role and be the subject matter expert on ESG sustainability matters, climate risks and ILB's business sustainability issues.</p> <p>On the same note, the Board is currently reviewing the process of including material sustainability and climate-related risks and opportunities in the performance evaluation of the Board and</p>







	Senior management as stipulated in the latest Code of Corporate Governance updated in 2021.			
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Intended Outcome

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

Practice 4.2

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

Application :	Applied															
Explanation on application of the practice	<p>We recognise the value of interacting with our stakeholders since their feedbacks are critical in keeping our sustainability activities on track with our goal to achieving stakeholders' expectations while reinforcing our relationships with them.</p> <p>At ILB, we communicate with our stakeholders through a variety of channels to identify and prioritise concerns. The table below contains a list of stakeholders, areas of interest, engagement methodologies and frequency of engagement.</p> <table><tr><th>Stakeholders</th><th>Areas of Interest</th><th>Method of Engagement</th><th>Engagement Frequency</th></tr><tr><td> Customers</td><td><ul style="list-style-type: none">• Product quality and pricing• Market demand• Product development and innovation</td><td><ul style="list-style-type: none">• Quality assessment• Performance assessment• Progress meetings and updates• Customer relationship management</td><td><ul style="list-style-type: none">• On-going• Ad-hoc• Periodically• Quarterly</td></tr><tr><td> Employees</td><td><ul style="list-style-type: none">• Employee health and safety• Career development and advancement• Communication and engagement</td><td><ul style="list-style-type: none">• Performance appraisals• Operational meetings and discussions• Safety at work meetings• Trainings</td><td><ul style="list-style-type: none">• Annually• On-going• Ad-hoc• Periodically• Quarterly</td></tr></table>				Stakeholders	Areas of Interest	Method of Engagement	Engagement Frequency	 Customers	<ul style="list-style-type: none">• Product quality and pricing• Market demand• Product development and innovation	<ul style="list-style-type: none">• Quality assessment• Performance assessment• Progress meetings and updates• Customer relationship management	<ul style="list-style-type: none">• On-going• Ad-hoc• Periodically• Quarterly	 Employees	<ul style="list-style-type: none">• Employee health and safety• Career development and advancement• Communication and engagement	<ul style="list-style-type: none">• Performance appraisals• Operational meetings and discussions• Safety at work meetings• Trainings	<ul style="list-style-type: none">• Annually• On-going• Ad-hoc• Periodically• Quarterly
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	 <p>Vendors & Suppliers (Including Contractors)</p>	<ul style="list-style-type: none">• Product quality• Customer service and complaints resolution	<ul style="list-style-type: none">• Supplier performance evaluations• Meetings and discussions	<ul style="list-style-type: none">• Annually• On-going• Ad-hoc• Periodically• Quarterly
	 <p>Shareholders & Investors</p>	<ul style="list-style-type: none">• Financial performance• Regulatory compliance• Corporate governance• Ethical business conduct• Internal control and risk management	<ul style="list-style-type: none">• Financial announcement and reporting• Meetings and briefings• Corporate website	<ul style="list-style-type: none">• Annually• On-going• Ad-hoc• Periodically• Quarterly
	 <p>Government Regulators / Authorities, etc</p>	<ul style="list-style-type: none">• Regulatory compliance• Approvals and permits• Standards and certifications	<ul style="list-style-type: none">• Meetings and consultations• Training programmes and dialogue• Audit and verification	<ul style="list-style-type: none">• Annually• On-going• Ad-hoc• Periodically• Quarterly
	 <p>Local Communities</p>	<ul style="list-style-type: none">• Community wellbeing• Community investment	<ul style="list-style-type: none">• General meetings• Media announcements• Annual report• Company website	<ul style="list-style-type: none">• Annually• On-going• Ad-hoc• Periodically• Quarterly
Explanation : for departure				
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.				

Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>As a responsible organisation, we focus on sustainable expansion of our commercial activities. We have always prioritised environmental issues and complied with applicable laws and regulations in order to reduce negative environmental effect.</p> <p>The nature of ILB's subsidiary, which generates electricity as its main business function, encourages a beneficial environmental effect. This is because solar energy is turned from the sun into electrical energy, which is the cleanest and most abundant renewable energy source accessible. We formulate our strategy and align our policies to promote green technology as it is our Government of Malaysia's initiative for greener economy.</p> <p>At ILB, we recognise that climate change is the single biggest health threat facing humanity, and we are responding to the health harms caused by the unfolding crisis. Undeniably, it impacted our business in terms of both risks and opportunities and affected our operations, services, goals and business strategy. Recognising the importance, we are currently compiling more relevant data and information to address the climate change and undertake the risk as part of our risk assessment.</p> <p>We are committed to abide by all applicable environmental laws and regulations in relation to climate change, energy use and waste management as per stipulated in our Quality, Health, Safety and Environmental ("QHSE") Policy. Regular review on any risks and potential challenges is essential to ensure that ILB's business operations risks are being appropriately managed.</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 company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>The yearly Board of Directors' Evaluations ("BOD Evaluations") have been performed by all Directors are as follows:-</p> <ul style="list-style-type: none"> • Individual Directors' Evaluation Form; • Independent Directors' Self-Assessment Checklist; • Board Skills Matrix Form; • Board and Board Committee Evaluation Form; and • Audit & Risk Management Committee ("ARMC") Members' Self and Peer Evaluation. <p>Based on the summary of the abovementioned BOD Evaluations assessment, it was concluded that :-</p> <p>a) The Board was well-balanced after taking into account the Board members' wide experience and exposure in various fields, i.e. commercial, financial, technical, corporate and legal, their diversified skill and qualities.</p> <p>b) The Company had an effective Board and each of the Directors possessed their own qualities, skills, expertise and experience in discharging their functions effectively as expected from each of them.</p> <p>c) All the Independent Directors also provided written confirmation in respect of their independence respectively.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application : Adopted

Explanation on adoption of the practice : The Company periodically review and update our sustainability material matters we face and captured the input from our stakeholders, whom we collaborate in engaging and assessing the magnitude of risks and opportunities, shape our strategy and discuss our resources allocation in relation to EES topics. The discussion is also facilitated by selective Heads of Department and key management staff. Following that, the sustainability matters were assessed based on their relevance to the stakeholders and the Group's business.

Our methodology is still driven by the Bursa Malaysia Sustainability Reporting Guidelines and Toolkits, which include compilation and mapping material matters to a materiality matrix. The figure below depicts a list of 11 material concerns ranked based on its impacts to stakeholders and the Group.



Intended Outcome

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

Practice 5.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination & Remuneration Committee (“NRC”) does an annual review of the composition of the Board and makes recommendations to the Board accordingly, keeping in mind the need to meet current and future requirements of the Group.</p> <p>The NRC is satisfied with the current size of the Board and with the mix of qualifications, skills & experience of its Board members. Part of the evaluation criteria is the commitment displayed, the depth of contribution, ability to communicate and undertake assignments on behalf of the Board.</p> <p>The NRC is also open to referrals from external sources when Board vacancies arise.</p> <p>The policies and procedures for recruitment and appointment (including re-election/ reappointment) of Directors are set out in the Terms of Reference of the NRC</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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	:	As at 1 March 2022, the Company has an experienced Board comprising two Executive Directors, one Non-Independent Non-Executive Director, and four Independent Non-Executive Directors. The Non-Executive Directors are not employees of the Company and do not participate in the day to day management of the Company. All three Independent Non-Executive Directors, are independent directors and are able to express their views without any constraint. This strengthens the Board which benefits from the independent views expressed before any decisions are taken. Should any director have an interest in any matter under deliberation, he is required to disclose his interest and abstain from participating in discussions on the matter. The NRC has reviewed the performance of the independent directors and is satisfied they have been able to discharge their responsibilities in an independent manner.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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>No Independent director(s) serving beyond 9 years.</p> <p>In the event that the Board intends to retain the Director as Independent Director after he/she has served a cumulative term of 9 years, the Board must justify the decision and seek shareholders' approval through a two-tier voting process at a general meeting. In justifying the decision, the NRC is entrusted to assess the candidates' suitability, such as their pertinent expertise, skills and knowledge of the Group's business to continue as Independent Directors</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.

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board acknowledges the importance of age, nationality, professional background & gender diversity and recognises the benefits that such diversity can bring. The Nomination & Remuneration Committee considers diversity generally when making appropriate appointments to the Board, taking into account relevant skills, ethnicity, age, experience and knowledge. Notwithstanding the challenges in achieving the appropriate level of diversity on the Board, the Company will work towards addressing this as and when vacancies arise and suitable candidates are identified. The Company's primary responsibility in new appointments to the Board and management must always be to select the best candidates available.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination & Remuneration Committee does an annual review of the composition of the Board and makes recommendations to the Board accordingly, keeping in mind the need to meet current and future requirements of the Group.</p> <p>The Committee is satisfied with the current size of the Board and with the mix of qualifications, skills & experience of its Board members. Part of the evaluation criteria is the commitment displayed, the depth of contribution, ability to communicate and undertake assignments on behalf of the Board.</p> <p>The Committee is also open to referrals from external sources when Board vacancies arise.</p> <p>The policies and procedures for recruitment and appointment (including re-election/ reappointment) of Directors are set out in the Terms of Reference of the NRC.</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

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	:	Details of the Directors seeking re-election are set out in the Directors Profiles section, their shareholdings in the Company and details of attendance at Board Meetings are set out 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	:	<p>The Nomination & Remuneration Committee comprises the following directors:-</p> <ul style="list-style-type: none"> i. Wan Azfar bin Dato' Wan Annuar (Chairman) * ii. Dato' Wan Hashim bin Wan Jusoh iii. Soh Eng Hooi ** iv. Datuk R. Karunakaran *** <p>* re-designated as Chairman w.e.f. 8 March 2021 ** appointed as member w.e.f. 8 March 2021 *** resigned as Chairman w.e.f 8 March 2021</p> <p>The Chairman of the NRC is En Wan Azfar bin Dato Wan Annuar, an Independent Non-Executive Director. The Terms of Reference of the NRC is available on the Company's website at www.ilb.com.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	As at 1 March 2022, the Current Board composition consists of 2 executive directors, 4 independent non-executive directors and 1 non-independent non-executive director and currently the Board consist of 2 women directors which comprises 28.57% women director and aims to achieve at least 30% women directors in the near future.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	The Board acknowledges the importance of age, nationality, professional background & gender diversity and recognises the benefits that such diversity can bring. The Nomination & Remuneration Committee considers diversity generally when making appropriate appointments to the Board, taking into account relevant skills, ethnicity, age, experience and knowledge. Notwithstanding the challenges in achieving the appropriate level of diversity on the Board, the Company will work towards addressing this as and when vacancies arise and suitable candidates are identified. The Company's primary responsibility in new appointments to the Board and management must always be to select the best candidates available.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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 & Remuneration Committee ("NRC") annually performs an assessment of the effectiveness and performance of the Board, Board Committees and individual Directors, in order to verify that the Board is functioning appropriately as a whole. Each Director completed a detailed questionnaires in the Directors' Performance Evaluation which covered matters relevant to the Board performance, amongst others, contribution to interaction, quality of input, understanding of role and personal developments.</p> <p>An evaluation of each Board Committee was done by assessing the structure, roles and responsibilities, performance of the respective Chairman, as well as Committee's performance against its Terms of Reference. The assessment was internally facilitated, whereby results of the assessments had been compiled, documented and reported to the Board accordingly, as part of the Company's ongoing corporate governance practices.</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	:	<p>On a yearly basis, the Nomination & Remuneration Committee ("NRC") reviews and recommends to the Board the remuneration package of the Executive Directors and Non-Executive Directors. In making its recommendation, the NRC considers various factors including the Non-Executive Directors' fiduciary duties, time commitments expected of them and the Group's performance. The Board is mindful that fair remuneration is critical to attract, retain and motivate the Directors.</p> <p>The benefits payable to the said Directors shall from time to time be determined by an Ordinary Resolution of the Company in a general meeting in accordance with Section 230 of the Companies Act 2016.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC had undertaken the following responsibilities during the year under review:</p> <ul style="list-style-type: none"> a) Facilitated annual assessment and performance of individual Directors, effectiveness of the Board as a whole and the Board Committees. b) Facilitated the annual review of the required skills, experience and other qualities including core competencies which Non-Executive Directors should bring to the Board. c) Conducted assessment on Directors who are subject to re-appointment or re-election. d) Reviewed the Terms of Reference of the NRC. e) Conducted annual assessment on Independent Directors. f) Assisted the Board in assessing the training needs of the Directors during the year. g) Reviewed and deliberated on the quantum of Directors' fees. h) Reviewed annually the performance of the Chief Executive Officer & the Executive Directors and recommended to the Board their remuneration commensurate with their performance and contributions to the Group. <p>A copy of the NRC's Terms of Reference (TOR) is available on the Company's website.</p>
Explanation for departure	:	

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

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The detailed disclosure on named basis of individual directors and the remuneration breakdown of individual directors including fees, salary, bonus, benefits in-kind and other emoluments received from the Company and its subsidiaries are disclosed at the Annual Report of the Company.

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	Datuk R. Karunakaran	Non-Executive Non-Independent Director	108	Input info here	Input info here	Input info here	7	3	118	108	Input info here	Input info here	Input info here	7	3	118
2	Wan Azfar bin Dato' Wan Annuar	Independent Director	60	Input info here	Input info here	Input info here	1	6	67	60	Input info here	Input info here	Input info here	1	6	67
3	Dato' Wan Hashim bin Wan Jusoh	Independent Director	60	Input info here	Input info here	Input info here	Input info here	6	66	60	Input info here	Input info here	Input info here	Input info here	6	66
4	Soh Eng Hooi	Independent Director	90	Input info here	Input info here	Input info here	3	6	99	90	Input info here	Input info here	Input info here	3	6	99
5	Tee Tuan Sem	Executive Director	Input info here	Input info here	600	100	93	85	878	Input info here	Input info here	600	100	93	85	878
6	Makoto Takahashi	Executive Director	Input info here	Input info here	240	40	11	1	292	Input info here	Input info here	240	40	11	11	292
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

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

Practice 8.2

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

Application	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
Explanation on application of the practice	:	The Company had disclosed the names of the top five senior management’s remuneration in bands of RM50,000.	
		Range of Remuneration (RM)	Name of Top Senior Management
		50,000 - 100,000	Yee Chai Yin
		100,001 - 150,000	Loh Cheng Keat & Mohd Khairul Nizam bin Md Radzi
		150,001 - 200,000	Teoh Siew Tatt & Hoo Pee Chon
		200,001 - 250,000	Tee Jia Jie & Ng Wai Hou
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.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit & Risk Management Committee oversees the integrity of the financial statements, compliance with relevant accounting standards and the group's risk management and internal controls. The Committee comprises the following Independent Non-Executive Directors:-</p> <ol style="list-style-type: none"> 1. Soh Eng Hooi (Chairman) 2. Wan Azfar bin Dato' Wan Annuar 3. Dato' Wan Hashim bin Wan Jusoh <p>The chairman of the Audit & Risk Management Committee, Ms Soh Eng Hooi, is not the Chairman of 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 9.2

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	:	The Audit & Risk Management Committee include a former audit partner of the firm of external auditors who had observed the cooling-off period of at least three years.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	Assessment of External Auditors The Board has a formal and transparent relationship with the external auditors. The ARMC recommends to the Board on the appointment of the external auditors which is subject to the approval of shareholders at the AGM whilst their remuneration is determined by the Board. The role of the ARMC is further set out in their Report. The Board has private sessions and dialogues through the ARMC with the external auditors, in the absence of the executive directors and the management. For the year under review, there was two dialogue session with the external auditors. It is the practice of the ARMC to conduct an annual assessment of the external auditor. Areas of assessment include among others, the external auditor's objectivity and independence, size and competency of the audit team, audit strategy, audit reporting, partner involvement and audit fees. In support of the assessment on independence, the external auditors provide the ARMC with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. Premised on the assessment result, the ARMC will make recommendations for re-appointment of external auditors accordingly.	
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	:	Board Committees The Company has two Board Committees, namely the Audit & Risk Management Committee and the Nomination & Remuneration Committee to assist the Board. They are delegated specific functions and are governed by their Terms of Reference. Both Committees consist of Independent Non-Executive Directors and submit their respective reports and minutes to the Board.

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	Name of Directors	Date	Seminar / Training Course Title
	Datuk R. Karunakaran	11 March 2021	1 st Distinguished Board Leadership Webinar: Rethinking Our Approach to Cyber Defence in FIs - FIDE Forum
		2 April 2021	Maybank Group Board Strategy Offsite: Banking Strategy, FinTech & Sustainability - Maybank
		6 April 2021	HLIB Stratum Focus Series XI "Renewable Energy: A Genesis for a Sustainable Future" - Bursa Malaysia
		14 April 2021	FY2021 Etiqa Risk Landscape - Etiqa
			Blackrock Asia Corporate Director Forum - BlackRock
		20 April 2021	BNM-FIDE Forum MASB Dialogue on MFRS17 Insurance Contract: What Every Director must know - BNM / FIDE Forum
		2 June 2021	Dialogue on the Role of Independent Director in Embracing Present and Future Challenge - BNM / FIDE Forum
			Impact 24 – Ageas Partnership Event
		3 June 2021	Invest ASEAN 2021 # 1 : US-China Rivalry & the New Geopolitics in ASEAN - Maybank Investment Bank Berhad / Maybank Kim Eng

			17 June 2021	Invest ASEAN 2021 #3 - ASEAN Real Estate: Path to Recovery - Maybank Investment Bank Berhad / Maybank Kim Eng
			23 June 2021	JC3 Flagship Conference 2021 # Finance For Change: Session: Sustainability as a Business Strategy for FIs - Bank Negara Malaysia / Securities Commission Malaysia
			25 June 2021	Annual Board Risk Workshop Risk Session - Building Sustainability in a Digital World, Compliance Session - Managing Financial Crime in Emerging Markets - Group Risk, Maybank / Group Compliance, Maybank
			30 June 2021	LSEG & Climate Risk - Bursa Malaysia
			22 July 2021	Invest ASEAN 2021 # 8: Decarbonising ASEAN - Maybank Investment Bank Berhad / Maybank Kim Eng
			5 August 2021	Carbon Markets - Bursa Malaysia
			13 August 2021	Executive Cyber Risk Update - Maybank Singapore
			20 August 2021	ESG-related Training by Ernst & Young (Etiqua)
			6-9 September 2021	The World Federation of Exchanges Annual Conference 2021 - The World Federation of Exchanges
			27 September 2021	Corporate Responsibility and Sustainability Capitalism - Ageas Partnership Event
			28 September 2021	2021 Global Market & Economic Outlook: New Beginnings and Old challenges in the New Normal - Bursa Malaysia
			11 October 2021	Briefing on Capital Market Masterplan 2021-2025 (CMP3) - Securities Commission
			14 October 2021	Invest Malaysia 2021 Series 1 : Economic Reform - Bursa Malaysia / Maybank Kim Eng
				"Fraud, Bribery and Corruption in Corporate Organization" - Community Education Division Malaysia - Anti-Corruption Commission / Bursa Malaysia
			23 November 2021	The World Federation of Exchanges (WFE) - "How Market Infrastructures Coping with Cyber Threat Amid Global Pandemic" - Bursa Malaysia
		Dato' Wan Hashim bin Wan Jusoh	7 October 2021	Managing Your Transfer Pricing Risks - BDO Tax Services Sdn Bhd

			29 October 2021	Managing Corporate Liability Risk - Tricor Axcelasia Sdn Bhd
		Wan Azfar bin Dato' Wan Annuar	7 October 2021	Managing Your Transfer Pricing Risks - BDO Tax Services Sdn Bhd
			29 October 2021	Managing Corporate Liability Risk - Tricor Axcelasia Sdn Bhd
		Soh Eng Hooi	25 February 2021	Confirmation Fraud Case Studies: Leveraging on Technology to Reduce Risk of Fraud - MIA
			8 June 2021	Cyber Security Awareness Training - TC iTech Sdn Bhd
			18 June 2021	MIA Town Hall 2021 - National - MIA
			6 September 2021	MIA Webinar Series : Briefings on Technical Changes Affecting Financial Reporting - MIA
			14 September 2021	The Updated Malaysia Code on Corporate Governance 2021: Implications of the Updates to Warisan, Its Directors, Management, Company Secretaries & Auditors
			23 September 2021	Unclaimed Money Act 1965 - MIA
			7 October 2021	Transfer Pricing Documentation – BDO Tax Services Sdn Bhd
			29 October 2021	Managing Corporate Liability Risk – Tricor Axcelasia Sdn Bhd
			2 November 2021	Complimentary Webinar on ED ISA for Less Complex Entities (LCE) and Engagement on eConfirm.my - MIA

			16 November 2021	MIA Webinar Series – SMP Forum 2021 - MIA
			6 December 2021	AOB Conversations with Audit Committees - Securities Commission Malaysia
			20 December 2021	MSWG Webinar – Covid Creates Unique Governance Issues
		Tee Tuan Sem	27-07-2021	Sustainability Reporting Workshop - Scope & Materiality Sustainability Reporting - Bursa Malaysia
			7 October 2021	Managing Your Transfer Pricing Risks - BDO Tax Services Sdn Bhd
			29 October 2021	Managing Corporate Liability Risk - Tricor Axcelasia Sdn Bhd
		Makoto Takakashi	7 October 2021	Managing Your Transfer Pricing Risks - BDO Tax Services Sdn Bhd
			29 October 2021	Managing Corporate Liability Risks - Tricor Axcelasia Sdn Bhd
		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	:	<u>RECOGNISE AND MANAGE RISK</u> ILB has in place its established Risk Management Policy, which reflects the framework for Enterprise-wide Risk Management and Internal Control System. Such framework states the Company's tolerance level for risk, and process in place to identify, assess and monitor key business risks arising from the existing environment and foreseeable future event in achieving the company's corporate objectives, safeguarding the company's assets, as well as shareholders' investments / interest. The Board has the ultimate responsibility for reviewing and approving the Company's risk framework, risk profile and related policies. Relevant internal control systems are implemented for the day to day operations of the Group. The Chief Risk Officer and independent professional service provider, Tricor Axcelasia Sdn Bhd ("Tricor Axcelasia") (the succeeding firm to NGL Tricor Governance Sdn Bhd), have an independent reporting on risk management and internal controls to the ARMC. The framework is continually monitored by Tricor Axcelasia to ensure it is responsive to the changes in the Group's Corporate Structure and is authorised to conduct independent audits of all the departments and offices within the group. It reports its internal audit findings to the ARMC on a half-yearly basis.	
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>RISK MANAGEMENT FRAMEWORK</p> <p>ILB has in place its established Risk Management Policy, which reflects the framework for Enterprise-wide Risk Management and Internal Control System. Such framework states the Company's tolerance level for risk, and process in place to identify, assess and monitor key business risks arising from the existing environment and foreseeable future event in achieving the Company's corporate objectives, safeguarding the Company's assets, as well as shareholders' investments/interest (excluding associates and jointly controlled entities).</p> <p>The Board has the ultimate responsibility for reviewing and approving the Company's risk framework, risk profile and related policies. Relevant internal control systems are implemented for the day to day operations of the Group. The Chief Risk Officer and independent professional service provider, Tricor Axcelasia Sdn Bhd ("Tricor Axcelasia") (the succeeding firm to NGL Tricor Governance Sdn Bhd), have an independent reporting on risk management and internal controls to the ARMC. The framework is continually monitored by Tricor Axcelasia to ensure it is responsive to the changes in the Group's Corporate Structure and is authorised to conduct independent audits of all the departments and offices within the group. It reports its internal audit findings to the ARMC on a half-yearly basis.</p> <p>The ARMC reviews, deliberates, and evaluates the effectiveness and efficiency of the internal control systems in the organisation which are designed to manage and mitigate rather than eliminate risks in achieving the Company's corporate objectives, safeguarding the company's assets as well as investors interests.</p>
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Audit & Risk Management Committee oversees the integrity of the financial statements, compliance with relevant accounting standards and the group's risk management and internal controls. The Committee comprises the following Independent Non-Executive Directors:-</p> <ol style="list-style-type: none">1. Soh Eng Hooi2. Wan Azfar bin Dato' Wan Annuar3. Dato' Wan Hashim bin Wan Jusoh

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>COMPOSITION</p> <p>The internal audit function of the Group is outsourced to independent professional service provider, Tricor Axcelasia Sdn Bhd ("Tricor Axcelasia") (the succeeding firm to NGL Tricor Governance Sdn Bhd). The internal audits conducted by Tricor Axcelasia is guided by a recognised framework - the International Professional Practices Framework ("IPPF") issued by the Institute of Internal Auditors for internal auditing and reported the followings directly to Audit and Risk Committee:</p> <ul style="list-style-type: none"> a) Annual internal audit plan; and b) Adequacy and effectiveness of internal control system put in place by the Board of Directors and the management. <p>The Audit and Risk committee has:</p> <ul style="list-style-type: none"> a) Evaluated the competency and resources of Tricor Axcelasia in carrying out the internal audit function; b) Adopted the annual internal audit plan c) Reviewed the internal audit reports to ascertain the adequacy and effectiveness of internal control system.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has outsourced its internal audit function to Tricor Axcelasia Sdn Bhd ("Tricor") (f.k.a. NGL Tricor Governance Sdn Bhd) The internal audit personnel assigned by Tricor are free from any relationships or conflicts of interest, which could impair their objectivity and independence pursuant to the written declaration made by them.</p> <p>The Outsourced Internal Audit Firm assigned four (4) personnel to provide internal audit services to the Group.</p> <p>Tricor's engagement director in charge of the Group's Internal audit is Mr Chang Ming Chew. Mr Chang is a Certified Internal Auditor and holds a Certification in Risk Management Assurance from the Institute of Internal Auditors Malaysia; a member of the Association of Chartered Certified Accountants (UK) and member with the Malaysian Institute of Accountants.</p> <p>During FY 2021, the Internal audit of the Group was carried out in accordance with a risk based audit plan (as guided by the International Standards for the Professional Practice of Internal Auditing) approved by ARMC.</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>STRENGTHEN RELATIONSHIP BETWEEN THE COMPANY AND ITS SHAREHOLDERS</p> <p>The Annual General Meeting is the principal forum for dialogue and interaction with the shareholders. The Board is committed to provide shareholders with comprehensive and timely information about the Group's activities and performance to enable investors make informed decisions. Shareholders are encouraged to attend Annual General Meetings and use the opportunity to ask questions on resolutions being proposed and on the progress, performance and future prospects of the company. The Chairman and Board members, with the assistance of the external auditors, are responsible to respond and provide explanations on matters raised.</p> <p>Information on the Group's activities is provided in the Annual Report and Financial Statements which are despatched to shareholders. The Company also encourages shareholders and investors to access online the company's Annual report and up to date announcements, which are made available at the Bursa Malaysia website and the company's own website at www.ilb.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	:	Not Applicable - Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:	ILB is not a Large Company as defined in the MCCG 2021. Thus, the practice is not applicable. Nonetheless, the Company would consider adopting integrated reporting based on globally recognised framework when the Company becomes a Large Company.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	In accordance with the recommendations of the MCCG 2017, the Company gives its shareholders at least 28 days prior notice of the AGM of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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	:	The whole Board of Directors attends the Annual General Meetings of the Company. The Chairmen of the Audit & Risk Management and Nomination & Remuneration Committees provide meaningful responses to questions addressed.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Company has leverage on technology to facilitate meetings in remote locations including voting in absentia and shareholders' participation at General Meeting remotely.	
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.

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.

Application	:	Applied
Explanation on application of the practice	:	Shareholders are encouraged to participate and vote remotely at the Company's AGM using the Virtual Meeting Facilities. Corporate Shareholders are encouraged to register themselves via the Registration Link provided at the Company's Notice of AGM. Before the AGM Shareholders are able to submit questions online through Virtue Meeting Facilities. QR Code for the online will be displayed in the Chat Box and Q&A Box of Virtue Meeting Room upon commencement of AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>Administrative Guide is sent out together with the Notice of Annual General Meeting whereby Shareholders are given the following options:</p> <ol style="list-style-type: none">1. registering as Shareholder / Corporate Representative / Beneficiary Owner of an Exempt Nominee for attending the AGM2. A member entitled to participate and vote remotely at the AGM using the Virtue Meeting Facilities is entitled to appoint proxy/proxies, to participate and vote instead of him, or alternatively, he/she can appoint the Chairman of the meeting as his/her proxy.3. submission of questions online by scanning the QR Code provided.4. If Shareholders have any questions to be raised during the meeting, they may submit by using the Q and A box. The Chairman/Board will address the questions submitted prior to or during the meeting accordingly. <p>In light of the Coronavirus Disease pandemic and the constant evolving situation in relation thereof, the Company will be conducting its AGM fully virtual and online voting.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Company makes an immediate announcement to Bursa on the outcome of the general meetings. Minutes of the general meeting are circulated to shareholders via the company's website later than 30 business days after the general meeting. The Company will ensure that minutes of general meetings will be circulated to shareholders no later than 30 business days after the general meeting.
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Company will ensure that minutes of general meetings will be circulated to shareholders no later than 30 business days after the general meeting.
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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