

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 3948  
**COMPANY NAME** : DutaLand Berhad (7296-V) (“DutaLand” or “Company”)  
**FINANCIAL YEAR** : June 30, 2018

## 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 tone at the top sets the drumbeat of the corporate culture of DutaLand Group. The Board is committed to promoting good business conduct and maintaining an ethical corporate culture that engenders integrity, transparency and fairness.</p> <p>The Board takes cognisance that good corporate governance is not simply about codes or rules as it involves strong leadership, a positive culture, robust systems and risk management. These all encourage and reinforce behaviours that ensure Company acts to protect the interests of the Company and its stakeholders.</p> <p>While the recommended best practices of the Malaysian Code on Corporate Governance ("MCCG"), if applied, would achieve the relevant intended outcomes, what does seem indisputable is that there is no one-size-fits-all approach given that not all best practices will be apposite for all businesses or companies. The Board reckons that there are differences among various companies and hence respective approaches to corporate governance will inevitably reflect those differences after taking into consideration factors such as industry, scale, specific stage of development.</p> <p>In practising quality governance, the Board applies a collective mind to the key principles of MCCG. In achieving the relevant intended outcomes, the Board adopts appropriate, practical and effective governance standards and practices and policies, considering and balancing the expectations and interests of various stakeholders as part of the Board's overall responsibilities to ensure the best interests of the Company are served. In this regard, the Board establishes the Company's objectives and strategies as well as creates values in a sustainable manner, and the Board is satisfied that these objectives, strategies and values and the corporate culture are aligned.</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 1.2

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 underlying principle of the division of responsibilities in the Board is to ensure a balance of power and authority such that no individual Director has unfettered power of decision. The balance of power enhances greater capacity of the Board for independent decision making and maintaining trust among peer Directors.</p> <p>The Board regards a clear separation of roles and responsibilities is crucial for corporate performance. The Board Chairman focuses on governance and compliance while the Group Managing Director focuses on the business and the day-to-day operations of the Group, both functionally independent.</p> <p>The Chairman of the Board is responsible for the following, among others:</p> <ul style="list-style-type: none"> <li>– managing effective conduct of the Board and Board functions;</li> <li>– providing leadership of the Board;</li> <li>– raising and maintaining high standards of Board effectiveness and Board governance;</li> <li>– conducting orderly meetings where adequate time is available for discussion of all agenda items and facilitates matters between Board and investors;</li> <li>– promoting culture of openness and encouraging Board's deliberations to facilitate effective contribution of Independent Directors and Non-Executive Director; and</li> <li>– ensuring that the Directors receive accurate, timely and clear information.</li> </ul>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<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 concerns on whether the potential for real conflicts of interest exist when two roles are combined and whether there is an appropriate balance of power between the Group Managing Director and the independent board members. In this regard, the positions of the Board Chairman and the Group Managing Director of DutaLand have been separated, and the Board Chairman is an Independent Non-Executive Director.</p> <p>No individual Director has powers that span the two roles. The respective responsibilities and roles of the Chairman and the Group Managing Director are clearly established and agreed by the Board. The Board Chairman and the Group Managing Director are not related to each other.</p> <p>The responsibilities of the Chairman of the Board are set out in the previous page.</p> <p>The Group Managing Director, together with the management of the Company, is responsible for the following, among others:</p> <ul style="list-style-type: none"><li>– managing the day-to-day business operations of the Group;</li><li>– ensuring the appropriate standards of corporate governance permeate through the organisation;</li><li>– recommending key strategies and implement such strategies agreed by the Board;</li><li>– acting as the official spokesperson of the Group;</li><li>– taking a leading role in the relationship with all external agencies in promoting the Group;</li><li>– fostering sustainability initiatives which are aimed to conduct businesses that are sustainable, creating and delivering value to stakeholders; and</li><li>– ensuring the strategies, policies and matters approved by the Board are effectively implemented.</li></ul>
<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 1.4

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, in carrying out its roles and responsibilities, supported by the Company Secretaries. The Board has access to advices from the Company Secretaries to ensure the Company's compliance with statutory and listing obligations.</p> <p>The Company Secretaries are qualified Chartered Secretaries and both members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA).</p> <p>In general, the Company Secretaries ensure the Company's adherence to Board policies, rules and procedures; provide advices particularly on statutory or regulatory requirements applicable to the Company and the Group, corporate laws and regulations, Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"); governance practices and matters; and ensure Board and Board Committee meetings were properly convened and accurate records of the proceedings were properly kept and documented.</p> <p>Detailed duties and responsibilities of the Company Secretaries are set out in the Board Charter which is available on the Company's website at <a href="http://www.dutaland.com.my">www.dutaland.com.my</a>.</p> <p>Both Company Secretaries have attended numerous trainings and seminars during the financial year under review for continuous professional development and technical knowledge enhancement.</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 1.5

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>Meeting materials are circulated to members of the Board and Board Committees within a reasonable period prior to the meetings, including matters specifically reserved for the Board's decision such as quarterly interim financial results. Documents on confidential issues which are price-sensitive may be handed out during the Board meeting.</p> <p>The Directors, in discharging their obligations, are expected to prepare for, attend, and contribute in all Board and Board Committee meetings as well as participate objectively in deliberations at respective meetings. The Chairman of the Board ensures that all Board members are given ample opportunity to express their views and opinions during the meeting. When a Director is unable to attend a meeting scheduled, he may contribute his views on matters to be discussed via tele-conferencing or by briefing the Chairman prior to the meeting.</p> <p>The Board's deliberations of the issues discussed and conclusions reached are duly recorded in the minutes of meetings, of which will be confirmed and signed by the Chairman of the meeting, followed by circulation to all Board members. The chairs of Board Committees briefed the Directors at Board meetings of any salient matters raised at respective Board Committee meetings for which may require the Board's notice or direction. Members of the Board or Board Committees disclosed their interests involved, if any, in transactions or matters discussed and abstained from relevant deliberations and decision making.</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 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 roles and responsibilities of the Board and the key matters reserved for the Board are formalised in the Board Charter which was adopted by the Board on 29 August 2012. The Board Charter will be reviewed and updated from time to time as necessary to reflect the needs of the Group and prevailing rulings and regulations. The Board Charter is available on the Company's website at <a href="http://www.dutaland.com.my">www.dutaland.com.my</a>, detailing therein the following:</p> <ul style="list-style-type: none"> <li>– Board composition;</li> <li>– Board's role;</li> <li>– Roles of the Board Chairman and the Group Managing Director;</li> <li>– Board Committees;</li> <li>– Board meetings;</li> <li>– Directors' remuneration;</li> <li>– Board's assessments;</li> <li>– Directors' training;</li> <li>– Risks management; and</li> <li>– Share dealings by Board members.</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

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 commits towards establishing a corporate culture to nurture a high standard of ethical conduct throughout the Group and to promote ethical corporate environment in the country.</p> <p>The Code of Conduct of DutaLand Directors, adopted by the Board on 29 August 2012, is guided by the framework issued by the Companies Commission of Malaysia. It covers implementation of internal systems and processes for matters regarding compliance with statutory and listing obligations by the Company. The Code of Conduct of DutaLand Directors is available on the Company's website at <a href="http://www.dutaland.com.my">www.dutaland.com.my</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

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>	:	The Whistle-Blowing Policy of the Company was adopted on 29 August 2012, following the introduction of the Whistleblower Protection Act 2010, to enhance the coverage and protection to whistle-blowers. This policy encompasses reports of suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/ or abuse involving the Group's resources. It is aimed at encouraging employees' reporting, in good faith, of matters on suspected and known misconduct, wrongdoings, corruption and instances of fraud, waste or abuse involving the Group's resources. Reporting employees, if any, will be protected from any reprisal. The Whistle-Blowing Policy is available on the Company's website at <a href="http://www.dutaland.com.my">www.dutaland.com.my</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

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

### Practice 4.1

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of DutaLand consists of 7 Board members, comprising the Group Managing Director, an Executive Director, a Non-Independent Non-Executive Director and a strong presence of 4 Independent Directors. Mr Cheong Wong Sang, the Senior Independent Director, acts as the point of contact for shareholders and other stakeholders.</p> <p>All members of the Board have extensive professional background as stated in the respective Profiles of Directors of the Annual Report 2018. The Board composition and size have been assessed by the Board through the Nomination Committee. There was no change in the Board's composition during the financial year under review. The Independent Directors make up more than one-third of the Board membership.</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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The frequently asked questions (FAQs) on the MCGG issued by the Securities Commission Malaysia sets out that the relevant resolution for the recommended two tier voting, if applicable, should be tabled to shareholders at general meetings held after 1 January 2018. The last AGM of the Company was held on 2 November 2017.</p> <p>The Board and the Nomination Committee take cognisance of Practice 4.2 of the MCGG which sets out that the tenure of an Independent Director shall not exceed a cumulative term limit of 9 years; upon completion of the 9 years, an Independent Director may continue to serve on the Board as a Non-Independent Director; if the Board intends to retain an Independent Director beyond 9 years, it should justify and seek annual shareholders' approval; and if the Board continues to retain the Independent Director after the 12<sup>th</sup> year, the Board should seek annual shareholders' approval through a two-tier voting process.</p> <p>The Board, having reviewed the annual assessments conducted as detailed above, intends to retain Y.A.M. Tengku Datuk Seri Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah and Dato' Hazli bin Ibrahim, who have served the Board as Independent Directors for more than 9 years, without re-designation, in the best interest of the Company and subject to an annual shareholders' approval at the forthcoming 51<sup>st</sup> AGM, which is consistent with the recommended best practice of the MCGG.</p> <p>To assist shareholders in their decision, the write-up of the above Independent Directors, is set out in the Profile of Directors included in the Annual Report 2018.</p> <p>The Board understands the spirit and intention behind the principles, recommended best practices and intended outcomes of the MCGG and is mindful of the recommended Practice 4.2 aforesaid. The Board (where the relevant Independent Director had abstained) deliberated</p>

	<p>on the recommended Practice 4.2 and provided the following explanation for the departure:</p> <ul style="list-style-type: none"> <li>– There are no regulations or laws in Malaysia under which a long tenure would, by itself, prevent a Director from qualifying as independent.</li> <li>– The Articles of Association of the Company have yet to be amended to include relevant provisions permitting an ordinary resolution to be voted by shareholders at a general meeting through a two-tier voting process.</li> <li>– Section 291 of the Companies Act 2016 (“Companies Act”) sets out that an ordinary resolution shall be passed by a simple majority of more than half of the members who are entitled to vote and do vote in person or by proxy at a general meeting.</li> <li>– Suitability and ability of an Independent Director to serve effectively is a function of the Independent Director’s conduct, judgment, caliber and integrity in discharging his responsibilities, in the best interest of the Company and various stakeholders, regardless the length of tenure.</li> <li>– Often, it gives rise to the perception that the Independent Directors are beholden to the management and are therefore not capable of exercising independent judgement. However, the Board is of the opinion that independence of an Independent Director cannot be determined on the basis of his tenure of service per se given independence is not necessary impaired after servicing in that capacity for more than 12 years.</li> <li>– The Board acknowledges the significant advantages gained from the long-serving Directors who possess valuable insights and knowledge of the Company’s business affairs and operations.</li> </ul> <p>Long tenure on a corporate Board improves Board effectiveness given long-serving Independent Directors’ experience and organisational memory. They gained a deep understanding of the Group’s businesses, and hence offer historical context in Board discussions for consideration in corporate strategic decision making.</p> <p>The tenure limit of Independent Directors, if set, may be detrimental to the Board, the Company and the shareholders given such limit forces valuable Directors off the Board, together with a significant amount of experience which might be difficult to source.</p> <ul style="list-style-type: none"> <li>– While the basis of the introduction of tenure limit of Independent Directors is that familiarity increases and objectivity decreases over time, it may not be appropriate for using tenure as the only criterion in determining a Director’s objectivity and independence or whether Directors act in the best interest of the Company.</li> </ul> <p>The recommended two-tier voting process provides an opportunity for shareholders to decide if the Company should retain an Independent Director beyond 12 year in achieving Intended Outcome 4.0. Nonetheless, the relevance between shareholders’</p>
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	<p>two-tier voting process and Intended Outcome 4.0 could be arguable.</p> <p>The Board reckons that a valid, representative and comprehensive evaluation of a Director's independence and objectivity may be attained by soliciting input from the individuals who have first-hand observation and experience of the performance of Director.</p> <p>While the shareholders may not be well positioned to evaluate a Director's independence and objectivity rather, it will be more beneficial if the peer Directors to participate in the evaluation to bring meaningful, valid and important perspectives to the broader evaluation process.</p> <p>In this regard, the Board adopted alternative practices which are appropriate in achieving Intended Outcome 4.0.</p>
	<p>On basis of the above explanation, the Board (where the relevant Independent Director had abstained) decided to adopt alternative practices in substance, with which Intended Outcome 4.0 of the MCGG is deemed achieved by the Company through the following alternative practices which are appropriate to and practical for the Company:</p> <ul style="list-style-type: none"> <li>– Practice 4.1 of the MCGG recommended that half of the Board shall consist of Independent Directors; and for large companies (companies on the FTSE Bursa Malaysia Top 100 Index or companies with market capitalisation of RM2 billion and above), its Board shall consist of a majority Independent Directors.</li> </ul> <p>DutaLand, not being one of the large companies as defined above, has adopted a higher governance standard than it ought to be, with its Board comprises a majority Independent Directors. This composition of the Board facilitates Board decisions to be made objectively.</p> <ul style="list-style-type: none"> <li>– The Board has the right mix of skills, experience and knowledge base with a broad background in business, finance and public service. In this context, Board decisions are always made with diverse perspectives and insights.</li> <li>– All Independent Directors are independent of the Company's management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company.</li> <li>– The Chairman of the Board is an Independent Director. The positions of Chairman and Managing Director are held by different individuals. The chair of Audit Committee is not the Chairman of the Board. The respective chairs of the Board Committees are held by different Independent Directors. No individual Director has powers that span two roles.</li> <li>– None of the Independent Directors holds shares in the Company, and hence there is no conflict of interests.</li> <li>– None of the Independent Directors of the Company has family relationship with peer Directors or substantial shareholders of the Company, and hence there is no conflict of interests.</li> </ul>

- The Board, through the Nomination Committee, conducted a thorough annual assessment of all Independent Directors for the financial year ended 30 June 2018 (“FY2018”) and, having reviewed the findings of which, is satisfied with the findings that all Independent Directors remain independent and objective in the Board decisions making process, despite their tenure of service. The Board is also satisfied that the Company is well served by its Directors with their business judgement to act in the best interest of the Company.

The Independent Directors of DutaLand, comprising Y.A.M. Tengku Datuk Seri Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah (who have served in that capacity for 9 years), Dato’ Hazli bin Ibrahim (10 years), Dato’ Abdul Majit bin Ahmad Khan (3 years) and Mr Cheong Wong Sang (16 years), have, vide the annual assessment and their respective confirmations, fulfilled and shall continue to fulfil the criteria of independence as set out in the Listing Requirements.

It is a practice of Independent Directors that they shall notify the Board immediately of any changes in their circumstances or of any new interest or relationship that would affect their independence.

- In light that the Directors are in a better position to assess their peers and Board decision making processes, the criteria used in the annual assessments conducted by the Board covers more than just the tenure of directorship. The Nomination Committee and the Board emphasise on the spirit, intention and overall purpose of the criteria used, including both subjective and objective ones.
- The Board’s evaluation of Director’s independence is more relevant and meaningful as the Board members work together as a team, and they have assessed their peers’ performance, independence as well as the overall Board decisions making process, from a broader perspective.
- In procuring a complete, meaningful and representative assessment to assess Director’s independence, the Board also considered all relevant facts and circumstances, including the Director’s contributions, knowledge, experience and competency which will benefit the Board and the Group’s continued sustainability and growth. An Independent Director shall continue to demonstrate his conduct and behaviour that are essential indicators of independence.
- Mr Cheong Wong Sang is the Senior Independent Director of the Company and he has been serving the Board as Independent Director since 2001. The Nomination Committee is chaired by Mr Cheong, consistent with Practice 4.7 of the MCCG. Mr Cheong is also a member of the Audit Committee and the Remuneration Committee respectively.

Following the annual assessment, the Board (where Mr Cheong Wong Sang had abstained) is satisfied with Mr Cheong Wong Sang in terms of his character, experience, integrity, competence and time commitment for the Board and Board Committees given that Mr Cheong:

	<p>(a) possesses sufficient self-esteem and confidence to stand up for an independent point of view;</p> <p>(b) approaches any transaction that requires the Board’s approval with a watchful eye and an inquiring mind or professional scepticism;</p> <p>(c) is unafraid to express an unpopular stance on issues or express disagreement on matters and actively pursues them with the rest of the Board and with the management team; and</p> <p>(d) does not shy away from asking hard and uncomfortable questions during Board deliberations and willing to delve deeper if the responses provided are not satisfactory.</p> <p>The Board has therefore concluded that Mr Cheong Wong Sang is able to provide independent and objective judgement in decisions making and act in the best interests of the Company.</p> <ul style="list-style-type: none"> <li>– Furthermore, an annual confirmation or declaration has been obtained from each of the Independent Directors for FY2018, confirming that they have fulfilled and shall continue to maintain their status of independence per the criteria set out in the Listing Requirements for Independent Directors.</li> <li>– Moving forward, the Company will procure from each Independent Director the said declaration or confirmation half-yearly.</li> </ul> <p>Premised on the above, the Board (where Mr Cheong Wong Sang had abstained) has explained and justified herein and concluded that Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights.</p> <p>The Board, on basis of the above, intends to retain Mr Cheong Wong Sang who has served the Board as Independent Director for more than 12 years, without re-designation, in the best interest of the Company and subject to an annual shareholders’ approval at the forthcoming 51<sup>st</sup> AGM, on which the relevant motion will be put to vote under the normal practice where an ordinary resolution shall be passed, in accordance with Section 291 of the Companies Act, by a simple majority of more than half of the members who are entitled to vote and do vote in person or by proxy at the AGM.</p> <p>To assist shareholders in their decision, the write-up of all Directors, is set out in the Profile of Directors included in the Annual Report 2018.</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>: Please explain the measure(s) the company has taken or intend to take to adopt the practice.</p>
<p><b>Timeframe</b></p>	<p>: Choose an item.</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 strives for an effective and balanced Board and acknowledges the importance of Board diversity, including gender, ethnicity, background, tenure, age, nationality and professional experience, which establish the context for decisions being made objectively.</p> <p>The Board ensures the senior management is of sufficient calibre to implement corporate strategies and objectives, taking into account the legitimate needs, and promote sustainability and safeguard interests of stakeholders.</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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company is not a Large Company as defined in the MCCG. The Board is of the view that gender is not the only criterion when considering and determining the suitability of Board candidates. The Board does not have a policy on Boardroom gender diversity as the Board believes in providing equal opportunities to all genders based on merit and selecting the best or suitable candidate. The Board's consideration of a candidate's identity diversity shall coincide with the skills and experiences desirable and required to attain the Company's strategic objectives and goals.</p> <p>The Nomination Committee and the Board emphasise on the spirit, intention and overall purpose of the criteria used, including both subjective and objective ones.</p> <p>The Nomination Committee will evaluate nominations, if any, of Board and Board Committees' members. Criteria to be used in the selection process shall take into consideration the current and future needs of the Company, the candidate's capabilities, professionalism, integrity, expertise and experience, as well as the required right mix of skills, experience and knowledge of the Board.</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>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

### Intended Outcome

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

### Practice 4.6

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Nomination Committee is mainly responsible to conduct review on the composition of the Board and to recommend suitable candidates for new appointment to the Board or Board Committees, among others.</p> <p>The Nomination Committee will evaluate nominations, if any, of Board and Board Committees' members. Criteria to be used in the selection process shall take into consideration the current and future needs of the Company, the candidate's capabilities, professionalism, integrity, expertise and experience, as well as the required right mix of skills, experience and knowledge of the Board. During the financial year under review, there was no appointment of new member to the Board or Board Committees.</p> <p>New nomination, if any, will be reviewed by the Nomination Committee and, if deemed fit, be recommended to the Board for approval.</p> <p>The Nomination Committee is, as appropriate, open to explore and leverage on varied sources of referral from existing Board member, major shareholders and independent or external sources in identifying suitably qualified candidates.</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>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

**Intended Outcome**

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

**Practice 4.7**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Nomination Committee of the Company was established by the Board on 27 February 2002, comprising exclusively of Independent Directors. The Nomination Committee is chaired by Mr Cheong Wong Sang, the Senior Independent Director, consistent with Practice 4.7 of the MCGG.	
<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 Nomination Committee is responsible to conduct annual assessments on the Board, Board Committees and the performance and independence of individual Directors. The annual assessments are structured to ensure a balanced and objective review by all Directors in key areas in accomplishing their goals and discharging their responsibilities. It also provides insights into the functioning of the Board and Board Committees and identifies areas that might need strengthening and development.</p> <p>The criteria used in the assessment's questionnaires are guided by the Corporate Governance Guide issued by Bursa Malaysia, and customised to meet the expectations of the Board and the Company. The specific criteria used covers the Board composition and structure, principal responsibilities of the Board, Board process, Board governance, risk management, compliance, succession planning, performance and independence of Directors. Where appropriate, the Nomination Committee will review the criteria used.</p> <p>For the annual assessments conducted for FY2018, the Nomination Committee reviewed and deliberated on the findings of the respective assessments as inputted by all the Directors in the relevant questionnaires.</p> <p>All review and recommendations of the Nomination Committee, as follows, were reported to the Board, on which the Board concurred, supported and endorsed, all records for which were formally documented and members of the Board and Nomination Committee concerned had abstained from deliberations and decisions regarding his re-election as Director:</p> <p><b>(i) Board/Board Committees effectiveness as a whole</b></p> <ul style="list-style-type: none"><li>– the Board as a whole and the Board Committees had performed well during the financial year under review with the individual members' creditability to add value to the Board and Board</li></ul>

	<p>Committees and to exercise objective judgement in the decision making process;</p> <ul style="list-style-type: none"> <li>– members of the Board and Board Committees encompass the necessary skills, experiences, competence and qualities to contribute to the overall effectiveness of the Board and Board Committees as well as add value to the Company;</li> <li>– each member of the Board and Board Committees has dedicated sufficient time and attention to the affairs of the Group; and</li> <li>– the Board has the right size and the Board composition is well balanced having considered the mix of skills, independence and diversity required to meet the needs of the Company.</li> </ul> <p><b>(ii) Individual Directors</b></p> <ul style="list-style-type: none"> <li>– the Nomination Committee is satisfied with the findings on individual Directors' contribution and performance, attendance at meetings, preparedness, participation and integrity;</li> <li>– each Director has the character, experience, integrity, competence and time to effectively discharge the respective roles; and</li> <li>– Y.A.M. Tengku Datuk Seri Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah and Mr Yap Wee Chun, the retiring Directors pursuant to the Articles of Association of the Company, be nominated for re-election subject to the shareholders' approval to be procured at the forthcoming 51<sup>st</sup> AGM of the Company.</li> </ul> <p>Based on the findings of the annual assessment as detailed above, the Nomination Committee reported to the Board the following justification and recommendation for retention of Independent Directors without re-designation, with which the Board concurred and endorsed and the relevant Directors had abstained from the deliberation and decision making process of the Board and Nomination Committee, all records of which were formally documented:</p> <ul style="list-style-type: none"> <li>– suitability and ability of an Independent Director to serve effectively is a function of the conduct, judgement, calibre and integrity of such Independent Director in discharging his responsibilities in the best interest of the Company and various stakeholders, regardless the length of tenure as an Independent Director;</li> <li>– tenure of service shall not be the sole indicator of independence and objectivity of a Director without taking into consideration of other factors such as his characteristics and qualities;</li> <li>– vide the annual confirmation, all the Independent Directors of the Company fulfilled and shall continue to fulfil the criteria of Independent Directors pursuant to the Listing Requirements;</li> </ul>
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	<ul style="list-style-type: none"> <li>– all Independent Directors, regardless the tenure of service, have demonstrated independence in their character and judgement as Board members and their designated roles in Board Committees;</li> <li>– it is expected that the Independent Directors’ experience and in-depth knowledge of the Group’s businesses continue providing invaluable contribution, contributing positively in deliberations as well as bringing objective judgement, diverse perspectives and insights to the Board and Board Committees;</li> <li>– it is also expected that all Independent Directors will continue providing a check and balance to the Board and Board Committees in discharging their duties, notwithstanding that they might have served in that capacity for more than 9 years or 12 years; and</li> <li>– the Board concurred with the Nomination Committee, having reviewed and considered the findings of relevant assessments which indicated a high level of satisfaction with the performance, contribution, independence, objectivity and integrity of the Independent Directors in serving the Board and the Board Committees, and that all Independent Directors of the Company shall continue to act as Independent Directors, without re-designation.</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

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>	:	The Board has in place policies and practices to determine the remuneration of Directors and senior management, which take into consideration the performance of the Company as well as skills and experience of individuals. The Board is satisfied that the remuneration policy and practices of Directors and senior management are aligned with the Group's strategy and values in fostering long term success. The policies and practices, which will be reviewed where necessary, are available on the Company's website at <a href="http://www.dutaland.com.my">www.dutaland.com.my</a> . The remuneration of Board members and senior management, on the basis of the Group's remuneration policy and practices, is set to attract and retain highly qualified individuals to serve on the Board and 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

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>	:	<p>The Remuneration Committee was established by the Board on 27 February 2002, comprising exclusively of Independent Non-Executive Directors of the Company. The terms of reference of the Remuneration Committee are available on the Company's website at <a href="http://www.dutaland.com.my">www.dutaland.com.my</a>.</p> <p>The Remuneration Committee is responsible to review and, if deemed fit, recommend to the Board for endorsement or approval on the policy, procedures, framework and other elements for the remuneration package of the Directors or senior management. The Remuneration Committee also recommends, to the Board for approval, the Executive Directors' remuneration, salary increment and bonus, and the Non-Executive Directors' annual fee and meeting allowance.</p> <p>In its deliberation, the Remuneration Committee will take into consideration the responsibilities and performance of individual Directors and senior management on the back of industry practices and norms as well as the Group's long term objectives, in order to attract, retain and motivate the Directors and management with a fair and commensurate remuneration package. The Director or management concerned shall abstain from deliberations in respect of his remuneration package.</p> <p>During FY2018, the Board has revised the composition of the Remuneration Committee to consist of only Non-Executive Directors and all of them are Independent Directors. The new composition of the Remuneration Committee enables greater objectivity and independence in decision making. During the financial year under review, the Remuneration Committee has reviewed and revised the remuneration package of the Executive Director, duly approved by the Board.</p>

	<p>The Remuneration Committee implements its policy and procedures on remuneration including reviewing and recommending matters relating to the remuneration of the Board and senior management.</p> <p>The Remuneration Committee conducted evaluation of Directors' remuneration once a year or as and when required, whereby recommendations were reported to and approved by the Board. The relevant Directors had abstained from deliberation and decision making in relation to their own remuneration.</p> <p>The remuneration of Independent Directors of the Company, all of whom are Non-Executive Directors, reflects their respective experience and expertise as well as the time, effort and commitment in fulfilling their responsibilities to the Board and Board Committees. Each of the Independent Non-Executive Directors will receive:</p> <ul style="list-style-type: none"> <li>– Directors' fees, payable annually, as recommended by the Board and subject to the shareholders' approval; and</li> <li>– Meeting allowance, payable for attendance at the Board and Audit Committee meetings and general meeting(s) of the Company, as recommended by the Board and subject to the shareholders' approval.</li> </ul> <p>The Executive Directors are not paid any Director's fee nor meeting attendance allowance. Executive Board's remuneration is structured on the basis of linking rewards to the corporate and individual performance, which is commensurate with the responsibility and contribution to the Group in line with the market standard.</p> <p>Pursuant to the relevant directive and guideline issued by the Companies Commission of Malaysia with regard to Section 230 of the Companies Act, Directors' benefits that require shareholders' approval are benefits which arise from the appointment to the office of a Director. However, shareholders' approval is not required for the entitlement of a salaried Executive Director which is given due to his office as executive or management position. The respective remuneration packages, including benefits, benefits-in-kind and allowance, of the Group Managing Director and the Executive Director of DutaLand, as reviewed by the Remuneration Committee and duly approved by the Board, are paid by virtue of their executive and/or management position in the Company.</p>
<p><b>Explanation for departure</b> :</p>	

*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

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 following table sets out the details of the Directors' remuneration received and receivable, from the Company and from the Group, for FY2018:</p> <table border="1"> <thead> <tr> <th>Directors</th> <th>Fee</th> <th>Salary</th> <th>Allowance</th> <th>Statutory Contribution</th> <th>Bonus</th> <th>Benefits-in-kind</th> <th>Total</th> </tr> <tr> <th colspan="8">RM</th> </tr> </thead> <tbody> <tr> <td colspan="8"><b>From the Company</b></td> </tr> <tr> <td colspan="8"><b>Executive Directors</b></td> </tr> <tr> <td>Tan Sri Dato' Yap Yong Seong</td> <td>-</td> <td>194,400</td> <td>300,000</td> <td>593</td> <td>-</td> <td>131,552</td> <td>626,545</td> </tr> <tr> <td>Mr Yap Wee Chun</td> <td>-</td> <td>145,800</td> <td>24,000</td> <td>21,324</td> <td>-</td> <td>3,628</td> <td>194,752</td> </tr> <tr> <td colspan="8"><b>Non-Executive Directors</b></td> </tr> <tr> <td>Y.A.M. Tengku Datuk Seri Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah</td> <td>48,000</td> <td>-</td> <td>2,000</td> <td>-</td> <td>-</td> <td>-</td> <td>50,000</td> </tr> <tr> <td>Dato' Sri Yap Wee Keat</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Dato' Hazli bin Ibrahim</td> <td>48,000</td> <td>-</td> <td>6,600</td> <td>-</td> <td>-</td> <td>-</td> <td>54,600</td> </tr> <tr> <td>Dato' Abdul Majit bin Ahmad Khan</td> <td>48,000</td> <td>-</td> <td>2,600</td> <td>-</td> <td>-</td> <td>-</td> <td>50,600</td> </tr> <tr> <td>Mr Cheong Wong Sang</td> <td>48,000</td> <td>-</td> <td>3,100</td> <td>-</td> <td>-</td> <td>-</td> <td>51,100</td> </tr> <tr> <td colspan="8"><b>From the Group</b></td> </tr> <tr> <td colspan="8"><b>Executive Directors</b></td> </tr> <tr> <td>Tan Sri Dato' Yap Yong Seong</td> <td>-</td> <td>946,728</td> <td>300,000</td> <td>2,122</td> <td>-</td> <td>133,356</td> <td>1,382,206</td> </tr> <tr> <td>Mr Yap Wee Chun</td> <td>-</td> <td>745,800</td> <td>96,000</td> <td>190,500</td> <td>450,000</td> <td>41,336</td> <td>1,523,636</td> </tr> <tr> <td colspan="8"><b>Non-Executive Directors</b></td> </tr> <tr> <td>Y.A.M. Tengku Datuk Seri Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah</td> <td>48,000</td> <td>-</td> <td>2,000</td> <td>-</td> <td>-</td> <td>-</td> <td>50,000</td> </tr> <tr> <td>Dato' Sri Yap Wee Keat</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Dato' Hazli bin Ibrahim</td> <td>48,000</td> <td>-</td> <td>6,600</td> <td>-</td> <td>-</td> <td>-</td> <td>54,600</td> </tr> <tr> <td>Dato' Abdul Majit bin Ahmad Khan</td> <td>48,000</td> <td>-</td> <td>2,600</td> <td>-</td> <td>-</td> <td>-</td> <td>50,600</td> </tr> <tr> <td>Mr Cheong Wong Sang</td> <td>48,000</td> <td>-</td> <td>3,100</td> <td>-</td> <td>-</td> <td>-</td> <td>51,100</td> </tr> </tbody> </table> <p>The details of the Directors' remuneration for FY2018 are also set out in the Corporate Governance Overview Statement included in the Annual Report 2018.</p>	Directors	Fee	Salary	Allowance	Statutory Contribution	Bonus	Benefits-in-kind	Total	RM								<b>From the Company</b>								<b>Executive Directors</b>								Tan Sri Dato' Yap Yong Seong	-	194,400	300,000	593	-	131,552	626,545	Mr Yap Wee Chun	-	145,800	24,000	21,324	-	3,628	194,752	<b>Non-Executive Directors</b>								Y.A.M. Tengku Datuk Seri Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah	48,000	-	2,000	-	-	-	50,000	Dato' Sri Yap Wee Keat	-	-	-	-	-	-	-	Dato' Hazli bin Ibrahim	48,000	-	6,600	-	-	-	54,600	Dato' Abdul Majit bin Ahmad Khan	48,000	-	2,600	-	-	-	50,600	Mr Cheong Wong Sang	48,000	-	3,100	-	-	-	51,100	<b>From the Group</b>								<b>Executive Directors</b>								Tan Sri Dato' Yap Yong Seong	-	946,728	300,000	2,122	-	133,356	1,382,206	Mr Yap Wee Chun	-	745,800	96,000	190,500	450,000	41,336	1,523,636	<b>Non-Executive Directors</b>								Y.A.M. Tengku Datuk Seri Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah	48,000	-	2,000	-	-	-	50,000	Dato' Sri Yap Wee Keat	-	-	-	-	-	-	-	Dato' Hazli bin Ibrahim	48,000	-	6,600	-	-	-	54,600	Dato' Abdul Majit bin Ahmad Khan	48,000	-	2,600	-	-	-	50,600	Mr Cheong Wong Sang	48,000	-	3,100	-	-	-	51,100
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<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 7.2

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>While the Board's role is to govern and set the strategic direction of the Company, it is the role of senior management to manage the Company effectively in accordance with the strategic direction and delegations of the Board. The senior management team, plays a pivotal role in implementing strategic plans and conducting business activities of the Group and management, is held accountable throughout operations. The Board's responsibility is then to oversee the activities of management in carrying out the delegated duties.</p> <p>The remuneration of key senior management is based principally on the Company's performance and management's achievement in discharging its function. While there is no hard limits or caps are set by the Company, a significant proportion of remuneration shall be performance related. However, levels of remuneration should be sufficient to attract and retain talents and quality individuals.</p> <p>Given the competitive employment market for resourcing and acquisition of new executive talents as well as the Company's efforts in retaining the existing pool of competent talents, detailed disclosures often seeming to obscure.</p> <p>The Board must act in the best interest of the Company. Detailed disclosures might drain the existing talents pool while the Company could be drained of valuable skills and experiences or losing talents with the expertise and knowledge to competitors.</p> <p>Premised on the above, the Board is of the view that detailed disclosure of key senior management's remuneration, on a named basis, would not be in the best interest of the Company and it would not to the Company's advantage either.</p> <p>Set out below is the number of key senior management whose aggregate remuneration for FY2018 in each separate band of RM50,000:</p>

	<table border="1"> <thead> <tr> <th>Range of remuneration*</th> <th>Number of key senior management#</th> </tr> </thead> <tbody> <tr> <td>RM250,001 to RM300,000</td> <td>3</td> </tr> <tr> <td>RM300,001 to RM350,000</td> <td>1</td> </tr> </tbody> </table>		Range of remuneration*	Number of key senior management#	RM250,001 to RM300,000	3	RM300,001 to RM350,000	1
	Range of remuneration*	Number of key senior management#						
	RM250,001 to RM300,000	3						
	RM300,001 to RM350,000	1						
Notes:								
* Including salary, bonus, benefits in-kind and other emoluments.								
# Excluding the respective remuneration of the Group Managing Director and the Executive Director for which has been disclosed in the section hereinbefore.								
<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>	:	Choose an item.						

**Intended Outcome**

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

**Practice 7.3 - Step Up**

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

<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 Audit Committee was established by the Board of DutaLand on 20 June 1994 with the primary objective to assist the Board in discharging its duties pertaining to internal controls, financial and accounting records and policies as well as financial reporting practices of the Company and its subsidiaries. The specific responsibilities of the Audit Committee are set out in its terms of reference which are available on the Company's website at <a href="http://www.dutaland.com.my">www.dutaland.com.my</a>.</p> <p>The chair of the Audit Committee is not the Chairman of the Board. The Audit Committee consists of three Independent Non-Executive Directors. Dato' Hazli bin Ibrahim, the Chairman of the Audit Committee is a fellow member of the Association of Chartered Certified Accountants (ACCA) while Mr Cheong Wong Sang, a member of the Audit Committee, is a Certified Public Accountant (CPA) and a Certified Management Accountant (CMA) by profession. All members of the Audit Committee are financially literate and have extensive experience in various businesses, management and finance.</p> <p>The Audit Committee met quarterly and as and when required, after being served with due notice of issues to be discussed, and recorded its conclusions in discharging its duties and responsibilities.</p> <p>At the meetings, the Audit Committee reviewed, analysed and interpreted the annual financial statements and quarterly interim results of the Company and the Group, before submission to the Board for approval, to ensure that the financial statements are prepared in a timely and accurate manner complying with applicable accounting, regulatory requirements and financial reporting standards as this is integral to the reliability of financial statements.</p> <p>The Board is responsible for ensuring that the financial statements give a true and fair view of the state of the affairs of the Company and the Group.</p> <p>During FY2018, the Audit Committee reviewed the financial statements and quarterly reports in compliance with the applicable financial reporting standards. The Board approved the quarterly reports and the consolidated financial statements comprise the financial statements of</p>

	<p>the Company and its subsidiaries for FY2018 prior to the timely release to Bursa Malaysia and/or shareholders.</p> <p>Save as disclosed, the Audit Committee is of the view that no material misstatements or losses, contingencies or uncertainties have arisen, based on the reviews made and discussions held.</p> <p>The summary of the work of the Audit Committee is detailed in the Audit Committee Report included in the Annual Report 2018.</p> <p>The Directors are responsible to ensure that proper accounting records are kept and disclosed, with reasonable accuracy, the financial position of the Group and of the Company and to ensure that the financial statements are prepared in accordance with relevant and applicable financial reporting standards and in compliance with the Companies Act and the Listing Requirements. The Directors have general responsibilities for taking such steps which are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.</p> <p>The Companies Act requires the Directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Company and of the Group at the end of the financial year and of the results and cash flows of the Company and of the Group for the financial year. In preparing those financial statements, the Directors ensured that:</p> <ul style="list-style-type: none"> <li>– the financial statements have complied with relevant and applicable financial reporting standards and the Companies Act, subject to any material departures being disclosed and explained in the financial statements;</li> <li>– appropriate accounting policies are used and applied consistently;</li> <li>– the going concern basis used in preparation of the financial statements are appropriate; and</li> <li>– where judgements and estimates are made, they are reasonable and prudent.</li> </ul>
<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>	

<b>Timeframe</b>	:		
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**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>	:	During the financial year under review, the Audit Committee has adopted an external auditors policy duly approved by the Board and provided therein, among other guidelines, a former key audit partner is required to serve a cooling-off period of at least 2 years before being appointed, in any event, as a member of the Audit Committee.	
<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 Audit Committee took cognisance that the relationship between the Company and its external auditors shall be governed by a policy which establishes the procedures to assess the suitability, objectivity and independence of the external auditors and to ensure independence of auditors is not compromised. The Audit Committee has a policy and procedures to assess the suitability, objectivity and independence of the external auditor.</p> <p>The Audit Committee had, as supported by the General Manager, Group Finance, conducted an annual assessment of the external auditors on their suitability, independence, objectivity and professionalism. The Audit Committee was satisfied with the external auditors' technical competency, execution of audit plan, reporting and overall performance, and hence recommended the re-appointment of the existing external auditors, whereupon the Board had endorsed, subject to the shareholders' approval at the forthcoming 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**

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 Audit Committee comprises solely of Independent Directors.

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 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 Audit Committee consists of 3 Independent Non-Executive Directors. Dato' Hazli bin Ibrahim, the Chairman of the Audit Committee is a fellow member of the Association of Chartered Certified Accountants (ACCA) while Mr Cheong Wong Sang, a member of the Audit Committee, is a Certified Public Accountant (CPA) and a Certified Management Accountant (CMA) by profession. All members of the Audit Committee are financially literate and have extensive experience in various businesses, management and finance.</p> <p>All members of the Audit Committee have extensive professional background as stated in the respective Profiles of Directors of the Annual Report 2018.</p> <p>During the financial year, all Audit Committee members had attended various seminars, training programmes and conferences as detailed in the Corporate Governance Overview Statement included in the Annual Report 2018.</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>The Board has formally endorsed an on-going risk management and internal control framework which includes the following key elements:</p> <ul style="list-style-type: none"> <li>– the guiding principles of the risk management framework;</li> <li>– the underlying approach to risk management;</li> <li>– the roles and responsibilities of the Board and the management;</li> <li>– the underlying approach in reviewing and monitoring any significant risks; and</li> <li>– regular review on the effectiveness and efficiency of the internal control procedures and processes.</li> </ul> <p>The risk management and internal control framework is applied continuously throughout the financial year to determine, evaluate and manage significant risks of the Group. This is further assured by the implementation of an internal control and risk management system that has been integrated in the Group's operations and working culture. Therefore, any significant risks arising from factors within the Group and from changes in the business environment can be addressed on a timely basis.</p> <p>The risk management and internal control system of the Group is designed to manage rather than eliminate the risk of failure in achieving the Group's corporate objectives, and the system may only provide reasonable but not absolute assurance against any material misstatement or loss.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<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 risk management and internal control system of the Group, comprising the respective frameworks, procedures, management processes, monitoring processes described in this Report, is considered appropriate. While the Board acknowledges that the risk management and internal control system does not eliminate the possibility of collusion or deliberate circumvention of procedures by employees, human errors and/or other unforeseen circumstances that might result in poor judgement, an assurance was received from the Group Managing Director, the Executive Director and the General Manager, Group Finance that the risk management and internal control system of the Group is operating adequately and effectively.</p> <p>The features of its risk management and internal control framework, and the adequacy and effectiveness of this framework are detailed in the Statement on Risk Management and Internal Control included in the Annual Report 2018.</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>The work of the Audit Committee is in line with its responsibilities as set out in the terms of reference. The following summary sets out the work of the Audit Committee carried out during the financial year under review in discharging its functions and duties and how the Audit Committee met its responsibilities:</p> <ul style="list-style-type: none"><li>– The Audit Committee oversees the Internal Audit functions, for which the Head of Internal Audit reports directly to the Audit Committee and has direct access to the Audit Committee Chairman, and ensures the Head of Internal Audit will attend at the Audit Committee meetings upon invitation.</li><li>– Considered and approved the remit of the Internal Audit function ensuring it is independent of the activities they audit and perform with impartiality, proficiency and due professional care.</li><li>– Discussed, reviewed and approved the competency, adequacy of resources, audit scope, and annual planning of the Internal Audit department.</li><li>– Reviewed and examined the work performed by the Internal Audit and reports, audit findings as well as monitoring the implementation of recommendations.</li><li>– Commissioned investigations conducted by the Internal Audit department.</li><li>– Reviewed operational, financial and compliance audits, as well as fraud investigations conducted.</li><li>– Monitored the corrective actions taken on the outstanding audit issues to ensure that all key risks and control lapses have been addressed.</li><li>– Assessed the performance of the Internal Audit function for continuous improvement purposes for which is responsible for the regular review and/or appraisal of the effectiveness of the risk management, internal control and governance processes within the Group.</li></ul> <p>The Internal Audit function is detailed in the Audit Committee Report included in the Annual Report 2018.</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 Internal Audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p> <p>The Internal Audit team functions independently of the activities it audits and carries out its work according to the standards set by professional bodies, primarily consistent with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA).</p> <p>The Head of Internal Audit, Mr Lim Hui Leong, reports directly to the Audit Committee. Mr Lim is a graduate from the Association of Chartered Certified Accountants (ACCA), a member of the Malaysian Institute of Accountants (MIA) and a member of the Institute of Internal Auditors Malaysia with a Certified Internal Auditor (CIA) certification. He has accumulated 21 years' working experience in internal audit. There were 2 Internal Audit personnel involved in the Internal Audit assignments of the Group for the financial year under review.</p> <p>The Audit Committee evaluates the Internal Audit function to assess its effectiveness in the discharge of its responsibilities. Observations from these audits, especially on areas where material internal control deficiencies or lapses have been noted, are presented together with management's proposed action plans and implementation timelines, to the Audit Committee for its review. The Internal Audit function also follows up and reports to the Audit Committee on the status of implementation of the action plans by management.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

<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>– <b>Corporate Disclosures</b></p> <p>The Company is committed to provide appropriate, transparent and timely disclosures to shareholders and the investing public for their assessment of the Group's businesses and prospects. All investors have equal access to the material information announced by the Company to Bursa Malaysia. In this respect, the Company has on 29 August 2012 adopted a Corporate Disclosure Policy for the Group, based on the Bursa Malaysia's Corporate Disclosure Guide, outlining the procedures and practices for disclosures of material information of the Group.</p> <p>In addition to various announcements made during the year, timely release of quarterly financial results provides shareholders and the investing public with an overview of the Group's performance and operations. The Board ensures all disclosures are comprehensive, accurate and are released on a timely basis, this is critical towards building corporate credibility and investor confidence.</p> <p>Notwithstanding the above, the Board is always mindful that, in providing a channel for the investing public to procure an up-to-date information on activities of the Group, the Company must ensure that no disclosure of material information is made on an individual or selective basis to analysts, shareholders, journalists or other persons, pursuant to the Listing Requirements, unless such information has previously been fully disclosed to Bursa Malaysia.</p> <p>– <b>Website</b></p> <p>To promote accessibility of information to all market participants, the Company's corporate website at <a href="http://www.dutaland.com.my">www.dutaland.com.my</a> provides an avenue for shareholders and the investing public for disclosures of the Company after releasing to Bursa Malaysia.</p> <p>All disclosures on the Company's website are clearly presented and easily accessible, among others, the Company's Annual Reports, quarterly and annual financial results, notices of meetings, circulars to shareholders, reporting on corporate governance, the Board Charter, relevant policies and terms of reference of Board Committees and all other announcements released to Bursa Malaysia.</p> <p>Shareholders and investing public may send their queries or requests to the email address at <a href="mailto:dutaland@dutaland.com.my">dutaland@dutaland.com.my</a>, to which the Company Secretaries will attend to accordingly.</p>

	<p>– <b>Annual Reports</b></p> <p>The Company’s Annual Reports provide to shareholders with the information on financial performance, business activities, corporate governance, sustainability, risk management and internal control system, among others. Apart from complying with the Listing Requirements and consistent with the MCCG, the Group also strives to enhance the contents of the Annual Report attributable to the development in governance and sustainability initiatives and practices. The Annual Report will be delivered to all shareholders of the Company, together with the notice of AGM at least 28 days before the AGM day.</p> <p>– <b>Annual General Meetings</b></p> <p>An AGM is the principal platform for communication and interaction between the Board and the shareholders. The Board encourages shareholders’ participation in the proceedings and the question-and-answer session during the AGM. The Chairman of the AGM, the Group Managing Director or the Executive Director attended to the questions, issues and concerns raised, facilitating shareholders to make informed decisions. External auditors were invited to the AGM of the Company to advise the shareholders on their professional and independent view in respect of the statutory audit. Relevant advisers were also invited to general meetings to advise the shareholders on the corporate proposal of the Company.</p> <p>Pursuant to the Listing Requirements, the Company puts forward all proposed shareholders’ resolutions in general meetings including AGMs to be voted by poll. The votes cast at general meetings will be verified by independent scrutineers. In event an independent scrutineer is interested in resolutions to be passed at general meetings, the scrutineer concerned must refrain from acting as the scrutineer for the particular resolution.</p> <p>When necessary, a press conference will be held immediately after AGMs for permissible disclosures without undisclosed material information.</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 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>	:	<p>The Company is not a Large Company as defined in the MCGG.</p> <p>The Board is of the view that the current reporting in the Annual Report 2018 has included with comprehensive financial and non-financial information, adequately provided to the shareholders.</p> <p>The Board understands the efficacy of adopting an integrated reporting based on globally recognised framework. The benefits of which include greater clarity on business issues and performance, more integrated thinking and management, and more efficient reporting for both users and preparers of reports.</p> <p>The Board will examine and monitor the need to venture into and adopt an integrated reporting based on a globally recognised framework in an appropriate time or manner.</p> <p>For the financial year under review, the Corporate Governance Overview Statement was prepared taking guidance from the key principles as set out in the MCGG; the preparation of the Statement on Risk Management and Internal Control by the Board was guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by the Taskforce on Internal Control with the support and endorsement of Bursa Malaysia; the Sustainability Statement was prepared taking guidance from the Sustainability Reporting Guide issued by Bursa Malaysia; and the financial statements of the Group have been prepared under the MFRS framework while the financial statements of the Company and another entity under the FRS as well as the requirements of the Companies Act in Malaysia. Besides, the Code of Conduct of DutaLand Directors adopted by the Board is guided by the framework issued by the Companies Commission of Malaysia.</p>

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

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

**Intended Outcome**

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

**Practice 12.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company's Annual Reports provide to shareholders with the information on financial performance, business activities, corporate governance, sustainability, risk management and internal control system, among others. Apart from complying with the Listing Requirements and consistent with the MCCG, the Group also strives to enhance the contents of the Annual Report attributable to the development in governance and sustainability initiatives and practices. The Annual Report will be delivered to all shareholders of the Company, together with the notice of AGM at least 28 days before the AGM day.	
<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>All Directors attended the AGM held on 2 November 2017 where the respective chairs of the Audit Committee, Nomination Committee and Remuneration Committee provided meaningful response to questions addressed to them, if any.</p> <p>An AGM is the principal platform for communication and interaction between the Board and the shareholders. The Board encourages shareholders' participation in the proceedings and the question-and-answer session during the AGM. The Chairman of the AGM, the Group Managing Director or the Executive Director attended to the questions, issues and concerns raised, facilitating shareholders to make informed decisions, among others, responses to questions raised by the Minority Shareholder Watchdog Group (MSWG) in relation to the operational and financial performance of the Group and corporate governance practices.</p> <p>External auditors were invited to the AGM of the Company to advise the shareholders on their professional and independent view in respect of the statutory audit. Relevant advisers were also invited to general meetings to advise the shareholders on the corporate proposal of the Company.</p> <p>The extract of minutes of the AGM on the pertinent questions raised by shareholders and the respective responses is made available on the Company's website at <a href="http://www.dutaland.com.my">www.dutaland.com.my</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

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company does not hold its general meetings in remote locations. The general meetings have always been held in locations which are accessible by public transport. The forthcoming 51<sup>st</sup> AGM of the Company will be held at Mahkota Ballroom II, BR Level, Hotel Istana Kuala Lumpur, 73 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.</p> <p>Majority of the shareholders of the Company are local individuals or entities. It is also not practical nor economic effective nor cost efficient for the Company to leverage on technology to facilitate shareholders voting in absentia or having remote shareholders' participation in general meetings. The Board has a duty to act in the best interest of the Company as well as safeguard shareholders' investment. The cost/benefit study does not seem to be able to justify or support the practice for advance technology investment to facilitate shareholders voting in absentia or having remote shareholders' participation in general meetings.</p> <p>Moreover, information technology governance and security is also a concern given cybersecurity is a critical issue which might affect the reliability of voting results.</p> <p>Each year, the venue of the AGM is chosen in a centrally accessible location, normally in the vicinity of the Golden Triangle of Kuala Lumpur, which is close to public transport and easily reached via major link ways. Shareholders are given 28 days' notice of the AGM, sufficient time to make arrangements to attend the AGM.</p> <p>Alternatively, if any shareholders are unable to attend and vote in person at general meetings, they are entitled to appoint a proxy to attend, speak and vote in their stead with a duly completed and signed proxy form (as despatched to shareholders) in accordance with the instructions contained therein and deposited at the registered office of the Company within the period and time set for the general meeting or any adjournment thereof. The lodging of the proxy form will not preclude the shareholder from attending and voting in person at the general meeting should the shareholder subsequently wishes to do so.</p>

	Shareholders may take note of their entitlement for appointment of proxies, procedures, timeline as well as the personal data protection statement as set out clearly in the notice of general meeting and proxy form.	
<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>	:	Choose an item.

**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.*

Not applicable.
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