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## GOVERNANCE & LEADERSHIP

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## BOARD OF DIRECTORS



### Mr Lim Han Weng

**Age 68 | Male | Malaysian**

Group Executive Chairman

Non-Independent Executive Director

**Board Committee positions held**

Member of Employees' Share Scheme Committee

**Date of appointment**

Founder/First Director/Executive Director – 9 March 1993

Group Executive Chairman – 28 September 2009

Mr Lim Han Weng embarked into the transport and trading business in 1984 with the founding of Yinson Transport (M) Sdn Bhd. Mr Lim was the main driving force behind the formulation and implementation of Yinson's corporate and business strategy until the baton of managing the day-to-day work of Yinson was handed over to Mr Lim Chern Yuan in 2014. He remains the largest shareholder in Yinson and continues overseeing Yinson's direction and overall performance. He is the spouse of Mdm Bah Kim Lian, brother to Mr Lim Han Joeh, and father to Mr Lim Chern Yuan and Mr Lim Chern Wooi.

**Directorships of other public companies**

- nil



### Mr Lim Chern Yuan

**Age 36 | Male | Malaysian**

Group Chief Executive Officer

Non-Independent Executive Director

**Board Committee positions held**

Member of Board Risk Management Committee

Member of Employees' Share Scheme Committee

**Date of appointment**

Executive Director – 28 September 2009

Group Chief Executive Officer – 3 January 2014

Mr Lim Chern Yuan started his career in Yinson as a Business Development Executive in 2005 and was promoted to Senior General Manager two years later before taking on his current role in 2014. Under his leadership, Yinson grew to become a global FPSO operator and more recently, the Group's diversification into renewables. He oversees the overall performance of Yinson together with the Group Executive Chairman and holds a key role in conceptualising, communicating and executing Yinson's short to long-term business strategies. He holds a Bachelor of Commerce from University of Melbourne, Australia. He is the son of Mr Lim Han Weng and Mdm Bah Kim Lian, and brother of Mr Lim Chern Wooi.

**Directorships of other public companies**

- nil



## Dato' Wee Hoe Soon @ Gooi Hoe Soon

**Age 60 | Male | Malaysian**

Senior Independent Non-Executive Director

### Board Committee positions held

Chairman of Audit Committee  
Chairman of Employees' Share Scheme Committee  
Member of Board Risk Management Committee  
Member of Nominating & Remuneration Committee

### Date of appointment

Independent Non-Executive Director – 11 August 2016

Dato' Wee Hoe Soon @ Gooi Hoe Soon has over 36 years of experience in the fields of accounting and corporate finance. Dato' Gooi was instrumental in the successful implementation of several corporate exercises, which included mergers and acquisitions and corporate debt restructuring exercises undertaken by public listed companies. Dato' Gooi was previously a Non-Executive Director, Group Managing Director and Deputy Chairman of Avenue Capital Resources Berhad. During his tenure with Avenue Capital Resources Berhad, he was also the CEO/Executive Director-Dealing of Avenue Securities Sdn Bhd. Dato' Gooi was also previously a board member and also Chairman of the Board of EON Bank Berhad and Amity Bond Sdn Bhd as well as an Independent Non-Executive Director of AIA Berhad and Bank Negara Malaysia and an Independent Non-Executive Director, Chairman of the Board and Alternate Director of Hup Seng Industries Berhad. With effect from 1 January 2019, he was appointed by the Minister of Finance as a Board Member of the Securities Commission Malaysia. He is qualified as a Member of the Malaysian Association of Certified Public Accountants and Malaysian Institute of Accountants.

### Directorships of other public companies

- Red Ideas Holdings Berhad
- Perusahaan Sadur Timah Malaysia (Perstima) Berhad



## Mdm Bah Kim Lian

**Age 68 | Female | Malaysian**

Non-Independent Executive Director

### Date of appointment

Founder/First Director/Executive Director – 9 March 1993

Mdm Bah Kim Lian assisted Mr Lim Han Weng, the Group Executive Chairman, in the general administration of the Group's operations and maintains a close relationship with Yinson's clients and affiliates. Upon Yinson's move into the offshore production industry, she took on the role of supporting the Group Executive Chairman in overseeing Yinson's direction and overall performance. Mdm Bah sits on the board of several subsidiaries of Yinson Group. She is the spouse of Mr Lim Han Weng, sister-in-law of Mr Lim Han Joeh, and mother of Mr Lim Chern Yuan and Mr Lim Chern Wooi.

### Directorships of other public companies

- nil

## BOARD OF DIRECTORS



## Dato' Mohamad Nasir bin AB Latif

**Age 62 | Male | Malaysian**  
Independent Non-Executive Director

### Board Committee positions held

Chairman of Board Risk Management Committee

### Date of appointment

Non-Independent Non-Executive Director – 11 August 2016  
Independent Non-Executive Director – 1 January 2020

Dato' Mohamad Nasir bin AB Latif started his career with the EPF in 1982 and held several positions before being promoted to Deputy Chief Executive Officer (Investment), the position he held till his retirement on 31 December 2019. The positions he has held in EPF include State Enforcement Officer (1990-1995), Senior Research Officer, Manager and Senior Manager in the Investment and Economics Research Department (1995-2003), and General Manager of the International Equity Investment Department (July 2009-2013). He holds a Bachelor in Social Science from Universiti Sains Malaysia, a Certified Diploma in Accounting and Finance (ACCA), and a Master of Science in Investment Analysis from the University of Stirling, United Kingdom.

### Directorships of other public companies

- PLUS Malaysia Berhad
- Malaysian Resources Corporation Berhad
- United Plantations Berhad
- RHB Bank Berhad



## Puan Rohaya binti Mohammad Yusof

**Age 55 | Female | Malaysian**  
Non-Independent Non-Executive Director

### Date of appointment

Non-Independent Non-Executive Director – 1 January 2020

Puan Rohaya binti Mohammad Yusof began her career with Arthur Andersen & Co as a Financial Consultant in 1988 before joining Maybank Investment Bank in 1990. She was subsequently promoted to Executive Vice President, Corporate Investment Banking in 2005. With 18 years of banking experience, she joined the EPF Investment Division in 2008 as Head of Corporate Finance and in 2010 as Head of Capital Markets Department overseeing fixed income. In 2017, she was appointed as Head of Private Markets. On 1 January 2020, she was promoted to Chief Investment Officer of EPF. Puan Rohaya holds a Bachelor of Commerce from Australian National University, Canberra, Australia and is an Associate Member of Certified Practising Accountant (CPA) Australia.

### Directorships of other public companies

- Malaysian Resources Corporation Berhad
- Projek Lebuhraya Usahasama Berhad
- United Plantations Berhad



## Datuk Abdullah bin Karim

**Age 68 | Male | Malaysian**

Independent Non-Executive Director

### Board Committee positions held

Member of Nominating & Remuneration Committee  
Member of Audit Committee  
Member of Board Risk Management Committee  
Member of Employees' Share Scheme Committee

### Date of appointment

Independent Non-Executive Director – 16 October 2018

Datuk Abdullah bin Karim has over 40 years of experience in the oil and gas industry. Starting as a Project Engineer with Petronas Carigali Sdn Bhd in 1981, Datuk Abdullah moved on to become the company's General Manager, Engineering Division in 1991. He was appointed as Managing Director/CEO of OGP Technical Services Sdn Bhd in 1995, then in 1999 assumed the position of Managing Director/CEO of Malaysia LNG Group of Companies before his appointment as Vice President, Exploration & Production Business of Petronas in 2004. In March 2007, Datuk Abdullah became the President/CEO of Petronas Carigali that was involved in the exploration, development and production of oil and gas in Malaysia and 23 countries worldwide. He was appointed as Vice President and Venture Director of Domestic LNG projects in 2012, and retained this position until his retirement on 1 July 2016. He holds a Bachelor Degree in Mechanical Engineering from University of Western Australia, Australia.

### Directorships of other public companies

- Icon Offshore Berhad
- Uzma Berhad
- Ranhill Holdings Berhad



## Raja Datuk Zaharaton binti Raja Zainal Abidin

**Age 72 | Female | Malaysian**

Independent Non-Executive Director

### Board Committee positions held

Chairman of Nominating & Remuneration Committee  
Member of Audit Committee  
Member of Board Risk Management Committee  
Member of Employees' Share Scheme Committee

### Date of appointment

Independent Non-Executive Director – 11 August 2016

Raja Datuk Zaharaton binti Raja Zainal Abidin served the Government of Malaysia in various capacities for 34 years from 1971 to 2005, principally in the capacity of policy analysis and financial evaluation. Raja Datuk Zaharaton's last post in the Government was Director General of the Economic Planning Unit (EPU), Prime Minister's Department. Upon retirement, the Government of Malaysia appointed her as Chairman of Technology Park Malaysia Corporation Sdn Bhd from January 2006 to December 2008. Following that, the Government appointed her as Chairman of Ninebio Sdn Bhd from January 2009 for a two-year period. She is also a Director of her family-owned company, Kumpulan RZA Sdn Bhd and its subsidiary Raza Sdn Bhd. She holds a Bachelor in Economics from University of Malaya, Malaysia, and a Master in Economics from University of Leuven, Belgium.

### Directorships of other public companies

- Taliworks Corporation Berhad
- Media Prima Berhad and Group

## BOARD OF DIRECTORS



## Puan Sharifah Munira bt. Syed Zaid Albar

**Age 41 | Female | Malaysian**  
Independent Non-Executive Director

**Date of appointment**

Independent Non-Executive Director – 1 January 2020

Puan Sharifah Munira bt. Syed Zaid Albar began her career with Astro Radio Sdn Bhd as an executive in the Legal and Compliance Department in 2005 until she was promoted to the role of Manager for the same department in 2008. Puan Munira later took up the position of Senior Legal Counsel in Usaha Tegas Sdn Bhd in 2011. She was appointed General Manager, Corporate Finance & Strategy of Malaysian Resources Corporation Berhad in 2017. Puan Munira is an alumnus of Presbyterian Ladies' College in Melbourne, Australia, where she completed her International Baccalaureate in 1997. She holds a Bachelor of Laws degree from Deakin University, Melbourne, Australia. She is also an Affiliate member of the Institute of Corporate Directors Malaysia.

**Directorships of other public companies**

- nil



## Mr Lim Han Joeeh

**Age 61 | Male | Malaysian**  
Non-Independent Non-Executive Director

**Date of appointment**

Executive Director – 30 January 1996  
Non-Executive Director – 11 August 2016

Upon graduation from university in 1984, Mr Lim Han Joeeh took up the position of Operations Manager in Yinson Transport (M) Sdn Bhd before he assumed the position of Executive Director of Yinson Corporation Sdn Bhd in 1986. He continues to contribute to the Board and Yinson with his vast experience in Yinson. He holds a Bachelor in Civil Engineering from Monash University, Melbourne, Australia. He is the brother of Mr Lim Han Weng, and brother-in-law of Mdm Bah Kim Lian.

**Directorships of other public companies**

- nil

Save as disclosed, the Directors have no family relationship with any Director and/or major shareholder of the Company, have no conflict of interest with the Company and have not been convicted of any offence other than traffic offences within the past five years.

## KEY MANAGEMENT



### Mr Lim Chern Yuan

**Age 36 | Male | Malaysian**  
Group Chief Executive Officer

Mr Lim Chern Yuan started his career in Yinson as a Business Development Executive in 2005 and was promoted to Senior General Manager two years later before taking on his current role in 2014. Under his leadership, Yinson grew to become a global FPSO operator, and more recently, the Group's diversification into renewables. He oversees the overall performance of Yinson together with the Group Executive Chairman and holds a key role in conceptualising, communicating and executing Yinson's short to long-term business strategies. He holds a Bachelor of Commerce from University of Melbourne, Australia. He is son of Mr Lim Han Weng and Mdm Bah Kim Lian, and brother of Mr Lim Chern Wooi.



### Mr Daniel Bong Ming Enn

**Age 39 | Male | Malaysian**  
Group Chief Strategy Officer,  
Head of Corporate Advisory Office

Mr Daniel Bong started his career in international audit and advisory firms, covering engagements within a wide spectrum of industries. He moved on to a local real estate investment fund, covering corporate finance and corporate planning. In 2011, he joined Yinson as General Manager in Corporate Finance and Strategy Development, and was thereafter promoted to Group Chief Strategy Officer on 3 January 2014. He currently oversees the Group's Corporate Advisory Office, working closely with the Group Executive Chairman and Group Chief Executive Officer to conceptualise, communicate and execute Yinson's short to long-term business strategies. He currently oversees the Group's investment and

corporate finance, corporate legal, corporate secretary, risk management and compliance, treasury, tax and structure, financial reporting, investor relations, strategic planning, corporate communications, human resources and business partnerships. He has been instrumental to Yinson's growth, particularly in driving the transition from a logistics and trading company to offshore production, and more recently, the Group's diversification into renewables. He is a Chartered Accountant with both the Malaysian Institute of Accountants and Institute of Singapore Chartered Accountants, and a Fellow of the Association of Chartered Certified Accountants as well. He also holds a Master of Science in Accounting and Financial Management.

## KEY MANAGEMENT



## Mr Eirik Arne Wold Barclay

**Age 48 | Male | Norwegian**  
Group Executive Vice President,  
New Ventures and Technology

Mr Eirik Arne Wold Barclay has worked in the offshore oil industry since 1999, starting his career with Schlumberger Oilfield Services as a Field Engineer before moving on to work for Aker Kvaerner Process Systems. He has previously held the positions of CEO of Songa Floating Production and Vice President, Business Development of BW Offshore. Eirik held the position of CEO at Fred. Olsen Production ASA when Yinson acquired the company in 2014, after which he was appointed Chief Executive Officer of Yinson's Offshore Production Division. With effect from 1 May 2020, he was redesignated as Group Executive Vice President, New Ventures and Technology. He holds a Master of Engineering from Norwegian University of Science & Technology, Norway, and a Master in Energy Management ESCP/IFP Paris and BI (Oslo).



## Mr Andrew Choy Wei Nung

**Age 56 | Male | Singaporean**  
General Counsel, Group Legal

Mr Andrew Choy Wei Nung is experienced in legal practice in the upstream oil and gas industry, with a firm grounding in commercial and corporate work. He was appointed Head of Legal of Yinson's Offshore Production Division on 1 February 2014 and thereafter, General Counsel on 1 January 2018. He is primarily responsible for providing advice and support to Yinson on all legal issues and documentation. Andrew was appointed as the Honorary Consul of the Republic of Ghana in Singapore on 31 January 2018, and is the author of The Singapore Corporate Director's Manual. Andrew's qualifications include Member of the Honourable Society of Gray's Inn (London); Barrister-at Law (England and Wales); Advocate & Solicitor (Singapore); Arbitrator (Chartered Institute of Arbitrators); and Certified Auditor for Quality Management System (ISO 9001:2008), International Safety Management ("ISM"), and International Ship and Port Facility Security ("ISPS"), and is a certified Practitioner in Personal Data Protection (Singapore).



## Mr Ho Guan Ming

**Age 49 | Male | Malaysian**  
Group Financial Controller

Mr Ho Guan Ming started his career as an Audit Assistant with BDO Binder in 1994 and moved on to join a private company involved in palm oil and the petrochemical industry as Finance Manager in 1997. He spent the next 15 years in a public listed oil and gas company, starting as Senior Accountant in 2001, Treasury Manager in 2006, and subsequently to Group Financial Controller in 2007. He joined Yinson as Group Financial Controller in 2016. Mr Ho holds a Bachelor of Commerce (Accounting) from University of Canberra, Australia, and is a Chartered Accountant with the Malaysian Institute of Accountants.



## Mr Flemming Grønnegaard

**Age 50 | Male | Danish**

Chief Executive Officer,  
Offshore Production

Mr Flemming Grønnegaard started his career with Maersk Ship Design as a Project Engineer before moving on to work for APM Terminals as Director of Crane and Engineering Services. Flemming has worked in the offshore oil/shipping industry since 2001, having previously held the positions of Vice President, Operations at Teekay Petrojarl, and Group Technical Director at Svitzer (A.P. Moller Maersk). He was appointed Chief Operations Officer of Yinson's Offshore Production Division in April 2015. With effect from 1 May 2020, he was redesignated as Chief Executive Officer, Offshore Production in place of Mr Eirik Arne Wold Barclay. He holds a Master of Engineering from Danish Technical University, Denmark.



## Mr Rolf Marthin Normann

**Age 53 | Male | Norwegian**

Chief Operations Officer,  
Offshore Production

Mr Rolf Marthin Normann brings with him vast experience from offshore energy projects including FPSOs, offshore drilling and offshore wind. He has over 28 years of experience and has held several key project management positions including 10 years as Senior Project Manager in BW Offshore. He also took on the roles as Project Director in Fred. Olsen Energy, Project Director in Golar LNG and Chief Executive Officer in Fred. Olsen Ocean. From 1 May 2020 he was appointed as Chief Operations Officer in Yinson's Offshore Production Division. Rolf holds two master's degrees; a Master of Science in Mechanical Engineering from Norwegian University of Science and Technology, Norway; and an Executive Master of Business Administration from BI Norwegian Business School, Norway, and Nanyang Technological University, Singapore.

## KEY MANAGEMENT

**Mr David  
Charles Brunt****Age 57 | Male | British**Chief Executive Officer,  
Renewables

Mr David Brunt has over 35 years of experience within the oil and gas and renewables industries. He has worked in the offshore oil industry from 1985 until 2013, starting his career with ConocoPhillips in a variety of international positions in operations, technology and major projects before moving on to work with Petroleum Geo-Services as Manager Development Projects in 1997. From November 2001 until April 2013, he has held leading positions at Deepwater Composites, Aker Kvaerner Subsea and Fred. Olsen Production ASA. David moved into the renewable energy industry in 2013 as Chief Executive Officer at Fred. Olsen Renewables AS. He was subsequently appointed as Chief Executive Officer of Yinson's Renewables Division on 1 October 2019. He holds a Master of Chemical Engineering and Master of Arts (Engineering) from University of Cambridge, United Kingdom.

**Dato' Mohamed  
Sabri bin  
Mohamed Zain****Age 64 | Male | Malaysian**Chief Executive Officer,  
Yinson Energy

Dato' Mohamed Sabri Zain has 40 years of experience in the international oil and gas industry. He started his career with Petronas Malaysia in 1978. He took on the role of General Manager for International Operations before being appointed as President of White Nile Petroleum Operating Company in Sudan in 2008. He joined MISC Berhad as Vice President of Offshore Business in 2010. In 2013, he was appointed President for GOM Resources Sdn Bhd and Puncak Oil & Gas Sdn Bhd. He joined Yinson on 16 May 2014 as Chief Executive Officer of Yinson Energy Sdn Bhd. Dato' Sabri holds a Bachelor of Science in Petroleum Engineering from University of Wyoming, United States of America.

**Mr Lim  
Chern Wooi****Age 34 | Male | Malaysian**Chief Executive Officer,  
Offshore Marine

Mr Lim Chern Wooi started his career in Yinson as Business Development Executive in June 2008. He was promoted to Chief Executive Officer for Yinson's Offshore Marine Division on 3 January 2014. He oversees the operation and business of Yinson's Offshore Marine Division including Offshore Support Vessels, tugs and barges. He holds a Bachelor of Applied Science and Master in Business Administration, both from RMIT University, Melbourne, Australia. He is also a Certified Auditor for Quality Management System (ISO 9001:2008); Environmental Management System (ISO 14001:2004); Occupational Health and Safety Management System (OHSAS 18001:2007); International Safety Management ("ISM"), and International Ship and Port Facility Security ("ISPS"). He is the son of Mr Lim Han Weng and Mdm Bah Kim Lian, and brother of Mr Lim Chern Yuan.

Save as disclosed, the Key Management have no family relationship with any Director and/or major shareholder of the Company, have no conflict of interest with the Company and have not been convicted of any offence other than traffic offences within the past five years.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

This statement provides the view of Yinson's Board on corporate governance ("CG") as set out in the Malaysian Code on Corporate Governance 2017 ("MCCG"). This statement should be read together with the Company's CG Report. The CG Report provides details on how the Company has applied each Practice as set out in the MCCG during FYE 2020.

The Board acknowledges the importance of sound CG practises and believes that this improves long-term success and performance. We are committed to setting the appropriate tone at Board-level and achieving high standards of CG practises, values and business conduct across Yinson.

The Board is satisfied that Yinson has complied with the provisions and applications of the main MCCG principles for FYE 2020 with the following exceptions:

- Practice 7.2 (The Board discloses on a named-basis the top five (5) senior management's remuneration)
- Practice 11.2 (The Company is encouraged to adopt integrated reporting)

Explanations on the application and departure of the Practise, including the related measures and timeframes to apply the departure Practices are provided in the CG Report.

## RESOURCES ON YINSON'S CORPORATE WEBSITE

The following documents referred to within this statement are found on our Company's website at [www.yinson.com](http://www.yinson.com).

- CG Report
- Board Charter
- Terms of References for Board Committees
- Code of Conduct and Business Ethics ("COBE")
- Anti-Bribery and Anti-Corruption Policy ("ABAC")
- Whistleblowing Policy and Procedure
- Diversity Policy
- External Auditors Policy and Procedure
- Stakeholder Communication Policy and Procedure
- Corporate Disclosure Policy
- Summary of the minutes of Annual General Meetings including the Question and Answer session

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### Part I - Board Responsibilities

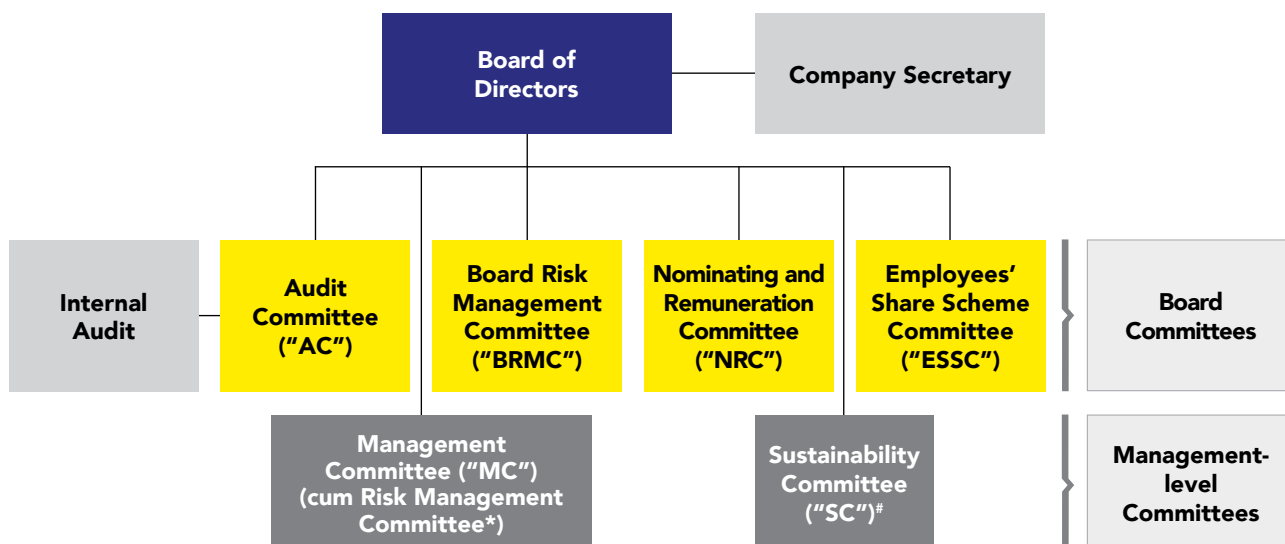
#### Intended Outcome 1.0

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.

#### The Board

The Board is responsible for good governance within the Group's business and the creation of long-term stakeholders' value. To ensure effective discharge of the Board's functions and responsibilities, the Board delegates specific responsibilities and functions to various Board Committees and Management-level Committees with reporting structure depicted on the next page. The function, roles and responsibilities of the Board Committees and Management-level Committees are clearly defined in their respective terms of reference, which are reviewed periodically as and when necessary.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT



\* Risk Management Committee reports risk matters to Board members via BRMC.

# SC reports sustainability matters to Board members via BRMC with effect from 25 March 2020.

### Board's Main Responsibilities

1	2	3	4
Review and adopt strategic plans developed by Management, ensuring business sustainability, including environmental, economic, social and governance aspects, is safeguarded	Ensure the Group's businesses are managed properly, including monitoring of Management's performance	Identify the Group's key risk factors and ensure appropriate internal controls and mitigating measures are implemented to manage such risks	Ensure strong Board and Senior Management appointments and that a robust succession plan is in place
5	6	7	
Oversee the development and implementation of an Investor Relations Programme or Stakeholder Communication Policy	Ensure the adequacy and integrity of the Group's management information and internal control systems	Ensure the integrity of the Group's financial and non-financial reporting	

The role of Chairman and Group CEO are held by different individuals. The roles and responsibilities of Board members and Company Secretary are clearly defined in the Board Charter, summarised as follows:

### Board-level roles and responsibilities

<b>Chairman</b>	<ul style="list-style-type: none"> <li>• Provide leadership and direction to the Board to achieve Board effectiveness</li> <li>• Liaise between Board and Management as well as Shareholders</li> </ul>
<b>Group CEO</b>	<ul style="list-style-type: none"> <li>• Formulate and implement Group business strategies</li> <li>• Oversee implementation of policies and decisions adopted by the Board</li> <li>• Supervise day-to-day management, operations and business development of the Group</li> </ul>
<b>Non-Independent Non-Executive Directors</b>	<ul style="list-style-type: none"> <li>• Monitor Company's performance by overseeing Management's performance</li> <li>• Constructively challenge and contribute to the development of the Company's strategies. Their vast experience allows them to bring valuable external perspectives that contribute significantly to the Board's deliberations and decisions</li> </ul>
<b>Independent Non-Executive Directors</b>	<ul style="list-style-type: none"> <li>• Provide objective and independent views and advice to safeguard the interests of the Company and Minority Shareholders</li> <li>• Provide a broader view, independent assessments and opinions on Management proposals and strategies</li> </ul>
<b>Senior Independent Non-Executive Director</b>	<ul style="list-style-type: none"> <li>• Highlight concerns of the Board that are sensitive to the Chairman</li> <li>• Act as an alternate contact person for Shareholders or other stakeholders for matters that cannot be resolved via normal channels of contact with the Chairman or Group CEO</li> </ul>
<b>Company Secretary</b>	<ul style="list-style-type: none"> <li>• Advise the Board on corporate disclosures and compliance with relevant regulatory requirements, guidance and legislations</li> <li>• Assist in the monitoring and application of CG developments and practises</li> <li>• Provides updates and advice on statutory and regulatory requirements that may affect the Company and Directors' duties and responsibilities</li> </ul>

### Board meetings and access to information

Directors are supplied with relevant information and reports to enable informed decisions to be made and responsibilities to be effectively discharged.

Board and Board Committee meetings are scheduled and communicated in advance prior to each calendar year to encourage maximum attendance rates. Meeting notices and papers are uploaded to a digital meeting software and disseminated to Board and Board Committees' members at least seven (7) days before meetings, allowing convenient direct access and sufficient time to review, consider and prepare for meetings. The deliberations and decisions of the Board and Board Committees are recorded in minutes and circulated for confirmation/notation. The Board has direct access to the Senior Management and Company Secretaries and may obtain independent professional advice, if necessary, in accordance with procedures in the Board Charter.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The attendance of the Directors at the Board and Board Committee meetings as well as the Annual General Meeting ("AGM") during FYE 2020 are as below:

Name	Type of Meeting					
	Board	AC	BRMC	NRC	ESSC	AGM
Lim Han Weng	8/8				1/1	1/1
Lim Chern Yuan	8/8		4/4		1/1	1/1
Bah Kim Lian	8/8					1/1
Lim Han Joeeh	8/8					1/1
Dato' Mohamad Nasir bin AB Latif <sup>1</sup>	8/8		4/4			1/1
Dato' Wee Hoe Soon @ Gooi Hoe Soon	8/8	5/5	4/4	3/3	1/1	1/1
Raja Datuk Zaharaton binti Raja Zainal Abidin	7/8	5/5	4/4	3/3	1/1	1/1
Datuk Abdullah bin Karim	8/8	5/5	4/4	3/3	1/1	1/1
Rohaya binti Mohammad Yusof <sup>2</sup>	1/1*					
Sharifah Munira bt. Syed Zaid Albar <sup>3</sup>	1/1*					

\* Number of meetings attended/Number of meetings held during her tenure as Director.

<sup>1</sup> Redesignated from Non-Independent Non-Executive Director to Independent Non-Executive Director on 1 January 2020.

<sup>2</sup> Appointed as Non-Independent Non-Executive Director on 1 January 2020.

<sup>3</sup> Appointed as Independent Non-Executive Director on 1 January 2020.

## Intended Outcome 2.0

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.

A clear demarcation of responsibilities between the Board, Board Committees and Management-level Committees are defined in the Board Charter. The Board Charter, which was last reviewed by the Board on 18 December 2019, outlines the governance structure, authority and reserved matters for the Board.

## Board Committees' roles and responsibilities

<b>AC</b>	<ul style="list-style-type: none"> <li>Oversee integrity of financial reporting and internal control and risk management processes</li> <li>Review and monitor internal audit functions and external auditors</li> </ul>
<b>BRMC</b>	<ul style="list-style-type: none"> <li>Identify key risks factors and ensure implementation of effective risk management system</li> <li>Review adequacy and integrity of internal control and management information system</li> </ul>
<b>NRC</b>	<ul style="list-style-type: none"> <li>Build an effective Board through selection, nomination and evaluation of the Board, Board Committees and individual Directors' performance</li> <li>Ensure strong and balanced Board composition by reviewing diversity of skills, knowledge, experience, background and gender</li> <li>Review remuneration packages of Directors and Senior Management</li> </ul>
<b>ESSC</b>	<ul style="list-style-type: none"> <li>Implement and administer the Employees' Share Scheme ("ESS") with regards to allocation, granting and share maintenance to the Executive Directors, Senior Management and employees of the Group</li> </ul>

During the financial year under review, key activities performed by the Board, Board Committees and Management-level Committees are as follows:

### Key activities of the Board, Board Committees and Management-level Committees

<b>Board</b>	<ul style="list-style-type: none"> <li>• Approved Budget and strategic business plans</li> <li>• Reviewed, approved and received updates on business projects</li> <li>• Approved and reviewed various Charters, Terms of References, Policies and Procedures, and Limit of Authority</li> <li>• Approved Annual Report contents and CG Report</li> <li>• Approved declaration of interim dividends</li> <li>• Approved and reviewed Sustainability Policy and Strategies</li> <li>• Approved Board Evaluation and recommended re-election of Directors at AGM</li> <li>• Approved quarterly financial results</li> <li>• Approved Audited Financial Statements</li> <li>• Approved Enterprise Risk Management (“ERM”) plan and Risk Register</li> <li>• Approved Internal Audit Plan</li> <li>• Received Internal Audit Reports</li> <li>• Approved Key Risk Indicators and Action Plans of the top five (5) risks of the Group</li> <li>• Reviewed solvency position of the Company for dividend and share buy-back</li> <li>• Reviewed shares purchased pursuant to renewal of share buy-back authority</li> <li>• Established good CG practices</li> </ul>
<b>AC</b>	<ul style="list-style-type: none"> <li>• Reviewed Internal Audit Plan and Internal Audit Reports</li> <li>• Reviewed quarterly financial results</li> <li>• Reviewed Audit Planning Memorandum for external audit and External Auditors’ Report</li> <li>• Reviewed Audit fees</li> <li>• Reviewed and approved the Internal Audit Budget</li> <li>• Reviewed Audited Financial Statements</li> <li>• Reviewed Register on Recurrent Related Party Transactions</li> <li>• Conducted private sessions with external auditors and internal auditors without presence of the Executive Directors and Management</li> <li>• Evaluated performance of external auditors</li> <li>• Reviewed performance of Internal Audit Function</li> <li>• Reviewed the proposed revisions to the Internal Audit Charter</li> <li>• Reviewed risk profile</li> <li>• Verified criteria for allocation of share options to eligible employees for the FYE 2019 under the ESS</li> </ul>
<b>BRMC</b>	<ul style="list-style-type: none"> <li>• Reviewed status of the Risk Action Plan for top five (5) risks of the Group</li> <li>• Reviewed the Key Risk Indicators and Action Plans of the top five (5) risks of the Group</li> <li>• Reviewed Corporate Risk Profile of the Group</li> <li>• Reviewed Whistleblowing Policy and Procedure</li> </ul>
<b>NRC</b>	<ul style="list-style-type: none"> <li>• Reviewed annual performance of Individual Directors, Board and Board Committees</li> <li>• Reviewed re-election of Directors</li> <li>• Reviewed Directors’ fees and benefits</li> <li>• Reviewed remuneration package of the Executive Directors and Senior Management</li> <li>• Reviewed composition of Board Committees</li> <li>• Reviewed and assessed the appropriateness of new candidates of director</li> </ul>
<b>ESSC</b>	<ul style="list-style-type: none"> <li>• Reviewed and approved third and fourth Offer of Share Options</li> </ul>

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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- |           |  |
|-----------|--|
| <b>MC</b> | <ul style="list-style-type: none"><li>• Overseen the Group's day-to-day operations and business affairs towards achieving corporate objectives and goals</li><li>• Reviewed the Group's business strategies, plans, policies and frameworks</li><li>• Identified the principal business risks faced by the Group and ensured appropriate internal controls and mitigating measures were implemented to manage such risks</li><li>• Reviewed the Terms of Reference of the MC</li></ul>   |
| <hr/>     |  |
| <b>SC</b> | <ul style="list-style-type: none"><li>• Provided support and advice regarding embedding sustainability principles and practices throughout the Group's overall business strategies, policies, processes and practices</li><li>• Overseen sustainability-related management processes, standards and strategies towards achieving compliance with social and environmental responsibilities and commitments</li><li>• Supported the Board in meeting stakeholders' sustainability expectations</li><li>• Steered the Company towards qualifying for Sustainability Index in Malaysia and globally</li></ul> |
- 

Our sustainability-related achievements, direction and goals are captured within the 'Our Capitals' section of the Annual Report 2020, from pages 48 to 125.

### Intended Outcome 3.0

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that cultivates 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.

### The Group's Core Values

The Group achieves its Vision and Mission through the implementation of a strong corporate culture that revolves around five Core Values: Reliable, Open, Adaptable, Decisive and Sustainable.

### Code of Conduct and Business Ethics ("COBE")

The Group's COBE outlines the foundation and expectations in relation to ethical standards and personal conduct. The COBE, which includes other references such as the Group's ABAC Policy, AML Policy and Whistleblowing Policy and Procedure, aims to guide employees and the Board on good corporate behaviour and how to resolve ethical dilemmas at work by:

- Upholding the highest ethical standards of business conduct
- Encouraging ethical decision-making and rewarding integrity
- Being a role model and leading by example
- Ensuring employees are given guidance to understand the ABAC Policy and other applicable policies
- Creating a positive and transparent environment where questions and concerns may be raised comfortably
- Ensuring those who raise genuine concerns do not suffer retaliation

The Board recognises the importance of adhering to the COBE and has taken measures to ensure its compliance. The areas covered are as follows:

- Work environment
- Health and safety environment
- Anti-bribery and anti-corruption
- Anti-money laundering
- Competition laws and regulations
- Intellectual property and proprietary information

- Insider trading
- Email, internet and information systems
- Managing internal and external communication
- Company resources

The Board and employees constantly observe the COBE and uphold integrity to exercise good judgement when carrying out their duties.

### **Anti-Bribery and Anti-Corruption Policy**

The ABAC Policy guides employees towards eliminating acts of bribery and corruption within the Group, while encouraging business partners and other relevant parties commit to the same high standards. The ABAC Policy clearly states that the Company has zero-tolerance towards fraud, particularly in bribery and corruption, whether passive or active.

### **Whistleblowing Policy and Procedure**

The Whistleblowing Policy and Procedure was enhanced in December 2019 to allow anonymous reporting, in line with the ISO 37001 Anti-Bribery Management System standards. This Policy and Procedure facilitates the disclosure of improper conduct (wrongdoings or criminal offences) within the Group and provides guidance on how disclosures shall be made. Whistleblowers are encouraged to use official whistleblowing channels to express these concerns without fear of unfair treatment or reprisal. The Company provides assurance of protection for genuine whistleblowers.

## **Part II – Board Composition**

### **Intended Outcome 4.0**

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

The Board currently comprises of ten (10) members, of whom three (3) are Executive Directors, two (2) are Non-Independent Non-Executive Directors, and five (5) are Independent Non-Executive Directors. The independence composition of the Board is 50%. Four (4) out of ten (10) directors (40%) are women. The Board believes an appropriate balance and mix of skills, knowledge, experience, background and gender contributes to the effectiveness of the Board. In January 2020, Puan Rohaya binti Mohammad Yusof and Puan Sharifah Munira bt. Syed Zaid Albar were appointed to the Board. At the same time, Dato' Mohamad Nasir bin AB Latif was re-designated as Independent Non-Executive Director of the Company. The tenure of the other three (3) Independent Directors is less than four years. The profiles of the Directors are provided on pages 146 to 150, and Board Diversity charts can be found on page 72 of the Annual Report 2020.

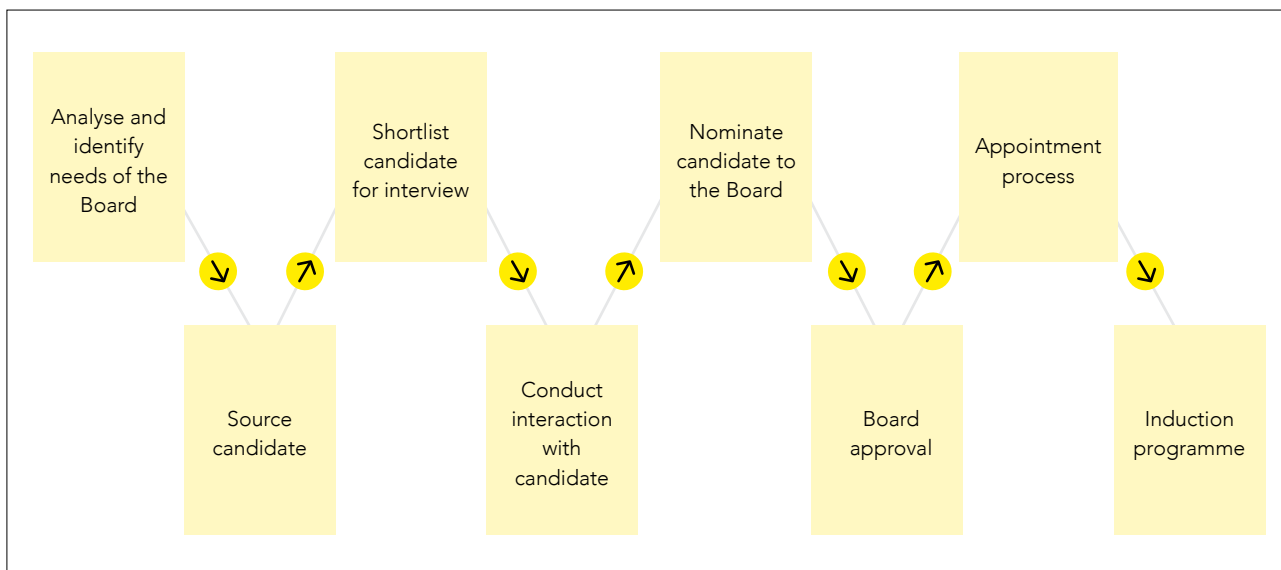
### **Diversity Policy**

The Diversity Policy outlines the approach to achieve diversity in Board composition and Senior Management positions. In designing the Board's composition, diversity is considered from several aspects including gender, age, ethnicity, cultural, educational background, professional experience, skills and knowledge. The Board delegates the responsibility of promoting a corporate culture that embraces diversity to the Human Resource Department.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Selection and appointment process

The NRC oversees the screening and selection of new directors as follows:



In FYE 2020, the NRC has, via a special meeting, carried out a selection process to ensure the candidate is fit and proper and complies with the necessary requirements set out in the Act, the Main Market Listing Requirements (“MMLR”) of Bursa Securities and the MCCG, prior to making any recommendations to the Board for approval.

### Intended Outcome 5.0

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

The NRC conducted an annual evaluation on the effectiveness of the Board and Board Committees, evaluation of the individual performance of Directors, as well as a review on the independence of Independent Directors. In addition, the attendance of Directors at the Board and Board Committees meetings, time commitment and trainings attended were reviewed and considered.

The Board has approved the engagement of an independent consultant, Boardroom Corporate Services Sdn Bhd, to provide Board Evaluation Services for the financial year under review. The objective is to form an objective and candid evaluation of the Board and Board Committees, which is facilitated through evaluation forms and one-to-one interviews. Results are tabled to the NRC which subsequently reports findings to the Board.

None of the Directors exceed five (5) listed companies’ directorships. With the exception of a Director who did not attend one ad hoc Board meeting, all other Directors registered full attendance in the Board Meetings held in FYE 2020.

The Board is satisfied with the overall performance of individual Directors, Board and Board Committees for the financial year under review, with improvement seen for the performance of the Board and Board Committees.

## Overview of Directors' evaluation

<p><b>Positive highlights</b></p>	<ul style="list-style-type: none"> <li> <p>• <b>Board configuration and rigour of Board deliberation</b></p> <p>Board deliberations are conducted with a high level of rigour, professionalism and candour. Board is made up of highly skilled and experienced individuals from the respective areas of finance, accountancy, legal, risk management and oil and gas in turn, bring hard-edged skills and vast experiences to the Board. The Chairman of the Board is highly experienced and able to direct discussions on relevant matters while drawing constructive queries from members.</p> </li> <li> <p>• <b>Strategic planning and direction</b></p> <p>Board is cognisant that unanimous focus on strategy planning forms the bedrock of the long-term success of the Company and places strong emphasis to ensure that strategic deliberations are thorough, effective and fruitful. Board is highly experienced in developing, reviewing and re-charting corporate strategies for the growth and business sustainability of Yinson. The Chairman of the Board and the Group CEO play a pivotal role in setting the right tone from the top.</p> </li> <li> <p>• <b>Corporate governance, ethics and integrity</b></p> <p>Board has set the right "tone from the top" in striving to maintain the highest standards of governance and integrity in the overall culture of Yinson. Management habitually embrace high transparency when it comes to reporting to the Board. Board is cognisant of the over arching impact of the evolving corporate liability topography and strive to enhance its whistleblowing mechanism.</p> </li> <li> <p>• <b>Financial administration and vigilance</b></p> <p>Board's ability to prudently manage the financial affairs of Yinson is a focal strength of the Board. Board's continuous success in providing financial oversight to the Company is attributed to the Board's composition consisting of high-calibre and experienced individuals who are luminaries in the ambit of accounting, investment, risk management and oil and gas.</p> </li> </ul>
<p><b>Areas for improvement</b></p>	<ul style="list-style-type: none"> <li> <p>• <b>Succession planning and boardroom diversity</b></p> <p>Lack of focus on formulating a clear succession plan for the orderly succession for appointments to Senior Management. There is a need to enhance boardroom diversity in light of current technological advancements and the expansion of the Group's businesses overseas. Furthermore, Board noted the departure from the recommendation of MCCG which recommend Board to comprise of a majority Independent Directors for Large Companies.</p> </li> <li> <p>• <b>Risk oversight</b></p> <p>Board shall reassess the current risks management oversight of the Company. Whilst much focus has been given to projects/commercial and financial risks, other critical risks such as technological, litigation and environmental risks are not given emphasis.</p> </li> <li> <p>• <b>Information flow and Board administration</b></p> <p>Board and Board Committee papers appear to be overly voluminous even though they are generally circulated at least five business days before Board and Board Committee meetings. Board meetings are too protracted and strategic discussions ought to take center-stage in Board meeting agenda. Further, the buffer period or "window" between Board Committee meetings and Board meetings is too short.</p> </li> <li> <p>• <b>Information system, technological adeptness and resilience</b></p> <p>Board still lacks certain skill sets particularly those pertinent to the areas of information technology (i.e. potential threats to cyber security, system integrity and data breach). There could be more weightage placed on keeping Directors well-informed, particularly in technological advancements and breakthroughs within the marine, offshore and oil and gas industry.</p> </li> </ul>

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

Directors	Training programme
<b>Lim Han Weng</b>	<ul style="list-style-type: none"> <li>• Synergy 2019 – Geared for Growth by Yinson</li> <li>• In-house directors’ training - Lessons Learnt from Project Failures by EY</li> <li>• In-house leadership programme - Yinson Up</li> </ul>
<b>Lim Chern Yuan</b>	<ul style="list-style-type: none"> <li>• Maybank Invest Malaysia 2019</li> <li>• Maybank Invest Asia 2019</li> <li>• Synergy 2019 – Geared for Growth by Yinson</li> <li>• In-house directors’ training - Lessons Learnt from Project Failures by EY</li> <li>• CIMB Corporate Day</li> <li>• Credit Suisse ASEAN Conference</li> <li>• In-house leadership programme - Yinson Up</li> </ul>
<b>Bah Kim Lian</b>	<ul style="list-style-type: none"> <li>• Synergy 2019 – Geared for Growth by Yinson</li> <li>• In-house directors’ training - Lessons Learnt from Project Failures by EY</li> <li>• In-house leadership programme - Yinson Up</li> </ul>
<b>Lim Han Joeh</b>	<ul style="list-style-type: none"> <li>• Synergy 2019 – Geared for Growth by Yinson</li> </ul>
<b>Dato’ Mohamad Nasir bin AB Latif</b>	<ul style="list-style-type: none"> <li>• Maybank Invest Malaysia 2019</li> <li>• Persidangan Pengurusan KWSP 2019</li> <li>• Sime Darby – Cyber Security Awareness</li> <li>• Investment Offsite</li> <li>• Synergy 2019 – Geared for Growth by Yinson</li> <li>• IIC - SIDC Corporate Governance Convention 2019</li> <li>• In-house directors’ training - Lessons Learnt from Project Failures by EY</li> </ul>
<b>Dato’ Wee Hoe Soon @ Gooi Hoe Soon</b>	<ul style="list-style-type: none"> <li>• 6<sup>th</sup> SCxSC Fintech Conference 2019</li> <li>• Synergy 2019 – Geared for Growth by Yinson</li> <li>• In-house directors’ training - Lessons Learnt from Project Failures by EY</li> </ul>
<b>Raja Datuk Zaharaton binti Raja Zainal Abidin</b>	<ul style="list-style-type: none"> <li>• Training sessions on Directors’ duties and responsibilities</li> <li>• Board of Directors’ Workshop – <ul style="list-style-type: none"> <li>(i) Embracing Disruption by Puan Surina Shukri, CEO, Malaysia Digital Economy Corporation</li> <li>(ii) Current Challenges in the CG Landscape by Mr Devanesan Evanson, CEO, Minority Shareholders Watch Group</li> </ul> </li> <li>• Malaysia’s Diversity Experience</li> <li>• In-house directors’ training - Lessons Learnt from Project Failures by EY</li> <li>• Malaysia Anti-Corruption Commission – Introduction to Section 17A: offence by commercial organization</li> </ul>
<b>Datuk Abdullah bin Karim</b>	<ul style="list-style-type: none"> <li>• How does Malaysia Bank Rank?</li> <li>• Oil &amp; Gas Asia 2019</li> <li>• Asia Oil &amp; Gas Conference</li> <li>• Directors Dialogue – (Integral Reporting)</li> <li>• Synergy 2019 – Geared for Growth by Yinson</li> <li>• In-house Directors’ training - Lessons Learnt from Project Failures by EY</li> </ul>
<b>Rohaya binti Mohammad Yusof *</b>	<ul style="list-style-type: none"> <li>• PERE Asia Summit</li> <li>• Asia Institutional Roundtable Forum</li> <li>• Khazanah Megatrend Forum</li> <li>• Hamilton Lane Summit</li> <li>• Governance Convention</li> <li>• International Social Well-Being Conference</li> <li>• Yinson Director Induction</li> </ul>

Directors	Training programme
<b>Sharifah Munira bt. Syed Zaid Albar *</b>	<ul style="list-style-type: none"> <li>• Introduction to Corporate Directorship</li> <li>• International Directors Summit 2019 - The Trust Compass: Resetting the Course</li> <li>• Why Governance Matters for Startups</li> <li>• Yinson Director Induction</li> </ul>

\* Appointed on 1 January 2020.

### Part III – Remuneration

#### Intended Outcome 6.0

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.

#### Intended Outcome 7.0

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.

The Directors' fees and meeting allowances payable to Directors of the Company were recommended by the NRC for Board's consideration and consensus to be tabled for shareholders' approval at the AGM of the Company held on 11 July 2019. The structure of the fees/allowances payable to the Directors of the Company for the FYE 2020 is as follows:

Types of fees / allowances	RM
<b>Board fees</b>	
Non-Executive Director/Independent Director	200,000/annum
Executive Director	50,000/annum
Chairman of the Board	60,000/annum
<b>AC/BRMC fees</b>	
Committee Chairman fees	30,000/annum
Committee Member fees	20,000/annum
<b>Other Board Committees fees</b>	
Committee Chairman fees	20,000/annum
Committee Member fees	10,000/annum
<b>Meeting Attendance Allowance</b>	
Board Meeting and General Meeting allowances	2,000/meeting
Board Committees allowances	1,000/meeting

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The details of the Directors' remuneration (Company and Group basis) for FYE 2020 are as follows:

Company and Group Level	Fees RM'000	Salary RM'000	Benefits in Kind RM'000	Others Emoluments <sup>^</sup> RM'000	Total RM'000
<b>Executive Directors</b>					
Lim Han Weng	70.00	3,429.00	-	1,695.21	5,194.21
Lim Chern Yuan	90.00	3,048.00	-	1,513.36	4,651.36
Bah Kim Lian	50.00	444.50	-	235.80	730.30
<b>Non-Executive Directors</b>					
Lim Han Joeeh	200.00	-	-	18.00	218.00
Dato' Mohamad Nasir bin AB Latif #	230.00	-	-	22.00	252.00
Dato' Wee Hoe Soon @ Gooi Hoe Soon	270.00	-	-	31.00	301.00
Raja Datuk Zaharaton binti Raja Zainal Abidin	270.00	-	-	29.00	299.00
Datuk Abdullah bin Karim	260.00	-	-	31.00	291.00
Rohaya binti Mohammad Yusof #*	16.67	-	-	2.00	18.67
Sharifah Munira bt. Syed Zaid Albar *	16.67	-	-	2.00	18.67
<b>Total</b>	<b>1,473.34</b>	<b>6,921.50</b>	<b>-</b>	<b>3,579.37</b>	<b>11,974.21</b>

<sup>^</sup> Comprises bonus, meeting allowance, employer's provident fund contribution, social security welfare contribution and Employees' Insurance Scheme.

# 50% of the Director's fee for nominee of EPF on the Board of the Company is paid directly to EPF.

\* Appointed on 1 January 2020.

None of the Directors of the Company derived remuneration from subsidiaries of the Company.

The Directors who are also the Shareholders of the Company had abstained from voting at the previous twenty-sixth (26<sup>th</sup>) AGM and will abstain from voting at the forthcoming twenty-seventh (27<sup>th</sup>) AGM on resolutions pertaining to their Directors' fees, benefits and re-election of directors.

The remuneration of the Senior Management (Group basis) for FYE 2020 are as follows:

Group Level	Salary RM'000	Benefits in Kind RM'000	Other Emoluments <sup>^^</sup> RM'000	Total RM'000
Senior Management **	12,274.00	4,383.50	4,086.10	20,743.60

<sup>^^</sup> Comprises bonus, employer's provident fund contribution, social security welfare contribution and Employees' Insurance Scheme.

\*\* Inclusive of Group CEO who is also an Executive Director.

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### Part I – Audit Committee

#### Intended Outcome 8.0

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.

The full detailed report on the AC's composition, summary of terms of reference and summary of work performed during the financial year under review is contained on pages 175 to 177 of the Annual Report 2020.

The terms of reference of the AC requires a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as an AC member. Currently, no AC members are former key audit partners of the Company.

The AC is responsible for reviewing, assessing and monitoring the performance, suitability and independence of external auditors annually in accordance with the requirements set out in the External Auditor Policy and Procedure, to ensure continued independence and objectivity of the external auditors.

During the financial year under review, the AC conducted two (2) private sessions in March and December 2019 with external auditors, PwC without the presence of Executive Directors and Management. The AC has obtained assurance from the external auditor confirming its independence. The Board has, on 28 April 2020, recommended the re-appointment of PwC for Shareholders' approval at the forthcoming 27<sup>th</sup> AGM.

### Part II – Risk Management and Internal Control Framework

#### Intended Outcome 9.0

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.

The Company has, in November 2017, streamlined its ERM framework and risk identification process to be in line with the ISO 31000 Risk Management guidelines. A detailed report of the risk management and internal control framework is as per the Statement on Risk Management and Internal Control found on pages 169 to 174 of the Annual Report 2020.

The Board is of the view that the system of internal control and risk management is sound and adequate to mitigate risk exposure of the business and safeguard the interest of the Shareholders, employees, regulators and other stakeholders.

#### Intended Outcome 10.0

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

The IA function of the Group is carried out through a co-sourcing engagement by both the in-house IA Department and EY, who report directly to the AC.

The scope of work for the IA function is as set out in the Report on AC as found on page 177 to 178 of the Annual Report 2020.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The AC conducted a review on the performance of the IA function for FYE 2020 and noted the benefits for continuity of co-source engagement to enhance competencies and resources of IA Function.

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### Part I – Communication with Stakeholders

#### Intended Outcome 11.0

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.

The Board recognises the importance of being transparent and accountable to stakeholders and prospective investors. The communication channels between stakeholders and the Company include but are not limited to the following:

- Meetings with institutional shareholders and investment communities
- Quarterly announcements on financial results to Bursa Securities
- Relevant announcements and circulars, when necessary
- Annual and Extraordinary General Meetings
- Company's website at [www.yinson.com](http://www.yinson.com) which provides access to corporate information, annual reports, press releases, financial information, company announcements and share prices of the Company

### Stakeholder Communication Policy and Procedure

The Stakeholder Communication Policy and Procedure promotes effective communication and provides stakeholders with complete and timely information which fairly and accurately represent the Group. This enables investors and potential investors to make proper informed investment decisions and for other parties to have a balanced understanding of the Group and its objectives.

### Corporate Disclosure Policy

The Corporate Disclosure Policy sets out how sensitive and material information is determined and disseminated to investors, stakeholders, local media, investing public and other relevant persons in line with the applicable statutory and regulatory requirements.

The Company via its Investor Relations team, conducts periodic analyst briefings and issues press releases as and when necessary, including its quarterly financial results and major contracts. The press releases, announcements issued to Bursa Securities and corporate presentations are available on the Company's website.

To maintain transparency and effectively address concerns, the Company has dedicated electronic mails, [info@yinson.com](mailto:info@yinson.com) to which stakeholders can direct their queries or concerns, and [ir@yinson.com](mailto:ir@yinson.com) for investor relations purposes.

### Part II – Conduct of General Meetings

#### Intended Outcome 12.0

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

## Annual General Meeting

The AGM is the principal communication forum for Shareholders. The Board, Senior Management team, external auditors and internal auditors were present at the 26<sup>th</sup> AGM held on 11 July 2019 to respond to queries from Shareholders during the Question and Answer session.

The notice of the 26<sup>th</sup> AGM dated 31 May 2019 was published in the 2019 Annual Report, advertised in The Star, released to Bursa Securities and uploaded onto the Company's website. Shareholders are given sufficient time to make the necessary arrangements for appointing proxy(ies) for attending the 26<sup>th</sup> AGM.

The Company implemented poll voting for resolutions set out in the notice of the 26<sup>th</sup> AGM and appointed Coopers Professional Scrutineers Sdn Bhd as the independent scrutineers to observe the polling procedures and verify the poll results.

A summary of the minutes of the 26<sup>th</sup> AGM including the Question and Answer session, is available on the Company's website.

This CG Overview Statement was made in accordance with a resolution of the Board on 28 April 2020.

## Other Compliance Information

### 1. Utilisation of Proceeds

Save as disclosed below, there were no proceeds raised from other corporate proposals during FYE 2020.

- (a) Disposal of 26% equity interest of Yinson Production (West Africa) Pte Ltd to a consortium of Japanese companies.

The details of utilisation of proceeds are as follows:

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Intended Timeframe for Utilisation
Capital Expenditure	100,212	100,212	Within 24 months
Repayment of borrowings	208,775	208,775	Within 24 months
Working Capital	Up to 177,459	177,459	Within 24 months
Estimated Expenses	2,088	2,088	Within 6 months
<b>Total</b>	<b>Up to 488,534</b>	<b>488,534</b>	

### 2. Audit and Non-Audit Fees

The amount of audit and non-audit fees paid to the Company's external auditors, PwC and its affiliates for the services rendered to the Group and the Company for FYE 2020 are as follows:

Particulars	Group RM'000	Company RM'000
Audit fees	1,791	296
Non-Audit fees	2,283	390
Percentage of Non-Audit fees over Audit fees	127.5%	131.8%

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Non-Audit services rendered by the external auditors were relating to the following:

## Group Level

No.	Description	RM
1.	Professional services rendered in connection with income tax compliance	162,562
2.	Professional services rendered in connection with income tax advisory matters	57,710
3.	Due diligence works rendered on business acquisitions and specific projects in certain countries	1,925,922
4.	Professional services rendered for assisting the application for stamp duty refund	52,351
5.	Accounting advice on application of new accounting standards	84,885

## Company Level

No.	Description	RM
1.	Due diligence works rendered on business acquisitions and specific projects in certain countries	226,648
2.	Accounting advice on application of new accounting standards	84,885
3.	Professional services rendered in connection with income tax compliance	49,730
4.	Professional services rendered in connection with income tax advisory matters	28,755

### 3. Material Contracts Involving Directors' and Major Shareholders' Interest

During FYE 2020, none of the Company and/or its subsidiaries have entered into material contracts (not being contracts entered into in the ordinary course of business) involving interests of Directors and Major Shareholders of Yinson.

### 4. Recurrent Related Party Transactions of a Revenue or Trading Nature

All recurrent related party transactions ("RRPTs") are dealt with in accordance with the Bursa Securities MMLR and a summary of RRPT Register is tabled for AC's review and monitoring on a quarterly basis.

All relevant processes and procedures are for ensuring that all related party transactions are monitored and conducted in a manner that is fair and at arms' length. The Directors and Major Shareholders who have interests in a transaction will abstain from deliberation and voting on said transaction at Board meetings and general meetings if required.

The details of the RRPTs conducted during FYE 2020 between the Company and/or its subsidiaries with related parties are disclosed on pages 295 to 297 of the Audited Financial Statements contained in the Annual Report 2020.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This statement outlines the nature and scope of the Group's risk management and internal controls for FYE 2020. This includes strategic, operational and compliance controls, as well as internal financial controls for safeguarding shareholder investments and Group assets. It ensures that we can continue to identify, evaluate, monitor and manage key risks that may affect achievement of our business objectives.

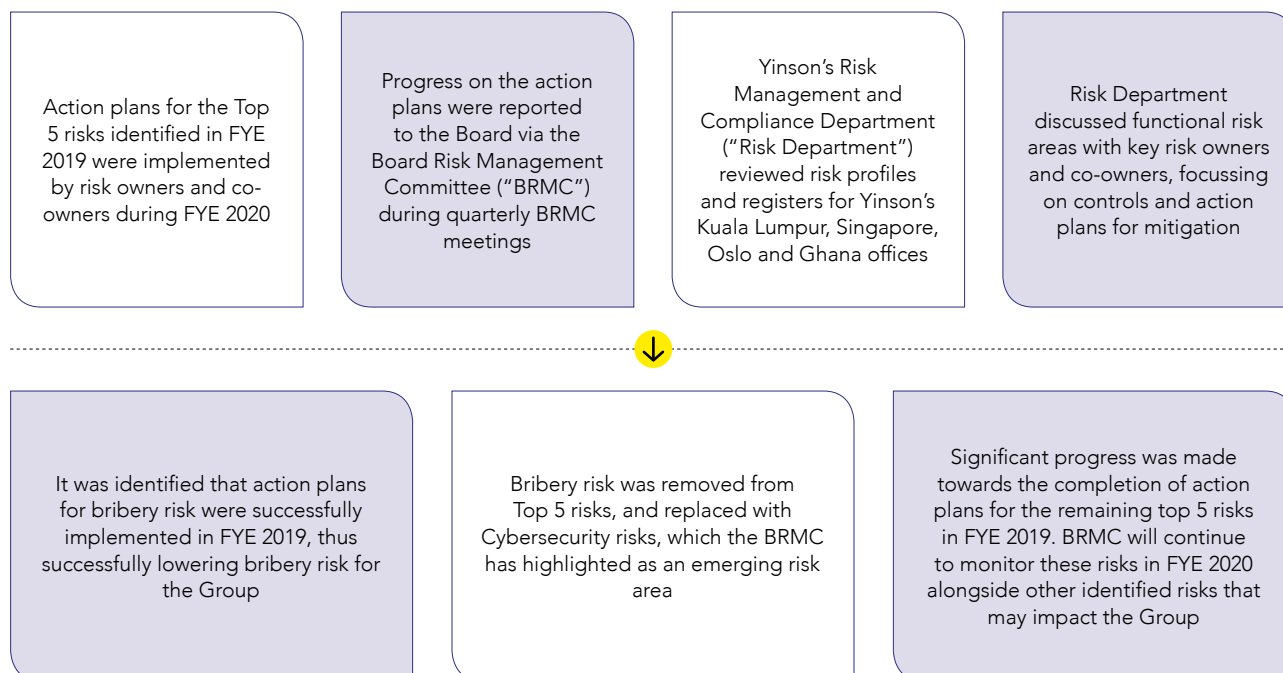
## BOARD RESPONSIBILITY

Yinson's Board of Directors ("Board") considers risk management as an integral part of business operations and acknowledges its responsibility towards maintaining a sound and effective system of risk management and internal control. The process is regularly reviewed by the Board in accordance with the *Statement on Risk Management & Internal Control: Guidelines for Directors of Public Listed Companies*.

The Board also acknowledges that although the system cannot eliminate all risks, including material misstatement, loss and fraud, it is expected to safeguard the Group from risks identified in our overall risk profile.

Although the Board does not have formal oversight over the risk management and control systems of Yinson's joint ventures and associate companies, our interests are safeguarded through Board representations and/or monitoring controls we imposed within these companies.

### Key developments in FYE 2020



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

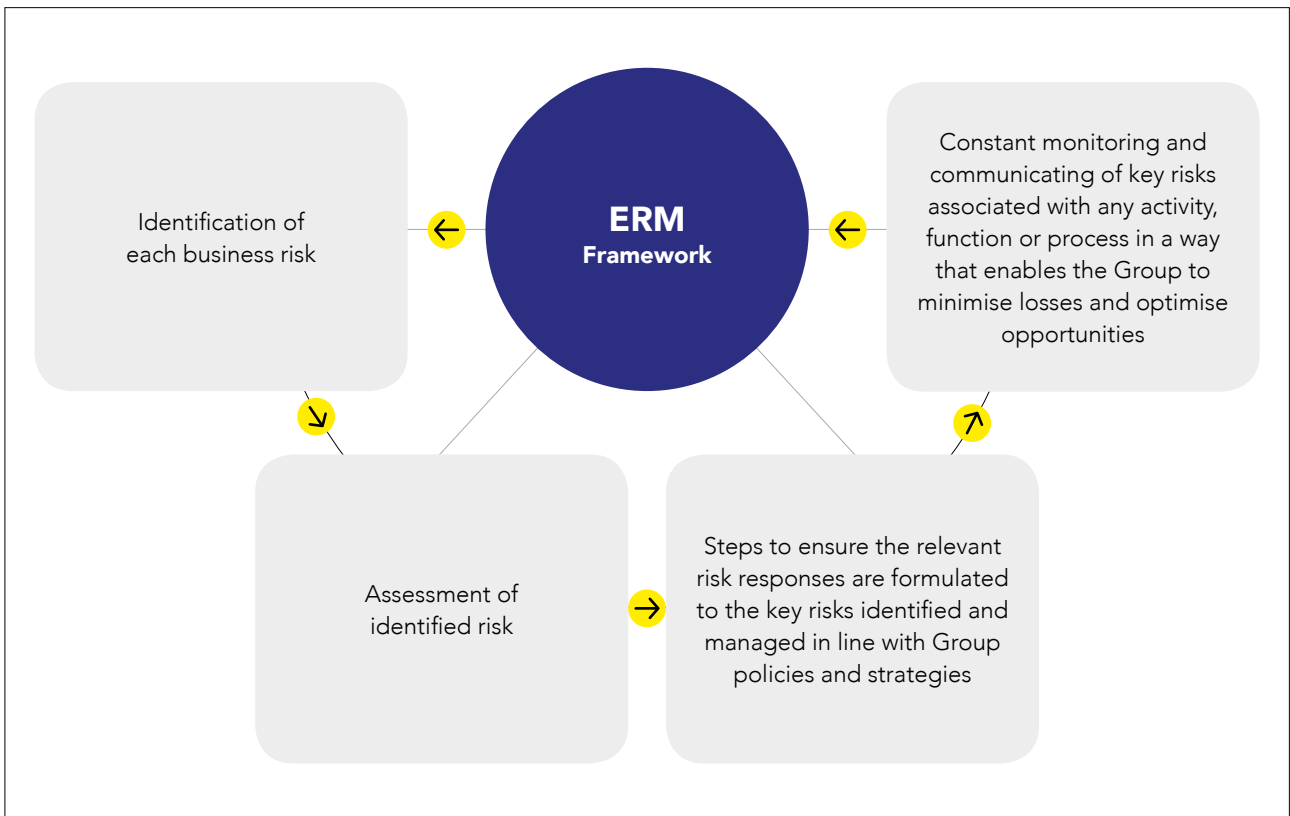
## RISK MANAGEMENT STRUCTURE

Risk Department is responsible for the coordination and implementation of the Group’s Enterprise Risk Management (“ERM”) Policy and Framework as well as monitoring and reporting of key risk issues to the Management Committee (“MC”) and Board Risk Management Committee (“BRMC”).

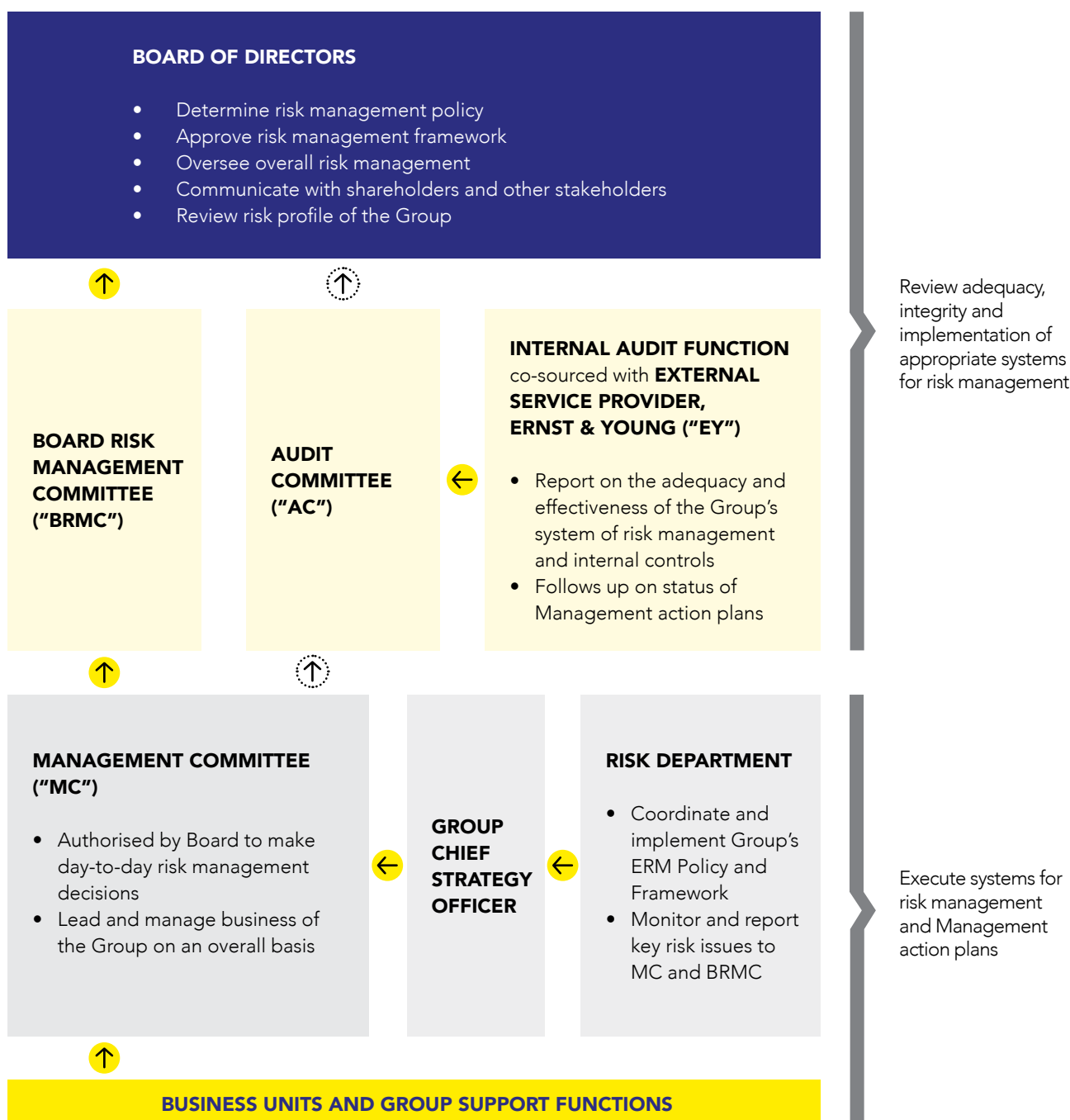
The Board approves the risk management strategies but delegates authority for day-to-day risk management decisions to Management and business unit heads. In fulfilling its oversight responsibility, the Board as a whole or through delegation to the MC and assisted by the Risk Department, reviews the adequacy, integrity and implementation of appropriate systems for risk management.

Yinson’s ERM Policy and Framework identifies, evaluates, monitors and manages risks encountered by the Group. The ERM Policy and Framework are ISO 31000 compliant.

Main processes of ERM Framework involve:



## RISK MANAGEMENT AND INTERNAL CONTROL STRUCTURE



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## Three lines of defence model

The Group adopts a 'Three Lines of Defence' approach for its risk management. It provides an overview of the Group's operations from a risk management perspective while assuring the ongoing success of risk management initiatives.

<p><b>1<sup>st</sup></b> line of defence</p>	<ul style="list-style-type: none"> <li>• Business units own and manage the risks as a first line of defence with their vast operational experience.</li> <li>• The heads of business units are accountable for all risks and internal controls under their respective areas of responsibility.</li> <li>• Based on the structured risk management approach, the business units apply relevant risk responses to their respective key risks.</li> </ul>
<p><b>2<sup>nd</sup></b> line of defence</p>	<ul style="list-style-type: none"> <li>• The Risk Department provides an oversight and monitoring function as a second line of defence to facilitate the implementation and monitoring of an effective risk management framework within the Group.</li> </ul>
<p><b>3<sup>rd</sup></b> line of defence</p>	<ul style="list-style-type: none"> <li>• Internal Audit reviews the control effectiveness and provides independent assurance to the Board and Management on the effectiveness of the business units and support functions' governance, risk management and internal controls practices.</li> </ul>

## KEY RISK FACTORS OF FYE 2020

Risk	Description	Mitigation achieved in FYE 2020
<p><b>Project concentration risk</b></p>	<p>Some of the Group's contracts are coming to an end, potentially creating reliance on a small number of projects</p>	<p>Identified additional sources of income to avoid over-reliance on any single project:</p> <ul style="list-style-type: none"> <li>• Successfully established presence in Brazil region through a Contract Award for FPSO Anna Nery (Marlim 2) project in Brazil</li> <li>• Established Renewables Division as a long-term strategy of diversification</li> </ul>
<p><b>Project cost overrun risk</b></p>	<p>As FPSO projects are typically long-term in nature, project cost overruns could have a negative impact on the project profit margins and affect the cash flows of the Group</p>	<ul style="list-style-type: none"> <li>• Continuous review and improvement of project cost management</li> <li>• Ongoing building of project team for FPSO Anna Nery (Marlim 2) project</li> <li>• Ongoing digitalisation of business processes and systems</li> </ul>
<p><b>Investment evaluation risk</b></p>	<p>Ineffective evaluation on potential investments could lead to poor investment decisions which may in turn negatively affect investment returns</p>	<p>The Group's investment evaluation process is guided by the Group Investment Policy, which is reviewed periodically to ensure that the processes are kept up to date with industry best practices</p>

Risk	Description	Mitigation achieved in FYE 2020
<b>Corporate funding risk</b>	Corporate funding covers working capital costs, equity injection and debt servicing of the Group. Inability to secure funding may lead defaults on debt obligations or failure to meet repayment schedules	Successful fundraising through issuance of perpetual securities, refinancing of existing projects and monetising our investment in long-term FPSO projects through divestment to strategic partners
<b>Cybersecurity risk</b>	Cybersecurity risk is the probability of exposure to leakage of confidential data or financial loss resulting from a cyberattack or data breach	<ul style="list-style-type: none"> <li>• Built a cybersecurity team comprising highly qualified personnel</li> <li>• Conducted Group-wide cybersecurity assessment</li> <li>• Implemented cybersecurity awareness training</li> </ul>

## INTERNAL CONTROL STRUCTURE

Key elements of the Group's risk management and internal control structure are as follows:

<b>Board, Board Committees, and MC</b>	<ul style="list-style-type: none"> <li>• The summarised roles and responsibilities of the Board, Board Committees and MC are found in the diagram above</li> <li>• These are further defined in within their Terms of Reference, available on Yinson's website at <a href="http://www.yinson.com">www.yinson.com</a></li> </ul>
<b>Internal Audit, Risk Department, external service provider</b>	<ul style="list-style-type: none"> <li>• The summarised roles and responsibilities of the Internal Audit function, Risk Department and external service provider and are found in the diagram above</li> </ul>
<b>Defined structure, reporting line, authority and responsibility</b>	<p>The following aspects are clearly defined within our organisation structure:</p> <ul style="list-style-type: none"> <li>• Reporting lines</li> <li>• Delegation of authority (including limits of authority)</li> <li>• Responsibility</li> <li>• Accountability to Board Committees, including the AC, and business units</li> </ul>
<b>Group Code of Conduct and Business Ethics</b>	<ul style="list-style-type: none"> <li>• Defines the foundation and expectations relating to the Group's ethical standards and personal conduct</li> <li>• Includes other references such as the Anti-Bribery and Anti-Corruption Policy, Anti-Money Laundering Policy and Whistleblowing Policy and Procedure</li> </ul>
<b>Management Systems Standard</b>	<ul style="list-style-type: none"> <li>• Group-wide operations are certified to ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007, International Safety Management (ISM) Code and International Ship and Port Security (ISPS) Code</li> <li>• Adherence to these certifications enables the Group to manage the safety and quality of our operations</li> <li>• Complements internal audits by management and annual surveillance audits by independent certification bodies</li> </ul>
<b>Policies and procedures</b>	<ul style="list-style-type: none"> <li>• Internal policies and procedures established and documented in manuals, then periodically reviewed and revised in line with business, operational and mandatory requirements</li> <li>• New policies are tabled to MC for initial review, subsequently tabled to the AC and Board for final approval</li> </ul>

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## Review and monitoring process

- The following meetings take place to monitor and review the Group's operations and performance, including financial results and forecasts for all business operations:
- Regular management meetings between respective MC members and mid-level management teams
  - Monthly management accounts reporting by the Finance Department
  - Periodical MC meetings
  - Quarterly Board and AC meetings with MC

## Recurrent Related Party Transactions ("RRPTs")

- RRPTs are dealt with in accordance with Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad
- A summary of the RRPT Register is tabled for AC's review on a quarterly basis

## Internal Audit Function

The Group has an independent internal audit department which updates the Board, through the AC, on the adequacy and effectiveness of the Group's system of internal control and management information system. An external service provider, EY has been appointed to co-source internal audit engagements to attain additional business insights and gain access to competencies and resources to match the Group's expanding operations.

The internal audit function adopts a risk-based approach when executing the internal audit plan, focussing on the Group's business units and functions. The internal audit function reports the outcome of its appraisal directly to the AC via internal audit reports. The internal audit function also conducts follow-up reviews on the status of Management's action plans.

## BOARD'S COMMENTARY

For the financial year under review and up to the date of this statement for inclusion in the Annual Report, the Board considers the system of risk management and internal controls described in this statement to be satisfactory and has not resulted in any material loss, contingency or uncertainty, and risks are reasonably managed within the context of the Group's business environment. The Board is not aware and has not been made aware of any material weaknesses or lapses in the internal control system of the Group occurring within the financial year under review.

The Board has received assurance from the Group CEO and Group Financial Controller that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control systems of the Group.

The Board and MC will continue to take measures to strengthen the Group's risk management and internal control system.

## REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Company.

This Statement on Risk Management and Internal Control was made in accordance with a resolution of the Board on 28 April 2020.

## REPORT ON AUDIT COMMITTEE

The Board is pleased to present the Report on Audit Committee for FYE 2020 in accordance with Paragraph 15.15 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

### TERMS OF REFERENCE

The Audit Committee (“AC”) is formally constituted within the AC Terms of Reference, available on the Company’s website at [www.yinson.com](http://www.yinson.com).

### COMPOSITION AND MEETINGS

The AC comprises Independent Non-Executive Directors, with all members having a working familiarity with basic finance and accounting practices. The Chairman of AC, Dato’ Wee Hoe Soon @ Gooi Hoe Soon, is a member of the Malaysian Institute of Accountants.

AC meetings are scheduled at least four (4) times a year with additional meetings scheduled as necessary. The AC met five (5) times in FYE 2020 as follows:

#### Composition of Audit Committee

Designation	Date of appointment	No. of meetings attended	%
<b>Dato’ Wee Hoe Soon @ Gooi Hoe Soon</b> Chairman, Senior Independent Non-Executive Director	11 August 2016	5/5	100
<b>Raja Datuk Zaharaton binti Raja Zainal Abidin</b> Member, Independent Non-Executive Director	11 August 2016	5/5	100
<b>Datuk Abdullah bin Karim</b> Member, Independent Non-Executive Director	16 October 2018	5/5	100

The meeting agenda, relevant reports and AC papers, which are prepared by Management, provide the AC with relevant facts and analyses to facilitate effective discussion and decision-making processes. These are furnished at least seven (7) days before meetings.

At the meetings, the AC reviews the risk management and internal control, financial reporting, internal and external audit functions within the Group. Minutes of meetings are duly recorded by the Company Secretary.

To avoid conflicts of interest, AC members must declare any interest they may have in any matters arising at the meetings. They will be excluded from deliberations and decisions in such matters and will also abstain from voting on the related resolutions at AC meetings/Board meetings/general meetings of the Company.

# REPORT ON AUDIT COMMITTEE

## SUMMARY OF WORK PERFORMED

During the financial year under review, the AC carried out its duties in accordance with its terms of reference and the activities are summarised as follows:

- a) Risk Management and Internal Control
  - Reviewed the adequacy and effectiveness of the Group's risk management, internal control system and management information system;
  - Reviewed the extent of compliance with established internal policies, standards, plans, procedures, laws and regulations;
  - Recommended to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors; and
  - Discussed and reviewed risk profile.
- b) Financial Reporting
  - Reviewed the unaudited quarterly financial results of the Group, prior to its release to Bursa Securities;
  - Reviewed the annual audited financial statements of the Group together with external auditors' report, management letter and management's response; and
  - Reviewed the application of major accounting policies and practices to ensure that the Group's financial statements had been prepared in compliance with approved accounting standards and that the Company adhered to all legal and regulatory requirements.
- c) Internal Audit
  - Reviewed and approved the proposed revisions to the Internal Audit Charter;
  - Re-appointed Ernst & Young Advisory Services Sdn Bhd ("EY") to co-source with the in-house internal audit department for the internal audit function;
  - Reviewed and approved the internal audit plan;
  - Reviewed and approved the Group Internal Audit's staffing requirements and budget to ensure adequacy of resources and competencies of the department;
  - Discussed with the internal auditors on its scope of work, functions, adequacy and competency of resources and co-ordination with external auditors;
  - Conducted two (2) private sessions with internal auditors in March and December 2019 respectively, without the presence of Executive Directors and/or Management;
  - Reviewed the reports prepared by the internal auditors on the state of internal control of the Group;
  - Monitored the outcome of the audits and follow-up audits conducted to ascertain all action plans were adequately implemented to address the key risks; and
  - Assessed the performance of the internal audit function and reviewed its effectiveness in the audit process.
- d) External Audit
  - Discussed with the external auditors the annual audit plan, nature and scope of audit as well as audit procedures, prior to the commencement of audit;
  - Conducted two (2) private sessions with external auditors in March, and December 2019 respectively, without the presence of Executive Directors and/or Management;
  - Reviewed the external auditors' audit findings for the financial year under review;
  - Reviewed with the external auditors the Statement on Risk Management and Internal Control of the Group for inclusion in the Annual Report; and
  - Reviewed the overall performance of the external auditors, including assessment of their independence, technical competency, resources and reasonableness of their audit fees and non-audit fees.

## e) Other matters

- Prepared Report on AC for the Board which includes the composition of the AC, the reference to its terms of reference, number of meetings held, a summary of its works and a summary of the works of the internal audit function for inclusion in the Annual Report;
- Verified criteria for allocation of share options to eligible employees for FYE 2019 under ESS;
- Reviewed and monitored the Recurrent Related Party Transactions; and
- Reviewed and recommended the dividend pay out.

## INTERNAL AUDIT FUNCTION

The internal audit function of Yinson Group ("IA Function") is carried out via a co-sourcing engagement between the in-house Internal Audit Department ("IAD") of Yinson Group and EY. The IA Function assists the AC in its duties and responsibilities and is free from any relationships or conflicts of interest, thus retaining its objectivity and independence. IAD and EY report directly to the AC on the adequacy and effectiveness of the Group's internal controls. The AC is aware that an independent and adequately resourced IA Function is essential to obtaining assurance on the effectiveness of the system of internal control.

The in-house IAD of Yinson Group is led by Head of IAD, Mr Liew Ching Hin, who joined Yinson Group in 2006 and was appointed as Head of IAD on 3 January 2013. He graduated from the University of Adelaide (Australia) with a Bachelor of Finance in 2000 and is an associate member of IIAM. He has 17 years of experience in the field of internal audit.

IAD is staffed by 2 audit executives, including the Head of IAD, while the co-sourced team from EY comprises 2 to 3 persons for each visit conducted with IAD. IAD staff have been provided with relevant training to keep them abreast of developments in the profession, relevant industry and regulations. The training courses attended by IAD staff during the financial year in review included training provided by IIAM, CPA and in-house workshops.

The IA Function performs in accordance with the principles of the international professional practice framework on internal auditing covering the conduct of the audit planning, execution, documentations, communication of findings and consultation with key stakeholders on audit concerns.

In FYE 2020, the Internal Audit Charter was revised and subsequently approved by the AC. The IA Function carried out audits according to the internal audit plan which had been approved by the AC. Internal audits were carried out to provide assurance that internal controls are established and operating as intended to achieve effective and efficient operations while adhering to applicable policies, guidelines and procedures.

The IA Function had conducted independent reviews and risk exposure evaluations relating to the operations and management information system. In performing such reviews, recommendations for improvements and enhancements to the existing internal control system and work processes are made.

The Head of IAD and/or EY co-sourced team attended all AC meetings during the financial year under review while the internal audit reports, incorporating audit recommendations and Management's responses, were issued to the AC and Management of the respective operations. Management is responsible for ensuring that corrective actions are taken within the required timeframe and all findings identified by IA Function were tracked and followed up on a quarterly basis with the status of the implementation reported to the AC accordingly.

## REPORT ON AUDIT COMMITTEE

The internal audit activities carried out in accordance with the approved internal audit plan for FYE 2020 were in the following areas:

1. Post-implementation of IFS
2. Vendor Management
3. Investment, Strategic Finance and Treasury
4. Contract Management

During the financial year under review, the Chairman of the AC highlighted the key audit issues, and recommended the decisions and resolutions made at the AC meetings for the approval of the Board.

The total cost incurred for maintaining the IA Function for the year under review was approximately RM800,000.

This Report on Audit Committee was made in accordance with a resolution of the Board on 28 April 2020.

## STATEMENT ON DIRECTORS' RESPONSIBILITY

The Directors are required to prepare financial statements which give a true and fair view of the financial position of the Group and of the Company as at 31 January 2020, and of the results and cash flows of the Group and of the Company for the financial year then ended, in accordance with the requirements of Malaysia Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of Companies Act 2016.

In preparing the financial statements, the Directors have:

- used appropriate accounting policies that are consistently applied;
- made judgments and estimates that are prudent and reasonable with advice from certain industry professional where applicable;
- ensured that all applicable MFRS and IFRS reporting requirements have been followed; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company.

The Directors are also responsible for safeguarding the assets of the Group and the Company by taking reasonable steps for preventing and detecting of fraud and other irregularities.