

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 6815  
**COMPANY NAME** : EUPE CORPORATION BERHAD  
**FINANCIAL YEAR** : February 28, 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 PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

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

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group is headed by a Board of Directors ("Board"), comprising Independent Non-Executive Chairman, two (2) Executive Directors, four (4) Independent Non-Executive Directors ("INED"), which inclusive of Ms. Tham Sau Kien, who was appointed to the Board on 18 June 2021, and one (1) Non-Independent Non-Executive Director.</p> <p>The Board is guided by a Board Charter which sets out the roles and responsibilities of the Board, Board Committees, individual Directors and management, Board reserved matters, board structure and composition, authority and obligation of Directors. The Board is collectively responsible for good corporate governance culture within the organisation and the oversight of the strategic plans and goals of the Group, the conduct of the Group's businesses and the performance of management.</p> <p>The Board has established a Risk Management and Audit Committee ("RMAC"), a Nomination Committee ("NC") and a Remuneration Committee ("RC") and delegated specific responsibilities according to their Terms of Reference ("TOR"), to assist the Board in discharging its duties and responsibilities effectively. The Board Committees report to the Board on matters considered and their recommendations thereon. The ultimate responsibility for decisions on all matters lies with the Board.</p> <p>The Board plays a key and active role in the formulation and development of the Group's strategies, taking into considerations of sustainability matters such as economic, environmental, social factors and governance, to support the Group's long-term value creation and monitor the implementation and performance of those strategies.</p> <p>The Group Managing Director ("GMD") is responsible for managing day-to-day operations of the Group, including the implementation of policies and execution of business strategies and decisions of the Board.</p>

He is supported by Chief Financial Officer (“CFO”) and Senior Management that consists of Head of Department (“HOD”) of various functions as well as Head of Business Unit (“HBU”).

The Board meets at least five (5) times for each financial year, together with the GMD, CFO, HOD and HBU (when required) to review, deliberate and guide the Management on the implementation of the Group’s strategic plans.

The Board constantly reviews the Group’s businesses and the performance of the Management through Key Performance Indicators, Interim Progress Reports, Project Progress Update Reports, Quarterly Financial Reports, Audited Financial Statements and 3-Year Business Plan and Business Strategies to ensure that the Group’s businesses are being properly managed, necessary resources are in place for the Group to meet its goals and targets whilst considering the need for new strategic initiatives which provide the avenue for growth.

The Board, via the NC, develops objective criteria for the performance assessment of Key Senior Management (including GMD and Executive Directors) (“KSM”) which align with the Group’s strategies and key targets. The presence of a robust performance evaluation process as well as the efforts in developing the necessary skills and experience of the KSM team towards leadership roles are part of the Group’s efforts in succession plan.

The Board has established its authority matrix by providing a framework of authority and accountability ascribed to the shareholders, the Board, the GMD and the CFO in terms of governance, statutory requirements and policies, capital investments, operational, financial and human resource matters.

The Board recognises the importance of taking appropriate risk by setting adequate risk appetite as well as managing them. The Board has embraced Enterprise Risk Management (“ERM”) that seeks to create a top-down holistic view of enterprise-wide risks that might impact the strategic objectives of the business through the conduct of risk assessment within the organisation. The Board delegated the implementation of the ERM framework and internal control system to the Management and tasked the RMAC with the oversight responsibility to review the adequacy and effectiveness of the ERM framework and internal control system. The ERM framework is reviewed by RMAC annually to ascertain its effectiveness to protect the Group’s assets and its shareholders’ investments.

The Board is fully committed to promote and maintain the highest standards of corporate governance culture within the Group which reinforce ethical, prudent, integrity and professional behaviour to create and deliver long term sustainable value to its shareholders. The Board ensures that such tone on the Group’s corporate culture and values are set at the top.

	The Board also emphasises the importance of embracing organisational wide integrity and ethical values. The same applies to the Company's financial and non-financial reporting which the Board is resolute to ensure reliability, timeliness, transparency and compliance with the relevant standards.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is led by Datuk Tan Hiang Joo, an Independent Non-Executive Chairman, who is primarily responsible for the leadership, management of the Board and ensuring the integrity and effectiveness of corporate governance of the Board. His roles and responsibilities are summarised as follows:</p> <ul style="list-style-type: none"><li>• Ensuring that the Board plays a full and constructive part in the determination of the Group's strategies and policies, and that the Board's decisions taken are in the best interest of the Group and fairly reflect the Board's consensus;</li><li>• Managing interface between the Board and management;</li><li>• Presiding at Board and shareholders' meetings and ensuring the meeting proceedings comply with good conduct and practices;</li><li>• Functioning as a facilitator at meetings of the Board to ensure that no board member, whether executive or non-executive, dominates discussion and that appropriate discussions take place as well as that relevant opinions amongst members are forthcoming;</li><li>• Encouraging active participation of Board members and allow dissenting views to be freely expressed at Board meetings. This includes ensuring all meeting materials are received timely by the Board members, issues arising at Board meetings are adequately briefed through, presented and allowed Board members to have reasonably sufficient time for thorough deliberation of key issues; and</li><li>• Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole.</li></ul> <p>The roles and responsibilities of the Chairman are clearly specified in Paragraph 4.3 of the Company's Board Charter, which is available on Eupe's website at <a href="https://www.eupe.com.my/investor-relations">https://www.eupe.com.my/investor-relations</a>.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges the need to have a distinction of power and responsibilities between the Chairman of the Board and the GMD to ensure a balance of power and authority, such that no one individual has unfettered decision-making powers or control. Accordingly, the position of Chairman of the Board and GMD are held by two different individuals.</p> <p>The Chairman of the Board, Datuk Tan Hiang Joo leads and manages the Board, which collectively responsible for the oversight of management by focusing on strategy, governance and compliance. The GMD, Dato' Beh Huck Lee manages the business and day-to-day operations of the Company and implements the Board's policies and decisions.</p> <p>The roles of Chairman and GMD are clearly defined in the Board Charter, which is available on Eupe's website at: <a href="https://www.eupe.com.my/investor-relations">https://www.eupe.com.my/investor-relations</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by three (3) Company Secretaries, who are qualified to act as company secretary under Section 235(2) of the Companies Act 2016 ("CA 2016"). They are members of The Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA").</p> <p>The Company Secretaries play an important role to facilitate and ensure the Company and the Board adhere to the applicable laws and regulations. Their roles and functions are clearly set out in the Company's Board Charter.</p> <p>To ensure effective functioning of the Board and Board Committees in accordance with their terms of reference and best practices, the Company Secretaries had performed the following tasks during the financial year ended 28 February 2021 ("FY2021"):</p> <ul style="list-style-type: none"><li>• Updated and advised the Board regularly in relation to its duties and responsibilities under the Constitution of the Company ("the Constitution") and on the changes to statutory and regulatory requirements, principles and practices of corporate governance either via email or circulation of board papers;</li><li>• Assisted the Board in interpreting listing and other regulatory requirements;</li><li>• Kept the Directors and principal offers informed of the closed period for trading in the Company's shares;</li><li>• Ensured all Board and Board Committee meetings are properly organised and convened in accordance to applicable rules and regulations and in a timely manner;</li><li>• Attended all Board and Board Committee meetings and ensured that the deliberations, proceedings, decisions and resolutions passed by the Board and Board Committees are accurately recorded and documented including any dissenting decision by any member of the Board or Board Committees;</li><li>• Worked closely with the KSM to ensure timely and appropriate information flows within the Board and Board Committees, and between the Non-Executive Directors and KSM; and</li><li>• Managed processes pertaining to the Company's 24<sup>th</sup> Annual General Meeting ("AGM") in line with the Constitution, CA 2016 and Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").</li></ul>



	<p>In addition to the above, the Company Secretaries constantly keep themselves abreast with regulatory changes and developments in company law, listing requirements and corporate governance through attending relevant conferences and training programmes. During the financial year, the Company Secretaries attended the relevant continuous professional development programmes as required by the Companies Commission of Malaysia or MAICSA.</p> <p>The Board is satisfied with the performance and support rendered by the Company Secretaries in discharging their functions throughout the financial year.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

### Intended Outcome

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

### Practice 1.5

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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board meets at least quarterly to review financial, operational and business performance, with additional meetings convened as and when necessary, to consider urgent proposal or matters that require the Board's expeditious deliberation and decision. The Board, Board Committees and shareholders' meetings for the financial year under review were scheduled in advance to facilitate the Directors in their planning. The annual meeting calendar is prepared and tabled at the Board meeting at the beginning of the year. The Chairman, together with the Management and the Company Secretaries, are responsible for ensuring the Directors received adequate and timely information prior to Board or Board Committee meetings.</p> <p>The Board has unrestricted access to all information to allow them discharge their duties effectively and efficiently. In order to allow sufficient time for the Directors to consider the relevant information, the Board meeting materials are circulated at least five (5) business days prior to each meeting.</p> <p>If the meeting materials were circulated to the Board less than five (5) business days due to heavy agenda, the Management will summarise and present the discussion points in presentation slides during the meeting to facilitate discussion and deliberation by the Board.</p> <p>Separate reports with a brief statement of findings and/or recommendations on strategic plans, policy issues, major investment and major financial decisions are prepared as and when needed for Board's deliberation.</p> <p>Professional advisors appointed by the Company for corporate proposals to be undertaken would also be invited to render their advice and opinion to the Directors. The Directors, whether collectively as a Board or in their individual capacity, have the liberty to seek external and independent professional advice, if so, required by them, in furtherance of their duties at the Company's expense.</p> <p>All pertinent issues discussed at the Board and Board Committee meetings in arriving at the decisions and conclusions are well-documented by the Company Secretaries.</p>

	<p>Minutes of the previous Board and Board Committees meetings are prepared and circulated to the Board and Board Committees for perusal within a month after the said meeting. The minutes record deliberations, decisions and rationale for each decision as well as matters where Directors abstained from deliberation and voting, and concerns or dissenting views, if any. Upon conclusion of the meeting, the minutes are circulated and every Director has the opportunity to review and make corrections to the minutes. The minutes of the Board or Board Committees meetings are typically approved at the subsequent meeting.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

### Intended Outcome

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

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

### Practice 2.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board Charter serves as a primary reference for prospective and existing Board members of their fiduciary duties as Directors of the Company and the functions of the Board Committees. It provides an insight and overview of how the Board leads by strategic guidance and effective oversight of the management of the Company.</p> <p>The Board Charter, which aligns with Practice 2.1 of the Malaysian Code of Corporate Governance (“MCCG”), fundamental requirements of provisions in the CA 2016, MMLR of Bursa Securities, the Constitution and other applicable rules and regulations clearly set out, among others:</p> <ul style="list-style-type: none"><li>• The roles and responsibilities of the Board and the Management;</li><li>• Board structure;</li><li>• Role of the Chairman, the GMD, the Executive Director, the Non-Executive Directors, the Company Secretary, and the Board Committees;</li><li>• Board communication with shareholders and stakeholders;</li><li>• Board practices and processes;</li><li>• Directors’ remuneration;</li><li>• Assessment of Board, Board Committees and individual Directors;</li><li>• Representation of the Company; and</li><li>• The Constitution and Management’s limits.</li></ul> <p>The Board reserves a formal schedule of matters for its decision to ensure that the direction and control of the Group are firmly vested in the Board. This includes corporate and strategic planning, formulating and monitoring the Company’s critical policies, in particular, the risk management and system of internal control policies and procedures. Other areas covering financial reporting controls, regulatory compliance, internal and external audit control through the delegation</p>

	<p>of authority to RMAC and appointment and termination of Company Secretary and Auditors.</p> <p>The Board Charter is reviewed and updated periodically as and when necessary based on the prevailing regulatory promulgations. It was last reviewed and revised on 23 July 2020.</p> <p>The Board Charter is available on Eupe’s website at <a href="https://www.eupe.com.my/investor-relations">https://www.eupe.com.my/investor-relations</a>.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

### 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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board has established a Code of Conduct and Ethics for the Group which provide the ethical framework to guide actions and behaviours of all Directors, management and employees, integrating the policies into Group-wide management practices which cover the following areas:</p> <ul style="list-style-type: none"><li>• Compliance with the law and relevant rules and regulations;</li><li>• Conflict of interest;</li><li>• Confidentiality of information;</li><li>• Safeguarding Company's properties;</li><li>• Company's funds and business records;</li><li>• Giving and receiving gifts and gratuities;</li><li>• Preventing corruption and offering a bribe;</li><li>• Intellectual Properties Rights;</li><li>• Safety, Occupational Health and Environment;</li><li>• Religious / Racial / Sexual Discrimination;</li><li>• Outside activities and interest;</li><li>• Fair and courtesy inter-personal conduct;</li><li>• Dishonesty, misconduct and corrupt practices;</li><li>• Money laundering and terrorism financing; and</li><li>• Abuse of power.</li></ul> <p>This Code is established based on the principles of sincerity, integrity, responsibility and corporate social responsibility. The Code is periodically reviewed by the Board as and when the need arises to ensure it remains relevant.</p> <p>The Directors are required to act in the best interest of the Company and fulfil their fiduciary obligations to all stakeholders.</p> <p>A Director should disclose to the Board:</p> <ul style="list-style-type: none"><li>• Any material personal interest he/she has in a matter which relates to the affairs of the Company; and</li></ul>

	<ul style="list-style-type: none"> <li>Any other interest (direct or indirect) which he/she believes is appropriate to disclose in order to avoid any conflict of interest or the perception of a conflict of interest.</li> </ul> <p>The disclosure should be made as soon as practicable, after the Director becomes aware of his/her interest.</p> <p>The Code of Conduct and Ethics is made available on Eupe’s website at <a href="https://www.eupe.com.my/investor-relations">https://www.eupe.com.my/investor-relations</a>.</p> <p>In line with the implementation of new corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 effective from 1 June 2020, the Board has on 22 October 2020 reviewed, approved and adopted the Anti-Bribery and Anti-Corruption Policy. The policy sets out rules and providing guidance to Directors, KSM, employees and business associates who work for and/or act for or on behalf of the Group, on how to deal with improper solicitation, requests for bribes and other corrupt activities and issues that may arise in the course of business.</p> <p>Regular assessment of the anti-bribery management will be carried by the Company to ensure its scope, policies, procedures and control match the bribery and corruption risks faced by the Group. The Group will review the result of corruption risk assessments to ensure the continued effectiveness of the policy and all related policies, procedures and control.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board had established and implemented an Integrity Policy (Whistleblowing Policy) and Procedures with accompanying formal whistleblowing channels that provide an avenue for employees, suppliers, customers, shareholders and other stakeholders to report genuine concerns about fraud, malpractices, illegal acts, improper conduct, corruption and other acts or omissions which are against the interest of the Group. The Chairman of the Board and Chairman of the RMAC are committed to investigate and address all cases of reported misconduct and recommend action to be taken by the Board (if any). The policy underscores the Group's commitment to developing a culture of openness and honesty, where a person who is aware of a potential malpractice or misconduct is encouraged to report such matter in good faith, without fear of reprisal.</p> <p>The Integrity Policy (Whistleblowing Policy) and Procedures is made available on Eupe's website at <a href="https://www.eupe.com.my/investor-relations">https://www.eupe.com.my/investor-relations</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### 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 of majority independent directors

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As of 28 February 2021, the Board has seven (7) Directors, of whom four (4) are INED, representing 57.1% (or 4/7) of the total Board members. Their presence provides checks and balances on the Board as they are able to provide unbiased and independent views in Board deliberations and decision makings, taking into account the interest of the Group, stakeholders and shareholders including minority shareholders. With a newly appointed INED namely Ms Tham Sau Kien on 18 June 2021, the Board now consists of five (5) INED, representing 62.5% (or 5/8) of the total Board members.</p> <p>The Independent Directors do not participate in the day-to-day management of the Company, and are not involved in any other relationship with the Company (other than in situation permitted by the applicable regulations) which could materially interfere with the exercise of their independent judgement.</p> <p>The Board has also formalised and put in place a Directors' Independence Policy which gives a framework to guide and govern the Independent Non-Executive Directors and their objectivities.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## 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 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 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.

<b>Application</b>	:	Applied - Two Tier Voting									
<b>Explanation on application of the practice</b>	:	<p>The INED may continue to serve on the Board as Non-Independent Non-Executive Director upon completion of the nine-year cumulative term. Where the Board intends to retain the INED beyond nine (9) years, it must justify and seek annual shareholders' approval. If the Board continues to retain the INED after the twelfth year, the Board shall seek annual shareholders' approval through a two-tier voting process.</p> <p>There are two (2) INEDs of the Company who have served in the position for a cumulative term of more than twelve (12) years as of to-date, namely, Datuk Tan Hiang Joo and Ms Kek Jenny. Their length of services with Eupe are as follows:</p> <table border="1"><thead><tr><th>Name of Director</th><th>Date of First Appointed to the Board of Eupe</th><th>Length of Services (as at 30 July 2021)</th></tr></thead><tbody><tr><td>Datuk Tan Hiang Joo</td><td>19 May 1997</td><td>24 years and 2 months</td></tr><tr><td>Kek Jenny</td><td>28 March 2002</td><td>19 years and 4 months</td></tr></tbody></table> <p>The Board and NC had, in accordance to the procedures set out in the Selection and Appointment of Non-Executive Directors Policy, conducted evaluation of the above-named Directors through Independent Directors' Self-Assessment Checklist based on, among others, the following criteria:</p> <ul style="list-style-type: none"><li>the criteria under definition of "Independent Director" set out in Paragraph 1.01 and Practice Note 13 of the MMLR of Bursa Securities; and</li><li>INEDs' tenure, background, skills set, independence judgement and ability to act in the best interest of the Company.</li></ul> <p>Following the assessment by the NC and deliberation by the Board, the Board had recommended for the continuation of Datuk Tan Hiang Joo and Ms. Kek Jenny to continue to act as INEDs of the Company subject</p>	Name of Director	Date of First Appointed to the Board of Eupe	Length of Services (as at 30 July 2021)	Datuk Tan Hiang Joo	19 May 1997	24 years and 2 months	Kek Jenny	28 March 2002	19 years and 4 months
Name of Director	Date of First Appointed to the Board of Eupe	Length of Services (as at 30 July 2021)									
Datuk Tan Hiang Joo	19 May 1997	24 years and 2 months									
Kek Jenny	28 March 2002	19 years and 4 months									

	<p>to shareholders' approval through a two-tier voting process at the forthcoming AGM of the Company based on the following justifications:</p> <ul style="list-style-type: none"> <li>i. They have fulfilled the criteria under the definition of Independent Directors as stated in the MMLR of Bursa Securities. They possess strong self-esteem and confidence to stand up for an independent point of view. With "independent in mind", they would be able to bring the element of objectivity, independent judgement and balance to the Board;</li> <li>ii. They are knowledgeable and have applied their vast experience and exercised due care during their tenure as INEDs of the Company. They have carried out their duties professionally with reasonable skills and competencies, bringing independent judgement and depth into the Board's decision making in the best interest of the Company, shareholders and stakeholders;</li> <li>iii. They have been with the Company long and therefore understand the Company's business operations which enable them to participate actively and contribute effectively during Board and Board Committees meetings; and</li> <li>iv. They have exhibited high commitment and devoted sufficient time and efforts to attend all meetings diligently for informed and balanced decision making. They are unafraid to express dissenting view on matters and able to express unbiased view without any influence.</li> </ul> <p>Overall, the Board believes that the above Directors possess the right balance of experience, expertise, skills and competencies to contribute strong independent judgement and checks and balances to the Board with their unbiased and independent views to foster greater objectivity in the boardroom.</p>
<p><b>Explanation for departure</b> :</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><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

**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 years.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board strongly endorses the importance of diversity as it is of the view that a diversified Board provides constructive debates and able to approach problems from greater range of perspective which lead to better decisions, greater effectiveness, foster creativity and increase capacity to thrive in challenging and uncertain business environment. The Board takes the objectivity into consideration and aims to make better utilisation of the diversified talent pool of its Directors.</p> <p>The Board is committed in ensuring that the Senior Management of the Company possess broad and balanced skills, knowledge, experience, age, cultural background, independence and gender diversity.</p> <p>The Board also strives to ensure that there is no discrimination in age, gender, ethnicity and cultural background when deciding candidates on the composition of the Board and the Senior Management team.</p> <p>The NC is delegated with the responsibility of assessing and considering suitable candidates for the appointment of Board and Senior Management by taking into consideration of their skills, experience, age, cultural background, gender, capabilities, professionalism, integrity, and expertise. For the position of Independent Directors, the NC will also evaluate the competency of the candidate in discharging the responsibilities or functions that are expected from an Independent Directors as outlined in the Board Charter.</p> <p>Ms. Tham Sau Kien was appointed as INED on 18 June 2021. The NC had reviewed and assessed her experience, skills, time commitment and expertise and was satisfied that she had fulfilled the required criteria by the Board. Thereafter, the NC recommended her appointment to the Board for approval.</p> <p>The Board had adopted a Board and Senior Management Diversity Policy to drive the Board's effectiveness in creating a breadth of diversity perspective among Directors and Senior Management. The said Policy is accessible at Eupe's website at: <a href="https://www.eupe.com.my/investor-relations">https://www.eupe.com.my/investor-relations</a>.</p>
<b>Explanation for departure</b>	:	

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

## 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.

<b>Application</b>	:	Applied																										
<b>Explanation on application of the practice</b>	:	<p>As explained in Practice 4.4 above, the Company strongly endorses the importance of diversity within the Board and across the Company as it is of the view that a diversified Board and Senior Management has the prospects of achieving better decisions, greater effectiveness, foster creativity and increase capacity to thrive in a challenging and uncertain business environment.</p> <p>The Company had set to have a target of at least one (1) woman Director on the Board. The percentage of women Directors on Board has increased from 28.57% (2/7) to 37.5% (3/8) following the appointment of Ms. Tham Sau Kien as INED of the Company on 18 June 2021.</p> <p>The existing Directors' age distribution falling within the respective age group is as follows:</p> <table border="1"> <thead> <tr> <th>Age Group</th> <th>40-49 years</th> <th>50-59 years</th> </tr> </thead> <tbody> <tr> <td>Number of Directors</td> <td>2 (25.0%)</td> <td>6 (75.0%)</td> </tr> </tbody> </table> <p>The current diversity in the race/ethnicity and nationality of the existing Board are detailed below:</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="4">Race / Ethnicity</th> <th colspan="2">Nationality</th> </tr> <tr> <th>Malay</th> <th>Chinese</th> <th>Indian</th> <th>Other</th> <th>Malaysian</th> <th>Foreigner</th> </tr> </thead> <tbody> <tr> <td>Number of Directors</td> <td>2</td> <td>6</td> <td>-</td> <td>-</td> <td>8</td> <td>-</td> </tr> </tbody> </table> <p>In tandem with the Company's aspiration to attain diversity workforce, the Company had codified a Board and Senior Management Diversity Policy. The policy is available on Eupe's website at <a href="https://www.eupe.com.my/investor-relations">https://www.eupe.com.my/investor-relations</a></p>	Age Group	40-49 years	50-59 years	Number of Directors	2 (25.0%)	6 (75.0%)		Race / Ethnicity				Nationality		Malay	Chinese	Indian	Other	Malaysian	Foreigner	Number of Directors	2	6	-	-	8	-
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<b>Explanation for departure</b>	:																											

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

<b>Measure</b> :		
<b>Timeframe</b> :		



## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The procedures for selection and appointment (including re-election / re-appointment) of Non-Executive Directors are set out in Selection and Appointment of Non-Executive Directors Policy (“Appointment Policy”). The NC is guided by the Appointment Policy in carrying out its responsibilities for nomination, selection and appointment process in Eupe.</p> <p>While the Board is responsible for the appointment of new Directors, the NC is delegated with the role of talent search, screening and conducting initial selection of suitable candidates, before making recommendation to the Board to fill casual vacancy or to increase the number of directors. The NC uses variety of approaches and sources to ensure it is able to identify the most suitable candidates. This may include recommendations from various sources i.e. from existing Board member, management or major shareholders or the use of independent search firms whenever necessary as authorised by the Board. The appointment of Ms. Tham Sau Kien as INED was sourced through the business network of an existing Board member of the Company.</p> <p>The NC will perform its evaluation of the nominees, considering the mix of skills, competencies, experience, independence, diversity background and other qualities required to discharge their duties and responsibilities before recommending their appointment as Directors to the Board for its deliberation and approval.</p> <p>To ensure that Directors have sufficient time to fulfil their roles and responsibilities effectively, the criterion as agreed by the Board is the candidate shall not sit on the board of more than five (5) public listed companies (as prescribed in Paragraph 15.06 of the MMLR of Bursa Securities). The NC will also consider his/her time availability in discharging his/her fiduciary duties.</p> <p>In accordance with the Company’s Constitution, all newly appointed Directors shall retire from office but shall be eligible for re-election at the AGM subsequent to their appointment. It further provides that at least one-third of the Directors for the time being shall retire by rotation at each AGM at least once in every 3 years but shall be eligible for re-election.</p>

	In this respect, Ms. Tham Sau Kien will retire and subject to re-election by shareholders at the forthcoming 25 <sup>th</sup> AGM of the Company.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC of the Company is chaired by Ms. Kek Jenny, an INED.</p> <p>In discharging her duties as the Chairperson of the NC, she undertakes to perform, amongst others, the following: -</p> <ul style="list-style-type: none"><li>▪ Leading the overall assessment of the contribution, effectiveness and performance of the Board, Board Committees and individual Directors as well as the performance of KSM;</li><li>▪ Leading the nomination, election and appointment of Board members and Board Committees, re-appointment and re-election of existing Directors to the Board; and</li><li>▪ Leading the review and recommendation to the Board regarding the TOR of NC.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The annual assessment of the Directors is an on-going responsibility of the NC and the entire Board. During the financial year under review, the NC facilitated by the Company Secretaries, had conducted a formal and objective internal annual evaluation on the effectiveness of the Board as a whole, the Board Committees and the contribution or performance of individual Directors, based on self and peer assessment approach through customised questionnaires evaluation form. The assessment covers the Board's size and composition, mix of skills, industry experience, integrity, independence and other criteria set to meet the operational objectives, strategic goals and business requirements of the Group. No external facilitator has been used.</p> <p>Below are the criteria used to assess Board, Board Committees and individual Directors respectively during the financial year.</p> <p>a) Directors' self-assessment</p> <ul style="list-style-type: none"><li>• Fit and proper;</li><li>• Professional conduct, qualification, knowledge and experience;</li><li>• Contribution and performance – ability to give input at meetings and demonstrate high level of professionalism and integrity in the decision-making process;</li><li>• Calibre and personality;</li><li>• Industry experience;</li><li>• Quality input; and</li><li>• Understanding of roles and commitment.</li></ul> <p>b) Board and Board Committees' assessment</p> <ul style="list-style-type: none"><li>• Board mix and composition;</li><li>• Quality of information and decision making;</li><li>• Boardroom activities;</li><li>• Board relationship with the Management;</li><li>• Board Chairman's roles;</li><li>• Board skill sets; and</li><li>• Financial literacy of the RMAC members.</li></ul>

c) Independent Directors' self-assessment

- The criteria of "independence" used in the definition of the "Independent Directors" prescribed under the MMLR of Bursa Securities and MCCG.

The results of the assessments are compiled by the Company Secretaries for deliberation at NC meeting. The NC will subsequently table the outcome to the Board together with agreed action plans to address the gaps or areas for improvement.

Based on the annual assessment for FY2021, the Board was satisfied that the overall performance of the Directors was within expectation whilst the Board and Board Committees had discharged their duties effectively and have the right balance, size and composition in terms of mix of skills, industry experience, integrity, independence and other professional background.

Trainings attended by the Board during FY2021 included:

1. Corporate Liability & Directors' Liability under MACC Act
2. Eupe Anti-Bribery and Anti-Corruption Policy
3. Fraud Risk Management
4. Invest Malaysia 2020 Virtual Series: "Economic Recovery: Policies and Opportunities"

The Board requires all members to devote sufficient time for the functioning of the Board in discharging their duties as Directors effectively and attend the meetings diligently.

The Board and Board Committees meetings as well as the shareholders' meetings are scheduled in advance before the end of each financial year to facilitate the Directors in their planning. Special Board meetings may be convened to consider urgent proposals or matters that require expeditious deliberation and decision by the Board.

During FY2021, five (5) Board meetings and seven (7) Board Committees meetings were held, as follows:

Directors	Attendance in meeting of			
	Board	RMAC	NC	RC
<b>Independent Non-Executive Directors (INEDs)</b>				
Datuk Tan Hiang Joo	5/5	-	-	1/1
Alfian Bin Tan Sri Mohamed Basir	5/5	5/5	-	-
Iskandar Abdullah @ Sim Kia Miang	5/5	5/5	1/1	1/1
Kek Jenny	5/5	5/5	1/1	1/1
<b>Non-Independent Non-Executive Director (NINED)</b>				
Beh Yeow Seang	5/5	-	1/1	-
<b>Executive Directors</b>				

	Dato' Beh Huck Lee	5/5	-	-	-
	Muhamad Faisal Bin Tajudin	5/5	-	-	-
	<p>To ensure all Directors dedicate sufficient time to discharge their responsibilities, the Board Charter provides that all Board members shall notify the Chairman of the Board prior to accepting new directorship which shall include an indication of time that will be spent on the new appointment. In addition, the Board reviews on the adequate amount of time spent by Directors in performing their responsibilities annually. At present, no Directors have more than five (5) directorships at any one time.</p> <p>All Directors have confirmed to the Company that they have given sufficient time and attention to the Company's affairs throughout the FY2021.</p> <p>Based on the results of the assessment, the Board is satisfied with the level of commitment as well as the diverse perspectives of the Directors in fulfilling their roles and responsibilities as Directors of the Company.</p>				
<b>Explanation for departure</b>	:				
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>					
<b>Measure</b>	:				
<b>Timeframe</b>	:				

### 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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>With the aim to support Company's long-term objectives and create a strong performance orientated environment to be able to attract, motivate and retain high performing Directors and Senior Management, the Board has formalised a Directors' and Senior Management's Remuneration Policy.</p> <p>Among others, the key features of the policy are as follows:</p> <ul style="list-style-type: none"><li>• Key principles in determining the remuneration and its scope;</li><li>• Policy on salaries of Executive Directors and Senior Management;</li><li>• Policy on Other Benefits (Non-Cash Benefit) for the Executive Directors and Senior Management; and</li><li>• Policy on remuneration of Non-Executive Directors.</li></ul> <p>Broadly, the Directors' remuneration packages are structured based on the level of experience and responsibilities undertaken by respective Directors and benchmarked against market competitiveness.</p> <p>The remuneration packages of the Executive Directors and Senior Management are structured to align with the business strategies in achieving the long-term objectives of the Company and tailored to attract, retain and motivate Directors and Senior Management of the quality required to manage the business of the Company effectively and efficiently. Their remuneration packages commensurate with the performance of the individual, skills, experience, responsibilities undertaken as well as their performance against the pre-set key performance indicators.</p> <p>In deciding on the appropriate level of fees and/or allowances for each Non-Executive Director, the Board considers the experience, level of responsibilities undertaken, time commitment required in attending both the scheduled and special Board meetings, time required for</p>

	<p>reviewing of Board papers and deliberation as well as the number of memberships assumes on Board Committees.</p> <p>Any review or change to the existing packages will be deliberated upon and approved by the Board as a whole. The Directors will abstain from the deliberation of their own remuneration.</p> <p>The Directors' fees and benefits, which had been reviewed by the RC, are recommended by the Board to the shareholders for approval at the AGM.</p> <p>The Directors' and Senior Management's Remuneration Policy is available on Eupe's website at <a href="https://www.eupe.com.my/investor-relations">https://www.eupe.com.my/investor-relations</a>.</p>	
<p><b>Explanation for departure</b></p>		
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<p><b>Timeframe</b></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 6.2

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.

<b>Application</b>	:	Applied		
<b>Explanation on application of the practice</b>	:	The Board had established a RC that consists of exclusively INED, as follows:		
		<b>Name</b>	<b>Designation in RC</b>	<b>Directorship</b>
		Datuk Tan Hiang Joo	Chairman	Independent Non-Executive Chairman
		Iskandar Abdullah @ Sim Kia Miang	Member	Independent Non-Executive Director
		Kek Jenny	Member	Independent Non-Executive Director
		The RC reviews and recommends the remuneration packages of the Executive Directors and Senior Management for the Board's approval pursuant to the TOR of RC as well as the remuneration of Non-Executive Directors for shareholders' approval. The TOR of RC is available on Eupe's website at <a href="https://www.eupe.com.my/investor-relations">https://www.eupe.com.my/investor-relations</a> .		
<b>Explanation for departure</b>	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
<b>Measure</b>	:			
<b>Timeframe</b>	:			

## 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.

<b>Application</b> :	Applied																																																																																									
<b>Explanation on application of the practice</b> :	<p>The details of the remuneration by each Director, including Non-Executive Directors and Executive Directors for FY2021 including remuneration for services rendered to the Company and its subsidiaries are as follows:-</p> <p>a) Company</p> <table border="1"> <thead> <tr> <th rowspan="2">Director</th> <th colspan="5">RM'000</th> <th rowspan="2">Total</th> </tr> <tr> <th>Salaries</th> <th>Fees</th> <th>Bonus</th> <th>Defined Contribution</th> <th>Other Emoluments</th> </tr> </thead> <tbody> <tr> <td colspan="7"><b>Independent Non-Executive Directors (INEDs)</b></td> </tr> <tr> <td>Datuk Tan Hiang Joo (Chairman)</td> <td>-</td> <td>60.0</td> <td>-</td> <td>-</td> <td>15.1</td> <td><b>75.1</b></td> </tr> <tr> <td>Alfian Bin Tan Sri Mohamed Basir</td> <td>-</td> <td>60.0</td> <td>-</td> <td>-</td> <td>5.6</td> <td><b>65.6</b></td> </tr> <tr> <td>Iskandar Abdullah @ Sim Kia Miang</td> <td>-</td> <td>60.0</td> <td>-</td> <td>-</td> <td>11.4</td> <td><b>71.4</b></td> </tr> <tr> <td>Kek Jenny</td> <td>-</td> <td>60.0</td> <td>-</td> <td>-</td> <td>11.4</td> <td><b>71.4</b></td> </tr> <tr> <td colspan="7"><b>Non-Independent Non-Executive Director (NINED)</b></td> </tr> <tr> <td>Beh Yeow Seang</td> <td>-</td> <td>60.0</td> <td>-</td> <td>-</td> <td>6.4</td> <td><b>66.4</b></td> </tr> <tr> <td colspan="7"><b>Executive Directors</b></td> </tr> <tr> <td>Dato' Beh Huck Lee (GMD)</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>6.4</td> <td><b>6.4</b></td> </tr> <tr> <td>Muhamad Faisal Bin Tajudin</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>4.8</td> <td><b>4.8</b></td> </tr> <tr> <td><b>Total</b></td> <td><b>-</b></td> <td><b>300.0</b></td> <td><b>-</b></td> <td><b>-</b></td> <td><b>61.1</b></td> <td><b>361.1</b></td> </tr> </tbody> </table>	Director	RM'000					Total	Salaries	Fees	Bonus	Defined Contribution	Other Emoluments	<b>Independent Non-Executive Directors (INEDs)</b>							Datuk Tan Hiang Joo (Chairman)	-	60.0	-	-	15.1	<b>75.1</b>	Alfian Bin Tan Sri Mohamed Basir	-	60.0	-	-	5.6	<b>65.6</b>	Iskandar Abdullah @ Sim Kia Miang	-	60.0	-	-	11.4	<b>71.4</b>	Kek Jenny	-	60.0	-	-	11.4	<b>71.4</b>	<b>Non-Independent Non-Executive Director (NINED)</b>							Beh Yeow Seang	-	60.0	-	-	6.4	<b>66.4</b>	<b>Executive Directors</b>							Dato' Beh Huck Lee (GMD)	-	-	-	-	6.4	<b>6.4</b>	Muhamad Faisal Bin Tajudin	-	-	-	-	4.8	<b>4.8</b>	<b>Total</b>	<b>-</b>	<b>300.0</b>	<b>-</b>	<b>-</b>	<b>61.1</b>	<b>361.1</b>
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<b>Total for Company and subsidiaries</b>	<b>918.0</b>	<b>300.0</b>	<b>107.3</b>	<b>133.3</b>	<b>66.1</b>	<b>1,524.7</b>																																																																																																		
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<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																																																																																																								
<b>Measure :</b>																																																																																																								
<b>Timeframe :</b>																																																																																																								

### 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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board did not disclose on a named basis the top five Senior Management's remuneration in band of RM50,000 in order to allay valid concerns on privacy and the Company's ability to retain right talent of Senior Management amidst of intense competitive employment environment for personnel with requisite knowledge, expertise and experience in property development industry.</p> <p>The total remuneration paid to employees are made available in the Note 36 to the Audited Financial Statements for FY2021, which allows shareholders to make an appreciable link between the Company's overall remuneration structure and the Company's performance.</p> <p>The performance of Senior Management is evaluated on an annual basis and measured against the targets set for the year. The remuneration packages of Senior Management are reviewed annually and adjustments to their remuneration are made based on their individual performance and contribution in the preceding year as well as the Company's performance.</p> <p>The Board ensures that the remuneration of the Senior Management commensurate with their performance and level of responsibility as well as the demand, complexities and performance of the Company, with due consideration to attract, retain and motivating the Senior Management.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### **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.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Chairman of RMAC is distinct from the Chairman of the Board.</p> <p>The Chairman of the Board is Datuk Tan Hiang Joo, an INED who is a practicing lawyer.</p> <p>The RMAC Chairman is Encik Iskandar Abdullah @ Sim Kia Miang, an INED who is a Fellow of the Institute of Chartered Accountants in England and Wales.</p> <p>Having the position of Board Chairman and Chairman of the RMAC assumed by different individuals allows the Board to review the RMAC's findings and recommendations with unfettered objectivity.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>None of the members of the Board or the RMAC had been associated with nor have held any senior leadership position with the Group's External Auditors in the past two (2) years.</p> <p>The Board recognises the need to uphold the independence of the External Auditors from the Board and Management. The TOR of RMAC specifically set out the requirement for a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as a member of RMAC.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the value of an effective RMAC to ensure the integrity in reporting and reliability of audit quality in assisting the investors to make informed decision. The Board has put in place the External Auditors Policy and Procedures to assess the suitability, objectivity and independence of the External Auditors, which covers the following:</p> <ul style="list-style-type: none"><li>a. Selection, appointment, re-appointment and removal of External Auditors;</li><li>b. Independence;</li><li>c. Scope and nature of non-audit services that are prohibited and the appropriateness of the level of fees for non-audit services rendered by External Auditors;</li><li>d. Rotation of audit partner;</li><li>e. Appointment of a former key audit partner as a member of the RMAC;</li><li>f. Audit reporting process; and</li><li>g. Criteria of annual assessment.</li></ul> <p>Guided by its TOR, the RMAC had on 11 June 2020 assessed the External Auditors, RSM Malaysia on their quality of services, sufficiency of resources, communication and interaction, and independence, objectivity and professional scepticism.</p> <p>Based on the assessment results, the RMAC was satisfied with the overall performance, independence and competency of RSM Malaysia for the audit of the financial year ended 29 February 2020, and recommended to the Board the re-appointment of RSM Malaysia as the External Auditors of the Company, and was subsequently put forth to the shareholders for approval at the 24<sup>th</sup> AGM held on 18 August 2020.</p> <p>For further details, please refer to the RMAC Report in page 68 of the Annual Report 2021.</p>
<b>Explanation for departure</b>	:	



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

### 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.

<b>Application</b>	:	Adopted		
<b>Explanation on adoption of the practice</b>	:	The RMAC comprises solely Independent Directors, as follows:		
		<b>Name</b>	<b>Designation in RMAC</b>	<b>Directorship</b>
		Iskandar Abdullah @ Sim Kia Miang	Chairman	Independent Non-Executive Director
		Kek Jenny	Member	Independent Non-Executive Director
		Alfian Bin Tan Sri Mohamed Basir	Member	Independent Non-Executive Director

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman of RMAC is a Fellow of the Institute of Chartered Accountants in England and Wales while the rest of the RMAC members are Members of the Malaysian Institute of Accountants.</p> <p>All members of the RMAC are financially literate. They are able to understand, analyse and grasp complex issues brought to their attention including the financial reporting standards and processes. They are capable of providing sound advice to the Board in terms of accuracy of the Group's financial reporting as well as adequacy and effectiveness of Group's risks management and internal control systems.</p> <p>The RMAC meets every quarter to review the integrity and reliability of the Group's unaudited quarterly financial statements and once a year review the annual audited financial statements, Directors' report, and auditors' report prior to recommending the same to the Board for approval. The members of the RMAC continuously apply critical and probing view on the Company's financial reporting process, transactions and other financial information, and effectively challenge Management's assertions on the Company's financial during the RMAC meetings.</p> <p>The RMAC, also through discussion with Senior Management, analysed the Group's income and expenditures against previous corresponding period and also against immediate preceding quarter, quarter to quarter as well as year to date and seeks explanations from Management on financial performance to detect any financial anomaly and ensure the financial statements are consistent with operational and other information.</p> <p>In addition, the RMAC also received assurance from the CFO and the External Auditors that the financial statements are prepared in full compliance with the Malaysian Financial Reporting Standards (MFRS)</p>

	<p>and disclosures as per MMLR of Bursa Securities, and give a true and fair view of the financial position and performance of the Group.</p> <p>For the financial year under review, the performance and effectiveness of the RMAC and each of its members had been evaluated by the NC concurrently with the annual Board assessment. The Board, via NC was satisfied that the RMAC members who possess the required knowledge, experience, expertise and skills had contributed to the overall effectiveness of the RMAC and discharged their functions, duties and responsibilities constructively.</p> <p>All RMAC members are aware of the need to continuously update their knowledge in the areas of accounting and auditing standards and enhance their skills to enable them to sustain their active participation during deliberation. In line with this, the RMAC members have made efforts in keeping themselves abreast of relevant developments by attending various training programmes and seminars organised by relevant regulatory authorities and professional bodies. Apart from continuous training, the RMAC also regularly briefed by the External Auditors on key changes in relation to accounting standards and financial reporting standards.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In recognition of the importance of risk management, the Board had formalised a structured ERM framework to actively identify, analyse, evaluate, manage, monitor and report the key business risks faced by the Group.</p> <p>The Board has outsourced its internal audit function to an independent professional firm which reports directly to the RMAC. The scope of work covered by the internal audit function during the financial year under review is provided in the Directors' Statement on Risk Management and Internal Control of the Company.</p> <p>Processes are put in place to ensure that the full risk management assessment includes a comprehensive risk management framework that identifies and locates specific risks within a risk matrix. The matrix provides a framework which prioritises the potential impact of each risk to the operations of specific divisions and the Group in general, and set out strategies which the Group can implement to manage each of the risk identified.</p> <p>The review of the adequacy and integrity of the Group's risk management and internal controls system is an on-going process, which has been embedded in all aspects of the Group's activities, and aligned with business objectives. It is designed to manage risks that may impede the achievement of the Group's business objective within an acceptable risk appetite rather than to eliminate these risks.</p> <p>Risk identification and mitigation strategies are developed by the Group's ERM consultants in consultation with Senior Management. These are in turn provided by the ERM consultants to the RMAC for their review, analysis and approval.</p> <p>For further information, please refer to the Directors' Statement on Risk Management and Internal Control of the Company in page 62 of the Company's Annual Report 2021.</p>
<b>Explanation for departure</b>	:	

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is committed to nurture and maintain a sound risk management framework and system of internal control throughout the Group.</p> <p>Through RMAC, the Board oversees the risk management matters of the Group, which include identifying, evaluating, managing, monitoring and mitigating significant risks across the Group. The RMAC, also assists the Board to fulfil its responsibilities with regard to the risk governance and risk management in order to manage the overall risk exposure of the Group.</p> <p>The RMAC reviews and recommends for the Board's consideration and approval, the risk management principles, frameworks and policies which place importance of balancing between risk and reward in making strategic business. The RMAC assesses, monitors and manages the risk within the Group to safeguard the shareholders' investment and the Group's assets.</p> <p>The Directors' Statement on Risk Management and Internal Control in the Annual Report 2021 outlines the Group's risk management framework and its state of internal control.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	



## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Eupe has outsourced its internal audit function to an independent professional firm which reports directly to the RMAC.</p> <p>The internal audit function undertakes an independent assessment on the internal control system of the Group on a quarterly basis and provides an independent and objective report on the adequacy, efficiency and effectiveness of the internal control system and procedures in the business units within the Group as well as the extent of compliance with the Group's established policies, procedures and guidelines.</p> <p>To ensure that the responsibilities of Internal Auditors are fully discharged, the RMAC reviews:</p> <ol style="list-style-type: none"><li>a. The adequacy of the scope, competency, experience and resources of the internal audit function and that it has the necessary authority and resources to carry out its work;</li><li>b. The internal audit plan and processes, results of the internal audit assessment, investigations undertaken and whether or not appropriate action is taken on the recommendations for improvements;</li><li>c. The adequacy and effectiveness of the internal control system and the efficiency of the Group's operations and efforts taken to reduce the Group's financial, operational, controls and compliance risks;</li><li>d. Major audit findings, reservations or material weaknesses and the Management's response and actions undertaken to resolve the audit issues reported during the year and other activities as authorised by the Board;</li><li>e. The appointment or re-appointment of the Internal Auditors and their fees and if appropriate, to recommend to the Board for approval; and</li><li>f. The annual performance assessment of Internal Auditors including their suitability, objectivity and independence.</li></ol> <p>For further details on the Group's internal audit function, please refer to RMAC Report in page 68 of the Annual Report 2021.</p>
<b>Explanation for departure</b>	:	

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

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group’s internal audit function, which reports directly to the RMAC, is outsourced to Tricor Axcelasia Sdn. Bhd. (“Tricor Axcelasia”), an independent professional services provider whose principal responsibility is to undertake systematic reviews on internal controls and risk management framework every quarter, to provide reasonable assurance that the system and framework continue to operate effectively and efficiently.</p> <p>Mr Derek Lee Siew Weng (“Mr. Derek”) is the engagement Senior Executive Director of Tricor Axcelasia, who is a Chartered Member of the Institute of Internal Auditors Malaysia and a member of the Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants. He is a Certified Internal Auditors (USA) and has a Certification in Risk Management Assurance (USA) and Certification in Business Continuity Management (UK). Mr. Derek has diverse professional experience in internal audits, risk management, business continuity and corporate governance advisory.</p> <p>The number of staff deployed for the internal audit reviews was 3 to 4 staff per cycle including the engagement Senior Executive Director. The staff involved in the internal audit reviews possess professional qualification and/or university degree. Most of them are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of their work.</p> <p>The internal audit function has been carried out on a risk-based approach and was guided by the International Professional Practice Framework (IPPF). The scope of internal audit is decided and agreed upon after having considered the risk profiles of each business units of the Group.</p>

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges the importance of timely and effective dissemination of material information to the shareholders and stakeholders. The Board endeavors to ensure that communications with the Group's stakeholders are conducted in a continuous and forthcoming manner guided by the Corporate Disclosure Policy of the Company.</p> <p>The Corporate Disclosure Policy outlines the Company's policy on the determination and dissemination of sensitive and material information to investors, stakeholders, local media, the investing public and other relevant persons in line with the applicable legal and regulatory requirements.</p> <p>The Company maintains an open communication policy with its shareholders and stakeholders, and welcomes feedback from them. Whenever deemed appropriate, the Board or the relevant management personnel will respond to their queries or opinions.</p> <p>The communication channels used in the Company's engagement with its shareholders and stakeholders include:</p> <ul style="list-style-type: none"><li>• Company's website;</li><li>• Announcement to Bursa Securities;</li><li>• Annual Report;</li><li>• General meetings;</li><li>• Newsletter; and</li><li>• Dialogues with investors, analysts and media briefings (as appropriate).</li></ul> <p>Investors and members of the public who wish to assess or seek clarifications on corporate and financial information such as the quarterly announcement of the Group's financial results, announcements or disclosures made pursuant to the disclosure requirements of MMLR of Bursa Securities and other corporate information and events related to the Group, can also contact the Company through the following channels:</p>

	<p>Phone : +604 441 4888 (Sungai Petani, Kedah)  +603 7610 0636 (Kota Damansara, Selangor)</p> <p>Fax : +604 441 4548 (Sungai Petani, Kedah)  +603 7610 0651 (Kota Damansara, Selangor)</p> <p>Email : <a href="mailto:enquiry@eupe.com.my">enquiry@eupe.com.my</a></p> <p>Website : eupe.com.my</p> <p>The AGM serves as principal avenue for the Board to engage and interact with shareholders and investors as well as to address their concerns, where necessary. The Company encourages shareholders' active participation to gain insights on the Group's strategic direction, business operations and performance. The Chairman and other Board members together with the Senior Management and the Company's External Auditors are also present at the AGM to respond to shareholders' concerns and queries.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

### 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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Currently, the Group has yet to adopt an integrated reporting as the Company is not a Large Company as defined under the MCCG.	
	:	At present, the Board is of the view that the Company's annual report is comprehensive enough for stakeholders to make informed decisions.  The current annual report provides stakeholders with a fairly comprehensive overview on the Company's financial and non-financial information. Information such as future prospect, Management Discussion and Analysis, Review of Operations, Sustainability Report, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control form an integral part of the non-financial information.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	The Board will continuously evaluate the sufficiency of the financial and non-financial information made available to the stakeholders to make informed decisions.	
<b>Timeframe</b>	:	Others	On going

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The notice of the AGM was circulated to the shareholders at least twenty-eight (28) clear days before the date of AGM, well in advance of the 21-day requirement under the CA 2016 and MMLR of Bursa Securities. The additional time given to the shareholders would allow them to have sufficient time to scrutinise the Annual Report and information supporting the resolutions proposed as well as to make the necessary arrangements to participate the meeting.</p> <p>The Notice of the AGM which outlines the resolutions to be tabled during the meeting, is accompanied with detailed explanatory notes and background information where applicable to shed clarity on each proposed resolution to be decided at the AGM. This information would assist the shareholders to have a better understanding and evaluation of the matters involved to enable shareholders to make informed decisions in exercising their voting rights.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Due to the Covid-19 pandemic, the 24<sup>th</sup> AGM of the Company held on 18 August 2020 was conducted through live streaming and online remote voting facilities. The virtual AGM was conducted with reference to the Guidance Note on Conduct of General Meetings issued by the Securities Commission of Malaysia on 18 April 2020 and the subsequent revisions thereof, where only the Chairman of the Board, GMD, CFO and the Company Secretary were physically present at the broadcast venue, whilst the remaining 5 Directors together with the External Auditors attended the AGM using remote platform.</p> <p>All the Directors, Senior Management and External Auditors had attended the 24<sup>th</sup> AGM either in person or via video conferencing, to provide meaningful responses to questions raised.</p> <p>During the conduct of the 24<sup>th</sup> AGM, the GMD gave a short presentation on the overview of the Group's business operations, projects' key milestones, impact of Covid-19 and the Group's focus for the financial year 2020 and 2021, whereas the CFO presented on the Group's business overview and achievements, financial performance of the Group for the past 5 years as well as the Group's strategy and future plan. The Company also shared with all participants during the 24<sup>th</sup> AGM the questions raised by the Minority Shareholders Watch Group (MSWG) in relation to strategic and financial matters and corporate governance and responses from Management.</p> <p>The Chairman also invited shareholders to submit their questions on matters relating to the Company's operation in general as well as the resolutions being proposed before putting the resolutions for voting. All queries raised by shareholders during the AGM had been clarified and responded by the GMD and CFO succinctly.</p> <p>All the resolutions set out in the Notice of the 24<sup>th</sup> AGM were put to vote by poll and were duly passed. The outcome of the AGM was announced to Bursa Securities on the same day. A summary of the key matters discussed at the AGM was published on Eupe's website as soon as practicable after the conclusion of the AGM.</p>
<b>Explanation for departure</b>	:	

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The 24<sup>th</sup> AGM of the Company held on 18 August 2020 was the first virtual meeting via remote participation and voting facilities, broadcasted live from Eupe's headquarter in Sungai Petani, Kedah. The meeting arrangement was conducted in accordance with Section 327(2) of the CA 2016, with reference to the Guidance Note on Conduct of General Meetings issued by the Securities Commission of Malaysia.</p> <p>During the 24<sup>th</sup> AGM, the shareholders used the remote participation and voting facilities provided by Mega Corporate Services Sdn. Bhd., the Share Registrar of the Company, to pose questions to the Chairman or Board members. All resolutions set out in the Notice of the 24<sup>th</sup> AGM were voted remotely using the Digital Ballot Form (DBF) application in the same platform. A step-by-step administrative guide was issued to assist shareholders on the registration, participation and voting using the DBF platform. The Administrative Notes was also published in the Company's website to encourage shareholders' participation.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	

**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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