

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 7070  
**COMPANY NAME** : VIZIONE HOLDINGS BERHAD  
**FINANCIAL YEAR** : May 31, 2023

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

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

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

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

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Director ("Board") is responsible for good corporate governance culture within the Company and its subsidiaries ("Group"). In addition, it formulates and review the Group's strategic direction, core values and management of the Group to ensure that the Group operates with integrity and in compliance with all applicable laws, rules and regulations. The Board assumes, amongst others, the following principle roles and responsibilities in discharging its stewardship role, and fiduciary and leadership functions:</p> <ul style="list-style-type: none"><li>• Setting the vision, mission, objectives, goals and strategic plans for the Group with a view to maximizing shareholders' value as well as ensuring long term sustainability of the Group's performance.</li><li>• Identifying principle risks of the Group and ensuring the implementation of appropriate systems to mitigate and manage these risks.</li><li>• Reviewing the adequacy and integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.</li><li>• Considering management's recommendations on key proposals including acquisitions, material investments and divestments, restructuring, funding and significant capital expenditure.</li><li>• Human resources planning and talent development in particular, management succession planning.</li></ul>
<b>Explanation for departure</b>	:	

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

### Intended Outcome

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

### Practice 1.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman is primarily responsible for:</p> <ul style="list-style-type: none"><li>• The leadership of the board to facilitate the effective contribution of all directors at Board meetings and ensuring that no member dominates discussions and appropriate interaction amongst Board members are forthcoming.</li><li>• Representing the Board, chairing General Meeting of shareholders and ensure effective communication with shareholders and all stakeholders.</li><li>• The efficient organisation and conduct of the Board's functioning, including establishing the agenda for Board meetings and chairing Board meetings.</li><li>• Ensuring the Board's decisions have been implemented.</li><li>• Ensuring that the directors receive accurate, timely and clear information in the form and quality appropriate to enable them to discharge their duties.</li><li>• Ensuring that new directors receive full, formal and tailored induction upon joining the Board. The letter of appointment should set out the director's expected time commitments.</li><li>• Ensuring that the directors continually update their skills, knowledge and familiarity with the Company's requirement to fulfil their role both on the Board and on the Board Committees.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### Intended Outcome

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

### Practice 1.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The positions of Chairman and Chief Executive Officer are each held by two different individuals and there is a clear segregation of responsibilities between these two roles so as to ensure a balance of power and authority.</p> <p>The Chairman, Dato' Mohd Zaihan bin Mohd Zain is an Independent Non-Executive Director. He acts as a direct liaison between the Board and the management of the Company, through the Managing Director. He is responsible for leading the Board in overall corporate strategy formulation and governance compliance. He also ensures the integrity and effectiveness of the governance process of the Board. The role of the Chairman is stated on page 4 under Practice 1.2 of this report.</p> <p>The Managing Director of the Company is Dato' Ng Aun Hooi. He focuses on the running of the business and manages the day-to-day operations of the Company and implements the Board's policies and decisions. The Managing Director is subject to the control of the Board.</p> <p>The Managing Director leads management in planning comprehensive medium to long-term business strategies so as to achieve the Group's required return on capital employed, turnover and profitability targets in order to achieve shareholders' expectations.</p> <p>The separate roles and responsibilities of the Chairman and Managing Director are clearly defined in the Board Charter, which could be accessed by the public in the Company's website at <a href="http://www.vizione.com.my">www.vizione.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

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>	
<b>Application</b>	: Departure
<b>Explanation on application of the practice</b>	:
<b>Explanation for departure</b>	: The Chairman of the Board is a member of Nomination Committee and Audit Committee during the Financial Period Ended 31 May 2023.  The Chairman of the Board had resigned as a member of Nomination Committee on 30 June 2023.  However, the Chairman of the Board remain as a member of Audit Committee with his support and advice to Audit Committee with his experience in construction and property development.  Please provide an alternative practice and explain how the alternative practice meets the intended outcome.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	: Choose an item.

### Intended Outcome

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Vizione's Board is supported by an External Company Secretary who is qualified to act as Company Secretary under Section 235 of the Companies Act 2016, of which she is an Associate Member of the Malaysian Institute of Chartered Secretaries &amp; Administrators. The Company Secretary provide the required support to the Board in carrying out its duties and stewardship role, providing the necessary advisory role with regards to the Company's constitution, Board's policies and procedures as well as compliance with all regulatory requirements, guidance and legislation.</p> <p>All Directors also have full and unrestricted access to the advice and services of the Company Secretary and may obtain independent professional advice at the Company's expense in order to discharge their duties effectively. The Board is regularly updated on new guidelines, directions and new regulatory issues affecting the Group by the Company Secretary as well as external consultants. The Company Secretary together with the Executive Directors and Chief Financial Officer assist the Chairman of the Board and Chairman of Board Committees to deal with the Board's agenda and to provide the relevant information and documents to the directors on a timely basis. The Board is satisfied with the support and performance provided by the Company Secretary in assisting the Board to discharge its duties.</p> <p>The Board is of the view that the Company Secretary has been competent and kept herself abreast with the evolving regulatory changes and developments through continuous education programmes and attendance of relevant conferences, seminars and training programmes.</p> <p>The Board is satisfied with the performance and support rendered by the Company Secretary to the Board.</p>
<b>Explanation for departure</b>	:	



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

<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

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

### Practice 1.6

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>A corporate calendar of all scheduled meetings and planned events for the financial year is furnished to all Directors and the Management by the Company Secretary normally during the 3rd quarter Board meeting to aid and facilitate the Directors in scheduling and meeting their time commitments.</p> <p>In reviewing and analysing the quarterly interim financial results, the Board was provided with various corroborative information and data. Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors at least seven (7) days prior to the scheduled meetings via emails or physical copies to ensure sufficient time is given to the Directors to read the Board papers and seek clarification, if necessary, and enable them to deliberate issues raised during Board meetings more effectively. Additionally, management was also invited to brief and report in meetings of the Board and Board Committees.</p> <p>The Board was also kept informed progressively of the various requirements and updates issued by the various regulatory authorities. These requirements and updates were provided and briefed by the management, the Company Secretary, external and internal auditors. The management, external and internal auditors were invited to attend Board/Committee meetings to provide additional insights and professional advice on specific items on the meeting agenda.</p> <p>Procedurally, whenever external advice is necessary, the director who intends to seek such consultation or advice shall notify the Chairman for approval. Upon approval, the Chairman will facilitate obtaining such advice and, where appropriate, disseminate the advice to all directors. The Board has the authority to conduct or direct any investigation required to fulfil its responsibilities and has the authority to charge at the Company's expense, such as legal, accounting or other services, consultants, advisers or experts as it considers necessary from time to time in the performance of its duties.</p> <p>The deliberations and decisions at the Board and Board Committee meetings are well documented in the minutes, including matters where the Directors have abstained from voting or deliberation.</p>

	<p>The Company Secretaries will circulate the draft minutes of the meetings for the Board and Board’s Committee review in a timely manner. The Company Secretaries will also follow up with the Management on status of actions taken with reference to the previous minutes of the meetings for updating the Board. Follow up matters would stay as matters arising in the minutes of meetings until they are resolved.</p>	
<p><b>Explanation for departure</b></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><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of the Company regards corporate governance is vitally important to the success of the Company's business and is unreservedly committed to applying the necessary good governance to ensure that good governance is practised in all of its business dealings with shareholders and the relevant stakeholders. A Board Charter has been formulated to guide the Board in the effective discharge of its roles and responsibilities as well as to define the functions delegated to the Management and Board Committees.</p> <p>As stated in the Board Charter, the Board is in charge of leading and managing the Company in an effective and responsible manner. Under Section 213 of the Companies Act 2016, each Director shall at all times exercise his powers for a proper purpose and in good faith in the best interest of the Company. Each director shall exercise reasonable care, skill and diligence in discharging his/her duties and responsibilities.</p> <p>In discharging its roles and responsibilities, the Board is guided by the Board Charter, which outlines the duties and responsibilities of the Board and the delegation of the day-to-day management of the Group to the Managing Director. This formal structure of delegation is further cascaded by the Managing Director to the management team. The Managing Director and management team remain overall accountable to the Board for the delegated authority and for the performance of the Group.</p> <p>The Board, however, takes full responsibility for the oversight and overall performance of the Company. The Board reserves full decisionmaking powers, amongst others, on the following matters:</p> <ul style="list-style-type: none"><li>• Conflict of interest issues involving substantial shareholders or Directors and senior management in decision making positions;</li><li>• Material acquisitions and disposals undertaken not in the ordinary course of business;</li><li>• Material investments in capital projects;</li></ul>

	<ul style="list-style-type: none"> <li>• Material bid/tenders for construction projects and investment proposals;</li> <li>• Overseas ventures;</li> <li>• Annual business plan and budgets (including major capital commitments);</li> <li>• Material corporate or financial exercise/restructuring;</li> <li>• Declaration of dividend;</li> <li>• Directors’ Fees; and</li> <li>• Annual and interim financial results.</li> </ul> <p>The Managing Director is supported by his team of management on the day-to-day operations. The responsibilities of the management are to:</p> <ul style="list-style-type: none"> <li>• Formulate, recommend and implement the strategic objectives of the Company;</li> <li>• Translate the approved strategic plan into operational and financial action plans;</li> <li>• Manage the Company’s human, physical and financial resources to achieve the Company’s objectives;</li> <li>• Operate within the delegated authority limits set by the Board;</li> <li>• Assume the day-to-day responsibilities for the Group’s conformance with relevant laws and regulations, its compliance framework and all other aspects of the day to-day running of the Group;</li> <li>• Develop, implement and manage the Company’s risk management and internal control systems within the risk appetite and framework;</li> <li>• Develop, implement and update policies and procedures;</li> <li>• Keep pace with industry and economic trends in the Company’s operating environment; and</li> <li>• Provide the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.</li> </ul> <p>The Board also delegates certain responsibilities to the Board Committees, all of whom operate within their defined terms of reference. Notwithstanding this, the Board remains responsible for its fiduciary duties.</p> <p>The Board Charter is reviewed periodically to ensure that it complies with the legislation and best practices and remain relevant in light of the Board’s objectives.</p> <p>Details of the Board Charter are available on the Company’s website at <a href="http://www.vizione.com.my">www.vizione.com.my</a>.</p>
<p><b>Explanation for departure</b> :</p>	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

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

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

### Practice 3.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board has defined its Code of Conduct & Ethics for Directors & Senior Management Personnel which is published on the Company's website.  The Board Charter, Insider Trading as well as the Whistleblowing Policy are published in the Company's corporate website at <a href="http://www.vizione.com.my">www.vizione.com.my</a> under the sub section of "Corporate Governance" under the Investor Relations Section.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 3.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In line with the Group's core value of integrity, the Board has established its Whistleblowing Policy &amp; Procedure and encourages employees within the Group to report suspected and/or known misconduct, wrongdoing, corruption, fraud, waste and/or abuse involving resources of the Company. The Whistleblowing Policy and Procedure which is published in the Company's website provides and facilitates a mechanism for any individual to report concerns about any suspected and/or known misconduct, wrong doing, corruption, fraud, waste and/or abuse.</p> <p>Stakeholders who know of, or suspect a violation of this policy may report the incident and their concerns through the following reporting channel:</p> <p><a href="https://vizione.com.my/v2/investor-relations/corporategovernance/vhb-whistleblower-policy/">https://vizione.com.my/v2/investor-relations/corporategovernance/vhb-whistleblower-policy/</a></p> <p>The e-mail sent to this channel will be directed to the Compliance Officer as stated in the said Policy. The Compliance Officer is responsible for ensuring that all complaints about unethical or illegal conducts are investigated and resolved. The Compliance Officer will advise the Group Managing Director and/or the Board of Directors of all complaints and their resolutions.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>At Vizione, we have established a robust sustainability governance structure to ensure proper implementation of ESG initiatives. This allows for effective integration of material sustainability topics into the Group's decision-making process.</p> <p>Vizione's Board of Sustainability ("BOS") spearheads the Group's sustainability agenda. The BOS chairs the Sustainability Steering Committee, comprising members from the Board and respective Heads of Departments. The committee is responsible for developing the sustainability framework.</p> <p>The Group's sustainability strategy is then communicated to the Sustainability Working Group, tasked with monitoring and executing sustainability initiatives across the Group. Collectively, these structures a comprehensive and impactful approach for advancing sustainability initiatives within Vizione.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Vizione’s sustainability strategies, priorities, targets and performance are publicly communicated to our internal and external stakeholders via the Sustainability Statement in the Group’s Annual Report and corporate website at <a href="http://www.vizione.com.my">www.vizione.com.my</a> .	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has undertaken initiatives to stay abreast with and understand the sustainability issues relevant to the Group, including climate-related risks and opportunities through relevant training programmes, sharing session and self-learning. The Board is also kept updated on Vizione’s sustainability performance by the Sustainability Steering Committee.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:	The Group is working towards including a review of the performance of the Board and Senior Management in addressing the Group’s material sustainability risks and opportunities, for the annual performance evaluations in year 2024.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:	2024	

**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.

*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.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Sustainability Steering Committee is headed by a Chief Operating Officer, which is the designated person within management to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the Group.

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The role of the Nomination Committee is to assist the Board in ensuring the Board comprises individuals with the requisite skills, knowledge and experience. The Nomination Committee leads in the process of identifying and recommending suitable candidates for directorship to the Board and Board Committees.</p> <p>The Nomination Committee conducts an annual review of the structure, size and composition of the Board, including the balance mix of skills, knowledge, experience and the independence of the Non-Executive Directors and also an assessment of the performance of the Board, the Board Committees and the individual of Directors.</p> <p>The Nomination Committee shall consider the respective Director's character, experience, skills, expertise, core competencies, integrity and time commitment, composition of the directorships and external obligations.</p> <p>The tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, if the Independent Director continues to serve on the Board, he or she may do so by re-designation as a Non-Independent Director after serving a cumulative term of nine (9) years, subject to the following:</p> <ul style="list-style-type: none"><li>a. assessment by the Nomination Committee, regarding the independence and contributions; and</li><li>b. shareholders' approval in a general meeting, whereby the Board must provide its justification on the recommendation.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	As at 31 May 2023, the Board comprises seven (7) members with mixture of suitably qualified and experienced professionals. The Board comprised of three (3) Independent Non-Executive Directors and one (1) Managing Director, two (2) Executive Directors and one (1) Non-Independent Director.	
		The Company is looking for another independent director to join the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	



**Intended Outcome**

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

**Practice 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.

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

### Intended Outcome

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

### Practice 5.4 - Step Up

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

<i>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.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	: It is stated in the Board Charter that the tenure of an Independent Director shall not exceed a cumulative term limit of nine (9) years. Upon the completion of the nine years, the Board may, at its absolute discretion, consider re-designating the independent director as a non-independent director if it is so determined that the expertise and experience of the independent director is still relevant.  For the Financial Period Ended 31 May 2023, none of the Independent Non-Executive Directors in the Board have reached 9 years of tenure.

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board delegates to the Nomination Committee the responsibility of recommending the appointment of any new Director. The Nomination Committee is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous and that appointments are made on merits. Through the Nomination Committee the Board will consider recommendations from existing board members, management, major shareholders and third-party sources to identify suitably qualified candidates, when necessary. New board candidates proposed to fill vacancy arises from resignation, retirement or any other reasons will be reviewed by Nomination Committee before recommending to the Board for further deliberation. The evaluation process may include, reviewing the candidate's resume, biographic information, qualifications, skills, knowledge, experiences, expertise, competencies and his/her understanding of the Group's business environment.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The profiles of the Directors, including their professional qualifications and work experiences are set out on the Annual Report 2023 for the shareholders' purview.  The Board's statement of support on the appointment or reappointment of the Directors is set out in the explanatory note of the notice of 24th Annual General Meeting ("24th AGM").	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.8**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Nomination Committee of the Company was chaired by Dato' Mohd Zaihan bin Mohd Zain, who is an Independent Non-Executive Chairman.</p> <p>The Board recognises the need for Chairman of Nomination Committee to be independent to ensure objectivity and independent judgement during deliberations. The Company is looking for an independent director to appoint to the Board.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.9

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	During the Financial Period Ended 31 May 2023, there is one (1) woman director be appointed to the Board.
		The Board acknowledges that the Malaysian Code of Corporate Governance encourages 30% women representation in the Board composition. Nevertheless, it will take some time for the Nomination Committee and Remuneration Committee to search and select a suitable qualified women director to meet the 30% target. The Board will review and consider this practice for future adoption.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

## Intended Outcome

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

## Practice 5.10

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

<b>Application</b>	:	Applied																																																																																								
<b>Explanation on application of the practice</b>	:	<p>The current diversity in the ethnicity, age distribution and skill set of the existing Board members and senior management are as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="4">Race/Ethnicity</th> <th colspan="2">Nationality</th> <th colspan="2">Gender</th> </tr> <tr> <th>Malay</th> <th>Chinese</th> <th>Indian</th> <th>Others</th> <th>Malaysian</th> <th>Foreign</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Executive Director</td> <td>-</td> <td>3</td> <td>-</td> <td>-</td> <td>3</td> <td>-</td> <td>3</td> <td>-</td> </tr> <tr> <td>Non-Executive Director</td> <td>1</td> <td>3</td> <td>-</td> <td>-</td> <td>4</td> <td>-</td> <td>3</td> <td>1</td> </tr> <tr> <td>Senior Management</td> <td>1</td> <td>5</td> <td>-</td> <td>-</td> <td>6</td> <td>-</td> <td>5</td> <td>1</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th>30-39 years</th> <th>40-49 years</th> <th>50-59 years</th> <th>60-69 years</th> </tr> </thead> <tbody> <tr> <td>Executive Director</td> <td>-</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>Non-Executive Director</td> <td>2</td> <td>1</td> <td>-</td> <td>1</td> </tr> <tr> <td>Senior Management</td> <td>-</td> <td>3</td> <td>2</td> <td>-</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th>Business Administration</th> <th>Engineering and Architecture</th> <th>Building &amp; Quantity Surveying</th> <th>Law</th> <th>Accounting &amp; Finance</th> </tr> </thead> <tbody> <tr> <td>Executive Director</td> <td>1</td> <td>-</td> <td>1</td> <td>1</td> <td>-</td> </tr> <tr> <td>Non-Executive Director</td> <td>-</td> <td>1</td> <td>-</td> <td>2</td> <td>1</td> </tr> <tr> <td>Senior Management</td> <td>1</td> <td>1</td> <td>2</td> <td>-</td> <td>2</td> </tr> </tbody> </table>		Race/Ethnicity				Nationality		Gender		Malay	Chinese	Indian	Others	Malaysian	Foreign	Male	Female	Executive Director	-	3	-	-	3	-	3	-	Non-Executive Director	1	3	-	-	4	-	3	1	Senior Management	1	5	-	-	6	-	5	1		30-39 years	40-49 years	50-59 years	60-69 years	Executive Director	-	1	1	1	Non-Executive Director	2	1	-	1	Senior Management	-	3	2	-		Business Administration	Engineering and Architecture	Building & Quantity Surveying	Law	Accounting & Finance	Executive Director	1	-	1	1	-	Non-Executive Director	-	1	-	2	1	Senior Management	1	1	2	-	2
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## Intended Outcome

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

### Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>Nomination Committee reviews annually the required mix of skills and experience of the Board, including core competencies which non-executive directors should bring to the Board and assesses the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual director.</p> <p>The evaluation process is led by the Chairman of the Nomination Committee and supported by the Company Secretary annually. The Directors will complete the relevant questionnaires regarding the effectiveness of the Board and its Board committees. The assessment by all Directors is summarised and disclosed at the Nomination Committee’s meeting and reported at a Board meeting by the Chairman of the Nomination Committee.</p> <p>For 2023, the Nomination Committee has reviewed and assessed the mix of skills and experience of the Board including the core competencies of both Executive and Non-Executive Directors, size of the Board, contribution of each director and the effectiveness of the Board and Board Committees and also evaluated the level of independence of the Directors. Based on the assessment, the Nomination Committee was satisfied with the existing Board composition in terms of gender, ethnicity and age, and was of the view that all the Directors and Board Committees of the Company have discharged their responsibilities in a commendable manner and have performed competently and effectively.</p>
<b>Explanation for departure</b>	:  

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

<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Remuneration Committee had on 29 March 2021 recommended to the Board a remuneration policy designed to ensure that the key principles for remuneration are appropriate and competitive to attract and retain experienced, knowledgeable, highly skilled and high calibre Executive Directors and Senior Management needed to manage the Group successfully in terms of supporting and driving business strategies.</p> <p>The following are some of the criteria adopted by the Company and its subsidiaries in considering the remuneration of the Executive Directors and Senior Management:</p> <ul style="list-style-type: none"><li>• The overall performance of the Company and its subsidiaries tracked against the predetermined key performance indicators and/or targets;</li><li>• General economic situation;</li><li>• Prevailing market practice;</li><li>• Salary positions against market trends;</li><li>• Skills and experience; and</li><li>• Individual performance.</li></ul> <p>In this regard, the Remuneration Committee is responsible for implementing the policies and procedures whilst the Board is responsible for approving such policies and procedures which govern the remuneration of the employees including Executive Directors and Senior Management. The Remuneration Policy was approved by the Board on 29 March 2021.</p> <p>The Remuneration Policy will be periodically reviewed and made available on the Company's website at <a href="http://www.vizione.com.my">www.vizione.com.my</a>.</p>

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

### Intended Outcome

The 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The terms of reference of the Remuneration Committee is available at the Company's website at <a href="http://www.vizione.com.my">www.vizione.com.my</a> .	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### **Intended Outcome**

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Remuneration received/receivable by each of the Directors for the Financial Period Ended from 1 December 2021 to 31 May 2023 is set out in the tables below.

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' Mohd Zaihan bin Mohd Zain	Independent Director	90	21					111	90	21					111
2	Dato' Ng Aun Hooi	Executive Director			2,340		46		2,386			2,340		46		2,386
3	Bee Jian Ming	Executive Director							-			1,440		19		1,459
4	Datuk Chong Loong Men	Executive Director			900		27		927			900		27		927
5	Leow Wey Seng	Independent Director	90	22					112	90	22					112
6	Ling Chi Hoong	Independent Director	72	21					93	72	21					93
7	Tan Li Peng	Non-Executive Non-Independent Director	90	13					103	90	13					103

**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.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	At this juncture, the Board is of the opinion that the disclosure on the remuneration of the Key Senior Management on a named basis would not be in the best interest of the Group due to confidentiality and sensitivity concerns as well as the issue of competition and staff poaching.
		The Board will ensure that the remuneration of the Key Senior Managements commensurate with their duties and responsibilities, the performance of the Company and without excessive remuneration payouts.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.



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.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

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.

<b>Application</b>	:	Applied												
<b>Explanation on application of the practice</b>	:	<p>The Audit Committee is led by an Independent Non-Executive Director who is not the Chairman of the Board.</p> <p>The Audit Committee comprises three (3) members, all of them are Independent Non-Executive Directors. The members of the Audit Committee are:</p> <table border="1"><thead><tr><th>No.</th><th>Director/Designation</th><th>Membership</th></tr></thead><tbody><tr><td>1.</td><td>Leow Wey Seng (Independent Non-Executive Director)</td><td>Chairman</td></tr><tr><td>2.</td><td>Dato' Mohd Zaihan bin Mohd Zain (Independent Non-Executive Chairman)</td><td>Member</td></tr><tr><td>3.</td><td>Ling Chi Hoong (Independent Non-Executive Director)</td><td>Member</td></tr></tbody></table> <p>Mr. Leow Wey Seng is a member of the Malaysian Institute of Accountants and a fellow of Certified Practising Accountant (CPA) Australia.</p>	No.	Director/Designation	Membership	1.	Leow Wey Seng (Independent Non-Executive Director)	Chairman	2.	Dato' Mohd Zaihan bin Mohd Zain (Independent Non-Executive Chairman)	Member	3.	Ling Chi Hoong (Independent Non-Executive Director)	Member
No.	Director/Designation	Membership												
1.	Leow Wey Seng (Independent Non-Executive Director)	Chairman												
2.	Dato' Mohd Zaihan bin Mohd Zain (Independent Non-Executive Chairman)	Member												
3.	Ling Chi Hoong (Independent Non-Executive Director)	Member												
<b>Explanation for departure</b>	:													
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>														
<b>Measure</b>	:													
<b>Timeframe</b>	:													

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>When considering the appointment of former key audit partner from its current External Auditor's firm, the Audit Committee is mindful of the minimum three (3) years cooling off period best practice under the Malaysian Code of Corporate Governance before appointing this partner as a member of the Audit Committee.</p> <p>In any case, none of the present members of the Audit Committee were former audit partners of the Company's auditors.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Annually, the Audit Committee will review the Audit Observations for the Group highlighted by the External Auditors for the financial year. The Audit Committee will receive the Audit Progress Memorandum prepared by the External Auditors for the financial period ended which covers updates on matters to highlight and significant outstanding information/documents from the audit field works.</p> <p>The Audit Committee reviewed the Audit Planning Memorandum prepared by the External Auditors, entailing mainly the overview of audit approach, scope of work, auditing developments, significant risks and areas of audit focus of the Group.</p> <p>The Audit Committee conducted private session with the external auditors without the presence of the Executive Directors and Management during Financial Period Ended 2023.</p> <p>The Audit Committee reviewed the suitability and independence of the External Auditors vide a formalised "Assessment on External Auditors" and upon reviewed and being satisfied with the results of the said assessment, the same has been recommended to the Board for approval.</p> <p>The Audit Committee received and discussed with the External Auditors on the Illustrative Auditors' Report as presented by the External Auditors.</p> <p>The Audit Committee discussed and reviewed with the External Auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board, and the scope of work and audit plan for the year, including any significant issues and concerns arising from the audit.</p> <p>The Audit Committee reviewed the audit fees for the financial period prior to the Board's approval.</p>

	<p>The External Auditors will rotate their engaging partner in charge of the Audited Financial Statements of the Company and the Group once every five (5) years to maintain their independence from the Group.</p> <p>Nevertheless, the current audit engagement partner has held the position for only 3 year.</p>	
<p><b>Explanation for departure</b></p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

**Intended Outcome**

There is 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.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Audit Committee is comprised wholly of Independent Non-Executive Directors.



## Intended Outcome

There is an effective and independent Audit Committee.

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

## Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Audit Committee comprises three (3) members, all of them are Independent Non-Executive Directors. The Board had reviewed the terms of reference of the Audit Committee members and assessed the performance of the Audit Committee through the Nomination Committee assessment. The Nomination Committee is satisfied with the performance of the Audit Committee and each of its members and that they had carried out their duties in accordance with the terms of reference of the Audit Committee.</p> <p>The Chairman and members of the Audit Committee are financially literate, and have carried out their duties in accordance with the Terms of Reference of the Audit Committee.</p> <p>Mr. Leow Wey Seng, the Chairman of the Audit Committee, is qualified for the purpose of paragraph 15.09(1)(c)(i) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Accordingly, the Company complies with paragraph 15.09 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.</p> <p>In order to strengthen the present financial literacy of each member, all members of the Audit Committee will balance their participation in continuous professional development programmes on accounting and auditing standards, practices and rules continuously.</p> <p>The members of the Audit Committee have also been briefed on the relevant changes in financial reporting standards by the Chief Financial Officer and External Auditors during the Audit Committee's meetings held during the financial period.</p>
<b>Explanation for departure</b>	:	

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

### Intended Outcome

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

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

### Practice 10.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board as a whole is responsible for the overall risk management in the Group while the Managing Director together with the senior management team are primary responsible for managing risks in the Group.</p> <p>The Risk Management Committee was also established to oversee risk management affair. This committee is headed by the Managing Director. The Risk Management Committee undertakes an annual assessment of Group's control environment for the purposes of providing advice to Audit Committee.</p> <p>The features of the Group's risk management and internal control framework covering the risk policy, risk appetite, risk assessment and the review process by the Board and Audit Committee and the key internal controls are presented in the Statement on Risk Management and Internal Control of the Annual Report. The Board has also commented in the said statement that they are satisfied with the effectiveness and adequacy of the existing level of risk management system and internal control. Nevertheless, the Board wishes to advise that the risk management system and internal control is designed to manage risks to a reasonable level rather than to eliminate the risks of the Group. It can therefore only provide reasonable but not absolute assurance against material misstatement or financial losses or fraud.</p> <p>Please refer to the Statement on Risk Management and Internal Control in Annual Report 2023 for more details.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has defined its risk policy and risk appetite statement. The Group has also conducted risk awareness workshop previously for the Executive Directors and key senior management staffs. All identified risks were documented in a risk register and presented to the Board for review and deliberation.  Further details on the internal controls as well as the Board review of the adequacy and effectiveness of the risk management and internal control frameworks are presented in the Statement on Risk Management and Internal Control of the Annual Report 2023.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 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.

<b>Application</b> :	Not Adopted
<b>Explanation on adoption of the practice</b> :	

### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Group has outsourced the internal audit function to an independent professional service provider ("Outsourced IA") which reports directly to the Audit Committee.  The Outsourced IA had carried out, tabled and briefed Audit Committee on the outcome of its internal review based on approved Internal Audit Plan for Financial Period Ended 31 May 2023.  The activities of the internal audit function carried out by the Outsourced IA in 2023 are set out in the Audit Committee Report in the Annual Report 2023.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

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

## Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has appointed an outsourced internal audit service provider to carry out the internal audit function, providing the Board with a reasonable assurance of adequacy of the scope, functions and resources of the internal audit function. The purpose of the internal audit function is to provide the Board, through the Audit Committee, assurance of the effectiveness of the system of internal control in the Group.</p> <p>The internal audit function is independent and performs audit assignments with impartiality, proficiency and due professional care.</p> <p>The Internal Auditors have conducted their work in consideration of the broad principles of the International Professional Practice Framework of Institute of Internal Auditors covering the conduct of the audit planning, execution, documentations, communication of findings and consultation with key stakeholders.</p> <p>The Internal Auditors has confirmed their independence and no relationship with all the Board members and top management.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

There is 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group maintains a Company's website at <a href="http://www.vizione.com.my">www.vizione.com.my</a>. Shareholders or investors may access the information on the Group on corporate information, latest financial results, annual reports, announcements to Bursa Malaysia Securities Berhad, Board Charter and code of conduct under "Investor Relations" link.</p> <p>Investors can communicate with the Group via: Tel: 603-8605 3355 Email: <a href="mailto:publicrelations@vizione.com.my">publicrelations@vizione.com.my</a></p> <p>Periodically, the Group had also conducted analyst and media briefings during the year to provide detailed explanation and presentation about the business performance of the Group and its prospect.</p> <p>The Annual Report of the Company is also another main channel of communication between the Group and its shareholders as well as stakeholders. The Annual Report communicates comprehensive information on the financial results and activities undertaken by the Group. The Annual Report in the form of CD-ROM together with an executive summary will be sent to the shareholders. The Company also distributed together with the Notice of Annual General Meeting, information on administrative details such as details of the meeting, shareholders' entitlement to attend the meeting, their rights to appoint proxy, information as to who may act as a proxy, etc.</p> <p>In addition to the published Annual Report and Quarterly Reports announced to Bursa Malaysia Securities Berhad, the Group has established a Company's website at <a href="http://www.vizione.com.my">www.vizione.com.my</a> from which investors and shareholders can access for information.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Not applicable as the Company is not a Large Company as defined by the Malaysian Code on Corporate Governance.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

**Intended Outcome**

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The notice for the 23rd Annual General Meeting (“23rd AGM”) in 2022 was issued on 31 March 2022 whilst the AGM was held on 25 May 2022, the notice period was at least 28 days prior to the said 23rd AGM.</p> <p>In addition, the notice of 23rd AGM also included details and relevant explanatory notes to the resolutions proposed to enable the shareholders to make informed decisions in exercising their voting rights.</p> <p>Vizione’s Annual Report 2021 together with the Notice of the 23rd AGM dated 31 March 2022 was made available on the Company’s website at <a href="http://www.vizione.com.my">www.vizione.com.my</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>All the directors, including members of Audit Committee, Nomination Committee and Remuneration Committee, including management and external auditors attended and participated at the Company's 23rd AGM held on 25 May 2022.</p> <p>The presence of all directors presented opportunities for the shareholders to engage with each Director and also allowed the shareholders to raise questions and concerns directly to the Directors.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Company's 23rd AGM held on 25 May 2022 had enabled remote shareholders' participation and online remote voting by leveraging technology in accordance with Section 327(1) and (2) of the Companies Act 2016. The Company had conducted a fully virtual AGM at the Broadcast Venue at Boardroom, Level 22, PJX-HM Shah Tower, No. 16A, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan by leveraging technology in accordance with Section 327(1) and (2) of the Companies Act 2016 and Securities Commission's Guidance and FAQs on the Conduct of General Meetings for Listed Issuers.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The 23rd AGM of the Company was a virtual meeting. The Company had issued an Administrative Notes which encompassed the guidance on the conduct of the virtual Annual General Meeting on 25 May 2022.  The shareholders were allowed to submit their questions electronically to the Company prior to the AGM, or used the Q&A platform to transmit the questions to the Board via RPV facilities during the live streaming of the 23rd AGM.  The Chairman had also informed the shareholders that they could submit their questions to the Board during the virtual 23rd AGM via RPV facilities and all the questions were addressed by the Directors.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### Intended Outcome

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

### Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The 23rd AGM was held a fully virtual basis through live streaming and online remote voting by using RPV facilities.</p> <p>The shareholders were allowed to submit their questions at any time from the day of the Notice of AGM and up to the end of the Q&amp;A session.</p> <p>Questions posed by the shareholders had been presented to all participants during the AGM via RPV facilities.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	



**Intended Outcome**

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

**Practice 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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The minutes of the 23rd AGM was made available to the shareholders at the Company's website at <a href="http://www.vizione.com.my">www.vizione.com.my</a> .
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

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

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

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