

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of APM Automotive Holdings Berhad (the “Company”) recognises the importance of having high standards of corporate governance in the Company for the purposes of safeguarding the interest of its stakeholders and enhancement of the Company’s perception in the eyes of the public. The Directors consider corporate governance to be synonymous with four key concepts, namely transparency, accountability, integrity as well as corporate performance.

As such, the Board seeks to embed in the Group a culture that is aimed at delivering a balance between conformance requirements with the need to deliver long-term strategic success through performance, without compromising on personal or corporate ethics and integrity.

This Statement provides an overview of the Company’s application of the Principles and Practices set out in the Malaysian Code on Corporate Governance (“MCCG”) and the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) during the financial year under review. The details on how the Company has applied each Practice as set out in the MCCG during the financial year 2017 are disclosed in the Corporate Governance Report, which is available for viewing on the Company’s website at [www.apm.com.my](http://www.apm.com.my).

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

### I. BOARD RESPONSIBILITIES

The Board is collectively responsible to the Company’s shareholders for the long-term success of the Group for its overall strategic direction, its values and its governance. They are led by experienced and knowledgeable Board members whom provide the Company with the core competencies and the leadership necessary for the Group to meet its business objectives and goals of the Group.

All members of the Board are aware of their responsibility to take decisions objectively which promote the success of the Group for the benefits of shareholders and other stakeholders. The role and responsibilities of the Board are clearly set out in the Board Charter, which is available on the Company’s website at [www.apm.com.my](http://www.apm.com.my). The Board Charter is periodically reviewed by the Board to be in line with the regulatory changes and to reflect the recent changes made to the terms of reference of the Board Committees.

The key roles and responsibilities of the Board broadly cover formulation of corporate policies and strategies; overseeing and evaluating the conduct of the Group’s businesses; identifying principal risks and ensuring the implementations of appropriate systems to manage those risks; and reviewing and approving key matters such as financial results, investments and divestments, acquisitions and disposals, and major capital expenditure.

To assist in the discharge of its stewardship role, the Board has delegated and conferred some of its authority and powers to its Committees, namely the Audit Committee and the Nominating and Remuneration Committee (“Board Committees”), which comprises exclusively of Independent Non-Executive Directors. The Board Committees are entrusted with the responsibility to oversee specific aspects of the Company’s affairs in accordance with their respective terms of reference as approved by the Board and to report to the Board with their findings and recommendations. The ultimate responsibility for decision making, however, lies with the Board.

The Executive Team (as defined in the Board Charter) comprising the President (as the leader), Chief Executive Officer, Chief Operating Officer, Executive Vice President, Chief Business Development Officer and other Senior Management Personnel, is responsible to the Board in accordance with their respective roles, positions, functions and responsibilities which include, inter-alia, the achievement of the Company’s goals and observance of Management authorities delegated by the Board, developing business plans which are aligned to the Company’s requirements for growth, profitability and return on capital to be achieved, ensuring cost effectiveness in business operations, overseeing development of human capital and ensuring members of the Board have the information necessary to perform their fiduciary duties and other governance responsibilities.

The Executive Team serves as a conduit between the rest of the Management and the Board and is responsible for the effective implementation of the strategic plans and policies of the Group established by the Board.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT cont'd

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

#### I. BOARD RESPONSIBILITIES *(cont'd)*

The positions of the Chairman and the Chief Executive Officer are held by different individuals to ensure an appropriate balance of roles, responsibilities and accountability. The President, who is also assumes the position of the Chairman, is primarily responsible for ensuring the adequacy and effectiveness of the Board's governance process and acts as a facilitator at Board Meetings to ensure that contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates discussion, while the Chief Executive Officer is responsible for managing and supervising the day-to-day business operations in accordance with the Group's strategies, policies and business plans approved by the Board.

The Independent Non-Executive Directors are responsible for providing insights, unbiased and independent views, advice and judgement to the Board and also to ensure effective checks and balances on the Board. Independent Non-Executive Directors are essential for protecting the interests of shareholders, in particular minority shareholders, and can make significant contributions to the Company's decision making by bringing in the quality of detached impartiality.

In enhancing accountability, the Board has established clear functions reserved for itself and those delegated to Management. There is a formal schedule of matters reserved to the Board for its deliberation and decision to ensure that the direction and control of the Company are in its hands.

Delegation of authorities have also been put in place to ensure that there is a balance between operational efficiency and control over corporate and financial governance. Various management committees have been formed such as Group Risk Management and Sustainability Committee and Executive Management Committee etc, with the aim to achieve optimum structure for efficient and effective decision-making in the Group. They are reviewed regularly by the Board and Management to ensure that it is adhered by the delegates, based on the level of approving authority limits for various aspects of the business.

The Board has also developed a Directors' Code of Ethics which essentially set the standards of conduct expected from all the Directors. The Directors' Code of Ethics is contained in Appendix A of the Board Charter which is published on the Company's website at [www.apm.com.my](http://www.apm.com.my). To inculcate good ethical conduct, the Group has also developed and imposed Code of Conduct on its employees. Additionally, the Company has in place a Special Complaint Policy, which is equivalent to whistle-blowing policy, that serves as an avenue for raising concerns related to possible breach of business conduct, non-compliance of laws and regulatory requirements as well as other malpractices.

The Board members have full access to the Company Secretary to obtain advisory services, particularly on corporate governance issue and compliance with the relevant policies and procedures, laws and regulatory requirements, in addition to the administrative matters.

#### **Board Meetings**

For the financial year under review, the Board had convened six (6) Board meetings and the attendances of the Directors are as follows:

Name	No. of Board Meetings attended	Percentage of Attendance (%)
Dato' Tan Heng Chew	6/6	100
Dato' Tan Eng Hwa	5/6	83
Low Seng Chee	6/6	100
Dato' N. Sadasivan s/o N.N. Pillay	6/6	100
Dato' Haji Kamaruddin @ Abas Bin Nordin	6/6	100
Siow Tiang Sae	6/6	100
Nicholas Tan Chye Seng	6/6	100

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

## I. BOARD RESPONSIBILITIES (cont'd)

Board Meetings (cont'd)

Name	No. of Board Meetings attended	Percentage of Attendance (%)
Sow Soon Hock	6/6	100
Lee Tatt Boon	6/6	100
Lee Min On	6/6	100

As stipulated in the Board Charter, the Directors are required to devote sufficient time to carry out their responsibilities. The Board obtained this commitment from the Directors at the time of appointment. Each Director is expected to commit time as and when required to discharge his duties and responsibilities, besides attending meetings of the Board or Board Committees.

Continuous Professional Development

The Board acknowledges the importance of continuous education and training programmes for its members to enable effective discharge of its responsibilities and to be apprised of the changes to regulatory requirements and the impact of such regulatory requirements that have on the Group. The Group's Company Secretary would circulate the relevant guidelines on statutory and regulatory requirements from time to time to and for the Board's reference.

All Directors have completed the Mandatory Accreditation Programme as required by the Listing Requirements of Bursa Securities. During the financial year under review, the trainings attended by the Directors included briefings, seminars, workshops and conferences conducted by the relevant regulatory authorities and professional bodies. Details of the training programmes attended/ participated by the Directors are as follows:

Directors	Training/Seminar/Conference/Workshop
Dato' Tan Heng Chew	<ul style="list-style-type: none"> <li>CG Breakfast Series for Directors - Leading in a Volatile, Uncertain, Complex, Ambiguous (VUCA) World</li> <li>CG Breakfast Series for Directors - Integrating an Innovation Mindset with Effective Governance</li> <li>2018 Budget Briefing by Mr. Tang Chin Fook</li> </ul>
Low Seng Chee	<ul style="list-style-type: none"> <li>2017 Global Transformation Forum</li> <li>In-House Sustainability Reporting Workshop</li> <li>In-House Cyber Security Briefing</li> <li>CG Breakfast Series for Directors - Leading in a Volatile, Uncertain, Complex, Ambiguous (VUCA) World</li> <li>Mergers and Acquisitions</li> </ul>
Dato' Tan Eng Hwa	<ul style="list-style-type: none"> <li>Bursa Malaysia Sustainability Forum 2017: The Velocity of Global Change &amp; Sustainability - The New Business Model</li> <li>2017 Global Transformation Forum</li> <li>In-House Sustainability Reporting Workshop</li> <li>CG Breakfast Series: Board Excellence: How to Engage and Enthuse Beyond Compliance with Sustainability</li> <li>In-House Cyber Security Briefing</li> <li>CG Breakfast Series for Directors - Leading in a Volatile, Uncertain, Complex, Ambiguous (VUCA) World</li> <li>Company Secretary Training Program (Essential 1) by SSM</li> <li>CG Breakfast Series: Integrating an Innovation Mindset with Effective Governance</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

#### I. BOARD RESPONSIBILITIES (cont'd)

##### Continuous Professional Development (cont'd)

Directors	Training/Seminar/Conference/Workshop
Dato' N. Sadasivan s/o N.N. Pillay	<ul style="list-style-type: none"> <li>• Management Discussion and Analysis Statement: What and How to Disclose (by Lee Min On)</li> <li>• In-House Sustainability Reporting Workshop</li> <li>• Advocacy Sessions on Corporate Disclosure for Directors and Principal Officers of Listed Issuers</li> <li>• In-House Cyber Security Briefing</li> </ul>
Dato' Haji Kamaruddin @ Abas Bin Nordin	<ul style="list-style-type: none"> <li>• In-House Sustainability Reporting Workshop</li> <li>• Directors Risk Management Programme: I Am Ready To Manage Risks</li> <li>• CG Breakfast Series for Directors - Leading in a Volatile, Uncertain, Complex, Ambiguous (VUCA) World</li> </ul>
Siow Tiang Sae	<ul style="list-style-type: none"> <li>• In-House Sustainability Reporting Workshop</li> <li>• Workshop - Engines Running on Thin Air - How a Simple Invention Has Turned Energy On Its Head - Professor Toby Peters</li> <li>• Mergers and Acquisitions: Strategic Rationales, Deal Valuation and Negotiation – Wong Kah Teck</li> <li>• FutureTech Banking &amp; Enterprise Conference – Kevin Chong</li> <li>• Understanding IoT Needs of Businesses In Malaysia</li> <li>• In-House Cyber Security Briefing</li> <li>• KPMG Tax and Business Summit 2017</li> <li>• Mergers and Acquisitions</li> </ul>
Nicholas Tan Chye Seng	<ul style="list-style-type: none"> <li>• CG Breakfast Series: Board Excellence: How to Engage and Enthuse Beyond Compliance with Sustainability</li> <li>• Dato' Tan Heng Chew Distinguished Speaker Series: Disruption in the E-World</li> <li>• CG Breakfast Series: Integrating An Innovation Mindset with Effective Governance</li> </ul>
Sow Soon Hock	<ul style="list-style-type: none"> <li>• Bursa Malaysia Sustainability Forum 2017: The Velocity of Global Change &amp; Sustainability - The New Business Model</li> <li>• Sustainability Engagement Series for Directors and CEO</li> <li>• In-House Sustainability Reporting Workshop</li> <li>• In-House Cyber Security Briefing</li> </ul>
Lee Min On	<ul style="list-style-type: none"> <li>• Sustainability Forum for Directors/CEOs: The Velocity of Global Change &amp; Sustainability – The New Business Model</li> <li>• In-House Sustainability Reporting Workshop (participated as speaker)</li> <li>• Mandatory Accreditation Programme for Directors of Public Listed Companies</li> <li>• Fraud Risk Management Workshop</li> <li>• Warisan TC Holdings Berhad - Sustainability Training for Directors and Head of Departments (participated as speaker)</li> <li>• Tan Chong Motor Holdings Berhad - Sustainability Training for Directors and Head of Departments (participated as speaker)</li> <li>• Dato' Tan Heng Chew Distinguished Speaker Series: Disruption in the E-World</li> <li>• Advocacy Sessions on Corporate Disclosure for Directors and Principal Officers of Listed Issuers</li> <li>• 2017 National Conference - Audit Committee Leadership Track</li> <li>• 2018 Budget Briefing by Mr. Tang Chin Fook</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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**PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS** (cont'd)**I. BOARD RESPONSIBILITIES** (cont'd)**Continuous Professional Development** (cont'd)

Directors	Training/Seminar/Conference/Workshop
Lee Tatt Boon	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme for Directors of Public Listed Companies</li> <li>• Fraud Risk Management Workshop</li> </ul>

**II. BOARD COMPOSITION**

The Company's Constitution provides for the Board to compose of not more than ten (10) Directors. The Board currently consists of ten (10) members, comprising five (5) Executive Directors and five (5) Non-Executive Directors, of whom four (4) are Independent Non-Executive Directors. The composition of the Board exceeds the requirements as set out in the Listing Requirements of Bursa Securities, which stipulate that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be independent.

Practice 4.1 of the MCCG states that at least half of the Board comprise Independent Directors. The Board is aware that its current composition is not in line with the desired practice and strongly believes that the goal of independence and objectivity in such practice is not compromised as a result of such composition. In fact the Board is certain that independence and objectivity is present and preserved with the present set of Directors in view of the weight given to the opinions of its four (4) Independent Non-Executive Directors which brings balance into its overall decisions. Nevertheless, the Board remains guided by the Principles and Practices of the MCCG in adhering to the best corporate governance practices.

The ten (10) members of the Board are persons of high calibre and integrity, and they possess the appropriate skills and provide a wealth of knowledge, experience and skills in the key areas of business strategy and planning, marketing and sales, business operations and development, finance and risk management. The profile of each Director is set out on pages 5 to 7 of the Company's Annual Report 2017.

**Nominating and Remuneration Committee ("NRC")**

The NRC is entrusted to assess the adequacy and appropriateness of the Board composition, identifying and recommending suitable candidates for Board membership and also to assess annually the performance of the Directors, succession plans and Board diversity including gender, age and ethnicity diversity, training courses for Directors and other qualities of the Board including core-competencies which the Independent Non-Executive Directors should bring to the Board. The Board has the ultimate responsibility of delivering the final decision on the appointment of new Directors.

Based on the annual assessment conducted in February 2018, the NRC was satisfied with the existing Board composition and concluded that each Director has the requisite competence and capability to serve on the Board and had sufficiently demonstrated their commitment to the Group in terms of time and participation during the year under review, and recommended to the Board for the re-election of the retiring Directors at the Company's forthcoming Annual General Meeting ("AGM"). All assessments and evaluations carried out by the NRC in discharging of its functions were duly documented.

The Company's Board Charter provides a limit of a cumulative term of nine (9) years on the tenure of an Independent Non-Executive Director. Thereafter, he may be re-designated as a Non-Independent Non-Executive Director. In the event the Board intends to retain the Director after the latter had served a cumulative term of nine (9) years, the Board must justify such decision and seek the shareholders' approval at the Annual General Meeting.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT cont'd

### PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

#### II. BOARD COMPOSITION *(cont'd)*

##### Nominating and Remuneration Committee (“NRC”) *(cont'd)*

The NRC has conducted an assessment on the independence of Independent Directors for the financial year 2017 based on the criteria on independence adopted by the Board. Following an assessment and recommendation by the NRC, the Board was of the opinion that the independence of the existing Independent Directors remain unimpaired and their judgement over business dealings of the Company were not influenced by the interest of the other Directors or substantial shareholders.

Dato’ N. Sadasivan s/o N.N. Pillay and Dato’ Haji Kamaruddin @ Abas Bin Nordin have each served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years. Following an assessment and recommendation by the NRC, the Board recommended to the shareholders for approval at the forthcoming AGM for Dato’ N. Sadasivan s/o N.N. Pillay and Dato’ Haji Kamaruddin @ Abas Bin Nordin to continue acting as Independent Non-Executive Directors of the Company.

The Company has formalised a Board Diversity Policy and such policy is contained in the Board Charter which is published on the Company’s website. In accordance with the Board Diversity Policy on gender, the Board shall comprise at least a female Director at any time. Evaluation of suitability of candidates is based on the candidates’ competency, character, time availability, integrity and experience in meeting the Company’s needs. The Board constantly advocates fair and equal participation and opportunity for all individuals of the right calibre.

For the year under review, the Board has taken steps to pursue female candidates based on meritocracy with the optimum mix of skills, knowledge and experience to fill the Board positions. The Board remains committed to have at least one female director by end of the year.

A summary of key activities undertaken by the NRC in discharging of its duties during the financial year under review is set out below:

- Reviewed and assessed the independence of Independent Directors;
- Reviewed and recommended re-election of Directors who were due for re-appointment and retirement by rotation, and continuation in office as Independent Non-Executive Directors who have served for a cumulative period of more than nine (9) years for shareholders’ approval at the forthcoming AGM;
- Assessed Directors’ training needs and noted the training programmes attended by Directors;
- Reviewed the size and composition of the Board based on the required mix of skills, experience, knowledge and diversity;
- assessed the effectiveness of the Board as a whole, the Board Committee and the contribution of each individual Director;
- Reviewed and assessed the term of office and performance of the Audit Committee and each of its members; and
- Reviewed the terms of reference of the NRC.

#### III. REMUNERATION

On 20 November 2017, the Nominating Committee was renamed as “Nominating and Remuneration Committee” and its duties and responsibilities have been expanded to assist the Board in implementing policies and procedures on matters relating to the remuneration of the Board and Senior Management.

The NRC is entrusted by the Board to implement the policies and procedures on matters relating to the remuneration of the Board and Senior Management and making recommendations on the same to the Board for approval.

The Board has on 28 February 2018 adopted the said policies and procedures to determine the remuneration of Directors and Senior Management to align with business strategy and long-term objectives of the Group. The remuneration package of Executive Directors and Senior Management are linked to their performance, qualifications, experience and scope of responsibility and geographic location where the personnel are based and is periodically benchmarked to the market/ industry surveys conducted by human resource consultants.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

## III. REMUNERATION (cont'd)

The level of remuneration of Independent Non-Executive Directors reflects the scope of responsibilities and commitments undertaken by them. The Board would ensure that the remuneration for Independent Non-Executive Directors do not conflict with their obligation to bring objectivity and independent judgement on matters discussed at the Board meetings.

The Directors concerned abstain from deliberation and voting on their own remuneration at the Board meetings.

The aggregate remuneration of Directors received from the Company and on Group basis for the financial year ended 31 December 2017 is as follows:

Category	Fees (RM)	Salaries (RM)	Bonus (RM)	Benefits -in-kind (RM)	Allowances (RM)	Total (RM)
<b>Company:</b>						
<u>Executive Directors*</u>						
Dato' Tan Heng Chew ( <i>President</i> )	-	1,342,320	631,680	39,600	-	2,013,600
<u>Non-Executive Directors</u>						
Dato' N. Sadasivan s/o N. N. Pillay	102,000	-	-	-	19,800	121,800
Dato' Haji Kamaruddin @ Abas bin Nordin	102,000	-	-	-	16,800	118,800
Lee Min On	110,500	-	-	-	22,200	132,700
Lee Tatt Boon	110,500	-	-	-	16,800	127,300
Nicholas Tan Chye Seng	-	-	-	-	-	-
<b>Group:</b>						
<u>Executive Directors*</u>						
Dato' Tan Heng Chew ( <i>President</i> )	-	1,342,320	631,680	39,600	-	2,013,600
Dato' Tan Eng Hwa	-	1,237,224	463,958	90,883	-	1,792,065
Low Seng Chee	-	1,232,856	462,320	25,490	-	1,720,666
Sow Soon Hock	-	664,627	168,427	25,723	-	858,777
Siow Tiang Sae	-	728,844	217,989	25,872	-	972,705
<u>Non-Executive Directors</u>						
Dato' N. Sadasivan s/o N. N. Pillay	102,000	-	-	-	19,800	121,800
Dato' Haji Kamaruddin @ Abas bin Nordin	102,000	-	-	-	16,800	118,800
Lee Min On	110,500	-	-	-	22,200	132,700
Lee Tatt Boon	110,500	-	-	-	16,800	127,300
Nicholas Tan Chye Seng	-	-	-	-	-	-

\* The remuneration paid to the Executive Directors were in respect of their employment with the Company/Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. AUDIT COMMITTEE

In assisting the Board to discharge its duties on financial reporting, the Board has established an Audit Committee which comprises four (4) members, all of whom are Independent Non-Executive Directors, with Mr. Lee Min On as the Committee Chairman. The members of the Audit Committee collectively are financially literate and are qualified to discharge their duties and responsibilities. They constantly keep abreast of relevant changes to the accounting standards and issues which have a significant impact on the financial statements through regular updates from the external auditors and Chief Financial Officer.

One of the key responsibilities of the Audit Committee in its specific terms of reference is to ensure that the financial statements of the Group and Company comply with applicable financial reporting standards in Malaysia and provisions of the Companies Act 2016, as the case may be. A summary of the activities carried out in 2017 by the Audit Committee are set out in the Audit Committee Report included in this Annual Report.

The Board understand its role in upholding the integrity of financial reporting by the Company. Accordingly, the Audit Committee, which assists the Board in overseeing the financial reporting process of the Company, has adopted a policy for the types of non-audit services permitted to be provided by the external auditors and/or their affiliates, including the need for obtaining the Audit Committee's approval for such services.

The Audit Committee has adopted a policy that requires a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as a member of the Audit Committee and such policy was incorporated in the terms of reference of the Audit Committee on 28 February 2018.

#### II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board has overall responsibility for maintaining a sound system of risk management and internal control of the Group that provides reasonable assurance of effective and efficient business operations, compliance with laws and regulations as well as internal procedures and guidelines.

The Audit Committee assists the Board in reviewing the adequacy and operating effectiveness of the system of risk management and internal control in the Group. The Group Risk Management and Sustainability Committee is responsible to oversee the risk management framework and policies while the subsidiaries' Management is tasked to manage business risks, including developing, implementing and monitoring mitigating measures to manage such risks to acceptable levels.

Details of the Group's Enterprise Risk Management framework, activities carried out for the financial year under review and reporting processes are set out in the Risk Management and Internal Control Statement included in this Annual Report.

The Company has established an in-house Internal Audit function led by the Head of Systems and Internal Audit ("SIA") who reports directly to the Audit Committee. All internal audits carried out are guided by the International Professional Practices Framework of the Institute of Internal Auditors, a globally recognized professional body for internal audit. The SIA is independent of the activities it audits and the scope of works covered by the SIA during the financial year under review is set out in the Audit Committee Report included in this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

#### **I. COMMUNICATION WITH STAKEHOLDERS**

The Board recognises the importance of being transparent and accountable to the Company's stakeholders and also acknowledges that the continuous communication between the Company and stakeholders would facilitate mutual understanding of each other's objectives and expectations. As such, the Board consistently ensure the supply of clear, comprehensive and timely information to their stakeholders via various disclosures and announcements including quarterly and annual financial results which provides investors with up-to-date financial information of the Group. All these announcements and other information about the Company are available on the Company's website at [www.apm.com.my](http://www.apm.com.my) which shareholders, investors and public may access.

In addition, the Directors also ensure that engagement with shareholders occurs at least once a year during the AGM to better understand their needs and obtain their feedback.

#### **II. CONDUCT OF GENERAL MEETINGS**

The AGM is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification.

At the 20th AGM held on 24 May 2017, all the directors (including the chair of the Board Committees) were present in person to engage directly with, and to be accountable to the shareholders for their stewardship of the Company. During the AGM, shareholders participate in deliberating resolutions being proposed or on the Group's operations in general. The Directors and Senior Management appropriately responded to all questions raised and provided clarification as required by the shareholders. A summary of key matters discussed at the AGM is made available on the Company's website.

The Board has also adopted electronic voting at the last AGM to facilitate greater shareholders' participation, enable efficiency in the voting process as well as to ensure transparency and accuracy of the voting results.

This Statement is dated 3 April 2018.