

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5032
COMPANY NAME : BINTULU PORT HOLDINGS BERHAD
FINANCIAL YEAR : December 31, 2022

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is an important organ within our Group for promoting, enhancing, and ensuring compliance with good corporate governance cultures and to ensure that they are implemented and practised in the Company.</p> <p>Members of the Board of Directors comprised of experienced, exceptional corporate and public figures capable of delivering the Company's and the shareholders' best interest in an active, efficient, and engaging way.</p> <p>Currently, the Company is continuously driven by eleven (11) Directors, seven (7) of which are Non-Independent Non-Executive Directors, and four (4) Independent Non-Executive Directors as follows —</p> <p>Non-Independent Non-Executive Directors</p> <ul style="list-style-type: none">i) Dato' Abdul Mutalib bin Alias (Chairman)ii) Datuk Johan bin Mahmood @ Johan Mahmood Mericaniii) Tan Sri Datuk Amar Mohamad Morshidi bin Abdul Ghaniiv) Dato Sri Fong Joo Chungv) Datuk Nasarudin bin Md Idrisvi) Puan Hasmawati binti Sapawivii) Encik Mohamed Syazwan bin Abdullah @ Laga <p>Independent Non-Executive Directors</p> <ul style="list-style-type: none">viii) Dato' Sri Mohamed Khalid bin Yusuf @ Yusupix) Datuk Yasmin binti Mahmoodx) Datuk Nozirah binti Baharixi) (Dr.) Salihin bin Abang

	<p>The Board is charged with leading and managing the Company in an effective and responsible manner. Each Director has a fiduciary duty to act in the best interest of the Company.</p> <p>The Directors, collectively and individually, are aware of their responsibilities to shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets the Company's values and standards and ensures that its obligations to its shareholders and stakeholders are discharged.</p> <p>Other duties of the Board include establishing the corporate vision and mission, as well as the philosophy of the Company, setting the goals and directions of the Management and monitoring the performance of the Management.</p> <p>The Board reserves full decision-making powers on the following matters —</p> <ul style="list-style-type: none"> a) Conflict of interest issues relating to a substantial shareholder or a Director; b) Material acquisitions and disposition of assets not in the ordinary course of business; c) Statutory decisions for the Company based on regulatory and statutory requirements; d) Investments in Capital projects; e) Authority levels; f) Treasury policies; g) Risk management policies; and h) Key human resource issues/policies. <p>(Reference: the current version of the Board Charter of BPHB approved on 29 November 2021 which can be accessed through the following link on the Company's website at https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Charter/)</p> <p>Further, the Board identifies principal risks and ensure that the risks are properly managed as well as reviewing the adequacy of the internal control policies and ensuring that the Company has appropriate risk management framework, internal control systems and regulatory compliances policies.</p> <p>The Board acknowledges the importance of maintaining a sound risk management and internal control system as well as reviewing its adequacy and effectiveness to ensure good corporate governance.</p> <p>The Board understands that the responsibility for good Corporate Governance rests with them and therefore strives to follow the principles and best practices stated in the Malaysian Code on Corporate Governance (MCCG) as well as those prescribed by Bursa Malaysia Securities Berhad's Main Market Listing Requirements (MMLR).</p>
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	The Company also complies with the various guidelines issued by Bursa Malaysia and the Securities Commission relating to disclosure and internal audit functions.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Dato' Abdul Mutalib bin Alias has been the Chairman of the Group since 1 May 2021.</p> <p>The Chairman provides leadership for the Group and the Board in setting the values, standards and policies of the Group especially in the development of the Company's strategic directions and safeguards the interest of its stakeholders.</p> <p>He also acts as a facilitator during Board meetings to ensure that the Directors participate in deliberation and that Board members were given ample opportunity to contribute to the outcomes of the meetings.</p> <p>The Chairman is responsible for managing the business of the Board to ensure that —</p> <ul style="list-style-type: none">i. all Directors are properly briefed on issues arising at Board meetings;ii. sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable thorough preparation for the Board discussion;iii. the issues discussed are forward-looking and concentrates on strategy; andiv. Ensure its Board members to have access to appropriate continuing education programmes to update their knowledge and enhance their skills. <p>Finally, the Chairman also ensures that every Board resolution is put to vote so the will of the majority prevails.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The positions of the Chairman and Group CEO are held by two different individuals.</p> <p>The distinct and separate roles and responsibilities of the Chairman and the GCEO is as expressed in the Board Charter of the Company (available on the Company's website through the following link — https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Charter/).</p> <p>Dato' Abdul Mutalib bin Alias has been the Chairman of the Company since 1 May 2021 and he provides leadership for the Group and the Board in setting the values, standards and policies of the Group especially in the development of the Company's strategic directions and safeguards the interest of its stakeholders.</p> <p>Up until 28 February 2023, Dato Mohammad Medan bin Abdullah has been the GCEO of the Company since 1 March 2017. The GCEO implements the policies, strategies and decisions of the Board in addition to his responsibilities for the day-to-day operation of the Group's business and the administration of its corporate affairs.</p> <p>He also has a duty to enhance the implementation of recommended best corporate governance practices under MCCG, instilling good work culture and motivating the Company's workforce towards greater productivity.</p> <p>As of 1 March 2023, Bintulu Port Holdings Berhad is helmed by a new GCEO, Encik Ruslan bin Abdul Ghani, replacing Dato Mohammad Medan whose contract of service expired on 28 February 2023. His profile is available on page 69 of the IAR2022.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board is not a member of the Audit Committee and the Nomination and Remuneration Committee of the Company. The Chairman has never attended any of these Committees' meetings since the date of his appointment on 1 May 2021.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretaries, Rosli bin Idris and Sharifah Rafidah Wan Mansor are qualified to act as Company Secretaries under Section 235 (2) of the Companies Act 2016.</p> <p>The current Company Secretary, Rosli bin Idris is a Chartered Accountant of the Malaysian Institute of Accountants. He was appointed as the Company Secretary, BPHB starting 1 January 2020.</p> <p>He holds a Bachelor of Accountancy (Hons) from Universiti Teknologi MARA (1994) and started his career as an Executive (Treasury) at Bintulu Port Sdn. Bhd. (BPSB) in 1996. He was later appointed as the Management Accountant for BPSB in 2005 and in 2014, he was subsequently appointed as Senior Manager for Finance, Human Resource & Administration, Samalaju Industrial Port Sdn. Bhd. He has attended the Management Development Programme of the Asian Institute of Management (AIM), Makati, Philippines in 2014.</p> <p>His role is also supported by an external joint Company Secretary, Sharifah Rafidah binti Wan Mansor, who was appointed on 1 May 2020.</p> <p>The joint Company Secretary, Sharifah Rafidah binti Wan Mansor has vast experience in both Legal and Company Secretarial matters serving companies with different corporate structures such as Public, Private Limited and Company Limited by Guarantee (CLBG).</p> <p>She is currently the Company Secretary of Malaysian Institute of Economic Research, Cradle Fund Sdn Bhd, Razak School of Government and Putrajaya Perdana Berhad.</p> <p>Sharifah Rafidah has 21 years of vast experiences in legal and company secretarial works including litigation, regulatory, compliance and corporate advisory.</p> <p>Sharifah Rafidah is currently the Managing Director of RS Centre Cube Sdn Bhd which provides services such as company secretarial, business registration and management, accounting, rental of office space and virtual office and other business-related facilities.</p>

	<p>Sharifah Rafidah has also ventured into other services including setting up a business incubator for business start-up and providing support services for business development and growth which led to collaborations with the Sarawak State Government for various entrepreneur development programmes.</p> <p>She was the Associate Director, Legal & Secretarial, of TERAJU Bumiputera Corporation from 2012 to 2015.</p> <p>The Company Secretary is responsible for the following duties:</p> <ul style="list-style-type: none"> • Ensuring that due and proper notice for all Board and Committee meetings are duly given; • Preparing agendas and coordinating the preparation of Board papers; • Assisting the communication between the Board and Management; • Ensuring that papers or documents submitted for scheduled meetings contain all relevant and material information to enable members of the Board and the Committees to make well-informed and correct decision; • Facilitating due compliance by the Group of all regulations, directions and notices issued from time to time by all relevant regulatory authorities; • Maintaining accurate records of all the proceedings and resolutions passed including preparing comprehensive minutes of meetings; and • Providing full access and services to the Board and carrying out any other duties deemed appropriate by the Board from time to time. <p>For annual general meetings of the Company, the Company Secretary plays an important role in ensuring that the due processes and proceedings are in place and properly managed. During the meeting, the Company Secretary will assist the Chairman and the Board to conduct the meeting and ensure the minutes are properly recorded, particularly the questions raised by the shareholders.</p> <p>The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging its functions.</p>
Explanation for departure	:

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

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board meets regularly during the financial year. A schedule of Board meetings for the whole year is prepared well in advance before the end of the preceding financial year. This is to enable full and maximum attendance at Board and Committee meetings. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings.</p> <p>The Management prepares Board and Committee papers which provides relevant facts and analysis for deliberations of the Board. Timely and up-to-date information on financial, operational, corporate, regulatory, business development and audit matters are made available to the Board through Board memorandums/working papers.</p> <p>These memorandums/working papers are a part of the mechanism primarily designed to help the Board make informed and sound decisions in discharging their duties as Directors of the Group.</p> <p>To facilitate timely dissemination of Board memorandums/working papers, the Company has adopted Convene digital Board meeting solutions.</p> <p>The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including matters where Directors abstained from voting or deliberation.</p> <p>The Company Secretary will communicate to the relevant Management the Board's decisions/recommendations via circulation of draft minutes of meetings for appropriate actions to be taken.</p> <p>The Company Secretary will also follow up with the Management on status of actions taken with reference to the previous minutes of meetings for updating the Board. Action items would stay as matters arising in the minutes of meetings until they are resolved.</p> <p>Upon invitation, Senior Management of the Group and external advisors will attend Board or Committee meetings to assist in providing professional opinion and clarification on specific agenda items as well as additional insights on the matter at hand. Besides having direct access to the Management, engaging external independent</p>

	professionals is an alternative the Board may pursue to acquire further advice whenever deemed necessary at the Company's expense.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The revised Board Charter ("the Charter") was approved by the Board of Directors on 29 November 2021. The Charter guides the Directors on their functions, responsibilities and statutory duties either prescribed in the Companies Act 2016 or other relevant laws and regulations or in the Company's constitution and the manner in which decisions are to be made by the Board.</p> <p>The Charter separates the Management and the Board in terms of their functions and authority to ensure there is a proper check and balance in the decision-making process. The Board acknowledges that the Charter is an important source of reference in regard to its role in ensuring due compliance with good corporate governance practices and principles, the key values and ethics of the Group.</p> <p>The detailed Term of Reference of the Board and the Board Committees are set out in the Charter. The Charter clearly delineates relevant matters and applicable limits, including those reserved for the Board's approval and those which the Board may delegate to the Board Committees, the CEO and the Management.</p> <p>The Board reserves full decision-making powers on the following matters —</p> <ul style="list-style-type: none">a) Conflict of interest issues relating to a substantial shareholder or a Director;b) Material acquisitions and disposition of assets not in the ordinary course of business;c) Statutory decisions for the Company based on regulatory and statutory requirements;d) Investments in Capital projects;e) Authority levels;f) Treasury policies;g) Risk management policies; andh) Key human resource issues/policies.

	(Reference: the current version of the Board Charter of BPHB approved on 29 November 2021 can be accessed through the following link — https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Charter/)	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's Code on Business Ethics was approved by the Board of Directors on 22 March 2021.</p> <p>The Code is known as the "Code of Business Ethics of BPHB Group" (COBE) and it covers all employees at all levels of the Company and third parties who has business dealings with the Company including, but not limited to customers, port users, agents and its representatives, consultants, contractors, subcontractors, vendors and suppliers.</p> <p>The standards set forth in this COBE should be used as a reference and guideline, but it is not intended to supersede any procedures or protocols introduced by the Company, or any relevant statutory and/or regulatory requirements as enacted by the Local, State and/or Federal Government. The COBE is available on the website of the Company at https://www.bintuluport.com.my/About-Us/Policy/Code-of-Business-Ethics/.</p> <p>Further, the Board has adopted a formal Code of Ethics for Board of Directors of BPHB Group of Companies. A formally adopted Code of Ethics for Board of Directors is crucial to ensure that board members act with integrity, honesty, and accountability while making decisions in the best interests of the company and its stakeholders.</p> <p>This code establishes the standards of behaviour that are expected from Board members and provides guidelines on how to handle conflicts of interest, maintain confidentiality, and promote transparency.</p> <p>By adhering to this code, Board members can uphold the reputation of the company, build trust with stakeholders, and maintain a culture of ethical conduct within the organization. The Code of Ethics for Board of Directors is available on the Company's website at https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Charter/.</p>

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

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Since September 2014, the Group has been implementing its Whistleblowing Policy as an initiative to promote a culture of openness, accountability and integrity among the Directors, officers and employees of the Group.</p> <p>Achieving high ethical standards of the Group through the implementation of this policy is crucial in creating an organisation that is both reliable, credible and mindful of its internal matters.</p> <p>The policy serves as an avenue upon which any person can confidently disclose unlawful conducts, malpractices or breach of ethics occurring within the Group so that appropriate action may be taken to prevent loss or damage to the Group.</p> <p>As the Whistleblower Protection Act 2010 protects the “whistleblower” who can disclose such misconduct without fear of reprisal or retribution from any source.</p> <p>The Whistleblowing Policy was previously under the care of Group Internal Audit and has recently been put under the purview of the Group Integrity and Compliance Unit (GICU) effective 23 March 2023.</p> <p>The Group Integrity and Compliance Unit ensures that the Company and its employees operate with integrity and comply with all applicable laws and regulations. GICU was also established to protect the Company's reputation, build trust with stakeholders, and promote a culture of ethical behaviour within the organization. GICU reports directly to the GCEO, with a direct functional reporting to the Audit Committee.</p> <p>In regard to the whistleblowing function, all substantiated and well-founded information disclosed by the “whistleblower” must be relayed to the Head of Group Integrity and Compliance Unit through channels prescribed under this policy.</p>

	<p>This will then enable expeditious investigation to be conducted in a fair manner so that those responsible or involved in the misconduct could be brought to justice or appropriate disciplinary actions taken against them.</p> <p>After such disclosure, the “whistleblower” would be notified on the outcome of such investigation and any action taken by the relevant disciplinary authority as provided under Section 13(4) of the Whistleblower Protection Act 2010.</p> <p>The Whistleblower Policy of the Company can be accessed through the following link — https://www.bintuluport.com.my/Contact/Whistleblower/</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>One of the roles of the Board as stated in Board Charter is that the Board is responsible for providing oversight and stewardship to the Company and assumes the following specific duties, inter alia:</p> <p>“Establishing and reviewing the goals, the strategic plan and direction of the Company in line with its Group Vision, Mission and Corporate Values (GVMCV) and business objectives which supports long-term value creation and includes a sustainability agenda.” To achieve this, the Board ensures that there is an effective governance framework for sustainability within the Company.</p> <p>The Company has established a Sustainability Committee (SC) led by the GCEO as the Chairman of the Committee, comprises of Senior Management from different Divisions of the holding Company. In its TOR, the duties and responsibilities of the SC include:</p> <ul style="list-style-type: none">• To identify and recommend:<ul style="list-style-type: none">- Any change in sustainability policies, standard and procedures and its implementation;- Assessment of material sustainability matters to the Group and the efforts to address these matters; and- Compliance with sustainability guidelines and regulatory requirements of the Group.• To consult the respective departments on the sustainability plan, sustainability risk assessment and sustainability planning processes;• To review the adequacy of the internal sustainability scope, sustainability programmes, functions and resources of the subsidiaries: Bintulu Port Sdn Bhd (BPSB), Biport Bulkera Sdn Bhd (BBSB) and Samalaju Industrial Port Sdn Bhd (SIPSB).

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

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company ensures that its communication with the shareholders and various stakeholders are transparent and timely. The Company is committed to being accountable and responsive to the expectations and interests of its stakeholders.</p> <ul style="list-style-type: none">• Internal – Company's website, Email blast, Employee Engagement, etc.• External – Company's website, Integrated Annual Report, Press Releases, etc <p>The Company conducted a materiality assessment in 2021 as part of the regular sustainability practice to ensure that the material issues remained relevant to the Company and stakeholders. The materiality surveys which were conducted online is to better understand the needs and concerns of the stakeholders, and their responses were used to review the Company's list of material issues. . In 2022, we reviewed our material matters internally and concluded that all the material matters remained relevant in the year under review. Detail description of the Company's stakeholder groups, engagements and initiatives as well the performance are provided in the Integrated Annual Report 2022 which can be found on the Company's website.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company is committed in making sure that the Board stays abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.</p> <p>In this regard, one of the Directors of the Company, (Dr.) Salihin bin Abang has attended Qualified Risk Director Certification Programme organised by the Institute of Enterprise Risk Practitioners (IERP) and has graduated the programme, subsequently becoming a Qualified Risk Director.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	<p>For the year under review, the Company evaluated the results of the external independent review performed and concluded by the Institute of Corporate Directors Malaysia (ICDM).</p> <p>Based on ICDM's methodology, performance evaluations of the Board include a review of the performance of the board in addressing the company's material sustainability risks and opportunities.</p> <p>The performance evaluations were conducted by way of surveys as well as in-depth confidential one-on-one interviews between the facilitators of ICDM and the Board of Directors of the Company.</p> <p>Details of the performance evaluations are summarised inside the IAR2022 at page 85.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
Application	: Adopted
Explanation on adoption of the practice	: A designated person, Manager, Group Corporate Sustainability has been appointed accordingly within the management to provide dedicated focus to sustainability initiatives of the Company. Further, the Company had also established the Sustainability Management Committee at the Company-level headed by the GCEO to have oversight on overall ESG accountabilities as mandated by the Risk Committee. The Sustainability Management Committee plays a critical role in ensuring that the Company operates sustainably and responsibly. By developing strategies and policies, monitoring performance, engaging with stakeholders, and building awareness and capacity, it can help to drive positive change within the Company and in the wider community.

Intended Outcome

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

Practice 5.1

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>While the Board is committed to ensure best practices of Corporate Governance are implemented within the Company, the Board has to be mindful that it has to safeguard the interest of its various shareholders and stakeholders.</p> <p>Nonetheless, the Nomination and Remuneration Committee of the Company does have the purview to maintain a balanced composition of the Board, subject to the interest of the substantial shareholders of the Company.</p> <p>To mitigate the departure of this Practice, the Company has adopted the Board Effectiveness Assessment / Evaluation to ensure satisfactory evaluation of the director's performance and contribution to the Board. It is conducted internally upon completion of the financial year and comprises of Board Evaluation and Committee Evaluation.</p> <p>The performance evaluations were conducted by way of surveys as well as in-depth confidential one-on-one interviews if deemed appropriate.</p> <p>For the year under review, the Company evaluated the results of the external independent review performed and concluded by the Institute of Corporate Directors Malaysia (ICDM).</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	All Directors of the Company will have to go through the Board Effectiveness Assessment / Evaluation to ensure satisfactory performance of the Board and that the Company has established its own Directors' Fit and Proper Policy to enable shareholders and stakeholders of the Company to make an informed decision regarding Director's re-elections.

	<p>Further, as recommended by the MCCG, there are no Independent Non-Executive Directors currently serving beyond nine years as of 31 December 2022.</p> <p>The Company also wishes to highlight that the current Board composition reflects diversity in many ways, including gender, age, knowledge and expertise, and professional experience. This is in line with the guidelines recommended by Bursa Malaysia and the Malaysian Code on Corporate Governance (MCCG), which emphasize the importance of diversity in enhancing board effectiveness and decision-making.</p>	
Timeframe	:	Within 2 years

Intended Outcome

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

Practice 5.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Clause 24.1 of the Company's Constitution provides that there shall be at least two (2) and not more than twelve (12) members of the Board. As at 28 March 2023, the Board membership stands at eleven (11) members comprising of seven (7) Non-Independent Non-Executive Directors and the remaining four (4) are Independent Non-Executive Directors. This composition fulfils the requirements mandated by the MMLR of Bursa Malaysia under Paragraph 15.02 (1), which stipulates that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors.</p> <p>The current size and composition of the Board is considered well balanced in addressing any business challenges and driving the business of the Group to greater heights. The Board members come from various professional backgrounds in terms of mix of skills, knowledge, expertise, experience and other requisite qualities.</p> <p>These qualities include core competencies in finance, business, oil and gas, law, general management and strategic thinking that are essential for the success of the Group. The Independent Non-Executive Directors play active roles in deliberations of policies and providing unbiased independent views and sound judgement.</p> <p>The composition of the Board fairly reflects the interest of the substantial shareholders as represented by the appointment of their nominee Directors. The Preference Shareholder is the Minister of Finance (Incorporated) while the Petroliam Nasional Berhad (PETRONAS), Sarawak State Financial Secretary (SFS), Equisar Assets Sdn Bhd and Kumpulan Wang Persaraan (Diperbadankan) (KWAP) are the major shareholders of the Group. The Independent Directors are also responsible for safeguarding the interest of minority shareholders.</p> <p>While the Board is committed to ensure best practices of Corporate Governance are implemented within the Company, the Board has to be mindful that it has to safeguard the interest of its various shareholders and stakeholders.</p>

	The Nomination and Remuneration Committee of the Company does have the purview to maintain a balanced composition of the Board, subject to the interest of the substantial shareholders of the Company.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.		
Measure	:	<p>The Nomination and Remuneration Committee of the Company does have the purview to maintain a balanced composition of the Board, subject to the interest of the substantial shareholders of the Company.</p> <p>The Board has also adopted the Directors’ Fit and Proper Policy on 20 September 2022. The policy functions to establish fit and proper criteria for the appointment and re-appointment of Directors on the Boards of Bintulu Port Holdings Berhad and its subsidiaries.</p> <p>It also ensures that each of the Directors has the character, experience, integrity, competence, and time to effectively discharge his/her role as a Director of the Company and/or its subsidiaries. Finally, it serves as a guide to the Nomination & Remuneration Committee (“the NRC”) and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election.</p> <p>The Policy is available on our website at https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Policies/Directors-Fit-and-Proper-Policy/.</p>
Timeframe	:	Within 2 years

Intended Outcome

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

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	Currently, there are no Independent Directors serving beyond a cumulative term limit of nine years. Should the Board intend to retain an Independent Director beyond nine years, the Company shall provide justification and seek annual shareholders’ approval through a two-tier voting process accordingly.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board consists of qualified individuals with diverse experiences, backgrounds and perspectives in order to bring values to board deliberations. The composition and size of the Board is such that it facilitates the making of informed and critical decisions.</p> <p>It is designed to be sufficiently large to capture the diversity of skills and expertise required to evaluate the best interests of shareholders, while not too large to ensure an effective decision-making process and active participation of every director. A balanced board in this regard can help dispel stereotyping, make commercial decisions that are aligned to customer and investor needs.</p> <p>The current Board composition comprises of eight (8) male Directors and three (3) female Directors. The Board is of the view that the current composition will generate positive impact on business and create value for the Company. While the Board strives to promote diversity, appointments of Directors are still premised on merits, knowledge and expertise which must be relevant to the Company.</p> <p>With regards to the appointment of Directors and senior managements, the Nomination and Remuneration Committee (NRC) of BPHB take into account the current diversity in skills, experience, age, and nationality of the potential candidates. This helps to ensure an appropriate balance between the experience perspectives of the long-term directors and new perspectives that bring fresh insights to the Board.</p> <p>The Board strongly views that diversity of the Board's composition is important optimal decision-making by harnessing different insights and whilst the capital market experience is of paramount importance Board, a high-performance board should comprise directors with a wide of backgrounds, experiences, and skills.</p>

	<p>In this regard, the Board has established and formally adopted the Board Diversity Policy on 1 November 2021. The Policy serves to promote diversity, enhance corporate governance, improve decision-making, enhance reputation, and meet regulatory requirements.</p> <p>The Policy is available on the Company's website at https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Policies/Board-Diversity-Policy/.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC is guided by its Terms of Reference and the Board Nomination and Remuneration Policy in carrying out its responsibilities in respect of the nomination, selection, and appointment process in BPHB and its subsidiaries, which also provides the requirements under the relevant laws and regulations on the matter.</p> <p>With reference to Paragraph 15.08A(3)(b) of the MMLR of Bursa Securities, the pool has been periodically refreshed with new potential candidates, having regard to the selection criteria, to ensure that the list of potential candidates remains relevant and offers the talent/skills required for the NRC/Board's consideration.</p> <p>If deemed necessary, the NRC will invite candidates for engagement sessions to review their suitability having regard to their qualifications and experience/skill sets with reference to the 'must have' and 'nice to have' criteria.</p> <p>Apart from these criteria, the NRC also considered the mix of skills, backgrounds, experiences, personality and time commitments.</p> <p>To ensure that Directors have sufficient time to fulfil their roles and responsibilities effectively, the criterion as agreed by the Board for determining candidates for the pool of potential Directors is that they must not hold directorships of more than five (5) public listed companies (as prescribed in Paragraph 15.06 of the MMLR of Bursa Securities).</p> <p>Further, the Board has also adopted the Directors' Fit and Proper Policy on 20 September 2022. The policy functions to establish fit and proper criteria for the appointment and re-appointment of Directors on the Boards of Bintulu Port Holdings Berhad and its subsidiaries.</p> <p>It also ensures that each of the Directors has the character, experience, integrity, competence, and time to effectively discharge his/her role as a Director of the Company and/or its subsidiaries. Finally, it serves as a</p>

	<p>guide to the Nomination & Remuneration Committee (“the NRC”) and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election.</p> <p>The Policy is available on our website at https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Policies/Directors-Fit-and-Proper-Policy/.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	<p>Currently, regarding the appointment and reappointment of a Director, the Company does not necessarily disclose details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole.</p> <p>The Company has also adopted a Conflict of Interest Policy and Declaration specifically for Board of Directors, available on our website. Per the Policy, each Board member are required to make an annual conflict of interest declaration as a good corporate governance practice.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination and Remuneration Committee is chaired by an Independent Non-Executive Director, Dato’ Sri Mohamed Khalid bin Yusuf @ Yusup since 1 February 2016.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>At present, the female directors are currently represented by Datuk Yasmin binti Mahmood, Datuk Nozirah binti Bahari, and Puan Hasmawati binti Sapawi, and the current Board composition comprises of eight (8) male Directors and three (3) female Directors. The Company has achieved more than 30% female representation in its Board back in 2021, but with the resignation of Puan Zakiah binti Jaafar in March 2022, the percentage has dropped to 27%. The Company however will continue to remain steadfast in implementing best governance practices underlined in the MCCG.</p> <p>The Board through its Board Charter envisioned a diverse Board in terms of experience, skills, competence, race, gender, culture and nationality to ensure that different perspectives are brought to bear on issues.</p> <p>The Board is of the opinion that a balanced Board composition can help dispel stereotyping, make commercial decisions that are aligned to customer and investor needs.</p> <p>The Board recognises that diversity is not limited to gender representation, but encompasses ethnicity/ race, age as well as nationality. The Board embraced Practice 5.9 as recommended in the MCCG whereby gender representation has become increasingly important.</p> <p>The Company has adopted a formal Board Diversity Policy which recognises the importance of not only gender diversity, but a diverse boardroom in general.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	While the Board supports a gender diversity agenda, it has to be mindful of the major shareholders of the Company and shall continue to support Board diversity through implementing the Board Diversity Policy.
Timeframe	:	Within 3 years

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has approved the Board Diversity Policy which recognises Board diversity as one of the elements contributing to the sustainable development of the Group.</p> <p>The objective of the Board Diversity Policy is to establish gender diversity at the Board-level as recommended under the MCGG 2021.</p> <p>The Board, assisted by its Nomination & Remuneration Committee ("NRC") and the Management, is committed to ensuring the requisite diversity of our Board members, encompassing for example, age, ethnicity and gender, and leveraging on differences in thought, perspective, knowledge, skill, regional and industry experience, and background.</p> <p>The Board is also responsible for developing strategies to meet the objectives of the Board Diversity Policy and monitoring the progress of achieving the objectives abovementioned.</p> <p>These will provide the necessary perspectives, experience and expertise required to achieve effective stewardship and management of the Company by the Board. The Board maintains the pursuit of its target of 30% women directors in line with the country's aspirational target of 30% representation of women Directors.</p> <p>The Board Diversity Policy is available on the website of the Company at through the following link — https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Policies/Board-Diversity-Policy/ </p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	<p>The Performance Assessment for Board (PAB) was adopted by BPHB in 2014. It is conducted internally upon completion of the financial year and comprises of Board Evaluation and Committee Evaluation.</p> <p>In January 2022, Bintulu Port Holdings Berhad (BPHB) engaged the Institute of Corporate Directors Malaysia (ICDM) to conduct the Board & Directors Effectiveness Evaluation (BDEE) and Individual Directors Evaluation (IDE). The scope covers the TEN (10) key parameters or core drivers (domains), based on the Malaysian Code of on Corporate Governance (MCCG) 2021 which looks at the effectiveness of the board, the board committees, and the performance of the individual directors.</p> <p>The key parameters are: -</p> <ol style="list-style-type: none">1. Board Leadership2. Board Composition, Skills and Development3. Board Committees4. Board Governance Oversight & Processes5. Board Agenda, Meetings and Information6. Board Dynamics & Culture7. Board & Management Relationship8. Board & Stakeholder Engagement9. Board & Sustainability Matters10. Board Crisis Management Responses <p>This first-time engagement of an externally facilitated BDEE conducted by subject matter experts is in line with MCCG Practice 6.1 for Large Cap Companies and is intended to lend more credibility, depth and objectivity to help shape consensus toward further board and governance improvements.</p> <p>This comprehensive BDEE assessment comprised of one-on-one dialogues with all the Directors and selected members of Senior</p>

	<p>Leadership Team (SLT), who regularly interact with the Board, as well as an online survey and review of selected governance documents including Board Charter, board committees TORs and minutes of meetings.</p> <p>Due to the pandemic situation, interviews were conducted online and not on a physical 'face to face' (F2F) basis.</p> <p>The BDEE also assessed the capabilities, contribution and performance of each director and an Individual Directors Evaluation (IDE) report will be sent to board members covering self vs peer board competency comparisons, technical knowledge, areas for reflection, development and recommendations for greater effectiveness in their role.</p> <p>The detailed observations and improvements categorised under the ten parameters in the full BDEE report would be presented to the Board for deliberations in 2022 as the exercise concluded. The board would then prioritise the recommended improvements to be adopted and agree on the way forward to further enhance board performance. The results of BDEE FY 2021 and the recommendations will be designated as the subject of the Board's focus during FY 2022.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The fees of the Non-Executive Directors and any benefits payable to the Directors shall from time to time be determined by an Ordinary Resolution of the Company in general meeting in accordance with Section 230 of the Companies Act 2016.</p> <p>The Nomination and Remuneration Committee ("NRC") reviews the remuneration policy for the members of the Board, Board Committees, Nominee Directors on the functional Board of the subsidiaries of BPHB and the GCEO and recommends to the Board for approval.</p> <p>The Board is mindful that fair remuneration is critical to attract, retain and motivate the Directors of the Company as well as other individuals serving as members of the Board Regulatory Committees.</p> <p>The NRC is also responsible to recommend to the Board on the annual salary increments, and performance bonuses for each financial year.</p> <p>On 29 November 2021, the Board has adopted and formalised its own Board Nomination and Remuneration Policy, which is made available on the website of the Company at through the following link — https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Policies/Board-Nomination-and-Remuneration-Policy/</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board have established a Nomination and Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.</p> <p>The Terms of Reference of the Committee is available on the Company's website through the following link — https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Committees-TOR/TOR-of-the-NRC/</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application :	Applied																									
Explanation on application of the practice :	<p>The responsibility of setting appropriate Directors’ remuneration framework and packages is under the purview of the NRC. The package has to be attractive enough to ensure that the Group continues to motivate Directors and retain talents that are necessary to manage the Group professionally and effectively.</p> <p>Non-Executive Directors are paid fixed annual Directors’ fees as members of the Board. In addition to fixed annual Directors’ fees, the Directors are paid meeting allowance for each Board and Board Committees’ meetings. Directors’ fees will be paid to the Directors upon approval at the AGM as provided in the Clause 25.1 of the Company’s Constitution.</p> <p>Under the provision of Section 230 (1) of Companies Act 2016, the fees of the directors, and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.</p> <p>The detailed disclosure allows shareholders to make an informed decision when voting on the approval of directors’ remuneration and to consider the appropriate remuneration package taking into account the responsibilities of the directors.</p> <table><tr><th>Company / Committee</th><th>Designation</th><th>Director’s Fees (RM ‘000)</th><th>Meeting Allowance (RM ‘000)</th></tr><tr><td rowspan="2">BPHB</td><td>Chairman</td><td>12.0</td><td>3.0</td></tr><tr><td>Non-Executive Directors (Members)</td><td>8.5</td><td>2.0</td></tr><tr><td rowspan="2">BPSB / BBSB / SIPSB (subsidiaries)</td><td>Chairman</td><td>6.0</td><td>2.0</td></tr><tr><td>Non-Executive Directors (Members)</td><td>4.2</td><td>1.5</td></tr><tr><td rowspan="2">AC / NRC / RC / FIC</td><td>Chairman</td><td>Not Applicable</td><td>2.0</td></tr><tr><td>Non-Executive Directors (Members)</td><td>Not Applicable</td><td>1.5</td></tr></table>	Company / Committee	Designation	Director’s Fees (RM ‘000)	Meeting Allowance (RM ‘000)	BPHB	Chairman	12.0	3.0	Non-Executive Directors (Members)	8.5	2.0	BPSB / BBSB / SIPSB (subsidiaries)	Chairman	6.0	2.0	Non-Executive Directors (Members)	4.2	1.5	AC / NRC / RC / FIC	Chairman	Not Applicable	2.0	Non-Executive Directors (Members)	Not Applicable	1.5
Company / Committee	Designation	Director’s Fees (RM ‘000)	Meeting Allowance (RM ‘000)																							
BPHB	Chairman	12.0	3.0																							
	Non-Executive Directors (Members)	8.5	2.0																							
BPSB / BBSB / SIPSB (subsidiaries)	Chairman	6.0	2.0																							
	Non-Executive Directors (Members)	4.2	1.5																							
AC / NRC / RC / FIC	Chairman	Not Applicable	2.0																							
	Non-Executive Directors (Members)	Not Applicable	1.5																							

NAME OF DIRECTORS	FEES (RM '000)		MEETING ALLOWANCES (RM '000)			BENEFITS- IN-KIND (RM '000)
	BPHB	SUBSIDIARY	BPHB	COMMITTEES	SUBSIDIARY	
	Non-Independent Non-Executive Directors					
Dato' Abdul Mutalib bin Alias	144.0	Not Applicable	24.0	Not Applicable		35.0
Datuk Johan bin Mahmood @ Johan Mahmood Merican <i>Appointed on 1 June 2022</i>	59.5	29.4	6.0	4.5	3.0	35.0
Tan Sri Datuk Amar Mohamad Morshidi bin Abdul Ghani	102.0	50.4	16.0	Not Applicable	7.5	35.0
Dato Sri Fong Joo Chung	102.0	72.0	16.0	7.5	10.0	35.0
Datuk Nasarudin bin Md Idris	102.0	72.0	25.5	2.0	10.0	35.0
Encik Mohamed Syazwan bin Abdullah @ Laga	102.0	50.4	12.0	7.5	6.0	35.0
Puan Hasmawati binti Sapawi	102.0	50.4	14.0	1.5	4.5	35.0
Puan Zakiah binti Jaafar <i>Resigned on 9 March 2022</i>	19.5	9.6	2.0	1.5	-	35.0
Independent Non-Executive Directors						
Dato' Sri Mohamed Khalid bin Yusuf @ Yusup	102.0	72.0	16.0	19.0	8.0	35.0
Datuk (Dr.) Yasmin binti Mahmood	102.0	50.4	14.0	22.5	6.0	35.0
Datuk Nozirah binti Bahari	102.0	50.4	16.0	9.0	6.0	35.0
(Dr.) Salihin bin Abang	102.0	50.4	16.0	14.0	7.5	35.0
Totals (RM'000)	1,141.0	557.4	168.0	89.0	68.5	420.0
	1698.5			745.5		

Intended Outcome

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

Practice 8.2

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

Application	:	Departure								
Explanation on application of the practice	:									
Explanation for departure	:	The Board recognizes the importance of transparency in disclosing Senior Management's remuneration, but believes that providing detailed information on a named basis for the top five Senior Management could be prejudicial to the business interests of the Company. This is due to the highly competitive environment in which the Company operates, as well as the competitive pressures of the talent market.								
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.										
Measure	:	<p>The Company believes in fair compensation for Senior Management. The Board and the Nomination and Remuneration Committee follow a principle of avoiding excessive payment, and base the remuneration packages on factors such as experience, skills, expertise, and industry benchmarks.</p> <p>The Company also discloses the total remuneration paid to all employees in the Financial Statements, so stakeholders can understand how the Company's remuneration structure relates to its performance as a Company.</p> <p>The Company is currently disclosing the top five (5) Senior Management's remuneration in band of RM50,000 in its Integrated Annual Report as follows —</p> <table><tr><th>Range of Remuneration (RM)</th><th>Number of Senior Management</th></tr><tr><td>300,001 – 350,000</td><td>1</td></tr><tr><td>350,001 – 400,000</td><td>1</td></tr><tr><td>400,001 – 450,000</td><td>1</td></tr></table>	Range of Remuneration (RM)	Number of Senior Management	300,001 – 350,000	1	350,001 – 400,000	1	400,001 – 450,000	1
	Range of Remuneration (RM)	Number of Senior Management								
300,001 – 350,000	1									
350,001 – 400,000	1									
400,001 – 450,000	1									

	500,001 – 550,000 1	
	850,001 & above 1	
Timeframe	:	Choose an item.

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
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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 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Audit Committee (AC) comprises of three (3) members at present, two (2) of the members are Independent Non-Executive Directors and one (1) Non –Independent Non-Executive Directors.</p> <p>The Chairman of AC, (Dr.) Salihin bin Abang is a Chartered Accountant of Malaysian Institute of Accountants (MIA), ASEAN Chartered Professional Accountant, Certified Public Accountant, CPA (M), Malaysian Institute of Certified Public Accountants (MICPA), a Fellow International Accountant of the Association of International Accountants, United Kingdom (AIA), and a Qualified Risk Director, Institute of Enterprise Risk Practitioners (IERP). He is a graduate from Universiti Islam Antarabangsa Malaysia.</p> <p>He is not the Chairman of BPHB. As per Practice 9.1 of the MCCG, where it is recommended that the Chairman of AC is not the Chairman of the Board, the Chairman of BPHB is held by Dato' Abdul Mutalib bin Alias.</p> <p>(Dr.) Salihin bin Abang is an Independent Non-Executive Director and was appointed Chairman of the AC since 22 November 2018.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>At current, none of the members of the Board were former key audit partners of the Company.</p> <p>In meeting the spirit of Practice 9.2, the revised Terms of Reference for the AC of the Company specifies that, as recommended by the new MCCG 2021, a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.</p> <p>Practice 9.2 is adopted formally into the Terms of Reference of the AC, which is available on the Company’s website through the following link https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Committees-TOR/TOR-of-the-AC/</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	<p>In reference to the Board Charter, the AC requires written assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.</p> <p>The AC is also responsible to ensure that the financial statements of the Group comply with the current applicable Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS) and the requirements of Companies Act 2016.</p> <p>Further, the responsibility of recommending the person or persons to be nominated to act as the External Auditor rests upon the AC.</p> <p>In reference to the Board Charter, the AC requires written assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.</p> <p>For the year under review, the AC had adopted and implemented the External Auditor Assessment (EAA), the purpose of which is to evaluate the suitability, objectivity, and independence of the External Auditor to ensure the quality and reliability of audited financial statements.</p> <p>The External Auditor were evaluated based on the following criteria —</p> <ul style="list-style-type: none">a) Calibre of the External Audit firm;b) Audit scope;c) Communications;d) Audit Governance and Independence; ande) Audit fees.

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied	
Explanation on application of the practice	:	<p>The AC members are expected to devote sufficient time in improving their knowledge and enhancing their skills through appropriate continuing education programmes, so as to enable them to sustain their active participation during deliberations.</p> <p>The Chairman and members of the AC are financially literate, and have carried out their duties in accordance with the TOR of the AC.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the responsibility for reviewing the adequacy and integrity of the Group's internal control and risk management system. The system of internal control covers governance, risk management, financial, strategy, organisational, operational, regulatory and compliance control matters.</p> <p>The Board, whilst acknowledging its responsibility, recognises that the risk management and internal control system are designed to manage, rather than eliminate, the risks that may impede the achievement of the Group's business goals and objectives. Therefore, the system can only provide reasonable, but not absolute assurance, against the occurrence of any material misstatement, fraud or losses.</p> <p>To ensure the adequacy and effectiveness of the Group's risk management and internal control, the Board has maintained full control over strategic, financial, organisational and compliance issues and has put in place the formal lines of responsibility and delegation of authority.</p> <p>The review of risk management and internal control reports and processes is delegated by the Board to the AC and RC.</p> <p>As for risk management, the Board has carried out an on-going process of identifying, evaluating as well as deliberating and providing advice on matters pertaining to key corporate risks of the Group, the mitigation measures and its action plans to ensure that key risk areas are managed to achieve the Group's business objectives.</p> <p>A summary of the Company's Internal Control and Risk Management structure and segments are as illustrated in the Company's Statement on Risk Management and Internal Control of the Integrated Annual Report 2022, pages 94 to 101.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied
Explanation on application of the practice	:	<p>BOARD'S RESPONSIBILITY</p> <p>The Board, while acknowledging its responsibility, recognises that the risk management and internal control system is designed to manage, rather than eliminate, risks that may impede the achievement of the Group's business goals and objectives.</p> <p>Therefore, the system can only provide reasonable, but not absolute, assurance against the occurrence of any material misstatement, fraud or losses.</p> <p>To ensure the adequacy, effectiveness and integrity of the Group's risk management and internal control, the Board maintains full control over governance, strategic, financial, organisational, operational, regulatory and compliance risks and has put in place formal lines of responsibility and delegation of authority.</p> <p>The review of the risk management and internal control environment and processes is delegated by the Board to the Risk Committee (RC) and Audit Committee (AC).</p> <p>RISK MONITORING AND REPORTING STRUCTURE</p> <p>Board of Directors</p> <ul style="list-style-type: none">• Oversees the risks under Corporate Risk – Red Profiles• Receives and reviews reports on risk management• Informed of the current status of Corporate Risk under the Red Profiles• Gives further guidance and directions based on reports on risk management <p>Risk Committee</p> <ul style="list-style-type: none">• Oversees the risks under Corporate Risk – Red Profiles• Receives and reviews reports on risk management• Acknowledges any new risks or risks that register improvement• Acknowledges risk updates and improvements of the Group, which includes BPSB, BBSB and SIPSB

- Updated on the status of the risks on a quarterly basis

Risk Management Committee

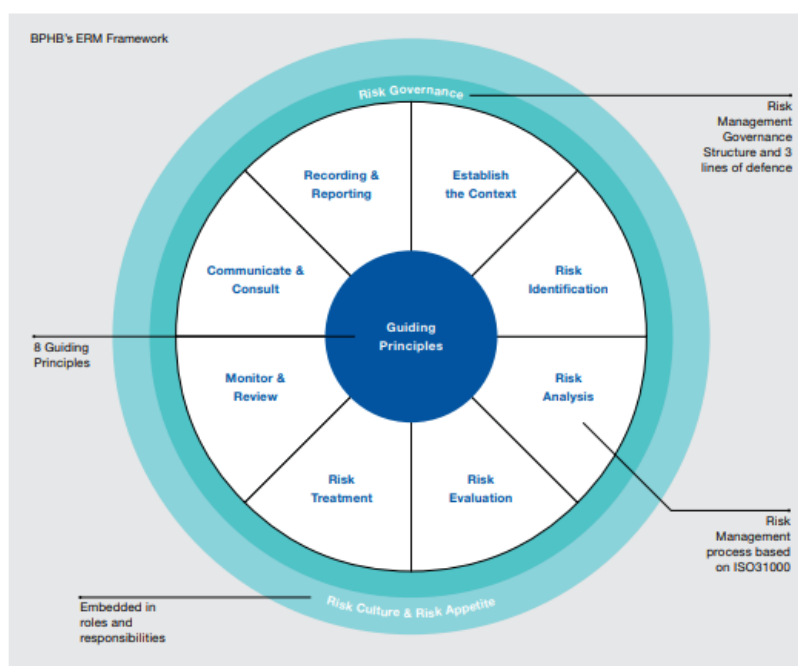
- Oversees the risks at divisional level
- Oversees plans for risk assessment, monitoring and mitigation that include current control strategies and action plans
- Updates the Risk Committee/ Board of Directors on risk assessment and mitigation
- Determines Corporate Risk based on the impact and likelihood

ERM Department (under Group Corporate Planning and Development)

- Updates the risk profiles quarterly
- Coordinates updates of risk profiles together with the Risk Focal Person
- Conducts due diligence/ risk assessment analysis based on projects

Risk Focal Person/Risk Owner

- Ensures mitigation measures and action plans are undertaken
- Acts as a liaison in providing feedback on new risks



The ERM Manual has been established and incorporated eight (8) guiding principles under ISO 31000:2018 Risk Management:

- 1. Structured and comprehensive:** A structured and comprehensive approach to risk management shall be utilised.
- 2. Customised:** All risk management activities shall be tailored to fit the organisational context and aligned to the corporate objectives and organisational priorities of BPHB Group.

3. **Human and cultural factors:** Risk management strategies and practices shall be developed, communicated to, practiced by all employees and led by a strong tone from the top.

4. **Integrated:** Risk management activities shall be embedded in the daily operations from strategy formulation through to business planning and processes including organisational strategic planning, business planning and investment/project appraisal procedures.

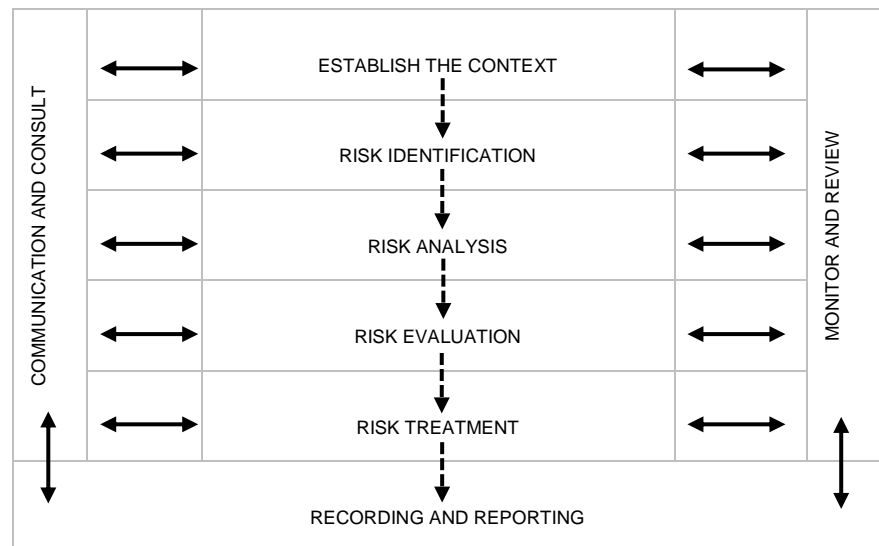
5. **Inclusive:** Risk management shall include the necessary stakeholders and take into account their knowledge, views and perceptions to ensure risks are managed to fulfill the expectations of the stakeholders and the organisation.

6. **Dynamic:** Risk management shall be able to detect and respond to both internal and external changes appropriately when they occur.

7. **Best Available Information:** Risk management shall account for any limitations and uncertainties regarding the provided historical and current information and future expectations and manage risks based on accepted standards and good practices.

8. **Continuous Improvement:** Risk management practices shall be continually improved.

ERM Process



	The Enterprise Risk Management and Internal Control Structure	
	ENTERPRISE RISK MANAGEMENT (ERM)	INTERNAL CONTROL
	ERM ENVIRONMENT Creates and establishes clear functional responsibilities and accountabilities that cover Governance, Framework and Process	AUTHORITY & RESPONSIBILITY Encompasses Board Terms of Reference, all structures of the organisation and the internal control and compliance environment, as well as responsibility levels
	MATERIALITY ASSESSMENT Assessment made according to the recommendations of Bursa Malaysia's Sustainability Reporting Guide	PLANNING, MONITORING & REPORTING Covers budgeting and forecasting exercises, continuous performance review and appropriate application of finance functions
	RISK MANAGEMENT COMMITTEE Internal Risk Management Committee established to monitor Principal Risks of the Group as a whole	POLICIES & PROCEDURES Contain information on how the Group operates through SOPs, Code of Conduct and its Customer Charter
	RISK MANAGEMENT FUNCTION The establishment of an ERM Department for the coordination of risk management for the Group	AUDIT Covers internal and external audit functions of the Group as well as audit by certification bodies
	RISK MANAGEMENT AWARENESS PROGRAMME Group-wide inculcation of a robust risk governance and compliance culture, supported by training programmes	COMPLIANCE Contains information on the role played by Group Legal Counsel
	GROUP PRINCIPAL RISK PROFILE Provides oversight for the Audit and Risk Committee during meetings	PERFORMANCE MEASUREMENT Contains information on how the performance of employees is measured
	ERM MANUAL Sets out the policies for identifying, assessing, monitoring, managing and reporting risk for BPHB Group, aligned with the guidelines of ISO 31000:2018 Risk Management.	EMPLOYEES' COMPETENCIES Contains information on how employees' competencies are continuously enhanced
	GROUP INTEGRITY AND COMPLIANCE Group Integrity & Compliance is established to ensure that the Group apply ethical practices and compliance to rules and regulations in upholding good corporate governance.	

	<table><tr><td>INSURANCE</td><td></td></tr><tr><td>Involves information relating to the protection of the Group's assets</td><td></td></tr></table>	INSURANCE		Involves information relating to the protection of the Group's assets								
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ENTERPRISE RISK MANAGEMENT (ERM) The Group's Enterprise Risk Management (ERM) segment comprises the following key elements:												
	<table><tr><th>SEGMENT</th><th>KEY ELEMENT</th></tr><tr><td>ERM Environment</td><td><p>One of the key features of the risk management environment is the implementation of established and clear functional responsibilities and accountabilities for the management of risk.</p><p>The ERM Environment consists of a framework, process and governance and is illustrated on pages 94 to 96 of this Statement.</p></td></tr><tr><td>Materiality Assessment</td><td><p>Pursuant to the recommendations of Bursa Malaysia's Sustainability Reporting Guide, an organisation should reconsider its material sustainability risks and opportunities (i.e. sustainability matters) at least once a year. This is to ensure that the sustainability matters being managed and reported remain significantly important to its business and are aligned to stakeholders' needs.</p><p>The Group undertake a materiality assessment in 2021, comprising a series of focus group sessions and interviews with various key internal stakeholders.</p><p>In year 2022, we maintained the materiality matters that were identified in the materiality assessment in 2021.</p></td></tr><tr><td>Risk Management Committee</td><td><p>A Risk Management Committee has been established, comprising the following members:</p><ul style="list-style-type: none">• Group Chief Executive Officer (GCEO)• Group Chief Financial Officer (GCFO)• Chief Operation Officers (COOs)• Company Secretary• General Manager, Human Resources Management• General Manager, Group Legal Counsel• General Manager, Group Health & Safety Environment• General Manager, Group Corporate Planning & Development• General Manager, Group Information Technology• Senior Manager, Group Internal Audit• Senior Manager, Group Corporate Services• Senior Manager, Group Security<p>In 2022, the Management updated the Board on a quarterly basis (February, May, August & November).</p></td></tr><tr><td>Risk Management Function</td><td><p>The risks are viewed and managed from a Group-wide perspective and are driven by a designated ERM Department under Group Corporate Planning & Development (GCPD).</p><p>The ERM Department is responsible for the overall coordination of risk management for the Group and</p></td></tr></table>	SEGMENT	KEY ELEMENT	ERM Environment	<p>One of the key features of the risk management environment is the implementation of established and clear functional responsibilities and accountabilities for the management of risk.</p> <p>The ERM Environment consists of a framework, process and governance and is illustrated on pages 94 to 96 of this Statement.</p>	Materiality Assessment	<p>Pursuant to the recommendations of Bursa Malaysia's Sustainability Reporting Guide, an organisation should reconsider its material sustainability risks and opportunities (i.e. sustainability matters) at least once a year. This is to ensure that the sustainability matters being managed and reported remain significantly important to its business and are aligned to stakeholders' needs.</p> <p>The Group undertake a materiality assessment in 2021, comprising a series of focus group sessions and interviews with various key internal stakeholders.</p> <p>In year 2022, we maintained the materiality matters that were identified in the materiality assessment in 2021.</p>	Risk Management Committee	<p>A Risk Management Committee has been established, comprising the following members:</p> <ul style="list-style-type: none">• Group Chief Executive Officer (GCEO)• Group Chief Financial Officer (GCFO)• Chief Operation Officers (COOs)• Company Secretary• General Manager, Human Resources Management• General Manager, Group Legal Counsel• General Manager, Group Health & Safety Environment• General Manager, Group Corporate Planning & Development• General Manager, Group Information Technology• Senior Manager, Group Internal Audit• Senior Manager, Group Corporate Services• Senior Manager, Group Security <p>In 2022, the Management updated the Board on a quarterly basis (February, May, August & November).</p>	Risk Management Function	<p>The risks are viewed and managed from a Group-wide perspective and are driven by a designated ERM Department under Group Corporate Planning & Development (GCPD).</p> <p>The ERM Department is responsible for the overall coordination of risk management for the Group and</p>	
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		works closely with Risk Focal Persons who undertake the monitoring and assessing of risk controls in their respective divisions and departments.
	Risk Management Awareness Programme	<p>The main objective of the programme is to inculcate a robust risk governance and compliance culture among all staff, ranging from operational to Senior Management.</p> <p>In 2022, the ERM Department conducted a Risk Awareness Campaign to give everyone a better understanding of Risk Management. In this campaign, Informational Risk posters and videos were disseminated to all staff via email.</p> <p>The ERM Department was also involved in 12 series of induction programmes to educate and brief new staff on Enterprise Risk Management.</p>
	Group Principal Risk Profile	<p>The Group Principal Risk Register & Profile is a permanent agenda item of the Risk Committee meetings, which deliberate on the following principal risks:</p> <ul style="list-style-type: none"> • Strategic Risk • Financial Risk • Compliance Risk • Operational Risk
	Group Integrity and Compliance	<p>The Group has established Group Integrity & Compliance on 1 January 2023, mainly to ensure that the Group and its employees operate with integrity and comply with all applicable laws and regulations. They develop policies and procedures, create awareness on integrity and ethical practices, investigate allegations of non-compliance or unethical behaviour, and report regularly to the Board of Directors.</p> <p>Overall, the division helps to protect the Company's reputation, build trust with stakeholders, and promote a culture of ethical behavior within the organization.</p>
	Insurance	Sufficient insurance coverage and physical safeguards on major assets are in place to ensure the Group's assets are adequately covered against any mishap that could result in material loss.
	INTERNAL CONTROL The Group's internal control segment comprises the following key elements:	
	Authority & Responsibility	<p>TERMS OF REFERENCE</p> <p>The Board has delegated certain responsibilities to Board Committees, as follows, through clearly defined and approved Terms of Reference (TOR) which shall be reviewed as and when necessary:</p> <ul style="list-style-type: none"> • Audit Committee • Risk Committee • Nomination and Remuneration Committee • Finance and Investment Committee <p>The above TOR are accessible on the Group's website.</p>

	<p>In addition, there are a number of committees established by the Management with specific TOR, such as the Major Tender Committee, Minor Tender Committee and Quotation Committee.</p> <p>ORGANISATIONAL STRUCTURE The Group has an organisational structure with formal lines of authority and accountability that sets out clear segregation of powers to guarantee effective control at various levels of the Group.</p> <p>The Management is responsible for the implementation of the Group's strategies and day-to-day business based on the established structure and limits of authority.</p> <p>The organisational structure is reviewed from time to time to address changes in in the business environment, as well as to keep abreast of current and future trends in new technologies, products and services.</p> <p>RESPONSIBILITY LEVELS The Group has established levels of authority, which have been approved by the Board and which are subject to review from time to time to reflect the limits of authority of the Management in all aspects of the Group's major businesses, operations and functions.</p> <p>COMPLIANCE ENVIRONMENT Each division and business unit within the Group has established an adequate compliance environment by instituting specific and dedicated functions to oversee compliance matters with respect to business and operations.</p> <p>INTERNAL CONTROL POLICY The policy was established and was approved by the Board of Directors and it is subject to review from time to time, in order to reflect changes in the internal control environment that may affect the Group's business and operations.</p>
	<p>Planning, Monitoring & Reporting</p> <p>BUDGET The Group performs comprehensive budgeting and forecasting exercise including the preparation of business plans.</p> <p>An annual planning and budgetary exercise are undertaken requiring all divisions to prepare budgets for the forthcoming year.</p> <p>These are deliberated on and approved by the Board prior to implementation by the Management.</p> <p>PERFORMANCE REVIEW The Group's business plans for the year are reviewed and deliberated on by the Board on an annual basis.</p> <p>The actual performance against budget and financial performance variances are analysed and reported on a quarterly basis to the Board and timely corrective actions are then taken.</p> <p>FINANCE FUNCTION The Group Finance Division is required to provide assurance that appropriate accounting policies have been adopted and applied consistently, that the going concern basis as applied in the Annual Financial</p>

		Statements and Condensed Consolidated Financial Statements of the Group is appropriate and that prudent judgements and reasonable estimates have been made in accordance with the requirements set out in established and applicable Financial Reporting Standards.
	Policies & Procedures	<p>STANDARD OPERATING PROCEDURES Clear, formalised and documented internal policies, standards and procedures are in place to ensure compliance with internal controls and relevant laws and regulations.</p> <p>Information relating to Financial, Procurement & Contract Management, Human Resources and Information Technology is documented and accessible through the Group's intranet and manuals.</p> <p>In addition, the Group has obtained accreditation such as ISO 9001 and ISO 14000 from local and international bodies to standardise relevant processes.</p> <p>ANTI-BRIBERY AND CORRUPTION (ABC) It is also important for the Group to comply with, uphold and conduct its business in accordance with applicable laws in relation to anti-bribery and corruption. The details of ABC Policy has been set out on page 88.</p> <p>CODE OF CONDUCT The Code of Conduct is given to all newly recruited staff upon joining the Group.</p> <p>They are required to strictly adhere to the Code of Conduct in order to ensure a high level of discipline and integrity while carrying out their duties.</p> <p>It is the responsibility of all staff to maintain and practise the Code of Conduct as part of their accountability towards achieving the Group's overall objectives.</p> <p>CUSTOMER CHARTER The Customer Charter is a benchmark set by the Group for evaluating operational efficiency and performance in meeting service delivery standards and customer satisfaction.</p> <p>The Management is committed to ensuring strict adherence to the Customer Charter at all levels of operation.</p> <p>For any failure to meet the Customer Charter, the Management carries out service recovery initiatives.</p> <p>WHISTLEBLOWER POLICY The policy was approved by the Board to provide an avenue for employees or any external party to report any breach or suspected breach of any law or regulation, including breaches of the Code of Conduct and of the Group's policies, in a secure and confidential manner.</p>
	Audit	<p>INTERNAL AUDIT The internal control practices are audited in-house by GIA to assess the adequacy and effectiveness aspects of governance, risk and controls.</p>

		<p>Any irregularity or significant finding by GIA is reported to the AC together with recommendations for corrective measures on a timely basis.</p> <p>The Management is responsible for ensuring that corrective actions are carried out within a determined timeframe.</p> <p>EXTERNAL AUDIT The External Auditors' Annual Plan, which comprises planned audit services (inclusive of other assurance related services), recurring non-audit services and non-recurring non-audit services, is tabled to the AC for deliberation and approval.</p> <p>Other than the financial statutory audit, there are audits on operational statutory compliance conducted by the relevant authorities, such as the DOE Compliance Audit and BOMBA (Malaysia) Fire Certificate Inspection Audit, to ensure fulfilment of license conditions.</p> <p>CERTIFICATION AUDIT The audit is conducted by certification bodies, on a scheduled-basis, for ISO 9001: 2015, ISO 14001: 2015, ISO 45001:2018, ISO 28000:2007 and ISO 27001:2013 to ensure continuous certification is obtained from local and international bodies including renewals of certification.</p>
	Compliance	<p>The role of Group Legal Counsel is to advise the Board and Management on all legal matters and manage any litigation.</p> <p>It also plays a pivotal role in ensuring that interests of the Group are legally preserved and safeguarded.</p> <p>The Board is updated through reports as and when there is an introduction of new legislation, new terms of business or changes in existing laws relevant to the Group.</p>
	Performance Measurement	<p>Key performance indicators (KPIs), which are based on the Corporate and Divisional Balanced Scorecards, are used to track and measure employees' performance.</p> <p>In addition, annual employee engagements and customer satisfaction surveys are conducted to gain feedback on the effectiveness and efficiency of stakeholder engagements for continuous improvement.</p>
	Employees' Competencies	<p>Training and development programmes are identified and scheduled for the staff to acquire the necessary knowledge, skills and core competencies to enhance their professionalism. This is to ensure that the Group can assign staff with specific and specialised training, thereby minimising unnecessary errors or non-compliance with the established policies.</p>
	<p>RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM EFFECTIVENESS The Board reviews the effectiveness of the risk management and internal control system through the following monitoring mechanisms:</p>	

	<ul style="list-style-type: none"> • Quarterly reviews on the Group’s actual financial and operational performance and other key financial and operational indicators. • Specific projects or business opportunities are reviewed by the Management and the Board as and when required. This allows the Board and the Management to oversee and monitor the potential and emerging risks that can hinder the achievement of the Group’s objectives. • The Group’s Risk Profile is presented quarterly to the Risk Committee to provide an overview of the Group’s key risks and their current mitigation status. • The Audit Committee deliberates and discusses reports issued by the Group Internal Audit and external auditors with regards to financial, operational, governance, risk management and internal control matters. <p>REVIEW OF THIS STATEMENT</p> <p>As required by Para 15.23 of the MMLR, the external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report (“AAPG 3”) issued by the Malaysian Institute of Accountants (“MIA”) for inclusion in the annual report of the Group for the year ended 31 December 2022, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects; has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.</p> <p>AAPG 3 does not require the external auditors to consider whether the Directors’ Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group’s risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the external auditors was made solely for, and directed solely to the Board in connection with their compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purposes or parties. The external auditors do not assume responsibility to any person other than the Board in respect of any aspect of this report.</p> <p>Group Internal Audit has also reviewed this Statement and reported to the AC that, while it has addressed certain individual lapses in internal control during the course of its internal audit assignments for the year, it has not identified any circumstances which suggest any fundamental deficiencies in the Group’s risk management and internal control system.</p>
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	<p>CONCLUSION</p> <p>The GCEO and Group Chief Financial Officer (GCFO) have provided their reasonable assurance to the Board that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the framework adopted by the Group.</p> <p>For the year under review, the Board is of the view that the risk management and internal control system is in place, and up to the date of approval of this Statement, is sound and sufficient to safeguard the Group's assets, as well as the shareholders' investments and the interests of customers, regulators, employees and other stakeholders.</p> <p>Statement made in accordance with the Board's Resolution dated 23 March 2023.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Board established its own Risk Committee separate from the Audit Committee in 2021.</p> <p>The Risk Committee is chaired by Datuk Yasmin binti Mahmood with members of the Committee being Dato' Sri Mohamed Khalid bin Yusuf @ Yusup and Datuk Johan bin Mahmood @ Johan Mahmood Merican.</p> <p>The Terms of Reference for the Risk Committee is available on the Company's website at: https://www.bintuluport.com.my/Investor-Relations/Overview/Board-Committees-TOR/TOR-of-the-RC/ .</p>

Intended Outcome

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

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied
Explanation on application of the practice	:	<p>The internal audit function is carried out by Group Internal Audit, which works independently and is answerable to the AC.</p> <p>Group Internal Audit is also responsible for:</p> <ul style="list-style-type: none">• Providing the AC with independent and objective reports on the state of internal controls, risk management, governance processes and the extent of compliance with the Group's established policies and procedures and the relevant statutory requirements; and• Providing reasonable assurance to the AC and to the Board based on audit findings concerning the effectiveness of risk management, internal controls, and governance processes. <p>A summary of Internal Audit's activities during the financial year is as follows:</p> <ul style="list-style-type: none">• Developed an annual Audit Plan using a risk-based approach for the Group;• Conducted seven (7) audit study based on the approved Audit Plan;• Conducted seven (7) follow-up audits on corrective actions taken by the Management pertaining to the previous audit findings; and• Assisted the RC in reviewing the mitigation actions taken on the risk profiles and ensured that the principal risks were addressed. <p>For FY2022, Group Internal Audit performed its duties with independence, proficiency and due professional care so as to give assurance to the Board on the integrity of its internal controls and the reliability of the systems as a whole. The cost incurred in running the in-house Group Internal Audit for FY2022 was RM 975,708.43.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	<p>All internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p> <p>At current, the Group Internal Audit function eight (8) personnel comprised of the Senior Manager of Internal Audit, the Manager of Internal Audit, five (5) internal auditors and a clerk.</p> <p>The Senior Manager of Group Internal Audit, Hasmadi bin Zamhari joined BPHB in January 2023. He is replacing Haji Mohamad Yacop bin Mohamad Junit who retired in December 2022. He graduated with a BA (Hons) Accountancy from University of Bolton, UK. Prior to joining BPHB, he has thirty three years of working experience in the upstream Exploration and Production business in PETRONAS. He was attached to PETRONAS Carigali Nile Ltd -South Sudan Operations and seconded to DAR Petroleum Operating Company South Sudan (2014-2018). His last posting was as Head Operation Services (Finance & Accounts), Petronas Carigali Sdn Bhd, Sarawak Assets (Miri) before retiring in October 2021.</p> <p>In accordance with the Internal Audit Charter of Bintulu Port Holdings Berhad (Section 8.0 - Independence and Objectivity), internal auditors are required to act as an independent function that adds value to the operations of Bintulu Port Holdings Group of Companies (“the Group”).</p> <p>The AC has conducted an annual assessment of the overall performance of the Senior Manager of Internal Audit for the financial period ended 31 December 2022, and is satisfied with the level of competency, experience, and resources of the Internal Audit function in discharging its role and responsibilities.</p> <p>Internal Audit adopts the International Professional Practices Framework (IPPF) in managing its functions and performance of the audit engagements, to continuously deliver value-added assurance to the Group and to support the Group in achieving its corporate and strategic objectives. Internal Audit is also guided by the internal policies, procedures and framework, as well as the Internal Control Framework</p>

	of the Committee of Sponsoring Organisations of the Treadway Commission (“COSO”), in assessing and reporting on the adequacy and effectiveness of internal control, risk management and governance process.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Stakeholders can access corporate information, Integrated Annual Reports, press releases, financial information, company announcements and share prices through investors' relations programmes and the Group's website.</p> <p>Ongoing engagement and communication with stakeholders build trust and understanding between the company and its stakeholders. It provides stakeholders a better appreciation of the company's objectives and the quality of its management. This in turn will assist stakeholders in evaluating the company and facilitate shareholders to determine how their votes should be exercised. From the company's perspective, it provides an avenue for invaluable feedback that can be used to understand stakeholders' expectations and develop business strategies.</p> <p>The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company and as such adopts an open and transparent policy in respect of its relationship with its shareholders and investors.</p> <p>Dialogue with stakeholders is a necessary and beneficial process as it enables companies to understand stakeholders' concerns and to take these concerns into account when making decisions.</p> <p>In addition to that, the Group conducts dialogues with financial analysts from time to time as a means of effective communication that enables the Board and Management to convey information relating to the Company's performance, corporate strategy and other matters affecting shareholders' interests.</p> <p>The Group holds separate interfacing sessions with fund managers, institutional investors and investment analysts as well as the media. The sessions are intended to disseminate updated progress and development of the Group's business to interested parties including the shareholders and stakeholders.</p>

	In year 2022, the Group’s interfacing sessions were as follows:			
	No.	Date	Summary of Interface / Engagement Sessions	Venue
	1	26/4/2022	Affin Hwang Asset Management Berhad	Online
	2	26/5/2022	Esente Advisory	The Saujana Hotel, KL
	3	16/6/2022	Cahaya Mata Sarawak Berhad & Tabung Haji Investment Team	Samalaju Resort Hotel, Bintulu
	4	26-27/7/2022	Kenanga, EPF & KWAP	SIPSB & BPHB
	5	9/8/2022	AMInvestment Bank Berhad	Online
	6	2/9/2022	Esente Advisory	Glenmarie Hotel & Resort, Shah Alam
	7	29-30/9/2022	RAM Rating Services Berhad	SIPSB & BPHB
	8	12/10/2022	BIMB Securities, BIMB Invest & Tabung Haji	BPHB
	9	13/10/2022	PNB & Nomura	BPHB
	10	14/10/2022	Esente Advisory & group of investors/analysts (Esente Advisory, MIDF, VC Asset, MSEC, Segacious Capital & AMInvestment Bank)	SIPSB
	11	14/10/2022	Hong Leong Investment Bank & group of investors/analysts (HLIB Research, Takaful, RHB Asset, SOCSO & Philip Capital)	SIPSB
	12	14/10/2022	Nomura & group of investors/analysts (Nomura, PNB & RHB)	SIPSB
Explanation for departure	:			
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.				
Measure	:			
Timeframe	:			

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Bintulu Port Integrated Annual Report for the financial year ended 31 December 2022 is our fourth Integrated Report <IR> and will present a balanced and transparent information about our business operations, enabling shareholders to make an informed assessment of our value-creation activities.</p> <p>This Report serves to inform stakeholders about what we have achieved and the implementation of our plans to realise our goal of being a world-class and sustainable port operator, practicing the concept of a green port.</p> <p>In line with best practices, this Report adopts the International Integrated Reporting Council (IIRC) framework to provide a holistic view of our operations. The reporting is also aligned to and guided by the Malaysian Code on Corporate Governance 2021 (MCCG 2021), the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad, the Companies Act 2016 and the Malaysian Financial Reporting Standards.</p> <p>The Report details our financial and non-financial performance for the period 1 January 2022 to 31 December 2022. In terms of reporting boundaries, we considered all business operations of the Port, and this includes both fully controlled operations as well as subsidiaries. The reporting scope looked at internal and external impacts on the business and sustainability efforts, as well as trends, opportunities and risks that could significantly affect the Port's value-creation abilities.</p> <p>As required by the IIRC Framework, we have discussed our six capitals of value creation in this Report and have created navigational icons as seen here for the reader's ease as reference will be made to the capitals throughout the Report.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>For the previous 26th Annual General Meeting (“AGM”) of the Company, Notice of AGM was issued to the shareholders 28-days before the date of the AGM, thus complied with the minimum requirement set under Section 316 of the Companies Act 2016 as well as the best Corporate Governance practice recommended by MCCG.</p> <p>The Notice of AGMs are accompanied with the Notes to the Notice of the AGM. The Notes provide detailed explanations for each resolution proposed, e.g., re-election/retirement of Directors, Directors’ remuneration comprising the Directors’ fees and benefits, appointment of auditors, to enable shareholders to make informed decisions in exercising their voting rights.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied
Explanation on application of the practice	:	<p>During the 26th Annual General Meeting ("AGM"), the proceedings were conducted virtually due to the Covid-19 Pandemic. Directors were present virtually to engage directly with shareholders and be accountable for their tenure in the Company.</p> <p>At the previous AGM, among the Directors present at the Broadcasting Venue were the Chairman of the Board and two other Directors.</p> <p>The proceedings of the 26th AGM included the presentation of the Company's operating and financial performance for 2022 and a Questions & Answers session during which the Chairman invited shareholders to raise questions pertaining to the Company's financial statements and other items for adoption at the virtual AGM.</p> <p>The Directors, GCEO, Management and external auditors were in attendance to respond to the shareholders' queries. The GCEO also shared with the shareholders present the Company's responses to questions submitted in advance of the AGM by the Minority Shareholders Watch Group (MSWG).</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The 26th AGM of the Company was held on 28 April 2022, with the Notice being issued on 31 March 2022. The 26th AGM was held fully virtual at Broadcasting Venue in Tricor, Kuala Lumpur due to the Covid-19 Pandemic.</p> <p>Bintulu Port Holdings Berhad ("the Company") adopted poll voting since its 21st Annual General Meeting held on 21 April 2017 for all resolutions proposed, where the votes were cast by way of voting slips.</p> <p>The voting at the 26th AGM held on 28 April 2022 was conducted on a poll. The Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") as Poll Administrator to conduct the polling process, and Scrutineer Solutions Sdn. Bhd. as Scrutineers to verify the polling results.</p> <p>Upon verification of the polling results by the Scrutineers, the Chairman announced the results for each resolution which include votes in favour and against. The Chairman later then declared whether the resolutions were carried. The polling results were also announced by the Company via Bursa LINK on the same day for the benefit of all shareholders.</p> <p>The Company is pleased to inform that it has implemented several measures to ensure good cyber hygiene practices during the conduct of virtual AGMs, including 26th AGM conducted in 2022. Data privacy and cybersecurity threats are taken seriously and the Company, together with its Share Registrar have implemented necessary measures to protect the shareholders.</p> <p>We were given assurance that Tricor's virtual AGM platform, TIH Online, is equipped with advanced security protocols and encryption techniques to prevent unauthorized access.</p> <p>The shareholders were also provided with clear instructions on how to participate in the virtual AGM securely. These measures will ensure the safe and secure conduct of the virtual AGM, protecting the</p>

	<p>confidentiality of our shareholders' information and ensuring their trust in the company.</p> <p>The Company and in extension, the Board, is committed to safeguarding the shareholders' information and maintaining the highest level of cyber hygiene practices.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>The Company's Share Registrar, Tricor Investors and Issuing House Services Sdn. Bhd. was appointed by the Company to conduct a virtual AGM of the Company in 2022.</p> <p>Through this method of AGM, shareholders were given ample time and opportunity to pose questions to the Company and to the Board in extension prior to the AGM.</p> <p>The Company then select a few strategic questions and answered the questions during the AGM itself. Finally, after the conclusion of the AGM, the minutes of the AGM will then uploaded into the website of the Company and accessible through the following link — https://www.bintuluport.com.my/Investor-Relations/Overview/Annual-General-Meeting/</p> <p>During the previous AGM, the Chairman, Dato' Abdul Mutalib bin Alias conducted the proceedings with the assistance of the Management and managed to answer questions posed during the AGM.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>The Company's Share Registrar, Tricor Investors and Issuing House Services Sdn. Bhd. was appointed by the Company to conduct a fully virtual AGM of the Company in 2022.</p> <p>Through this method of AGM, shareholders were given ample time and opportunity to pose questions to the Company and to the Board prior to the AGM.</p> <p>The Company then select a few strategic questions and answered the questions during the AGM itself. Finally, after the conclusion of the AGM, the minutes of the AGM will then uploaded into the website of the Company and accessible through the following link — https://www.bintuluport.com.my/Investor-Relations/Overview/Annual-General-Meeting/</p>
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>The Minutes of Meetings were confirmed by the Chairman after the AGM of the Company and once it has been finalised, it is uploaded to the website of the Company at https://www.bintuluport.com.my/Investor-Relations/Overview/Annual-General-Meeting/</p> <p>For the previous 26th AGM, the Minutes of AGM was uploaded to the website on 26 May 2022 after the Chairman had duly signed the Minutes of AGM accordingly.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

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

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