

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of MSCM Holdings Berhad (“MSCM” or the “Company”) continues to believe that the practice of good corporate governance is important to ensure long-term sustainability and business prosperity and to preserve shareholders’ trust. The Board is fully committed to maintaining high standards of corporate governance practices throughout MSCM and its subsidiaries (“Group”) to safeguard the interests of the shareholders and stakeholders.

This Corporate Governance Overview Statement is presented pursuant to Paragraph 15.25 and Practice Note 9 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The objective of this statement is to provide an overview of the application of the corporate governance practices of the Group during the financial year ended 31 March 2020 with reference to the three (3) main principles, i.e. Board Leadership and Effectiveness, Effective Audit and Risk Management and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders as set out in the latest Malaysian Code on Corporate Governance (“MCCG” or “Code”).

The Board has also provided specific disclosures on how the Company embrace or apply this Code in its Corporate Governance Report (“CG Report”). The CG Report is announced together with the Annual Report of the Company on 28 August 2020. The CG Overview Statement should be read in tandem with the CG Report to provide comprehensive disclosure of the application of each principles and practices set out in the MCCG during the financial year.

The CG Report can be accessed on the Company’s website, by this link <https://about.panpages.com> for further details.

The Board is pleased to provide the following statement, which outlines the main corporate governance that has been in place throughout the financial year.

A. BOARD LEADERSHIP AND EFFECTIVENESS

(i) Functions and Responsibilities of the Board and Management

The Board is primarily responsible for determining the Company’s strategic objective and policies and to monitor the progress toward achieving the objectives and policies. In this regards, the Board is guided by the principles and practices set out in the approved Board Charter to ensure that all Board members, acting collectively and individually on behalf of the Company, are aware of the specific functions of the Board, their duties and responsibilities and that the principles and practices of good corporate governance are applied in all their dealings in respect of, and on behalf of the Company.

To ensure the effectiveness in discharging its duties and responsibilities, the Board has delegated certain responsibilities to the Management and the committees appointed by the Board. The Board has established and delegated certain responsibilities to the following three (3) Board Committees, namely:-

- a) Audit Committee
- b) Nominating Committee
- c) Remuneration Committee

Each committee operates its functions within their approved terms of reference by the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

(i) Functions and Responsibilities of the Board and Management (cont'd)

The principal responsibilities of the Board outlined in the Company's Board Charter include the following:-

- reviewing, approving and monitoring the overall strategies and direction of the Group;
- overseeing and evaluating the conduct and performance of the Group's businesses, including its control and accountability systems;
- identifying and managing principal risks affecting the Group;
- reviewing the adequacy and integrity of the Group's internal control systems, including systems for compliance with applicable laws, regulations, rules and guidelines;
- approving major capital expenditure, capital management and acquisitions/divestitures;
- ensuring that the statutory accounts of the Company are fairly stated and otherwise conform with the relevant regulations including acceptable accounting policies that result in balanced and understandable financial statements;
- ensuring high standards of ethics and corporate behaviour in the conduct of business;
- approving policies relating to investors relations programme and shareholder communication and overseeing stakeholders communications; and
- commitment in governing management and providing oversight of the Company, including the appointment of senior management, the implementation of appropriate policies and procedures that govern the management conduct, ensure sustainability of the Company, the monitoring of performance and succession planning.

The Board is also ultimately responsible for the adequacy and integrity of the Company's internal control system. Details pertaining to the Company's internal control system and its effectiveness are available in the Statement on Internal Control and Risk Management of this Annual Report.

In order to uphold the board effectiveness, the Board ensures that it is supported by qualified and competent Company Secretaries. Presently, the Board is assisted by two (2) qualified and competent Company Secretaries who are members of Malaysian Institute of Chartered Secretaries and Administrators. The Company Secretaries support the Board in carrying out its fiduciary duties and stewardship role and play an advisory role to the Board, particularly with regards to compliance with regulatory requirements, guidelines, legislations and the principles of best corporate governance practices.

All Directors have unrestricted access to the advice and services of the Company Secretaries. The appointment and removal of Company Secretaries or Secretaries of the Board Committees shall be the prerogative of the Board as a whole.

Further information of the roles and responsibilities carried out by the Company Secretaries during the financial year ended 31 March 2020 are set out in Practice 1.4 of the Company's CG Report.

The Board is mindful of the importance of the establishment of clear roles and responsibilities in discharging its fiduciary and leadership functions as recommended by the MCCG including those reserved for the Board's approval and those which the Board may delegate to the Board Committees and the Management. There is a clear division of responsibilities between the Chairman and the Management during the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

(i) Functions and Responsibilities of the Board and Management (cont'd)

Aside from the core responsibilities listed above, significant matters required deliberation and approval from the Board is clearly defined as the matters reserved for the Board's consideration and approval, which including decision on Group strategic/business plan, restructuring proposal, corporate exercises, investments or divestments, risk management policies, nomination of auditors, nomination of directors, review of the financial statement, financial and borrowing activities, annual budget, dividend policy, new issues of securities, ensuring compliances of regulatory and reviewing the adequacy and integrity of internal controls.

The Board Committees, namely Audit Committee, Nominating Committee and Remuneration Committee are entrusted with specific responsibilities to oversee the Group's affairs with authority to act on behalf of the Board and operate within their respective Terms of Reference. Although specific powers are delegated to the Board Committees, the Board Committees would report to the Board on matters considered and their recommendation thereon. The ultimate responsibility for the final decision on all matters have to be approved by the Board. Also, the Board is informed of the key issues and recommendations or decisions made by each Board Committees through the reporting and tabling of minutes of the Board Committees meetings at Board Meetings.

As regards the duties delegated to the Management, their responsibilities are set out in the Board Charter which is available for reference at the Company's website at <https://about.panpages.com>.

The Chairman provides leadership at Board level, chairing the meetings of the Company and the Board, represents the Board to shareholders and together with the Board, reviews and approves the strategic objectives and policies of the Group. During the financial year, the position of the Chairman is held by an Independent Director. The Chairman also ensures that the management proposals are deliberated by Directors, executive and non-executive alike, and examined taking into account the interests of shareholders and other stakeholders.

The Management are providing executive leadership and are accountable to the Board for the business direction and operational decisions of the Group and ensuring the policies and corporate strategies set by the Board are effectively implemented. The non-executive Directors of calibre and experience provide the necessary balance of power and authority to the Board. The independent non-executive Directors provide unbiased and independent views to safeguard the interest of minority shareholders.

The Board meets at least once every quarter and additional meetings are convened as and when necessary. All proceedings, deliberations and conclusions of the Board meetings are duly minuted and signed by the Chairman of the meetings.

The Chairman ensures that each Director is provided with timely notices for each Board meeting and Board papers are issued prior to the Board meetings to enable the Directors to review and consider the agenda items to be discussed in the Board meeting and where necessary, to obtain further explanations in order to be fully briefed before the meeting.

The Board has unrestricted access to timely and accurate information in furtherance of its duties.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

(i) Functions and Responsibilities of the Board and Management (cont'd)

During the financial year ended 31 March 2020, six (6) Board meetings were held. The record of attendance is as follows:

Director	Number of Board Meetings	
	Attended	Held
YM Tengku Farith Rithauddeen	6	6
Wong Mun Wai	6	6
Yap Kien Ming	6	6
Chong Koon Meng	6	6
Kenny Khaw Chuan Wah	6	6
Lau Kok Fui (alternate director: Wong Yee Ming)	6	6
Lim Peng Tong (appointed on 04.04.2019)	6	6
Ng Keok Chai (appointed on 14.11.2019)	2	2
Dato' Teoh Hai Hin (appointed on 05.08.2020)	NA	NA
Teoh Soon Han (appointed on 05.08.2020)	NA	NA

NA : not applicable as the appointment of directorship is after the financial year ended 31 March 2020.

All the Directors have complied with the minimum 50% attendance requirement as stipulated in the MMLR.

Training

All members of the Board (except for Dato' Teoh Hai Hin and Ms. Teoh Soon Han who were appointed recently on 5 August 2020) have attended the Mandatory Accreditation Programme, prescribed by Bursa Securities. Directors are encouraged to attend seminars and/or conferences organised by relevant regulatory authorities and professional bodies to keep abreast with latest developments in the joint world marketplace and new statutory and regulatory requirements. The training needs of each Director would be assessed and proposed by the individual Director. Each Director determines the areas of training that he may require for personal development as a Director or as a member of the Board Committees.

Details of trainings attended by the Directors during the financial year ended 31 March 2020 are as follows:-

Director	Training Programmes
YM TENGKU FARITH RITHAUDDEEN	<ul style="list-style-type: none"> PNB - Leadership Forum 2019 Udemy- How to succeed in Digital Transformation
WONG MUN WAI	<ul style="list-style-type: none"> MIA – Audit Committee members on Integrated Reporting Bursa – Demystifying the Diversity Conundrum: The Road to Business Excellence Nexia SSY - MFRS 9, MFRS 15 & MFRS 16 and Other Updates

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

(i) Functions and Responsibilities of the Board and Management (cont'd)

Training (cont'd)

Director	Training Programmes
YAP KIEN MING	<ul style="list-style-type: none"> Mastermind by Blair Singer Academy MIA's Engagement Session with Audit Committee Members on Integrated Reporting
CHONG KOON MENG	<ul style="list-style-type: none"> Bursa - Session on Corporate Governance & Anti-Corruption
KENNY KHOW CHUAN WAH	<ul style="list-style-type: none"> Grant Thornton Malaysia PLT - Seminar on Recent MFRS Developments (Highlights on the Practical Application Issues of MFRS 15 Revenue from Contracts with Customers and MFRS 16 Leases)
LAU KOK FUJ	<ul style="list-style-type: none"> GE Aviation Operating system Foundations Training Curriculum GE Aviation-Legal-Cyber-Security Annual Curr
LIM PENG TONG	<ul style="list-style-type: none"> Bursa Malaysia Berhad - Demystifying The Diversity Conundrum: The Road to Business Excellence Evaluating Effective Internal Audit Function: Audit Committee's Guide on How to Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees Institute of Corporate Directors Malaysia - Introduction to Corporate Directorship Grant Thornton Malaysia Plt - Seminar on Recent MFRS Developments (Highlights on the Practical Application Issues of MFRS 15 Revenue from Contracts with Customers and MFRS 16 Leases)
NG KEOK CHAI	<ul style="list-style-type: none"> MAP – Mandatory Accreditation Programme for Directors of Public Listed Company

(ii) Board Composition

The Board does not set specific criteria for assessment and selection of director candidate. However, consideration would be taken on the need to meet the regulatory requirements such as Companies Act 2016 and MMLR and other criteria discussed in the following paragraphs.

Throughout the financial year ended 31 March 2020, the Board consists of nine (9) members, i.e. four (4) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and his Alternate Director and three (3) Executive Directors. Subsequent to the financial year end, the Company appointed two (2) new Board members, both were Executive Directors (i.e. The Executive Chairman and the Finance Director)

The present size and composition of the Board is appropriate for the complexity and scale of operations of the Group. As presently constituted, the Board is well balanced and has the stability, continuity and commitment as well as the capacity to discharge its responsibility effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

(ii) Board Composition (cont'd)

During the financial year, the positions of the Board Chairman and Executive Director are held by different individuals which represent that there is a strong element of independence in the Board. Effective 5 August 2020, the Chairman of the Company is an Executive Director. The Board is mindful of the dual role of the Board Chairman and Chief Executive position held by Dato' Teoh Hai Hin and would at it best endeavour apply Practice 4.1 of the MCCG where it require at least half of the board members comprises independent directors.

The Nominating Committee is empowered to identify and recommend new appointments to the Board. The potential candidates may be proposed by existing directors, senior management staff, shareholders or third party referral. Under normal circumstances, the Nominating Committee would review new board candidates proposed by the Executive Directors to fill vacancy arises from resignation, retirement or any other reasons and make the recommendation to the Board thereon for decision. Based on the recommendation the Nominating Committee, the Board would evaluate and decide on the appointment of the proposed candidate.

Upon receipt of the proposal, the Nominating Committee is responsible to conduct assessment and evaluation on the proposed candidate. The assessment/evaluation process may include, at the Nominating Committee's discretion, reviewing the candidate's resume, curriculum vitae, biographical information, candidate's qualifications and conducting background searches as well as formal or informal interview at the Nominating Committee's discretion.

In discharging its duty, the Nominating Committee will assess the suitability of individual to be appointed to the Board by taking into consideration the individual's skills, knowledge, expertise, experience, strength of qualities, competency and understanding of the business environment.

For appointment of Independent Directors, the Nominating Committee would also assess whether the candidate meets the requirements for independence based on criteria prescribed in the MMLR.

During the financial year ended 31 March 2020, the Nominating Committee had assessed several nomination of appointment of Directors proposed by the management of which all nominations were approved by the Board. Mr Lim Peng Tong was appointed as Executive Director on 4 April 2019 and Mr Ng Keok Chai was appointed as Independent Non-Executive Director on 14 November 2019.

The Nominating Committee undertakes annual assessment to evaluate the performance of each individual Director, the effectiveness of the Board and the Board Committees.

The effectiveness of the Board and Board Committees are assessed in the areas of board structure/mix, decision making and boardroom participation and activities, meeting administration and conducts, skill and competencies and role and responsibilities whilst the performance of the individual Directors are assessed in the areas of contribution and interaction with peer, quality of the input of the Director, understanding of role, etc.

During the annual assessment exercise, the Directors are given a performance evaluation sheets for Individual Director Self/Peer Evaluation and Board Evaluation to complete. In addition, Directors who are members of the Board Committees are given additional performance evaluation sheets for the respective Board Committees to complete. Sufficient time is given to the Directors to complete the forms and upon completion, the forms are submitted to the Company Secretary for compilation of rating and scores which summary would then be presented to the Nominating Committee for further review and assessment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

(ii) Board Composition (cont'd)

At present, the Company does not have a formal gender diversity policy but acknowledges the recommendation of the MCCG on gender diversity. The Board is of the opinion that it is important to recruit and retain the best available talent regardless of gender, ethnicity and age with priority of the Group's need to maximise the effectiveness of the Board, taking into account the balance of skills, experience, knowledge and independence, and based on the Group's needs and circumstances. Subsequent to the financial year, a female Executive Director was appointed on the Board.

Nevertheless, the Company shall provide a suitable working environment that is free from harassment and discrimination in order to attract/retain women participation in the Board. The Group is committed to provide fair and equal opportunities and nurturing diversity with the Group. Also, the Group had zero tolerance of workplace harassment, age, religious, ethnicity and race or gender discrimination.

None of the Independent Directors have served the Company exceeding a cumulative terms of nine (9) years.

At present, the Company does not have a formal policy to limit the tenure of independent directors to 9 years. However, the Board is mindful of the recommendations in the MCCG to ensure effectiveness of independent directors.

(iii) Remuneration Policies and Procedures

The remuneration of the Executive Directors shall be reviewed and determined by the Remuneration Committee, who makes recommendation to the Board for approval. On the recommendation of the Remuneration Committee, the Board reviews and approves the remuneration of the Executive Directors with the respective Executive Director abstained from discussions and decisions on their own remuneration. Under normal circumstances, the respective Director(s) would be excused from the relevant meetings before the deliberation on their remuneration take place.

The Executive Directors shall be entitled to participate in the Company's annual cash bonus. The amount of bonus shall be reviewed and determined by the Remuneration Committee, who makes recommendation to the Board for approval.

Executive Directors shall also be entitled to other benefits provided to employee of the Company and other additional benefits, if so, recommended by the Remuneration Committee to the Board for approval.

The remuneration of non-executive directors, which is made up of Directors' fee, meeting allowance if any and other benefits, if any, proposed by the Remuneration Committee is determined by the Board.

The Directors may be remunerated by a fixed sum (for non-executive director) or by a percentage of profits (for executive directors) or otherwise as may be determined by the Board for the performance of extra services or to make any special exertions in going or residing away from his usual place of business or residence for any purpose of the Company or giving special attention to the business of the Company. Such remuneration may be either in addition to or in substitution for his or their share in the remuneration from time to time provided for the directors. Such remuneration would be proposed by the Remuneration Committee to the Board for decision.

Currently, all Non-Executive Directors (regardless their chairmanship in the Board and/or Board Committee) are paid fixed director fees as a member of the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

(iii) Remuneration Policies and Procedures (cont'd)

Directors' fees and benefits (if any) payable to Non-Executive Directors are subject to the approval of the Company's shareholders at annual general meetings.

At the last Annual General Meeting held on 29 August 2019, the Company had obtained the shareholders' approval to empower the Board to pay directors' fee of not more than RM240,000 per annum to the non-executive directors for their services as directors of the Company until the next annual general meeting.

Remuneration of Directors

The Directors' fees and remuneration paid or payable to the Directors in the Company for the financial year ended 31 March 2020 is as follows:

Received from the Company	Fee (RM)	Salaries (RM)	Other emolument (RM)	Benefit- in-kind (RM)	Total (RM)
YM TENGKU FARITH					
RITHAUDDEEN	36,000	–	–	–	36,000
WONG MUN WAI	36,000	–	–	–	36,000
YAP KIEN MING	36,000	–	–	–	36,000
NG KEOK CHAI	13,500	–	–	–	13,500
LAU KOK FUJ	36,000	–	–	–	36,000
KENNY KHOW CHUAN WAH	–	60,000	8,723	–	68,723
CHONG KOON MENG	–	60,000	8,723	–	68,723
LIM PENG TONG	–	60,000	2,499	–	62,499
Total	157,500	180,000	19,945	–	357,445

None of the Directors received/receivable any fees nor remuneration from the subsidiary companies within the Group.

At present, it is not the Company's policy of paying meeting allowances to the Non-Executive Directors for attendance at Board and/or Board Committee meetings.

Remuneration of Key Management Personnel

Details of the remuneration of the key management personnel on named basis for the financial year ended 31 March 2020 are disclosed on page 34 of this annual report except for Dato' Teoh Hai Hin and Ms Teoh Soon Han who were appointed to the Board after the financial year end.

(iv) Good Business Conduct and Healthy Corporate Culture

The Directors are expected to conduct themselves with the highest ethical standards by setting the appropriate tone at the top, providing thought leadership and championing good governance and ethical practices throughout the Group. All Directors and employees are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Group.

The Corporate Code of Conduct & Ethics is available at the Company's website at <https://about.panpages.com>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

(v) Whistleblowing Policy and Procedure

The Board encourages employees within the Group to report suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse involving resources of the Company. The Whistleblowing Policy and Procedure adopted by the Company provides and facilitates a mechanism for any individual to report concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse.

The Whistleblowing Policy and Procedure is available at the Company's website at <https://about.panpages.com>.

(vi) Anti-Bribery and Anti-Corruption Policy

The Board has adopted the Anti-Bribery and Anti-Corruption Policy across the Group in line with the guidelines provided under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 on 1 June 2020.

The Board believes that the policy would be key in ensuring a systematic approach to prevent corruption, and complying with applicable legal and regulatory requirements in the various jurisdictions in which the Group operates. Every director, employee and person acting on the Group's behalf is responsible for maintaining the Group's reputation and for conducting company business honestly and professionally.

B. EFFECTIVE AUDIT AND RISK MANAGEMENT

(i) Audit Committee

The Audit Committee was established by the Board to provide assistance to the Board of Directors in fulfilling statutory and fiduciary responsibilities with regards to the financial reporting process, reviewing the scope of and results of internal and external auditing processes and monitoring the effectiveness of the internal controls and risk management to ensure the Board makes properly informed decisions and the interests of shareholders are protected. The Chairman of the Audit Committee is not the Chairman of the Board. The Chairman of the Audit Committee is a member of the Malaysian Institute of Accountants.

Composition of Audit Committee

The members are:-

Chairman	:	Wong Mun Wai <i>Senior Independent Non-Executive Director</i>
Member	:	YM Tengku Farith Rithauddeen <i>Independent Non-Executive Director</i>
	:	Yap Kien Ming <i>Independent Non-Executive Director</i>
	:	Lau Kok Fui <i>Non-Independent Non-Executive Director</i> (Alternate Director: Wong Yee Ming)

More details on the activities of the Audit Committee can be found in the Audit Committee Report on pages 44 to 46 of the Annual Report. The terms of reference of the Audit Committee is found on the Company's website at <https://about.panpages.com>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

B. EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

(ii) Risk Management and Internal Control

The Board is responsible for the overall risk management in the Group while Executive Directors together with the senior management team are primary responsible for managing risks in the Group.

The features of the Group's risk management and internal control framework covering the risk policy, risk appetite, risk assessment and the review process by the Board and Audit Committee and the key internal controls are presented in the Statement on Risk Management and Internal Control of the Annual Report.

The Board has also commented in the said statement that they are satisfied with the effectiveness and adequacy the existing level of systems of risk management and internal control.

The Audit Committee is responsible for reviewing the engagement of the Internal Auditor. In assessing the Internal Auditor, the Audit Committee will take into consideration the adequacy of resources of the firm, services offered, core values, profile of the partners, competency of the staff assigned to the audit, etc. to determine the suitability and objectivity of the Internal Auditors. During the financial year, the Internal Audit function is carried out by Omar Arif & Co, an outsourced internal audit consulting firm. The firm was head by Mr. Leonard Lim. During the financial year, the Audit Committee received internal audit report presented by the outsourced Internal Auditors that contains the findings, recommendations and agreed management action plans for the internal audits conducted based on approved internal audit plan. Aside from reporting on the audit findings, the status of agreed management action plans for previous internal audit findings and the status of the approved internal audit plan was also presented to the Audit Committee. Additionally, the Audit Committee had assessed the adequacy and effectiveness of the internal audit functions through the review of the resources, experience and continuous professional development of the Internal Auditors for its adequacy.

The Audit Committee will review the engagement between the Group and the internal audit consulting firm to ensure that the Internal Auditors' objectivity and independence are not impaired or affected.

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

(i) Communication with Stakeholders

The Company recognises the importance of keeping shareholders and investors informed of the Group's business and corporate developments. Such information is disseminated via the Company's annual reports, various disclosures to Bursa Securities including quarterly financial results and various announcements made from time to time.

The Group maintains a website at <https://about.panpages.com> where shareholders or investors may access information on the Group under "Investors" link encompassing corporate information, latest financial results, latest annual reports, announcements to Bursa Securities, Board Charter and Code of Conduct and Ethics of the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

(ii) Conducting of General Meetings

The Company's general meeting remains the principal forum for dialogue with shareholders, in particular, private investors, whereby they are provided with an opportunity to participate, raise questions pertaining to issues in the Annual Report, Audited Financial Statements and corporate developments/proposals of the Group, the resolutions being proposed and/or on the business of the Group and communicate their expectations and possible concerns.

The Board had adopted the recommendation of MCCG for the notice of general meetings to be given to shareholders at least 28 days prior to the meetings. All Board members will ensure their attendance in the general meetings and the respective chairman of the Board Committees, Senior Management and the Group's external auditors as well as the Company's advisers shall attend to respond to shareholders' questions during the general meetings of the Company as the case may be.

Explanation for each proposed resolution is set out in the notice of general meetings to assist shareholders in making their decisions and exercising their voting rights. In line with Paragraph 8.29A (1) of the MMLR, all resolutions set out in the notice of general meetings will be put to vote by poll. The Company will also appoint an independent scrutineer to validate the vote cast in the general meetings. The outcome of the general meetings will then be announced to Bursa Securities on the same meeting day while the summary of key matters of the annual general meeting, if any, discussed during the said general meetings will be posted on the Company website.

The Company held its general meetings at the time and venue which were convenient and easily accessible to all shareholders. General meetings of the Company remain important avenues for the Board and Management to have better engagement with the shareholders present.

Only shareholders whose names appear in the Record of Depositors as at the date determined are entitled to attend and vote at the General Meetings. Shareholders are encouraged to attend general meetings of the Company. Shareholders who are unable to attend the general meetings are advised that they can appoint proxy(ies) to attend and vote on their behalf.

(iii) Sustainability

Strategies that promote sustainability, MSCM is committed to incorporating corporate responsibility practices in our business activities. Sustainability is embedded both in the way the business is run and how our products/services are designed and delivered. As part of its role, the Board provides oversight of key nonfinancial risks, opportunities and challenges that are currently being faced by the organisation as well as future prospects with regards to sustainability practices. Management is tasked to balance economic, social and environmental responsibilities in business activities. For the disclosure in the area of corporate responsibility, please refer to our Sustainability Statement, page 76 of this Report 2020.

This Statement is made in accordance with the resolution of the Board dated 21 August 2020. The Corporate Governance Report in the prescribed format is also available on the website.