

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5222
COMPANY NAME : FGV HOLDINGS BERHAD
FINANCIAL YEAR : December 31, 2022

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

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

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors (the Board) of FGV Holdings Berhad (FGV or the Company) is responsible for the overall conduct of FGV Group of companies' (the Group or Group) businesses. Its roles and responsibilities are enumerated in the Board Charter.</p> <p>While the Board maintains a schedule of key matters that are reserved for their decision, the responsibilities of the Board were discharged through delegation to Board Committees with clearly defined Terms of References (ToR). The Board Charter and the Board Committees' ToR are available on FGV's corporate website at www.fgvholdings.com.</p> <p>The Board delegates the execution of strategy, operations and the day-to-day management of the Group to the Group Chief Executive Officer (GCEO). The GCEO is supported by the Group Management Committee (GMC).</p> <p>The Board is responsible for reviewing and adopting a sustainable strategic plan for the Group's businesses. In 2021, the Board conducted a review of the Business Plan. The updated Business Plan focused on operational improvements, strengthening governance and accountability.</p> <p>Following the new leadership aspirations and the latest industry dynamics, the updated Business Plan was developed around four key principles:</p> <ul style="list-style-type: none">• Better resource utilization and operational excellence to deliver higher returns;• Value chain maximization and synergistic diversification to generate new wealth;• Growth through selective and value-accretive corporate transactions; and• Optimizing human capital potential in delivering performance.

	<p>The annual budget was prepared in line with crucial initiatives set in the Business Plan for each business unit and corporate centre, utilizing all required resources such as human capital, financial and necessary capital expenditures. The Board approved both the updated Business Plan and FY2022 Budget.</p> <p>To measure the success of FGV’s annual and long-term targets, the progress of key strategic initiatives contained in the Business Plan was monitored for the Board review. Necessary corrective actions were taken in the event of any shortfall.</p> <p>The Group’s vision for human resources is to create value through a strategic human capital transformation towards high-performance culture. FGV core values support the human resource strategy: Pride, Respect, Integrity, Dynamism, Enthusiasm (P.R.I.D.E.) and will be three-pronged:</p> <ul style="list-style-type: none"> • Right size and right fit; • Build organisation capability; and • Evaluate and reward right. <p>Sustainability is embedded in the Business Plan and is integral to FGV's corporate culture.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The role and responsibilities of Chairman of the Board have been clearly specified in the Board Charter.</p> <p>The Chairman's main role is to ensure effective conduct of the Board through the execution of the following:</p> <ul style="list-style-type: none"> • Guide and mediate the Board's actions with respect to organisational priorities and good governance; • Ensure the Board conducts itself in accordance with the Board Charter; • Ensure the Board meetings are conducted effectively with all relevant matters tabled in the agenda and that all Directors receive timely information and are properly briefed; • Ensure the Board is updated on material matters relating to the Group by the GCEO; • Be the major point of contact between the Board and the GCEO; • Undertake appropriate corporate communications activities together with the GCEO; • Ensure the GCEO look beyond his executive functions and accept his full share of the responsibilities; • Review progress regularly on important initiatives and significant issues facing the Group together with the GCEO; and • Initiate and oversee the GCEO's performance evaluation process.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The distinct and separate roles and responsibilities of the Chairman and GCEO have been clearly specified in the Board Charter.</p> <p>The position of Chairman and GCEO are held by two different individuals. For FY2022, the Chairman of the Board is Dato' Dzulkifli Abd Wahab whilst the CGEO is Dato' Mohd Nazrul Izam Mansor. On 1 April 2023, Dato' Dzulkifli Abd Wahab has ceased as Chairman of the Company and Dato' Shahrol Anuwar Sarman was appointed as Interim Chairman of the Company. The specific responsibilities of the GCEO are summarised as follows:</p> <ul style="list-style-type: none">• Communicate the Group's mission, vision and values;• Represent the interests of the Group with major customers, governments and their agencies, industries at large and other majorstakeholders;• Develop the strategic direction of the Group and provide direction in the implementation of short term and long term strategies and plans;• Assess business opportunities of potential benefit to the Group;• Manage the Group's businesses, covering inter-alia, the development and execution of a sustainable Strategic Plan, annual Business Plan and set KPIs for Senior Management;• Seek the Board's approvals on major investments, divestments, capital expenditures and disposals in alignment with the Group's strategic direction;• Seek the Board's approvals on relevant announcements to Bursa Malaysia Securities Berhad and all matters reserved for the Board;• Present and update the Board the operational and financial performance of the Group;• Oversee, direct and control all aspects of the business operations ina cost effective manner within the authorities delegated by the Board;• Oversee the development and implementation of the human resources strategies and key initiatives;• Assist members of the Board and Board Committees in discharging their duties;• Review and approve Board and Board Committees papers, reports, proposals and updates; and• Assist the Chairman in organising information necessary for the Board to consider, deliberate and ensure that such information

	<p>to the Board and Board Committees are provided on a timely basis.</p> <p>In discharging the above responsibilities, the GCEO may delegate appropriate functions to any Senior Management.</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Applied
Explanation on application of the practice	: For FY2022, our former Chairman Dato' Dzulkifli Abd Wahab was not a member of the Audit Committee (AC) nor a member of the Nomination and Remuneration Committee (NRC). Hence, FGV is in compliance with Practice 1.4 of the MCCG 2021.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.5

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

Application	: Applied
Explanation on application of the practice	<p>The Board is supported by a suitably qualified and competent Company Secretary who has prerequisite qualifications and experience and is able to provide sound governance advice to the Board.</p> <p>During the financial year 2022, Koo Shuang Yen was the Company Secretary until her resignation on 31 July 2022. On 13 July 2022, the Board appointed Azni Ariffin as Joint Company Secretary of FGV and its Group of Companies to succeed Koo Shuang Yen.</p> <p>Azni Ariffin has 29 years of experience in corporate governance, corporate secretarial, commercial and corporate laws as well as consulting work relating to cross-border legal issues and agreements. She is licensed by the Companies Commission of Malaysia and a graduate of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). The profile of the Company Secretary is provided on page 125 of Annual Integrated Report (AIR) 2022.</p> <p>Both Company Secretaries had carried out the responsibilities as defined in the BC which among others:</p> <ul style="list-style-type: none">• Co-ordinate all Board business including meeting agendas, board papers, minutes of meetings, communication with regulatory bodies and all statutory and other required submissions;• Provide unimpeded advice and services to the Directors, as and when the need arises, to enhance the effective functioning of the Board and to ensure regulatory compliance;• Ensure that the Board's procedures and applicable rules are observed;• Maintain records of the Board and Board Committees and its respective meetings and ensuring effective management of the Company's records;• Prepare comprehensive minutes to document Board's proceedings and ensuring conclusions are accurately recorded;• Disseminate information in a timely manner relevant to Directors' roles and functions and keeping them updated on new or evolving regulatory requirements;

- Carry out other functions as deemed appropriate by the Board from time to time;
- Assist the Board with interpreting legal and regulatory acts related to the listing rules and international regulations and developments; and
- Advise the Board on its obligatory requirements to disclose material information to the shareholders and financial markets on a timely basis.

Induction programmes which include briefing by key management personnel and visits to key operational sites within the Group was organised by the Company Secretary for the newly appointed Board members to provide them with a rapid and clear insight into the Group as well as keeping them abreast with development in the market place pertaining to the oversight function of Directors. This shall enable the Directors to discharge their duties and responsibilities effectively. The Company Secretary also arranged registration for Mandatory Accreditation Programme (MAP) and for newly appointed directors on public seminars/courses/ conferences/ workshops to Directors' participation.

For the 14th AGM of the Company held on 23 June 2023, the Company Secretary ensured that the fully virtual AGM was conducted in compliance with the Company's Constitution, relevant laws and regulations. The Company Secretary assisted the Chairman and the Board in the conduct of the 14th AGM and ensured that the proceedings were properly recorded. The full minutes of the 14th AGM together with the GCEO's presentation, FGV's responses to Minority Shareholders Watch Group's (MSWG) questions and the 42 complete list of questions posed by shareholders together with FGV's responses were published on FGV's corporate website at www.fgvholdings.com within 30 business days after the 14th AGM.

In keeping abreast of the latest developments of all relevant laws/ requirements, the Company Secretaries attended courses/trainings during the financial year as listed below:

No.	Training	Organiser	Date
1.	Capacity Building Programme: Sustainability on Board	(Business Council for Sustainable Development (BCSD) Malaysia)	6 January 2022
2.	Kursus Pentadbiran serta Peranan Ahli Tatabira Syarikat Ahli	FELDA	1 September 2022

		Lembaga Pengarah di dalam Syarikat Subsidiari FELDA		
	3.	MICG - Seminar on the Law Behind Corporate Governance	Malaysian Institute of Corporate Governance	13 October 2022
	4.	Fundamentals of Directorship	Institute of Corporate Directors Malaysia (ICDM)	27 October 2022
	5.	The Rise of ESG and Sustainability in the Boardroom	ICDM	31 October 2022
	6.	Fundamentals of Directorship Module 4 - Directors' Liabilities and Legal Responsibilities	ICDM	23 November 2022
	The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging their functions during the period under review.			
Explanation for departure	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
Measure	:			
Timeframe	:			

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board devoted sufficient time to the workings of the Board and effectively discharge their duties as Directors, and best endeavours to attend Board/Board Committees meetings.</p> <p>In facilitating the Directors to discharge their responsibilities efficiently and effectively, an annual meeting calendar had been prepared and circulated in advance of each new year. The calendar provided Directors with scheduled dates for meetings of the Board and Board Committees and the AGM. The calendar is also available on iPads provided to all Directors.</p> <p>The Board meetings convened during 2022 had never combined with the Board Committee meetings.</p> <p>The Notice of Board meetings is sent to the Directors via e-mail at least 5 business days prior to a meeting. The same notification is sent to Management, which includes the deadlines for submission of meeting materials for Management's easy reference. Upon receipt from Management, the Company Secretary ensures that the meeting materials are uploaded on convene system as soon as practicable.</p> <p>Whenever necessary, relevant members of the GMC or external advisors are also invited to attend Board meetings and Board Committee meetings to provide further clarity on matters discussed to enable the Board and Board Committees to arrive at a considered and informed decision.</p> <p>In order for the Board meetings to be more effective and to ensure in-depth deliberations of matters are achieved, the meeting agendas are sequenced taking into account the complexity of the matters to be tabled for approval, discussion or notation by the Board. The meeting agendas are set by the Chairman or Board Committee Chairman respectively, in reference to the responsibilities and duties of the respective Board and Board Committees and in consultation with the GCEO and the Company Secretary.</p> <p>The agenda and meeting papers are distributed in advance at least 5 business days prior to the meetings for all Board and Board</p>

Committee meetings to allow the Directors to understand the papers so that they can contribute effectively at the meetings and giving sufficient preparation time and information to make an informed decision at each Board and Board Committee meeting.

In instances when special meetings are called (in the case of an emergency), the notice, agenda and meeting papers would be provided at a shorter duration.

The Board has a regular annual schedule of matters which are tabled to the Board for their approval and/or notation which includes business strategies, business operations and financial performance updates, unaudited quarterly results, Audited Financial Statements, AIR 2022, risks profile, material litigations and matters related to investor relations.

FGV has implemented digital meeting papers, which enables digital access to meeting materials instead of requiring distribution of hard copies. The customised solution provides various functionalities which enable Directors and Board Committee members to access various company documents, including Board policies, procedures, rules and guidelines, which are uploaded onto iPads for convenient reference.

As a result, Directors and Board Committee members are able to access meeting materials and relevant information in a timely and efficient manner, thus improving Board performance and overall effectiveness of decision-making.

Presentations to the Board are prepared and delivered in a manner that ensures a clear and adequate presentation of the subject matter. All issues raised, deliberations, decisions and conclusions including dissenting views made at Board meetings along with clear actions to be taken by responsible parties are recorded in the minutes.

Where the Board is considering a matter in which a Director has interest, the relevant Director immediately discloses their interest and abstains from participating in the discussions or decision making on the subject matter.

The Board is constantly advised and updated on statutory and regulatory requirements pertaining to their duties and responsibilities. As and when the need arises, Directors are also provided with relevant information and training to prepare them to appraise key business, operational, corporate, legal and regulatory as well as industry matters.

Upon conclusion of the meetings, the minutes are circulated in a timely manner. The discussions, conclusions, deliberations and decisions of the Board meetings and Board Committee meetings are well documented in the minutes in a clear, accurate (reflect the

	<p>deliberations and decisions including any dissenting views), consistent and complete manner, including matters where Directors abstained from voting or deliberation.</p> <p>The summary decisions and action items of the Board and Board Committees are circulated to Management for appropriate actions to be taken. The Company Secretary will also follow up with Management on status of actions taken to update the Board.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

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

Practice 2.1

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

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

Application :	Applied
Explanation on application of the practice :	<p>The Board formally adopts a Board Charter which provides guidance to the Board in the fulfilment of its roles, duties and responsibilities.</p> <p>The Board Charter outlines the roles and responsibilities of the Board, the balance and composition of the Board, the Board's authorities, schedule of matters reserved for the Board, the establishment of the Board Committees, processes and procedures for convening Board meetings, the Board's assessment and review of its performance, compliance with ethical standards, Board's access to information and advice and declarations of conflict of interest.</p> <p>The role of the Chairman, the Board and the GCEO are clearly delineated in paragraphs 5 and 6 of the Board Charter. Whilst the roles and responsibilities of the Board Committees are stated in the respective ToRs. The functions of the GCEO are supported by the GMC which has its own ToR.</p> <p>Specific matters reserved for the Board's consideration and decision are stated in paragraph 3 of the Board Charter which include:</p> <ul style="list-style-type: none">• Matters on the appointments and structures of the Board, Board Committees, Subsidiaries' Boards, the GCEO and Senior Management.• Matters on the remunerations of the Board, Board Committees, Subsidiaries' Boards, the GCEO and Senior Management.• Matters on the Strategic Plans, investments, divestments, delegation of authorities and any major changes in the strategic directions of the Group.• Matters on the annual budgets, Financial Statements, Quarterly Results, dividends, matters related to managing risks and controls and financial decisions. <p>In enhancing active participation of Directors during Board deliberations, the Directors had attended various external programmes in accordance with paragraph 15.08(3)(b) during the year 2022. The list of training programmes attended by the Board in 2022 are as follows:</p>

No.	Director	List of Training	Organiser	Date	Total Training Hours
1.	Dato' Dzul kifli Abd Wahab	Capacity Building Programme: Sustainability on Board	Business Council for Sustainable Development (BCSD) Malaysia	6 January 2022	1
		Women's Empowerment Principles	LeadWomen [In-house programme, FGV]	11 April 2022	2
		Workshop on Gender Equality and Non-Discrimination	ENGENDER Consultancy [In-house programme, FGV]	5 August 2022	4
		Board of Directors Strategic Retreat Roundtable Discussion & Proposed Business Plan & Budget FY2023-FY2025	Group Strategy [In-house programme, FGV]	25 October 2022	9
				26 October 2022	9
		Fundamentals of Directorship: Module 1 - The Role and Responsibilities of Executive and Non-Executive Directors Module 2 - The Board's Functions and Governance Module 3 - Board Leadership	Group Secretarial Division [Engagement with Institute of Corporate Directors Malaysia (ICDM)]	27 October 2022	4

		The Rise of ESG and Sustainability in the Boardroom	Group Secretarial Division [Engagement with ICDM]	31 October 2022	4
		Presentation by MACC – Inspection on Integrity, Governance, Management Practices, Systems and Procedures	Malaysian Anti-Corruption Commission (MACC)	30 November 2022	1.5
Total Training Hours					34.5
2.	Dato' Amiruddin Abdul Satar	Capacity Building Programme: Sustainability on Board	BCSD Malaysia	6 January 2022	1
		Board of Directors Strategic Retreat Roundtable Discussion & Proposed Business Plan & Budget FY2023-FY2025	Group Strategy [In-house programme, FGV]	25 October 2022	9
				26 October 2022	9
		Presentation by MACC – Inspection on Integrity, Governance, Management Practices, Systems and Procedures	Malaysian Anti-Corruption Commission (MACC)	30 November 2022	1.5
Total Training Hours					20.5

	3.	Dato' Shahrol Anuwar Sarman	Capacity Building Programme: Sustainability on Board	BCSD Malaysia	6 January 2022	1
			MIA International Accountants Conference 2022: Leading ESG, Charting Sustainability	Malaysian Institute of Accountants (MIA)	8 June 2022	9
					9 June 2022	9
			Board of Directors Strategic Retreat Roundtable Discussion & Proposed Business Plan & Budget FY2023-FY2025	Group Strategy [In-house programme, FGV]	25 October 2022	9
	26 October 2022	9				
			Presentation by MACC – Inspection on Integrity, Governance, Management Practices, Systems and Procedures	Malaysian Anti-Corruption Commission (MACC)	30 November 2022	1.5
	Total Training Hours					38.5
	4.	Datuk Yatimah Sarjiman	On-boarding session	In-house programme, FGV	22 April 2022	1.5
			Bursa Malaysia Mandatory Accreditation Programme (MAP)	ICDM	4 July 2022	3.5
					5 July 2022	3.5
6 July 2022					3.5	
Workshop on Gender Equality	ENGENDER Consultancy	5 August 2022	4			

		and Non-Discrimination	[In-house programme, FGV]		
		Presentation by MACC – Inspection on Integrity, Governance, Management Practices, Systems and Procedures	Malaysian Anti-Corruption Commission (MACC)	30 November 2022	1.5
Total Training Hours					17.5
5.	Dato' Mohd Rafik Shah Mohamad	Capacity Building Programme: Sustainability on Board	BCSD Malaysia	6 January 2022	1
		Women's Empowerment Principles	LeadWomen [In-house programme, FGV]	11 April 2022	2
		Audit Committee Conference 2022 - Beyond Effectiveness: Governance, Sustainability and Agility	MIA & The Institute of Internal Auditors Malaysia (IIA Malaysia)	23 May 2022	4.25
				24 May 2022	4.25
		MIA International Accountants Conference 2022: Leading ESG, Charting Sustainability	Malaysian Institute of Accountants (MIA)	8 June 2022	9
				9 June 2022	9
		Board of Directors Strategic Retreat Roundtable Discussion & Proposed Business Plan &	Group Strategy [In-house programme, FGV]	25 October 2022	9
				26 October 2022	9

		Budget FY2023- FY2025			
		Fundamentals of Directorship: Module 1 - The Role and Responsibilities of Executive and Non-Executive Directors Module 2 - The Board's Functions and Governance Module 3 - Board Leadership	Group Secretarial Division [Engagement with ICDM]	27 October 2022	4
		The Rise of ESG and Sustainability in the Boardroom	Group Secretarial Division [Engagement with ICDM]	31 October 2022	4
		Presentation by MACC – Inspection on Integrity, Governance, Management Practices, Systems and Procedures	Malaysian Anti- Corruption Commission (MACC)	30 November 2022	1.5
		Total Training Hours			57
6.	Dato' Nonee Ashirin Dato' Mohd Radzi	Capacity Building Programme: Sustainability on Board	BCSD Malaysia	6 January 2022	1
		Women's Empowerment Principles	LeadWomen [In-house programme, FGV]	11 April 2022	2
				23 May 2022	4.25

			Audit Committee Conference 2022 - Beyond Effectiveness: Governance, Sustainability and Agility	MIA & IIA Malaysia	24 May 2022	4.25
			MIA International Accountants Conference 2022: Leading ESG, Charting Sustainability	MIA	8 June 2022	9
					9 June 2022	9
			The Cooler Earth Sustainability Summit 2022	CIMB Group Holdings Berhad (CIMB)	20 September 2022	8
					21 September 2022	8
					22 September 2022	8
			International Directors Summit 2022	ICDM	26 September 2022	4.5
					27 September 2022	5
					28 September 2022	6.5
			The Law behind Corporate Governance	Malaysian Institute of Corporate Governance (MICG)	13 October 2022	8
			Board of Directors Strategic Retreat Roundtable Discussion & Proposed Business Plan & Budget FY2023-FY2025	Group Strategy [In-house programme, FGV]	25 October 2022	9
					26 October 2022	9

		<p>Fundamentals of Directorship:</p> <p>Module 1 - The Role and Responsibilities of Executive and Non-Executive Directors</p> <p>Module 2 - The Board's Functions and Governance</p> <p>Module 3 - Board Leadership</p>	Group Secretarial Division [Engagement with ICDM]	27 October 2022	4
		The Rise of ESG and Sustainability in the Boardroom	Group Secretarial Division [Engagement with ICDM]	31 October 2022	4
		Presentation by MACC – Inspection on Integrity, Governance, Management Practices, Systems and Procedures	Malaysian Anti-Corruption Commission (MACC)	30 November 2022	1.5
Total Training Hours					105
7.	Pn. Nik Fazila Nik Mohamed Shihabuddin	Capacity Building Programme: Sustainability on Board	BCSD Malaysia	6 January 2022	1
		Audit Committee Conference 2022 - Beyond Effectiveness: Governance,	MIA & IIA Malaysia	23 May 2022	4.25
				24 May 2022	4.25

			Sustainability and Agility			
			MIA International Accountants Conference 2022: Leading ESG, Charting Sustainability	MIA	8 June 2022	9
					9 June 2022	9
			Webinar on the Audit Committee – Unpacking The Roles of the Committee & Honing Its Effectiveness in Discharging Its Responsibilities Holistically	MICG	27 June 2022	4
			Workshop on Gender Equality and Non-Discrimination	ENGENDER Consultancy [In-house programme, FGV]	5 August 2022	4
			International Directors Summit 2022	ICDM	26 September 2022	5
					27 September 2022	5
					28 September 2022	5.5
			Khazanah Megatrends Forum 2022 - Development and Its Complexities (Steering Our Way Through a Perfect Storm)	Khazanah Nasional	3 October 2022	8
					4 October 2022	8.5

			The Law behind Corporate Governance	MICG	13 October 2022	8
			Board of Directors Strategic Retreat Roundtable Discussion & Proposed Business Plan & Budget FY2023-FY2025	Group Strategy [In-house programme, FGV]	26 October 2022	9
			Fundamentals of Directorship: Module 1 - The Role and Responsibilities of Executive and Non-Executive Directors Module 2 - The Board's Functions and Governance Module 3 - Board Leadership	Group Secretarial Division [Engagement ICDM]	27 October 2022	4
			The Rise of ESG and Sustainability in the Boardroom	Group Secretarial Division [Engagement with ICDM]	31 October 2022	4
			Presentation by MACC – Inspection on Integrity, Governance, Management Practices,	Malaysian Anti-Corruption Commission (MACC)	30 November 2022	1.5

		Systems and Procedures			
Total Training Hours					94
8.	En. Kasmuri Sukardi	Capacity Building Programme: Sustainability on Board	BCSD Malaysia	6 January 2022	1
		Webinar - ISO 37002 Whistleblowing Management Systems (WMS)	MICG	5 July 2022	8
		Eminent Person Talk Title: "Resilience and Sustainability of The Palm Oil Industry"	Tan Sri Omar Centre of Policy Studies, UCSI University, Kuala Lumpur	18 August 2022	1.5
		Board of Directors Strategic Retreat Roundtable Discussion & Proposed Business Plan & Budget FY2023-FY2025	Group Strategy [In-house programme, FGV]	25 October 2022	9
				26 October 2022	9
		Fundamentals of Directorship: Module 1 - The Role and Responsibilities of Executive and Non-Executive Directors Module 2 - The Board's Functions and Governance Module 3 - Board Leadership	Group Secretarial Division [Engagement with ICDM]	27 October 2022	4

		The Rise of ESG and Sustainability in the Boardroom	Group Secretarial Division [Engagement with ICDM]	31 October 2022	4
		Presentation by MACC – Inspection on Integrity, Governance, Management Practices, Systems and Procedures	Malaysian Anti-Corruption Commission (MACC)	30 November 2022	1.5
Total Training Hours					38
9.	En. Azmin Che Yusoff	On-boarding session	In-house programme, FGV	5 October 2022	2
		Board of Directors Strategic Retreat Roundtable Discussion & Proposed Business Plan & Budget FY2023-FY2025	Group Strategy [In-house programme, FGV]	25 October 2022	9
				26 October 2022	9
		Fundamentals of Directorship: Module 1 - The Role and Responsibilities of Executive and Non-Executive Directors Module 2 - The Board's Functions and Governance Module 3 - Board Leadership	Group Secretarial Division [Engagement with ICDM]	27 October 2022	4
		The Rise of ESG and Sustainability in the Boardroom	Group Secretarial Division	31 October 2022	4

				[Engagement with ICDM]		
		Mandatory Accreditation Programme (MAP)	ICDM		21 November 2022	8
					22 November 2022	3.5
		Presentation by MACC – Inspection on Integrity, Governance, Management Practices, Systems and Procedures	Malaysian Anti-Corruption Commission (MACC)		30 November 2022	1.5
		Total Training Hours				41
Explanation : for departure						
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>						
Measure :						
Timeframe :						

Intended Outcome

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

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

Practice 3.1

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

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

Application	: Applied												
Explanation on application of the practice	<p>In discharging its responsibilities, the Board observes the principles of ethical conduct as contained in the Directors' Code of Ethics and Conduct (CoEC) and Directors' Code of Business Practice (CoBP). The Directors' CoEC and CoBP outlines the ethical standards of behaviour and conduct expected from all Directors of FGV Group. The Directors' CoEC and CoBP are made available to the Directors and are also published on FGV's corporate website at www.fgvholdings.com.</p> <p>The Directors' CoEC and CoBP will be reviewed to ensure relevancy and alignment with the prescribed requirements and best corporate governance practices, taking into account the following 5 guiding principles of T.R.U.S.T. under the Guidelines on Adequate Procedures pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act 2009):</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th colspan="2">T.R.U.S.T Key Principles</th> </tr> </thead> <tbody> <tr> <td>Principle I</td> <td>Top Level commitment</td> </tr> <tr> <td>Principle II</td> <td>Risk Assessment</td> </tr> <tr> <td>Principle III</td> <td>Undertake Control Measures</td> </tr> <tr> <td>Principle IV</td> <td>Systematic review, monitoring and enforcement</td> </tr> <tr> <td>Principle V</td> <td>Training and communication</td> </tr> </tbody> </table> <p>Similar ethical standards of behaviour are also expected from employees, counterparties and business partners to address potential issues in managing conflict of interest and preventing the abuse of power, corruption, insider trading and money laundering.</p> <p>These are integrated into FGV group-wide policies which include:</p> <ul style="list-style-type: none"> • Code of Business Conduct and Ethics for employees (CoBCE); • Whistleblowing Policy; • Referral Policy; • Asset/Personal Interest Declaration Policy; • External Gift, Entertainment and Hospitality Policy (External 	T.R.U.S.T Key Principles		Principle I	Top Level commitment	Principle II	Risk Assessment	Principle III	Undertake Control Measures	Principle IV	Systematic review, monitoring and enforcement	Principle V	Training and communication
T.R.U.S.T Key Principles													
Principle I	Top Level commitment												
Principle II	Risk Assessment												
Principle III	Undertake Control Measures												
Principle IV	Systematic review, monitoring and enforcement												
Principle V	Training and communication												

	<p>GEH Policy);</p> <ul style="list-style-type: none"> • Conflict of Interest Policy; • Sponsorship and Donation Policy; • Management of Classified Document Policy; and • Group Procurement Policy. <p>The above policies are made available in the centralized management system (internal hub) for easy access by employees and have been communicated to all employees in the Group via email. In ensuring the above policies and procedures are being implemented and complied with, FGV periodically organises awareness programmes through roadshows and forum events.</p> <p>The Directors are required to execute the Company's integrity pledge and declare their asset/personal interest upon their appointment as Director and upon any changes thereof.</p> <p>Directors are also required to make a declaration of their interests in proposals being considered by the Board (including where such interests arise through close family members, in line with various statutory requirements on the disclosure of Directors' interest). Interested Directors shall abstain from deliberating and deciding on the proposal and, where appropriate, excuse themselves from being physically present during such deliberations. Further information on conflict of interest is codified in the Directors' CoEC and CoBP.</p> <p>In line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR) and the relevant provisions of the Capital Markets and Services Act 2007, Directors, GMC members and principal officers of the Group are prohibited from trading in securities or any kind of property based on price sensitive information and knowledge, which have not been publicly announced. Notices on the closed period for trading in FGV's shares are circulated to Directors, GMC members and principal officers who are deemed to have privy to price sensitive information and knowledge, in advance of whenever the closed period is applicable. Further information on prohibitions relating to insider trading is codified in the Directors' CoEC and CoBP.</p>
:	
Explanation for departure	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied								
Explanation on application of the practice	:	<p>The Board establishes, reviews, and together with Management, implement appropriate policies and procedures on whistleblowing at the Group level.</p> <p>Whistleblowing channels are established to help all stakeholders raise concerns, without fear of retaliation, on any wrongdoing that they may observe or experience in the Group.</p> <p>Reports of wrongdoing can be channelled via the following:</p> <p>1) In writing</p> <p>a. Posting through E-Form in FGV's corporate website at www.fgvholdings.com.</p> <p>b. Through written letter to:</p> <p style="padding-left: 40px;">The Secretariat, Whistleblowing Committee Group Governance and Risk Management Division Level 13 West, Wisma FGV Jalan Raja Laut 50350 Kuala Lumpur, Malaysia</p> <p>c. E-mail to alert@fgvholdings.com</p> <p>2) Telephone call</p> <p>Telephone call can be made to the following Whistleblowing Hotline Toll Free No.:</p> <table><thead><tr><th><u>Country</u></th><th><u>Phone Number</u></th></tr></thead><tbody><tr><td>Malaysia</td><td>1-800-888-717</td></tr><tr><td>USA</td><td>1-855-503-0531</td></tr><tr><td>Thailand</td><td>1-800-060-162</td></tr></tbody></table>	<u>Country</u>	<u>Phone Number</u>	Malaysia	1-800-888-717	USA	1-855-503-0531	Thailand	1-800-060-162
<u>Country</u>	<u>Phone Number</u>									
Malaysia	1-800-888-717									
USA	1-855-503-0531									
Thailand	1-800-060-162									

	<p>Indonesia 001-803-601-940</p> <p>Pakistan 00-800-900-600-09</p> <p>3) In person by meeting the Secretariat of Whistleblowing Committee or any FGV Board members.</p> <p>Upon receipt of a whistleblowing report, the Whistleblowing Committee will conduct a preliminary investigation to determine whether there are merits to initiate a full investigation. The findings of the preliminary investigation and recommendation shall be referred to the Whistleblowing Committee for a decision on whether to close the case or to proceed to a full investigation of the allegations. In the event a full investigation is being conducted, the whistleblower shall give his/her full cooperation to any investigation conducted.</p> <p>The Committee is divided into two: -</p> <ul style="list-style-type: none"> a) Whistleblowing Committee (WBC) to handle and deliberate disclosure of Improper Conduct and/or breach of FGV Policies against Senior General Manager and below; and b) Whistleblowing Committee for Senior Staff (Vice President & Above), and Board of Directors. <p>All information, documents, records and reports relating to the investigations shall be kept securely to ensure its confidentiality. Throughout the whistleblowing process, a whistleblower will be accorded with the following protection:</p> <ul style="list-style-type: none"> a) Identity of the whistleblower will be kept confidential at all times;and b) Detrimental action against the whistleblower as a consequence ofthe whistleblowing. <p>Upon the conclusion of the investigation, the Whistleblowing Committee shall review the investigation report and upon the review ofsuch investigation report, the Whistleblowing Committee shall determine whether the allegation could be substantiated or not. In the event the allegation could be substantiated, the Whistleblowing Committee will identify and recommend the corrective action to be taken and recommend if disciplinary action is to be taken against the wrongdoer.</p> <p>FGV Whistleblowing Policy is made available on FGV’s corporate website at www.fgvholdings.com.</p>
<p>Explanation for departure</p>	<p>:</p>

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Sustainability Committee (BSC) was established on 1 September 2021 to assist the Board in fulfilling its oversight responsibilities in relation to the Group's sustainability policies, strategies, framework, initiatives, priorities, targets, principles and best practices.</p> <p>BSC is also responsible to oversee and monitor the strategic management of material sustainability matters, risks as well as opportunities driven by Senior Management and monitor progress against the achievement of the Group's sustainability targets. These roles and responsibilities are stipulated in the BSC's ToR.</p> <p>The strategic management of material sustainability matters are driven mainly by the GCEO and the Group Management Committee which also includes the Head of Group Sustainability.</p> <p>A Sustainability Steering Committee (SSC) has been established to monitor the implementation of FGV's sustainability commitments. The SSC is chaired by the GCEO, and members consist of FGV's senior management.</p> <p>Sustainability is anchored in the Business Plan and represents an integral part of FGV's corporate culture. This is reflected in the relentless drive towards an all-inclusive approach of value creation for all stakeholders, whilst actively balancing socioeconomic and environmental demands. FGV's sustainability agenda is demonstrated through its unwavering commitment to respecting human rights, protecting the environment, as well as to sustainable development goals. Among other things, FGV has continuously dedicated energy and resources to enhance its labour practices through many efforts and programmes. FGV has also invested significantly in various conservation and climate action initiatives. FGV remains committed to comply with sustainability standards</p>

	<p>stipulated by the Roundtable on Sustainable Palm Oil (RSPO) and Malaysian Sustainable Palm Oil (MSPO).</p> <p>The Sustainability Governance Structure is disclosed in the Sustainability Statement in the AIR 2022.</p>	
Explanation for departure		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure		
Timeframe		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The BSC ensures that the Group's sustainability strategies, priorities and targets as well as performance against these targets are communicated to FGV's internal and external stakeholders.</p> <p>In FY2022, the Group's sustainability strategies, priorities and targets as well as performance against these targets were communicated to FGV's internal and external stakeholders via:</p> <ul style="list-style-type: none"> • Internal stakeholders: Intranet portal, emails and employee engagement. • External stakeholders: Corporate website, AIR, press releases, investor presentations and quarterly analyst briefings. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The BSC was established to review issues relating to sustainability arising from grievances, independent audits and assurance reports as well as any matters highlighted by the Independent Advisors.</p> <p>In FY2022, the Board were briefed on sustainability issues/matters to ensure they stay abreast with and understand the sustainability issues relevant to the Group and its business, including climate-related risks and opportunities:</p> <ul style="list-style-type: none"> • FGV’s Group Sustainability Framework; • Social and Human Rights Programme; • Climate Action and Environmental Protection Programme; • Sustainability Certification Programme; • Non-compliances from internal audits; • Traceability and Supply Chain Management Programme; • Progress and issues resulting from FGV’s action to modify the Withhold Release Order by the U.S. Customs and Border Protection (US CBP); and • The Board members had attended the following training on Sustainability: <ul style="list-style-type: none"> ➢ The Rise of ESG and Sustainability in the Boardroom; ➢ Capacity Building Programme: Sustainability on Board; ➢ MIA International Accountants Conference 2022: Leading ESG, Charting Sustainability; and ➢ Audit Committee Conference 2022 - Beyond Effectiveness: Governance, Sustainability and Agility. 	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>BOARD</p> <p>The Board performance evaluation i.e. Board Effectiveness Assessment (BEA) was conducted to assess the effectiveness of the Board as a whole, the Board Committees and the individual Directors in accordance with paragraph 15.08A(3)(c) of the MMLR, Practice 6.1 of the MCCG and the Board Nomination and Election Policy and Procedures (BNE Policy), which includes a review on the tenure of each Director, an assessment on the independence of Independent Directors, a review on the performance of the Board in addressing the Company's material sustainability risks and opportunities as well as a review on the term of office and performance of the AC and each of its members to determine whether they have carried out their duties in accordance with the AC's ToR.</p> <p>SENIOR MANAGEMENT</p> <p>FGV has always taken into account sustainability considerations in its strategies, Business Plan and risk management. For FY2022, the Senior Management that have KPIs related to sustainability and environment are GCEO, Head of Consumer Products, Head of Integrated Farming, Group Human Capital Officer, Head of Group Sustainability and Group Divisional Directors.</p> <p>As such, the Company's material sustainability risks and opportunities have been addressed accordingly during the FY2022 performance review of these Senior Management.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	

Timeframe	:		
------------------	---	--	--

Intended Outcome

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

Practice 4.5- Step Up

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

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
Application	: Adopted
Explanation on adoption of the practice	: <p>The Head of Group Sustainability (Head GS), Nurul Hasanah Ahamed Hassain Malim, who is also a Senior Management and a member of the GMC, is the designated person to manage sustainability strategically, including the integration of sustainability considerations in the operations of the Group.</p> <p>The Head GS provides direction for the Group’s sustainability initiatives and reports directly to the GCEO. She also directs and oversees the day-to-day work of the Group Sustainability Division and advises the Group on matters pertaining to sustainability, which include aspects relating to human rights and environmental protection. Details of FGV’s sustainability initiatives can be found in the AIR 2022. The Sustainability Report is available in FGV’s corporate website at www.fgvholdings.com.</p> <p>As the awareness on the importance of sustainability grows, FGV is putting the sustainability agenda at the forefront of the day-to-day operations and business towards creating value for the stakeholders. Sustainability aspect is embedded across the Group’s overall business activities to ensure FGV’s strategies are executed and implemented sustainably.</p> <p>In line with FGV’s aspiration, its sustainability framework incorporates the main ESG components, including innovation and transformation as the key thrusts of FGV sustainability agenda. This will enable the adoption of an accurate and comprehensive corporate sustainability framework to promote a holistic sustainability model that allows FGV to become a zero-impact business operation.</p>

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The composition of the Board is reviewed annually during the Board performance evaluation i.e. BEA. The Board Committees' composition and the Board's skills matrix are also reviewed annually.</p> <p>The Board Nomination and Election Policy and Procedures (BNE Policy) provides that the tenure of Independent Director shall cease after 3 years but may still be eligible for re-appointment up to a maximum of 9 years. This is to allow the composition of the Board to be refreshed periodically.</p> <p>The review on the tenure of each Director, an assessment on the independence of Independent Directors, a review on the performance of the Board in addressing the Company's material sustainability risks and opportunities as well as a review on the term of office and performance of the AC and each of its members to determine whether they have carried out their duties in accordance with the AC ToR were conducted in the BEA 2021.</p> <p>For the purpose of determining the eligibility of the Directors to stand for re-election at the 14th AGM, the Board through its NRC had assessed each of the retiring Directors, and considered the following:</p> <ul style="list-style-type: none"> • The Director's performance and contribution based on the outcome of the BEA 2021; • The Director's level of contribution to the Board deliberations through his/her skills, experience and strength in qualities; and • The level of independence demonstrated by the Independent Directors, and his/her ability to act in the best interest of the Company in decision-making.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Under the Company's Constitution, the number of Directors shall not be less than 2 and not more than 12. Paragraph 15.02 of the MMLR specifies that 1/3 of the Board has to be Independent Directors.</p> <p>As at 31 December 2022, the Board comprises a majority of Independent Directors:</p> <ul style="list-style-type: none">• 5 Independent Non-Executive Directors (INED); and• 4 Non-Independent Non-Executive Directors (NINED). <p>On 13 September 2022, the Board appointed Encik Azmin Che Yusoff as INED to fill up the casual vacancy due to the demise of the late Dato' Yusli Mohamed Yusoff. On 1 April 2023, Dato' Dzulkifli Abd Wahab has ceased as Chairman of the Company and the composition comprised of majority INED remains.</p> <p>Currently, all 5 INEDs satisfied the independence test under the MMLR.</p> <p>The composition of the Board fairly reflects the interest of the significant shareholders, without compromising the interest of the minority shareholders. The Board composition is also in compliance with paragraph 15.02 of the MMLR.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.3

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

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

Application	:	Not applicable - Step Up 5.4 adopted	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Adopted												
Explanation on adoption of the practice	:	<p>Paragraph 6.4.5 (d) of the Board Charter limits the tenure of its INED to 9 years. The BNE Policy also provides the limitation on tenure for INED of only up to 9 years, with every 3 years the INED shall cease as a director and needs to be re- appointed by the Board.</p> <p>As at 31 December 2022, FGV has 5 INED and none of them have exceeded the maximum 9 years. Their length of service as at 31 December 2022 is as follows:</p> <table border="1"><thead><tr><th>Name of Director</th><th>Years of service</th></tr></thead><tbody><tr><td>Dato' Nonee Ashirin Dato'Mohd Radzi</td><td>1-2 years</td></tr><tr><td>Dato'Mohd Rafik Shah Mohamad</td><td>1-2 years</td></tr><tr><td>Kasmuri Sukardi</td><td>1-2 years</td></tr><tr><td>Nik Fazila Nik Mohamed Shihabuddin</td><td>1-2 years</td></tr><tr><td>Azmin Che Yusoff</td><td>Less than 1 year</td></tr></tbody></table> <p>Under Clause 106 of FGV's Constitution, the term of INED shall not exceed 3 years. Upon completion of the 3-year tenure, such INED shall cease to be a Director, but may still be eligible for re-appointment.</p> <p>The INED on the Board act as caretakers of the minority shareholders' interest, and their views carry significant weight in the Board's decision-making process. The presence of INEDs fulfils a pivotal role in corporate accountability. Although all the Directors have equal responsibility at the Board level, the roles of these INEDs are particularly important as they provide unbiased and independent views, advice, as well as judgement to take account of the interests, not only of the Group, but also that of minority shareholders, employees, customers, suppliers and the many communities within which the Group conducts its business. The Board places great importance on the balance of its INEDs since they serve as an essential source of impartial and professional guidance to protect the interest of the shareholders.</p> <p>The Board reviews the independence of its INEDs as part of its annual BEA. The Board has undertaken an assessment of the INEDs, and has concluded that each of them continues to demonstrate behaviour that</p>	Name of Director	Years of service	Dato' Nonee Ashirin Dato'Mohd Radzi	1-2 years	Dato'Mohd Rafik Shah Mohamad	1-2 years	Kasmuri Sukardi	1-2 years	Nik Fazila Nik Mohamed Shihabuddin	1-2 years	Azmin Che Yusoff	Less than 1 year
Name of Director	Years of service													
Dato' Nonee Ashirin Dato'Mohd Radzi	1-2 years													
Dato'Mohd Rafik Shah Mohamad	1-2 years													
Kasmuri Sukardi	1-2 years													
Nik Fazila Nik Mohamed Shihabuddin	1-2 years													
Azmin Che Yusoff	Less than 1 year													

	<p>reflects their independence, which is in accordance with the definition of Independent Directors under paragraph 1.01 of the MMLR.</p> <p>The Board is satisfied that all its INEDs represent the interest of the minority shareholders by virtue of their roles and responsibilities. As such, the Board considers that all of its INEDs continue to demonstrate independence.</p> <p>Shareholders and other interested parties may continue to address any concerns in writing or via telephone, facsimile or email as follows:</p> <p>Tel : +603 2789 0021</p> <p>Fax : +603 2789 0001</p> <p>Email : sid@fgvholdings.com</p> <p>Postal address : FGV Holdings Berhad Level 21, Wisma FGV Jalan Raja Laut 50350 Kuala Lumpur, Malaysia</p>
--	---

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>BOARD</p> <p>The Board recognises the benefits of having a diverse Board to ensure that the mix and profiles of the Board members in terms of age, gender, perspectives, academic background, experience and expertise for an effective Board. The Board's balance and composition, gender diversity, tenure, age diversity together with the skills and experience mapping can be found in the AIR 2022.</p> <p>The MMLR requires that a listed corporation to have a fit and proper policy (including addressing Board quality and integrity) for the appointment and re-appointment of Directors of the listed corporation and its subsidiaries.</p> <p>FGV already has in place its fit and proper policy i.e. BNE Policy which includes policies on Board composition, independence, conflict of interest and Board assessment. The policy on Board composition has taken into account the mix of skills, independence and diversity required to meet the needs of the Group.</p> <p>The BNE Policy laid out a detailed and thorough process for appointment of Directors, including appointment, re-election or re-appointment, which took into consideration the relevant statutory/regulatory requirements with additional procedures based on the Company's needs for stringent Board selection, to ascertain suitability and ability to commit to the Company.</p> <p>The NRC assesses the suitability of Board candidates, taking into account the following before recommending their appointment to the Board for approval:</p> <ul style="list-style-type: none">• Relevant skills, knowledge, expertise and experience (competency);• Existing directorships and current professional responsibility;• Character, professionalism and integrity;

- Number of directorships and other obligations (time commitment);
- Selection criteria set out in the BNE Policy; and
- Any other criteria which the NRC deems appropriate.

Upon identification of candidate, the NRC shall conduct an assessment and evaluation of the proposed candidate. The assessment/evaluation process may include, at the NRC's discretion, reviewing the candidate's resume, curriculum vitae and relevant information, confirming the candidate's qualifications, conducting legal and other background searches as well as a formal or informal interview.

For an INED position, additional assessment on independence based on criteria set out in the BNE Policy shall be carried out.

After the candidates have been shortlisted by the NRC, the Company Secretary shall conduct criminal offences/infractions check, bankruptcy and integrity checks on the shortlisted candidates before the proposal for appointment is tabled to the Board.

As recommended by the Malaysian Anti-Corruption Commission (MACC), the BNE Policy prohibits nomination of an Active Political Person (i.e. Member of Parliament, State Assemblyman, Supreme Council Member of a political party or member who holds a position at divisional level in a political party) to be a Director of the Company. As at 31 December 2022, no Active Political Person sits on the Board.

The Board remains focused on enhancing the diversity of Directors' perspectives. Directors are chosen for their corporate leadership skills, experience and expertise. Diversity of experience in business as well as academic backgrounds are also considered. The right blend of skills and experience is crucial in ensuring the attainment of long-term value for FGV's shareholders.

For FY2022, the NRC and the Board were given sufficient time to review, deliberate and finalise the nomination and selection of 1 INED.

SENIOR MANAGEMENT

The appointment of Senior Management is based on the prevailing organisation structure, business strategies and succession planning.

The selection processes were rigorous and robust with assessment on the candidates' leadership quality, capabilities, competency level and add value for the organisation before recommending their appointments to the NRC.

FGV also prohibits its employees including Senior Management to hold any position in any political party at any level except as an

	ordinary member.	
	There are currently four (4) women in the Senior Management. The diversity of Senior Management's composition in terms of gender, age, working experiences, skills and background can be found on page 119 to 125 of the AIR 2022.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>Directors selection is based on the Board succession planning framework on the preferred skills, knowledge, expertise and experience required.</p> <p>The BNE Policy provides that the sourcing of the candidates to the Board may be undertaken internally via recommendations by the Chairman of the NRC, and within the bounds of practicality, by the Directors or major shareholders of FGV or undertaken externally through the recommendations of independent third party service providers appointed by the Board.</p> <p>Regardless of the source of recommendation, all candidates will undergo the same process for Directors selection.</p> <p>With reference to paragraph 15.08A(3)(b) of the MMLR, the pool of potential Director candidates (the Pool) has been continually refreshed, having regard to the selection criteria, to ensure that the list of potential candidates remains relevant and offers the talent/skills required for the NRC and Board's consideration.</p> <p>The NRC shall then make a full assessment of the potential candidates, in accordance with Clauses 6.1.2, 6.1.3 and 6.1.4 of the BNE Policy, to evaluate whether they have the necessary and desirable core competencies to discharge their responsibilities effectively before they are recommended to the Board.</p> <p>For appointment of INED, the NRC shall include the additional criteria of independence in the assessment, as per Clause 6.2.2 of the BNE Policy. The potential candidate will also be required to confirm that he/she meets the criteria for an INED as prescribed in the MMLR and its Practice Note 13 prior to recommending to the Board for approval of his/her proposed appointment as an INED.</p> <p>Meanwhile, in order to ensure that Directors have sufficient time to fulfil their roles and responsibilities effectively, the criteria as agreed by</p>

	<p>the Board for determining candidates for the Pool is that they must not hold directorships of more than 5 public listed companies (as prescribed in paragraph 15.06 of the MMLR).</p> <p>In FY2022, there was 1 INED appointed. The selection was from a Pool of resume/curriculum vitae of potential candidates from internal and external independent sources. The NRC then reviewed the profiles from the Pool, shortlisted the potential candidates, interviewed them and made a full assessment of the potential candidates. Based on the interviews, the potential candidates were shortlisted again by the NRC. The Company Secretary then conducted criminal offences/ infractions check, bankruptcy and integrity checks the shortlisted candidate and only candidates who have passed the background checks will be recommended to the Board for consideration.</p>	
Explanation for departure		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure		
Timeframe		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>At the 14th AGM, the Directors standing for re-election are listed in the notice of the AGM and statement accompanying the notice of the AGM. The information on these Directors such as name, age, gender, working experience, whether they have any conflict of interest, directorship in other companies as well as details of any interest, is provided under their respective profiles in the AIR 2021 and the statement accompanying notice of the AGM.</p> <p>For the purpose of determining the eligibility of the Directors to stand for re-election at the 14th AGM, the Board through its NRC had assessed each of the retiring Directors, and considered the following:</p> <ul style="list-style-type: none">• The Director's performance and contribution based on the outcome of the BEA 2021;• The Director's level of contribution to the Board deliberations through his/her skills, experience and strength in qualities; and• The level of independence demonstrated by the Independent Directors, and his/her ability to act in the best interest of the Company in decision making. <p>All the INEDs standing for re-election at the 14th AGM have not exceeded the 9-year term as INED. An assessment of their independence was also conducted based on the criteria prescribed under the MMLR and both the NRC and the Board concurred that the INEDs standing for re-election at the forthcoming 15th AGM have maintained their independence throughout their tenure as Directors of the Company.</p> <p>Based on the outcome of the above assessment, the Board approved the NRC's recommendation that the retiring Directors to stand for re-election.</p>

	<p>The Board's statement on its concurrence with NRC's recommendation on the re-election of the retiring Directors; and reasons for the Board's support on the re-election of the retiring Directors are provided in details in Corporate Governance Overview Statement (CGOS) in the AIR 2022.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC ToR specifies that the chairmanship of NRC is to be held by an INED. Encik Azmin Che Yusoff, an INED was appointed as NRC Chairman on 17 October 2022. Prior to his appointment, the Chairman was Dato' Mohd Rafik Shah Mohamad, the Senior Independent Director who served from 6 September 2021 until 16 October 2022.</p> <p>As per the NRC ToR, the NRC Chairman shall:</p> <ul style="list-style-type: none">• lead the succession planning and appointment of Directors, and oversee the development of a diverse pipeline for the Board and management succession, including the future Chairman, Executive Directors and Top Management; and• lead the annual review of BEA, ensuring that the performance of each individual Director and Chairman of the Board are independently assessed.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board Charter provides that the Board will endeavour to maintain a minimum of 30% women Directors in its composition.</p> <p>The Board maintained at least 30% women Directors on the Board. As at 31 December 2022, FGV Board comprised of 6 men and 3 women Directors (33% women representation).</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The BNE Policy has a provision on diversity for the Board that includes gender. However, there was no gender diversity policy for Senior Management. FGV is committed to provide equal opportunity in recruitment and career growth regardless of ethnicity, culture, age and gender. FGV is also committed to integrating a gender perspective to fulfil the Group's responsibility in respecting human rights.</p> <p>In 2022, FGV become a signatory of the Women's Empowerment Principles developed by the United Nations Global Compact and United Nations Women. There are four women in the Group Management Committee of FGV.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	To establish a gender diversity policy for Senior Management.	
Timeframe	:	Others	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: BEA FGV conducts its BEA annually and the BEA procedures is covered underthe BNE Policy; which provides that the BEA shall be conducted by an independent professional consultant. The BEA was conducted to assess the effectiveness of the Board as a whole, the Board Committees and the individual Directors in accordance with paragraph 15.08A(3)(c) of the MMLR, Practice 6.1 of the MCCG and the BNE Policy, which includes a review on the tenure ofeach Director, an assessment on the independence of Independent Directors, a review on the performance of the Board in addressing the Company’s material sustainability risks and opportunities as well as a review on the term of office and performance of the AC and each of itsmembers to determine whether they have carried out their duties in accordance with the AC’s ToR. As per the BNE Policy, an independent professional consultant (external consultant) was appointed to assist the NRC to facilitate an objective and candid BEA. KPMG Management & Risk Consulting Sdn Bhd (KPMG MRC) was appointed to conduct the BEA. Assessment forms were drafted by KPMG based on existing assessmentforms as per the BNE Policy. The assessment forms/questionnaires were then distributed and completed by respective Board members. KPMG MRC conducted a one-on-one interview with the Board and selected Senior Management on a confidential basis to gather further insights on the responses of the assessment forms. The responses in the assessment forms as well as the responses

	<p>during the interview sessions were then compiled and analysed by KPMG MRC.</p> <p>The results of the BEA were presented by KPMG MRC to the Chairman and NRC Chairman and subsequently to the Board.</p> <p>KPMG MRC also produced recommendations on the trainings needed for each individual Director based on the bilateral assessment approach. The individual Directors' score was tabulated based on the questionnaire responses as gathered by the Board members.</p> <p>The Board had initiated Board Improvement Plans following the recommendations.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>BOARD</p> <p>FGV has in place a Board Remunerations Policy (BRP Policy) which sets out the processes and procedures in determining the remuneration for the Directors. The differentiation on remuneration for Non-Executive Directors, Executive Directors and Senior Management are also described in the BRP Policy.</p> <p>The BRP Policy provides that the Board, via the NRC, shall conduct a high level review and shall perform an in-depth benchmarking of the remuneration packages of the Board at least once in 2 years to ensure fairness and competitiveness relative to the market (based on market positioning, revenue, performance, total assets, profit after tax and market capitalisation of the comparator groups), to attract, retain and motivate the Board.</p> <p>Section 230(1) of the CA 2016 provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.</p> <p>The remuneration packages of the Board were reviewed, benchmarked and approved by shareholders in 2022.</p> <p>In 2022, FGV had appointed an independent consultant to conduct a review and benchmarking on the Non-Executive Directors' remuneration. The NRC deliberated on the independent consultant's recommendations and after due deliberation, having regard to the complexity as well as the number of business verticals of FGV Group, modifications were recommended and presented to the Board.</p>

The detailed remuneration received by FGV Board members are disclosed in the CGOS in the AIR 2022.

Summary of the Non-Executive Directors' Remuneration Policy is disclosed in the CGOS in the AIR 2022 and published in FGV's corporate website at www.fgvholdings.com.

SENIOR MANAGEMENT

The remuneration framework for all the employees inclusive of the Senior Management are guided by the Group's Compensation Policy (GC Policy) which is established for three purposes:

- a) To attract and retain the most qualified talent into the Group by offering competitive remuneration packages;
- b) To fairly compensate all employees of the Group according to job functions; and
- c) To ensure fair and equitable distributions of compensation packages internally and externally based on performances and deliverables.

The GC Policy includes processes and procedures in determining the remuneration of Senior Management. In addition to the GC Policy, relevant Standard Operating Procedures (SOP) and guidelines were also established to address the processes and procedures in determining the remuneration of Senior Management.

The NRC reviews the Senior Management's remuneration framework taking into consideration the best practices, views of industry experts, obtaining and analysing the available data, stakeholders and the market at large. The NRC also reviews the remuneration packages for the Senior Management as per the prevailing Group's Limit of Authorities (LOA) and ensure the remuneration level is sufficient to attract, retain and motivate high calibre individuals with the required qualification, skills, talent and experience.

The Senior Management's remuneration structure consists of fixed and variable elements and is linked to individual performance and contribution to the Group's achievement. It is periodically reviewed and benchmarked against the industry to ensure competitiveness.

Group Human Capital (GHC) was tasked to review and link the remuneration of the Senior Management especially performance based remuneration to the individual's performance and contribution to the Group and also benchmarked against the industry to ensure alignment and pay competitiveness. GHC presents high standards of professionalism, serve to regulate the governance of remuneration strategy that emphasizes on boarder look of compensation proposals to NRC which includes annual salary increments, performance bonuses, promotions, salary adjustments, promotion adjustments, other benefits and benefits-in-kind.

	<p>The Board is responsible for assessing the performance of the GCEO, Company Secretary, Chief Internal Auditor and Head, Group Governance and Risk Management while the rest of the Senior Management's performance is assessed by the GCEO. The Senior Management's performance bonus is linked to their individual contribution towards FGV's business performance.</p> <p>The GC Policy takes into account market competitiveness, the demands, complexities of the roles or functions and performance of the Group as well as the individual employee's skills and experiences, performance and potential.</p> <p>The GC Policy was last reviewed in January 2022 and a summary of the Senior Management's remuneration is disclosed in FGV's corporate website at www.fgvholdings.com.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied	
Explanation on application of the practice	:	FGV has established a NRC which comprises exclusively of Non-Executive Directors and majority of its members are INED and chaired by an INED. The NRC ToR includes NRC's role in developing and reviewing the remuneration policies for Non-Executive Directors and Senior Management. The full details of the NRC ToR is published in FGV's corporate website at www.fgvholdings.com . The summary of work of the NRC is disclosed in the NRC Report in the AIR 2022.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>FGV has been disclosing in detail on named basis the remuneration of individual Directors in aggregate from FGV and the Group, with categorisation into components, distinguishing between NINED and INED which include fees, benefits-in-kind and other benefits, disclosed in the CGOS in the AIR 2022.</p> <p>The detailed remuneration of individual Directors on named basis in aggregate from FGV and the Group, with categorisation into components, distinguishing between NINED and INED which include fees, benefits-in-kind and other benefits for FY2022 is disclosed below including 2 directors who resigned/demised during the year :</p> <ol style="list-style-type: none">1. Dato' Yusli Mohamed Yusoff2. Datuk Dr Zunika Mohamed <p>Note: <i>* Dato' Dzulkifli Abd Wahab had agreed to waive his fees of RM36,187.00 as Chairman of Board Sustainability Committee and had agreed to waive his Board Sustainability Committee's meeting allowance of RM10,000.00.</i></p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Dzulkifli Abd Wahab*	Non-Executive Non-Independent Director	394	115	-	-	15	1	525	-	-	-	-	-	-	-
2	Dato' Amiruddin Abdul Satar	Non-Executive Non-Independent Director	172	36	-	-	-	1	209	-	-	-	-	-	-	-
3	Dato' Shahrol Anuwar Sarman	Non-Executive Non-Independent Director	172	36	-	-	-	1	209	-	-	-	-	-	-	-
4	Datuk Yatimah Sarjiman	Non-Executive Non-Independent Director	137	34	-	-	-	1	172	-	-	-	-	-	-	-
5	Dato' Mohd Rafik Shah Mohamed	Independent Director	263	87	-	-	-	2	352	-	-	-	-	-	-	-
6	Dato' Nonee Ashirin Dato' Mohd Radzi	Independent Director	229	64	-	-	-	1	294	-	-	-	-	-	-	-
7	Kasmuri Sukardi	Independent Director	208	67	-	-	-	2	277	-	-	-	-	-	-	-
8	Nik Fazila Nik Mohamed Shihabuddin	Independent Director	229	90	-	-	-	1	320	140	42	-	-	-	1	503
9	Azmin Che Yusoff	Independent Director	67	20	-	-	-	1	88	-	-	-	-	-	-	-
10	Dato' Yusli Mohamed Yusoff	Independent Director	29	15	-	-	-	1	45	-	-	-	-	-	-	-
11	Datuk Dr Zunika Mohamed	Non-Executive Non-Independent Director	30	2	-	-	-	1	33	-	-	-	-	-	-	-

Intended Outcome

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

Practice 8.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>FGV believes that the disclosure of the Senior Management's remuneration components in detail (including their salary, bonus, benefits in-kind and other emoluments) on a named basis as per the prescribed table may be detrimental to its business interests, given the competitive human resource environment for personnel with the requisite knowledge, expertise and experience in FGV's business activities where poaching has become commonplace.</p> <p>FGV notes the need for corporate transparency in the remuneration of the Senior Management, however, FGV believes that the interest of the shareholders is not prejudiced as a result of such non-disclosure.</p> <p>FGV has identified its top 5 Senior Management positions and their total remuneration received for FY2022 on a named basis which includes salary, bonus, benefits in-kind and other emoluments in bands of RM50,000 per annum as per the following. The same is disclosed in the CGOS in the AIR 2022.</p> <p>The top five Senior Management's remuneration for 2022 (in the bands of RM50,000) include Dato' Mohd Nazrul Izam Mansor (GCEO), Dato' Mohd Hairul Abdul Hamid (GCFO), Mohd Sarian Md Sahid (Group Divisional Director, Plantation Sector), Azman Ahmad (Group Divisional Director, Logistics & Others Sector) and Syed Feizal Syed Mohammad (Group CEO), MSM Malaysia Holdings Berhad). The remuneration includes salaries, bonuses, benefits-in-kind and other emoluments.</p> <p>FGV opts not to disclose the top 5 Senior Management's remuneration components in detail (including their salary, bonus, benefits in-kind and other emoluments) on a named basis as per the prescribed table below under Practice 8.2 to the public at large.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	: FGV has disclosed the top 5 Senior Management positions on a named basis based on total remuneration that includes salary, bonus, benefits in-kind and other emoluments in bands of RM50,000. The Board will continue to review the application of Practice 8.2 disclosure requirement from time to time for future consideration.
Timeframe	: Others

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	Dato' Mohd Rafik Shah Mohamad, a Senior INED is the Chairman of the AC. He is a qualified Chartered Accountant from the Malaysian Institute of Accountants (MIA) and is a fellow of the Association of Chartered Certified Accountants (ACCA), UK. He is not the Chairman of the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The requirements that a former partner of the external auditors of the Company (include all former partners of FGV's external auditors firm and/or affiliate firm including those providing advisory services, tax consulting, etc.) must observe a cooling-off period of at least 3 years before being appointed as a member of the AC is set out under the AC ToR.</p> <p>As at 31 December 2022, none of the AC members were former partners of the external auditors of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>APPOINTMENT AND RE-APPOINTMENT OF EXTERNAL AUDITOR</p> <p>The AC ToR stipulates the requirements for the establishment of the policies and procedures to assess the suitability and independence of external auditors. FGV has in place an External Auditor Policy and Procedures (EAPP) which covers the appointment and re-appointment of external auditors, assessing their performance and independence, audit partner rotation, audit delivery and reporting, engagement of external auditor for non-audit services and removal of external auditor. The EAPP states that the Group shall only engage external auditors from the top 4 firms of professional accountants for the Financial Statements statutory audit of the Group, and as far as practicable, the Group shall maintain the engagement of one external audit firm for the Group covering all listed and unlisted subsidiaries within Malaysia and abroad. Any new appointment or replacement of external auditors shall be through a formal tendering process.</p> <p>FGV currently engages PricewaterhouseCoopers PLT (PwC) as its external auditor for the Group. A suitability and independence assessment has been undertaken through a checklist of factors considered prior to proposing the re-appointment of PwC as external auditor of the Group for FY2022 at the 14th AGM. Among the factors considered were calibre of the audit firm, its quality process/performance, the audit team, its independence and objectivity, audit scope, planning and methodology, audit fees, audit deliverables and audit communications. From the assessment, the AC concluded that PwC remains suitable and independent for re-appointment as the external auditor.</p> <p>For the proposed re-appointment of PwC as auditors of the Group for FY2022, apart from the above factors, the assessment also took into consideration the information presented in the Annual Transparency Report of PwC which includes PwC's legal and governance structure, indicators of audit quality, measures taken by PwC to ensure audit quality and to manage risk. This process is embedded in the EAPP.</p>

EFFECTIVENESS OF THE EXTERNAL AUDITOR

The EAPP requires that the external auditor's performance and independence be assessed using an assessment checklist covering the following, upon completion of every annual audit.

- Calibre of external audit firm
- Quality of process/performance
- Audit team
- Independence and objectivity
- Audit scope, planning and methodology
- Audit fees
- Audit deliverables
- Audit communication
- Information presented in the Annual Transparency Report of the audit firm

The assessment shall be undertaken by the Group and subsidiaries before the finalisation of the Group's statutory Financial Statements and submitted for the AC's deliberation. Where the AC concludes that the performance of the external auditor is less than satisfactory, the AC shall consider the next course of action, which may include:

- Discussion with the external audit firm to resolve performance issues;
- Replacement of members within the external audit team; or
- Not recommending reappointment of the external auditor.

ASSESSING INDEPENDENCE OF EXTERNAL AUDITOR

Based on the EAPP, the external auditor shall be required to update the AC of its Independence Framework and discuss independence issues as part of its Group Audit Plan presented to the AC by the third quarter of every financial year. The external auditor shall also provide a written assurance confirming that the engagement team has been independent throughout the conduct of the audit of the statutory Financial Statements in accordance with the terms of all relevant professional and regulatory requirements.

The EAPP also states that relationships that may result in impairment of the external auditor's independence and objectivity shall be prohibited. Any threats to independence shall be disclosed to the AC together with assessment of the mitigation actions to eliminate the threats or reduce them to an acceptable level.

During the year 2022, PwC presented its written assurance on independence through their Group Audit Plan and Report to the AC for the audit for FY2022. PwC also does not assume any responsibilities of management in the course of providing non-audit services hence reducing the risk of a breach of the independence requirements on the part of PwC. Based on the assessment above,

there was no relationship that may have impaired PwC's independence and objectivity.

AUDIT PARTNER ROTATION

FGV has adopted the latest ruling of the MIA on audit partner rotation which allows rotation of the engagement partner every 7 years. When rotated off the audit, the engagement partner shall not be a member of the engagement team for 3 consecutive years.

A new lead and signing partner of PwC has been assigned to the Group for the annual audit of the statutory Financial Statements for FYE 31 December 2022.

AUDIT DELIVERY AND REPORTING

Upon approval of the audit fees by the Board, the external auditor's engagement letter shall be signed by the GCFO. The deliverables and reports from the audit of the statutory Financial Statements shall be communicated and agreed upon through the Group Audit Plan by the third quarter of every financial year. A Management representation letter shall be issued to the external auditor upon completion of the statutory audit for each company under the Group.

ENGAGEMENT OF EXTERNAL AUDITOR FOR NON-AUDIT SERVICES

The external auditor may be engaged to perform permitted audit or non-audit services as detailed in the EAPP provided the engagement does not impair the independence of the external auditor in its audit of the statutory Financial Statements. The EAPP also specifies prohibited non-audit services which the external auditor shall not be engaged for. All services to be awarded to the external auditor shall be subjected to independent assessment and monitoring.

For practical purposes, the AC has pre-approved a cumulative sum of up to RM100,000 for Malaysian Financial Reporting Standards (MFRS) and Financial Statements related training and works as non-audit services by the external auditor to be engaged by the Management. These engagements shall be reported to the AC every quarter.

The fees paid/payable to the external auditor, PwC, in FY2022 were as follows:

		FEES PAID/PAYABLE TO PWC IN 2022	RM'000
		Audit Fees	
		• PwC Malaysia	4,251
		• Member firms of PwC International Limited (PwCIL)	1,055
		Audit-Related Fees	
		• Member firms of PwCIL	1,471
		• Other non-audit fees paid to PwC Malaysia and member firms of PwCIL	2,680
		TOTAL	9,457
		REMOVAL OF EXTERNAL AUDITOR	
		<p>In the event of any removal or resignation of the external auditor, the AC shall consider the reason for the removal or resignation to make its recommendation to the Board. The selection of a new external auditor shall be conducted through invitation for a closed tender procurement process with the other top 3 accounting firms through the Group's normal Procurement Policies and Procedures. The termination shall be approved by the shareholders at the AGM together with the proposal for the appointment of a new external auditor.</p>	
		<p>From assessment conducted by the AC on PwC's performance in FY2022, the AC has concluded that PwC remains suitable for appointment as external auditor and recommend their reappointment for FY2022.</p>	
		KEEPING UPDATED ON RELEVANT INFORMATION	
		<p>The external auditor updates the AC members on changes to accounting standards and issues related to financial reporting through quarterly meetings.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	<p>For FY2022, the composition of AC members are as follows:</p> <ol style="list-style-type: none">1. Dato' Mohd Rafik Shah Mohamad – Chairman (Senior INED);2. Dato' Shahrol Anuwar Sarman – member (NINED);3. Nik Fazila Nik Mohamed Shihabuddin – member (INED); and4. Azmin Che Yusoff – member (INED). <p>Currently, the AC members comprise entirely of INEDs since the step down of Dato' Shahrol Anuwar Sarman (Interim Chairman) as AC member on 13 April 2023. Hence, the current composition of AC members are as follows:</p> <ol style="list-style-type: none">1. Dato' Mohd Rafik Shah Mohamad – Chairman (Senior INED);2. Nik Fazila Nik Mohamed Shihabuddin – member (INED); and3. Azmin Che Yusoff – member (INED). <p>The composition of the AC and the qualifications of its members comply with Paragraph 15.09 of MMLR of Bursa Securities and are reflected in the AC's TOR contained in the Board Charter, which is available on the Company's website at www.fgvholdings.com.</p>

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>For FY2022, 3 of the AC members are qualified Chartered Accountant from the Malaysian Institute of Accountants (MIA) and are financially literate and able to analyse and interpret Financial Statements to effectively discharge their duties and responsibilities. The AC, therefore, meets the requirements of paragraph 15.09(1)(c) of the Listing Requirements which stipulates that at least one member of the AC must be a qualified accountant.</p> <p>The details of the AC members' trainings attended in FY2022 were as follows:</p> <ul style="list-style-type: none">• MIA International Accountants Conference 2022: Leading ESG, Charting Sustainability;• Audit Committee Conference 2022 - Beyond Effectiveness: Governance, Sustainability and Agility; and• Webinar on the Audit Committee – Unpacking The Roles of the Committee & Honing Its Effectiveness in Discharging Its Responsibilities Holistically. <p>The Board evaluated the AC's performance and the extent to which the AC met the requirements of its ToR, including the term of office and performance of the AC and each of its members.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board via the Board Governance & Risk Management Committee (BGRMC) oversees the Group's risk management and internal control framework and reviews the adequacy and the integrity of the management information and internal control system of the Group.</p> <p>Among BGRMC's responsibilities in relation to risk management:</p> <ul style="list-style-type: none">• direct and oversee the formulation of the Group's overall enterprise risk management framework and strategies, including policies, procedures, systems, capability and parameters to identify, assess and manage risks to ensure their relevance and appropriateness to the Group's position and business;• advise and report to the Board, the overall risk appetite, tolerance and strategy on managing business risks;• report to the Board, key business risks and seeks its approval on the management of key business risks that are aligned to the Group's risk appetite;• monitor the effectiveness and progress of management of key business risks and accordingly report to the Board the status of the key business risks; and• recommend to the Board, the approval of and/or amendments to the Group risk management framework and strategies, including policies, procedures, systems, capability and parameters, as relevant. <p>The risk management and internal control system covers financial, strategy, risk management, operations, governance, regulatory and compliance matters. The Board recognises that the risk management and internal control system is designed to manage, rather than eliminate, the risks of not adhering to the Group's policies and achieving goals and objectives within the risk appetite and risk tolerance established by the Board and Management. Therefore, the internal control system provides reasonable, but not absolute, assurance against the occurrence of any material misstatement, loss or fraud.</p> <p>The BGRMC is supported by Group Governance and Risk Management Division (GGRM) to oversee the Group's risk management process and to ensure that there are systems in place</p>

	<p>which effectively monitor and manage risks. The risks, their mitigation and action plans are tracked through the Enterprise Risk Management System (ERMS) and updated quarterly.</p> <p>GGRM also ensures that there is a sound framework of reporting on internal control and regulatory compliance. The key elements of FGV's internal control structure are as follows:</p> <ul style="list-style-type: none"> • Policies and procedures; • Ethics and integrity; • Information and monitoring; • Authority and responsibility; and • Competency. 	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>GGRM monitors and reports to BGRMC and the Board on the key risks and uncertainties that can impact the Group. The Group's management systems, through the organisational structure, policies and procedures, core values and code of conduct, together form a system of internal control that governs how the Group operates its business and manages associated risks.</p> <p>The Group's risk management process is supported by policies and procedures that are consistent with the ISO 31000 Risk Management Standard, developed to aid employees in undertaking their risk management responsibilities.</p> <p>GGRM undertakes the following responsibilities, among others:</p> <p>STRATEGIC</p> <ul style="list-style-type: none"> • Risk Reporting & Analytics; • Risk Framework & Review; and • Policy & Procedure Management (PPM) <p>OPERATIONAL</p> <ul style="list-style-type: none"> • Enterprise Risk Management System (ERMS); • Business Continuity Management; and • Operational Assessment <p>ETHICS & INTEGRITY</p> <ul style="list-style-type: none"> • Ethics & Integrity Engagement; and • Ethics & Integrity Awareness. <p>WHISTLEBLOWING & DETECTION</p> <ul style="list-style-type: none"> • Complaint Management; • Detection; and • Grievance Management <p>The Group has a structured process to monitor and review risks to ensure that the controls are adequate. The process involves establishing the strategic, organisational and risk management process, risk identification, risk analysis, risk evaluation, risk</p>

	<p>treatment, risk reporting, risk monitoring, continual review of risks and the effectiveness of the risk mitigation strategies and controls.</p> <p>Further details on the management and reporting of the key risks and the controls in place to mitigate and manage those risks are provided in the Statement on Risk Management and Internal Control in the AIR 2022 .</p>	
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	As per the BGRMC ToR, BGRMC comprise exclusively of Non-Executive Directors and majority of its members are INED.

Intended Outcome

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

Practice 11.1

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

Application	: Applied
Explanation on application of the practice	<p>FUNCTIONAL INTERNAL AUDIT REPORTING LINE</p> <p>The Group has an in-house Group Internal Audit (GIA) function, which reports directly independently to the AC on its functional role and administratively to the GCEO. The GIA function is led by the Chief Internal Auditor (CIA) who has full and direct access to the AC members for consultation on any matters related to internal audit work.</p> <p>The AC annually reviews, provides guidance and approves the Audit Plan for execution of the functional internal audit roles, which includes the following to ensure that the GIA function continues to perform its functions and objectively:</p> <ul style="list-style-type: none">• the adequacy of the GIA function’s scope, competency, experience, resources and organization structure annually together with the Audit Plan;• the budget of the GIA function annually together with the Audit Plan; and• the appointment, removal and remuneration of the CIA at the appropriate time. <p>ADEQUACY OF SCOPE</p> <p>The conduct of GIA function is based on a GIA Charter and GIA SOP, which are established consistent with the requirements of the Institute of Internal Auditors’ International Professional Practices Framework (IPPF) and approved by the AC and the Board. The GIA Charter and the GIA SOP provide an objective and disciplined approach to evaluate and improve the effectiveness of risk management, internal control, anti-corruption, whistleblowing and governance processes.</p>

	<p>APPOINTMENT, REMOVAL AND REMUNERATION OF THE CIA</p> <p>The AC reviews the performance of the CIA individually annually and decides on the remuneration of the CIA. Any feedback from the AC is taken as improvement points for GIA to develop the function to higher effectiveness, objectivity and maturity. The AC also reviews the report on the external Quality Assurance Review on the GIA function conducted once in every 5 years with the last one tabled to the AC in 2019.</p> <p>INTERNAL AUDIT REPORTS</p> <p>The results of GIA’s internal audit work together with recommendations to improve the effectiveness of risk management, internal control, anti-corruption, whistleblowing and governance processes are disclosed in the GIA reports, which are issued directly to the AC and copied to the relevant Management. Relevant Management members are made responsible to ensure that the enhancements are undertaken within the required timeframes. GIA function then follows-up to ensure that the corrective actions are undertaken appropriately.</p> <p>Major areas of weaknesses are tabled to the AC at its quarterly meeting. The AC Chairman then brings a summary of the major matters to the Board through its report for the Board’s information and direction, if necessary. The CIA provides advice for the AC and the Board concerning areas of weaknesses or deficiencies in internal processes to facilitate appropriate remedial measures by the company through the recommendations in the GIA reports and any verbal advisory platforms. The GIA function does not have any executive authority in relation to the Group’s operational processes to maintain its objectivity to provide impartial advice to the AC.</p> <p>The detailed activities carried out by the GIA function are provided in the AC Report in the AIR 2022.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied												
Explanation on application of the practice	:	<p>OBJECTIVITY AND INDEPENDENCE OF GIA</p> <p>To ensure that the GIA personnel are free from any relationships or conflict of interest, which could impair their objectivity and independence, GIA personnel are required:</p> <ul style="list-style-type: none">• to make declaration during their recruitment process if they have any relationships or conflict of interest with anyone in FGV; and• to annually repeat the above declaration. <p>In instances where from the said declarations, there are GIA have personnel who relations within FGV, the affected GIA personnel are rotated to areas of audit which do not involve their relations.</p> <p>NUMBER OF RESOURCES</p> <p>There were 55 internal auditors in the Group Internal Audit function as at 31 December 2022. The internal auditors have sufficient mix of knowledge, skills and competencies to execute the Audit Plan. The composition of the internal auditors and the corresponding professional status are as follows:</p> <table border="1"><thead><tr><th>Professional Status</th><th>Percentage of total Auditors</th></tr></thead><tbody><tr><td>• Professional accounting (ICAEW, CPA, ACCA, CA) or Certified Internal Auditor (CIA) or post-graduate (MBA or Masters)</td><td>21</td></tr><tr><td>• Certified IS Auditor (CISA)</td><td>8</td></tr><tr><td>• Graduate (Bachelor’s Degree)</td><td>54</td></tr><tr><td>• Graduate pursuing professional accounting (ICAEW, CPA, ACCA, CA) or CIA</td><td>17</td></tr><tr><td>Total</td><td>100</td></tr></tbody></table> <p>The above includes 22 internal auditors (42%) who are members of the Institute of Internal Auditors Malaysia.</p>	Professional Status	Percentage of total Auditors	• Professional accounting (ICAEW, CPA, ACCA, CA) or Certified Internal Auditor (CIA) or post-graduate (MBA or Masters)	21	• Certified IS Auditor (CISA)	8	• Graduate (Bachelor’s Degree)	54	• Graduate pursuing professional accounting (ICAEW, CPA, ACCA, CA) or CIA	17	Total	100
Professional Status	Percentage of total Auditors													
• Professional accounting (ICAEW, CPA, ACCA, CA) or Certified Internal Auditor (CIA) or post-graduate (MBA or Masters)	21													
• Certified IS Auditor (CISA)	8													
• Graduate (Bachelor’s Degree)	54													
• Graduate pursuing professional accounting (ICAEW, CPA, ACCA, CA) or CIA	17													
Total	100													

	<p>NAME AND QUALIFICATION OF THE PERSON RESPONSIBLE</p> <p>The CIA, Zalily Mohamed Zaman Khan, is a Certified Internal Auditor of the Institute of Internal Auditors Inc. (IIA), USA. She also holds Certification in Control Self-Assessment and Certification in Risk Management Assurance, both awarded by the IIA, USA. She is a Chartered Accountant with the MIA and a Fellow of the CPA Australia. Her detailed profile can be found in the AIR 2022.</p> <p>RECOGNISED FRAMEWORK</p> <p>The conduct of GIA function is based on a GIA Charter and GIA SOP, which are established consistent with the requirements of the Institute of Internal Auditors' International Professional Practices Framework (IPPF) and approved by the AC and the Board. The GIA Charter and the GIA SOP provide an objective and disciplined approach to evaluate and improve the effectiveness of risk management, internal control, anti- corruption, whistleblowing and governance processes.</p> <p>An external Quality Assurance Review (QAR) is undertaken once in every 5 years to assess the GIA function's performance against the IPPF. The most recent QAR was in 2019 and it affirmed that the GIA function has been conducting itself in accordance to the requirements of the IPPF.</p>	
<p>Explanation for departure</p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</p>	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>FGV is committed to continuously updating its stakeholders of any development and strategies that could enhance the long-term stakeholders' value. The Investor Relations (IR) Unit is tasked to effectively communicate with the stakeholders to ensure an ongoing and transparent dialogue with the company whilst providing a platform for them to receive a balanced view of the Group's performance and the challenges faced.</p> <p>Guided by the Shareholders Communications Policy, FGV ensures that its shareholders are provided with timely, factual, accurate, complete, unambiguous, broadly disseminated information and in accordance with the framework and guidelines to govern the release of material and sensitive information, in line with the disclosure requirements.</p> <p>The major channels of communication with the stakeholders include the following:</p> <p>CORPORATE WEBSITE</p> <p>FGV's corporate website at www.fgvholdings.com provides an essential platform for the investors and other stakeholders to access information. It is updated periodically to ensure the latest and accurate information on FGV is available and accessible by the stakeholders.</p> <p>STAKEHOLDER MEETINGS</p> <p>The GCEO and Senior Management hold periodic meetings with the stakeholders to share and discuss the Group's business performance and its strategic plan. In 2022, FGV increased its engagements with the investment community and conducted various one-to-one and group meetings to address the investors' concerns.</p> <p>BRIEFINGS ON QUARTERLY RESULTS</p> <p>FGV consistently hosts briefings and/or conference calls with analysts and the business media following the announcement of the quarterly results. Chaired by the GCEO or the GCFO, this platform enables the</p>

wider market to better understand the Group's performance and to seek clarifications on any concerns, if any. In 2022, the majority of briefings on Quarterly Results were conducted through virtual briefings.

Concurrent with the release of the Group's quarterly results announcement to Bursa Malaysia, FGV would conduct a briefing session to media and analyst to give further insights into FGV's performance for the year under review. The briefings are normally through face-to-face interaction with conference call facilities to ensure full access to the intended audience. However, unprecedented times called for digital channels to be adopted, with continued communications through virtual briefings. Following the previous practice, the GCEO would present the quarterly performance to the audience before proceeding with the Question and Answer (Q&A) session.

MEDIA COVERAGE

Another platform utilised by FGV to reach out to the public is the media. The media assists FGV in building a positive image and keeps the public informed of its developments. The Group also shares updates on its social media platforms (Facebook, Instagram, LinkedIn and YouTube) with an average of five postings per week. FGV builds a good rapport with its media partners by providing prompt and accurate response to queries from these media partners.

GENERAL MEETINGS

The general meetings are the primary platform for face-to-face interaction and remains the primary forum for dialogue between the shareholders and the Company represented by the Board and the Senior Management.

As per the Board Charter, it is the role of the Board to ensure that the general meetings of the Company are conducted in an efficient manner and serve as crucial mechanisms in shareholder communications. Key ingredients behind this include the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the general meetings. Through the use of technology, shareholders were able to participate remotely and cast their votes electronically. These enabled more shareholders to participate as they could do so remotely. Shareholders were able to view the proceedings of the 14th AGM through live streaming via LUMI AGM facilities at <https://web.lumiagm.com>. The proceedings of the fully virtual 14th AGM is disclosed in detail under Practice 13 of the CG Report.

ENQUIRIES

Shareholders are welcomed to raise queries or concerns regarding the Group throughout the year. Communication and feedback from the shareholders can be directed to the IR team or Group Strategic Communications team. Shareholders may also direct their enquiries

	with respect to their shareholding matters to the Company's Share Registrar and also raise their concerns to the Independent Director who assumes the role of the Senior INED. The contact details are as follows:	
	Contact	E-mail
	IR team	fgv.investors@fgvholdings.com
	Group Strategic Communications team	fgv.enquiries@fgvholdings.com
	Share Registrar	bsr.helpdesk@boardroomlimited.com
	Platform for shareholders/stakeholders to convey concerns	sid@fgvholdings.com
Explanation for departure :		
	<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 12.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>FGV has embarked on integrated reporting for its Annual Report since 2015, guided by the International Integrated Reporting Council (IIRC) Framework by the IIRC. AIR 2022 is FGV's 8th Annual Integrated Report and 11th Annual Report produced since FGV's listing on Bursa Malaysia Securities Berhad on 28 June 2012.</p> <p>FGV endeavours towards providing to the expectations of the stakeholders with regards to the growing demand for changes in corporate reporting and awareness of the importance of non-financial information in decision-making.</p> <p>This approach will provide a holistic picture of the combination, inter-relatedness and dependencies between the capitals that affect the Group's ability to create value over time, and assist shareholders in making an informed and balanced decision regarding the Company. FGV will continue to improve its Integrated Reports to be in line with global best practices.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>In accordance to Clause 61 of the Company's Constitution, the Company is required to give to all shareholders the notice of the AGM at least 21 days before the AGM date. The Notice of the 14th AGM was circulated to the shareholders via post and advertised in the newspapers on 28 April 2022 i.e. more than 28 days prior to the AGM date on 23 June 2022. This allows shareholders to make the necessary arrangements to attend and participate in person or through corporate representatives or proxies.</p> <p>The Notice of the 14th AGM was also sent by electronic mail to shareholders who had maintained their e-mail addresses in the Record of Depositors with Bursa Malaysia Depository Sdn Bhd and was also advertised in a local English newspaper. The aforesaid, Proxy Form, 14th AGM Administrative Details, AIR 2021, Audited Financial Statements FYE 31 December 2021, Circular to shareholders and the Corporate Governance Report 2021 were made available on FGV's corporate website at www.fgvholdings.com.</p> <p>The notes to the Notice of the 14th AGM provided detailed explanations for each resolution proposed to enable shareholders to consider the resolutions and make an informed decision when exercising their voting rights. The 14th AGM Administrative Details provided detailed procedures of the 14th AGM, the shareholders' entitlement to attend the 14th AGM and their right to appoint a proxy/corporate representative.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The general meetings are the primary platform for face-to-face interaction and remains the primary forum for dialogue between the shareholders and the Company represented by the Board and the Senior Management.</p> <p>In 2022, FGV held its 14th AGM fully virtual through live streaming and online remote voting.</p> <p>The Chairman, Board members, Company Secretary, GCEO, GCFO, other Senior Management, External Auditors and Independent Scrutineers were in attendance via video conferencing.</p> <p>All 8 Directors at that time attended the 14th AGM via Video conferencing:</p> <ul style="list-style-type: none">• Dato' Dzulkifli Abd Wahab (Chairman of meeting)• Dato' Amiruddin Abdul Satar• Dato' Shahrol Anuwar Sarman• Datuk Yatimah Sarjiman• Dato' Mohd Rafik Shah Mohamad• Dato' Nonee Ashirin Dato' Mohd Radzi• Nik Fazila Nik Mohamed Shihabuddin <p>As per the Board Charter, it is the role of the Board to ensure that the general meetings of the Company are conducted in an efficient manner and serve as crucial mechanisms in shareholder communications. Key ingredients behind this include the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the general meetings.</p> <p>The Chairman, GCEO, GCFO, AC Chairman and NRC Chairman provided meaningful response to questions raised by shareholders which were addressed to them by responding to pertinent questions and providing clarifications.</p>
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>For the past 3 AGMs, FGV had enabled remote shareholders' participation and online remote voting by leveraging technology in accordance with Section 327 of the Companies Act 2016.</p> <p>A third party service provider was engaged to provide the audio and visual support services to broadcast the proceedings of the 14th AGM virtually and to provide online platform/tools which support fully virtual setup. The online platform caters for registration, live broadcast, engagement for posting questions and addressing them as well as electronic voting.</p> <p>Through the use of technology, shareholders were able to participate remotely and cast their votes electronically. These enabled more shareholders to participate as they could do so remotely. Shareholders were able to view the proceedings of the AGM through live streaming via LUMI AGM facilities at https://web.lumiagm.com.</p> <p>Shareholders were given ample time to submit their votes from the commencement of the 14th AGM at 11.00 a.m. until the end of the voting session. The poll results were presented to the shareholders who participated online after it has been validated by the Independent Scrutineers.</p> <p>The outcome of the 14th AGM was then announced to Bursa Malaysia Securities Berhad after the conclusion of the meeting.</p> <p>Security measures have been undertaken within FGV's Information Technology systems to protect confidential important information from manipulation or theft in ensuring good cyber hygiene. Among the steps taken to prevent cyber threats are:</p> <ul style="list-style-type: none">• install proven antivirus and malware software for all critical servers;• use network firewalls to secure data centre;• update software regularly through software management console;• set strong passwords as per Information Technology Security Policy;

	<ul style="list-style-type: none"> • regular scheduled data back-up; and • regular review of internal controls over Information Technology systems. <p>The third party service provider for the online platform/tools has also confirmed that they have used a patented technology, a certified platform via Amazon Web Services (AWS) and has been independently proven to be accurate and secured to ensure data privacy and security to prevent cyber threats. The said patented technology:</p> <ul style="list-style-type: none"> • regularly undergoes penetration testing (PEN testing) by third parties (leading financial institutions and government bodies); • uses a secured, encrypted network, monitored by a designated team throughout the AGM event and creates a clean network that is maintained from start to finish; • uses modern, industry standard encryption techniques to ensure data protection and thus allowing for the safety of all personal data used and stored for the AGM; and • uses trackable and transparent voting process with instant results collated on screen, and creates a seamless voting audit trail.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Chairman of the Board and Chairman of Board Committees are responsible to ensure that general meetings support meaningful engagement between the Board, Senior Management and shareholders by encouraging active participation from shareholders and when required provide meaningful response to questions addressed to them.</p> <p>During the 14th AGM, the GCEO presented the Group's financial performance for the FYE 31 December 2021 which highlights FGV's achievements including short and long term Business Plans. The slide presentations are available in FGV's corporate website at www.fgvholdings.com.</p> <p>Shareholders, proxies and corporate representatives who participated online were encouraged to participate by submitting questions on real time basis. They were given sufficient opportunity to pose questions to seek clarification about the Group's activities, prospects, the resolutions proposed, the Group's operations in general as well as expressing their expectations and concerns as they could start submitting questions an hour before the AGM time up until the voting session began.</p> <p>The Chairman, GCEO, GCFO, AC Chairman and NRC Chairman provided meaningful response to questions raised by shareholders which were addressed to them by responding to pertinent questions and providing clarifications. These questions were answered one-by-one to ensure that the importance of these questions were not diluted instead of compiling it and answering it all at once. These questions had also been displayed on the screen as and when the Chairman, GCEO, GCFO, AC Chairman and NRC Chairman provided their responses in an orderly manner.</p>

	<p>All 42 complete list of questions and FGV’s responses were published on FGV’s corporate website at www.fgvholdings.com on 22 July 2022. Shareholders are welcomed to raise queries or concerns regarding the Group throughout the year. Communication and feedback from the shareholders can be directed to the IR team or Group Strategic Communications team. Shareholders may also direct their enquiries with respect to their shareholding matters to the Company’s Share Registrar and also raise their concerns to the Independent Director who assumes the role of the Senior INED. The contact details are as follows:</p> <table border="1" data-bbox="547 548 1406 981"> <thead> <tr> <th data-bbox="547 548 909 584">Contact</th> <th data-bbox="909 548 1406 584">E-mail</th> </tr> </thead> <tbody> <tr> <td data-bbox="547 584 909 658">IR team</td> <td data-bbox="909 584 1406 658">fgv.investors@fgvholdings.com</td> </tr> <tr> <td data-bbox="547 658 909 840">Group Strategic Communications team</td> <td data-bbox="909 658 1406 840">fgv.enquiries@fgvholdings.com</td> </tr> <tr> <td data-bbox="547 840 909 840">Share Registrar</td> <td data-bbox="909 840 1406 840">bsr.helpdesk@boardroomlimited.com</td> </tr> <tr> <td data-bbox="547 840 909 981">Platform for shareholders/stakeholders to convey concerns</td> <td data-bbox="909 840 1406 981">sid@fgvholdings.com</td> </tr> </tbody> </table>		Contact	E-mail	IR team	fgv.investors@fgvholdings.com	Group Strategic Communications team	fgv.enquiries@fgvholdings.com	Share Registrar	bsr.helpdesk@boardroomlimited.com	Platform for shareholders/stakeholders to convey concerns	sid@fgvholdings.com
Contact	E-mail											
IR team	fgv.investors@fgvholdings.com											
Group Strategic Communications team	fgv.enquiries@fgvholdings.com											
Share Registrar	bsr.helpdesk@boardroomlimited.com											
Platform for shareholders/stakeholders to convey concerns	sid@fgvholdings.com											
<p>Explanation for departure :</p>												
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>												
<p>Measure :</p>												
<p>Timeframe :</p>												

Intended Outcome

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Applied
Explanation on application of the practice	:	<p>A third party service provider was engaged to provide the audio and visual support services to broadcast the proceedings of the 14th AGM virtually and to provide online platform/tools which support fully virtual setup. The online platform caters for registration, live broadcast, engagement for posting questions and addressing them as well as electronic voting.</p> <p>Through the use of technology, shareholders were able to participate remotely and cast their votes electronically. These enabled more shareholders to participate as they could do so remotely. Shareholders were able to view the proceedings of the AGM through live streaming via LUMI AGM facilities at https://web.lumiagm.com.</p> <p>Questions posed by shareholders online had been tracked, captured and transmitted to FGV for action and response. An Independent Moderator, Tricor Business Intelligence & Solutions Sdn Bhd was appointed to act independently and objectively to oversee the collation of these questions to ensure that these questions are responded to accordingly.</p> <p>The Chairman, GCEO, GCFO, AC Chairman and NRC Chairman provided meaningful response to questions raised by shareholders which were addressed to them by responding to pertinent questions and providing clarifications. These questions were answered one-by-one to ensure that the importance of these questions were not diluted instead of compiling it and answering it all at once. These questions had also been displayed on the screen as and when the Chairman, GCEO, GCFO, AC Chairman and NRC Chairman provided their responses in an orderly manner.</p> <p>All 42 complete list of questions and FGV's responses were published on FGV's corporate website at www.fgvholdings.com on 22 July 2022.</p>

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

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The full minutes of the 14 th AGM held on 23 June 2022 together with the GCEO's presentation, FGV's responses to Minority Shareholders Watch Group's (MSWG) questions and the 42 complete list of questions posed by shareholders together with FGV's responses were published on FGV's corporate website at www.fgvholdings.com on 22 July 2022, i.e. within 30 business days after the 2022 AGM.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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

Click or tap here to enter text.