

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (“Board”) of MAA Group Berhad (“MAAG” or the “Company”) is pleased to present this statement on the Company’s corporate governance practices and the Company’s application of the principles and compliance with the recommendations under the Malaysian Code on Corporate Governance 2012 (“Code”) for its financial year ended 31 December 2016.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

The Company is led by its Board which has the overall responsibility to provide strategic guidance and effective oversight of the Company towards effectively achieving good governance and protection of its shareholders’ interest.

1.1 Clear Functions of the Board and Management

To ensure the effective discharge of its function and responsibilities, the Board had established a Board Charter which clearly sets out the relevant matters reserved for the Board’s approval, as well as those that are delegated to the Board Committees and Chief Executive Officer.

Key matters reserved for the Board’s decision include, inter alia, the following:

- Acquisition and disposal of assets of the Company or of its subsidiaries that are material in nature;
- Investment in new business;
- Divestment/sale of existing business;
- Related-party transactions of a material nature;
- Authority levels for core functions;
- Outsourcing of core business functions; and
- Corporate proposal on fundraising.

The Board Committees are authorised by the Board to undertake the duties and responsibilities in accordance with their respective Terms of Reference. The Chairman of the respective Board Committees reports its recommendation to the Board on matters deliberated in the Board Committee meetings.

1.2 Roles and Responsibilities of the Board

The role of the Board is to effectively represent and promote the interests of the shareholders with a view to adding long-term value to the Company’s shares. The Board will also direct and supervise the management in relation to the business and affairs of the Company.

In discharging its stewardship responsibilities, the Board has formally assumed the six (6) specific responsibilities as follows:-

- Reviewing and adopting a strategic plan for the Company;
- Overseeing the conduct of the Company’s business to evaluate whether the business is being properly managed;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing Senior Management;
- Developing and implementing an investor relations programme or shareholders communication policy for the Company; and
- Reviewing the adequacy and the integrity of the Company’s internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board has continued in the financial year 2016, to review, assess and oversee the progress of the Group’s internal restructuring including:

- assessing the Company’s PN17 regularisation plan to increase the Group’s equity interest in Columbus Capital Pty Ltd (“CCA”) from 47.95% to 55%. The Group is currently monitoring the profitability of the associate company and its long-term structure.
- formulating the regularisation plan to regularise its financial condition for submission to Bursa Malaysia Securities Berhad (“Bursa Securities”) as part of the requirement under PN17. An application for an extension of time to comply with Paragraph 8.04(3) and PN17 of the Listing Requirements has been submitted to Bursa Securities on 20 December 2016. Bursa Securities has, vide its letter dated 16 February 2017, granted an extension of time of up to 30 June 2017 to submit a regularisation plan to Bursa Securities.
- review the proposed subscription to increase the Company’s subsidiary, MAA International Assurance Ltd. (“MAAIA”) equity interest in MAA General Assurance Philippines, Inc. (“MAAGAP”). MAAIA had on 6 December 2016 remitted a sum of PHP300 million to subscribe for additional 300,000 new shares with par value of PHP1,000 per share in MAAGAP. Upon the completion of the proposed subscription, MAAIA’s equity interest in MAAGAP will increase from the present 40% to 70% thereby making it a subsidiary of the company and Group.
- review the sale of MAA Takaful Berhad (“MAA Takaful”) to Zurich Insurance Company Ltd. (“Zurich”). MAAG had, on 26 April 2016, obtained the approval of the Minister of Finance Malaysia, vide Bank Negara Malaysia (“BNM”)’s letter dated 27 April 2016, for the disposal of the Company’s 75% equity interest in MAA Takaful, pursuant to Section 101 of the Islamic Financial Services Act, 2013. Share purchase agreement was entered with Zurich on 4 May 2016. On 30 June 2016, the Company completed the disposal of MAA Takaful.

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1.3 Code of Conduct

The Group's Code of Conduct which sets out standards of business and ethical conduct based on general principles including, amongst others, integrity, honesty, fair dealing, confidentiality and diversity which guides all directors and employees in the conduct of their business and that of the Group, in order to enhance the standard of corporate governance and behaviour.

1.4 Strategies Promoting Sustainability

In continuation of the Group's long-term commitment towards promoting sustainability, the Group continues to implement the various initiatives introduced in prior years as disclosed in the previous Annual Reports. The Board is continually mindful of the environmental, social and governance aspects in its decision making for the Group's business and operations. Further details of the sustainability initiatives and activities are set out in the Corporate Social Responsibility statement of this Annual Report.

1.5 Access to Information and Independent Professional Advice

The Board is given unrestricted access to the advice and services of the Company Secretary and the Senior Management staff in the Group, and has full and unlimited access to any information pertaining to the Group. Board papers will be circulated to all Board members five (5) working days before the Board Meeting. This is to ensure the Board receives the information in time to prepare adequately for the Board meeting.

The Directors have direct communication channels with the Internal and External Auditors, and are able to convene meetings with the External Auditors whenever deemed necessary.

The Directors are also allowed under the Company's procedure to obtain independent professional advice concerning the conduct of business and affairs of the Company in order to discharge their duties effectively.

- A Director seeking professional or expert advice concerning the conduct of business and affairs of the company may make such request to the Board during the Board Meeting of the company or refer such request to the company secretary by e-mail for consideration of the Board members.
- Upon receiving such request from any Director, the Company Secretary shall circulate the request to all Board members and the Board shall make a decision on the request accordingly.
- Where a decision has been made by a majority of the Board for professional or expert advice to be obtained, the matter shall be referred to a suitable Professional Advisor at the recommendation of the MAAG Exco/Bizco and approval of the Board.
- The opinion and/or report issued by the Professional Advisor shall be circulated to all members of the Board.
- The cost of the professional or expert advice shall be borne and paid by the respective subsidiaries of the company.

1.6 Qualified and Competent Company Secretary

The Company Secretary advises the Board in relation to the Company's Board policies and procedures and compliance with the relevant regulatory and listing requirements. The Company Secretary ensures that all Board Procedures are followed, and the Company complies with all applicable statutory and regulatory rules.

The Company Secretary undertakes, inter-alia, the following functions:-

- responsible for advising the Directors of their duties and responsibilities and obligations to disclose their interest in securities, prohibition on dealing of securities during the closed period, restriction on disclosure of price sensitive information, disclosure of any conflict of interest and related party transaction as well as disclosure of necessary information as required under the relevant legislations;
- preparing the agenda with the Chairman and Chief Executive Officer and notifying all Directors of Board Meetings;
- attends all Board and Board Committee Meetings and ensures that all meetings are properly convened and proceedings of the Board and Board Committee Meetings and decisions thereof are properly recorded, communicating decision of the Board and Board Committees to the relevant management for necessary action, follow-up on proposals or matters tabled at the Board or Board Committee Meetings;
- providing full access and services to the Board;
- assisting the Board with interpreting legal and regulatory acts related to the Code, Listing Requirements and other related regulations and developments;
- advising the Board on its obligatory requirements to disclose material information to the shareholders and financial markets on a timely basis;
- handling Company share transactions and other duties as prescribed under the relevant legislations;
- ensuring the appointment of new Directors, re-appointment and resignation of Directors are in accordance with the relevant legislations;
- ensuring execution of assessment for Directors and the Board/Board Committees;
- ensuring availability of information required by new Directors for the proper discharge of their duties;
- assisting the Board and Chairman on the implementation of the Code;
- monitoring compliance with the principles and recommendations of the Code and informing the Board of any breaches; and

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- ensuring high standard of governance by keeping abreast of the latest enhancement in corporate governance and changes in the legal and regulatory framework.

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in the discharge of its duties.

1.7 Board Charter

The Board Charter provides guidance to the Board in the fulfilment of its roles and responsibilities which are in line with the principles of good corporate governance. The Board will continue to review the Board Charter periodically as may be necessary in order to ensure it remains updated should there be changes to the Company's policies, procedures and processes or the relevant legislations and regulations.

2. STRENGTHEN COMPOSITION

The Company is managed through the Board which currently comprises three (3) Executive Directors (including the Chairman), one (1) Non-Independent Executive Director and four (4) Independent Non-Executive Directors. Dedicated Board Committees were also established and are chaired by Independent Non-Executive Directors who exercise skillful leadership with in-depth knowledge of the relevant industry. The three (3) Board Committees appointed by the Board namely:

- Audit Committee;
- Risk Management Committee; and
- Nomination and Remuneration Committee.

In ensuring that the composition of the Board is strengthened, the Board has entrusted the Nomination and Remuneration Committee to implement policies and procedures with respect to selection and nomination of Board and Board Committees.

2.1 Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee ("NRC") as at the date of this Annual Report are as follows:

Chairman : Tan Sri Datuk Seri Razman Md Hashim - Independent Non-Executive Director

Members : Dato' Narendrakumar Jasani A/L Chuniail Rugnath - Independent Non-Executive Director
Tan Sri Ahmad bin Mohd Don - Independent Non-Executive Director
Onn Kien Hoe - Independent Non-Executive Director

The duties and responsibilities of the NRC are to assist the Board in reviewing and recommending the appropriate remuneration policies applicable to Directors, Chief Executive Officer/Group Managing Director (CEO/GMD) and Senior Management and the appointment and evaluation of the performance of Directors.

The principal Terms of Reference of the NRC are as follows:

- To review and determine the mix of skills, experience and other qualities (including core competencies of Non-Executive Directors) on an annual basis;
- To assess the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director on an annual basis;
- To recommend a framework of remuneration for Directors, CEO/GMD and key senior officers of the Company and its subsidiary companies; and
- To recommend specific remuneration packages for Directors, CEO/GMD and key senior officers of the Company and its subsidiary companies.

The NRC meets at least once a year, with additional meetings convened as and when necessary. The NRC met five (5) times during the financial year 31 December 2016 to review the results of the evaluation performed on the Board and Board Committees as well as to review, assess and recommend to the Board the remuneration package of the CEO/GMD, Executive Directors and Senior Management of the Company and its subsidiary companies.

2.2 Develop, Maintain and Review Criteria for Recruitment and Annual Assessment of Directors

2.2.1 Board Effectiveness Assessment

The NRC is guided by its Terms of Reference and the Procedure for the Appointment and Removal of Directors and Review of the Effectiveness of the Board/Individual Directors, which sets out the various criteria and process for recruitment and annual assessment of directors.

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The NRC shall carry out annual assessment of the effectiveness of the Board as a whole, the various committees and individual directors. In order to assess the effectiveness of the Board, the NRC shall consider the following:-

The matter discussed at the Board meeting should be specific and of major importance to the Company. They shall make recommendation to the Board for adoption of a schedule of matters specifically reserved for the Board's decision. The schedule of matters shall at least include the following matters:-

- acquisition and disposals of asset by the Company or of its subsidiaries that are material in nature;
- related-party transactions of a material nature;
- authority levels for core functions of the Company;
- corporate policies on investment; and
- the outsourcing of core business functions.

This schedule of matters shall be updated from time to time to ensure that important matters are brought to the attention of the directors, deliberated and agreed to enhance the effectiveness of the Board.

In addition to the schedule of matters specifically reserved for its decision, the Board should assume the specific responsibilities as highlighted under 1.2 Roles and Responsibilities of the Board.

The effectiveness of the Board falls on the extent to which it fulfils the specific responsibilities.

In making an assessment of the effectiveness of an individual Director, the NRC shall take into account of:-

- the contribution made by that Director to the decision making process;
- his attendance at Board meetings;
- his involvement in various committees or special projects; and
- his mark against the benchmark set by the Board.

2.2.2 Appointment and Re-election

The NRC is guided by the Procedure for the Appointment and Removal of Directors which has been approved by Board. The Board nomination and Selection Process outlines the skill sets, knowledge/experience, mindset and the intrinsic values required of the concerned Director vis-a-vis the need of the Company. The process also provides the relevant point of reference in identifying the most suitable candidates to sit on the Board.

The NRC, in assessing the suitability of an individual and proposing candidate for appointment to the Board, take into accounts:-

- Skills, knowledge, expertise and experience.
- Time commitment, candidate's other commitments and resources for input to the Board.
- The relationship of the candidate with another Director or major shareholder of the Company.
- The candidate must be a fit and proper person. Each Director is required to make quarterly declaration that they are not disqualified under the relevant law and fulfil fit and proper criteria.

For financial year ended 2016, there has been no appointment of new Independent Director to the Board. Whilst the Board is of the view that the current directorship is adequate with the appropriate mix of skills and experience required for the Group, it is mindful of the recommendation 3.5 of the Code, and the NRC continues to assess suitable candidates for recommendation to the Board. The Board has conducted a self-assessment on 13 April 2017 to assess the Board Committees, the effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board during the year. The assessment covers inter alia the effectiveness of the Board structure and composition, Board operations and roles and responsibilities of the Board and the Board Committees.

2.2.3 Gender Diversity

The Company sees the participation of women as being fundamental to the achievement of equal opportunity in the workplace and has reviewed and continued to implement its Policy on Diversity and Non Discrimination. The relatively large number of female employees in the Group is proof that the gender diversity approach has long been in practice in the Group.

The Company further believes, by virtue of being the apex body overseeing key issues as strategy execution, management of risks and governance, that Board diversity translates into a more effective Board.

The Board is of the view that membership of the Board should be dependent on each candidate's qualifications, age, skills, experience, core competencies, character, integrity and other qualities regardless of gender.

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2.3 Remuneration Policies

The Board is aware that fair remuneration is critical to attract, retain and motivate Directors. The NRC in discharging its responsibilities in the review of the Directors' remuneration considers various factors including the following:

- Directors' skills and experiences;
- Market rate for Executive Director's salary having regard to the nature of the Company's business;
- Evaluation conducted by the Nomination Committee with respect to the effectiveness and contribution of the Director concerned;
- Non-Executive Directors' time devoted to the Company's affairs; and
- Directors' experience and responsibilities undertaken.

The Remuneration of the Directors for the financial year ended 31 December 2016 is set out below:

	Executive Directors (RM)	Non-Executive Directors (RM)
Fees	22,500	303,750
Salaries	4,027,644	-
Bonus	1,980,212	-
Other Benefits	1,364,522	121,750
Total	7,394,878	425,500

The number of Directors whose total remuneration falls within the bands of RM50,000 is as follows:

Range of Remuneration	Executive Directors	Non-Executive Directors
RM50,001 to RM100,000	-	1
RM100,001 to RM150,000	-	3
RM300,001 to RM350,000	1	-
RM1,500,001 to RM1,550,000	1	-
RM2,150,001 to RM2,200,000	1	-
RM3,350,001 to RM3,400,000	1	-

The following successive range of remuneration bands of RM50,000 is not applicable:

Below RM50,000
 RM150,001 to RM300,000
 RM350,001 to RM1,500,000
 RM1,550,001 to RM2,150,000
 RM2,200,001 to RM3,350,000

3. REINFORCE INDEPENDENCE

3.1 Annual Assessment of Independence

The Board conducts an annual self-assessment on the effectiveness of the Board and the Board Committees. The self-assessment includes assessment on the independence of the Independent Directors.

The Board values the independent and objective judgement brought by the Independent Directors to the Board, and recognizes that the independence of the Independent Directors is crucial to provide an unbiased and independent view, advice and judgement to take into account the interest, of not only the Group but also of shareholders, employees and communities in which the Company conducts business.

Based on the assessment conducted on 13 April 2017, the Board is satisfied with the level of independence demonstrated by the present Independent Directors and their ability to act in the best interest of the Company.

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3.2 Tenure of Independent Directors

The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years in accordance with the Code. However, upon completion of the nine (9) years, the Independent Director may continue to serve the Board subject to the Director being re-designated as a Non-Independent Director. In the event the Director is to remain as Independent Director, the Board shall first justify and obtain shareholders' approval.

The Board currently has two (2) directors, Tan Sri Datuk Seri Razman Md Hashim and Tan Sri Ahmad bin Mohd Don, who will have served as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years.

The NRC has assessed and is satisfied with the ability of Tan Sri Datuk Seri Razman Md Hashim and Tan Sri Ahmad bin Mohd Don to bring independence and objective judgement to Board deliberations, and recommends for them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:

- The Group has benefited from these long-serving Independent Non-Executive Directors who possessed detailed knowledge of the Group's business, standard operating procedures, internal controls and risks profile and have proven commitment, experience, competence and wisdom to effectively advise the Management from time to time.
- Tan Sri Datuk Seri Razman and Tan Sri Ahmad Mohd Don are independent in character and judgement, independent of management and free from any relationship or circumstances which are likely to affect or could affect their judgement or making of decisions in the best interest of the Company.
- Tan Sri Datuk Seri Razman and Tan Sri Ahmad Mohd Don had fulfilled the criteria under the definition of Independent Directors as stated in the MMLR of Bursa Securities, and thus they would be able to function as check and balance and bring an element of objectivity to the Board.
- Both of them have vast experience in the accounting and audit industry enabling them to provide the Board with a diverse set of experience, expertise and independent judgement.
- Tan Sri Datuk Seri Razman and Tan Sri Ahmad Mohd Don had devoted sufficient time and attention to their professional obligations for an informed and balanced decision making.
- They had consistently challenged management in an effective and constructive manner and provided an independent voice on the Board.
- Tan Sri Datuk Seri Razman and Tan Sri Ahmad Mohd Don had also exercised their due care and diligence during their tenure as Independent Non-Executive Directors of the Company and had carried out their professional duties in the best interest of the Company and shareholders.

Both Tan Sri Datuk Seri Razman Md Hashim and Tan Sri Ahmad bin Mohd Don have abstained from the assessment deliberation and recommendation in respect of this matter. Throughout their tenure, it has been proven that Tan Sri Datuk Seri Razman Md Hashim and Tan Sri Ahmad bin Mohd Don are able to provide an independent voice on the Board in challenging whilst participating in the Board's decision-making process, and the Group has benefited from their commitment, wisdom and oversight as they have in-depth knowledge of the Group's business and operations and vast experience in the accounting and audit industry.

3.3 Shareholders' Approval for the Re-appointment of Non-Executive Directors

During the Annual General Meeting held on 20 June 2016, shareholders' of MAAG had approved Tan Sri Datuk Seri Razman Md Hashim and Tan Sri Ahmad bin Mohd Don to continue to act as an Independent Non-Executive Directors of the Company until the conclusion of the next Annual General Meeting ("AGM") of the Company.

3.4 Positions of the Executive Chairman and the Chief Executive Officer/Group Managing Director

The roles of Tunku Dato' Yaacob Khyra as the Executive Chairman and Datuk Muhammad Umar Swift as the CEO/GMD are distinct and separate, each has a clearly accepted division of responsibilities as specified in the Board Charter to ensure accountability.

The responsibilities of the Executive Chairman include providing leadership to the Board, to chair the shareholders' meeting and to act as the Group's ambassador within the domestic and international market. The Executive Chairman participates in management committee meetings and further works with the CEO/GMD on major strategic issues.

The CEO/GMD is responsible to ensure the execution of strategic goals, implementation of all decisions of the Board and the strategy adopted by the Board and assumes full accountability to the Board for all aspects of the Company's day-to-day operations and overall performance of the Group.

Based on the annual assessment conducted on 13 April 2017 and recommendation made by the NRC, the Board is of the view that Tunku Dato' Yaacob Khyra has been able to perform his role and responsibilities as the Executive Chairman without any impairment of objectivity and always in consideration of the best interests of the shareholders and all stakeholders.

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3.5 Composition of the Board

The Board is a balanced board with a complementary blend of expertise, with professional and business experiences relevant to the Group's business. These can be seen in the Board of Directors' profile section which illustrates the Directors' background and experiences.

The Board comprises of eight (8) members as at the date of this Annual Report, of whom four (4) are Independent Non Executive Directors. The present composition is in compliance with Chapter 15.02 of the Bursa Securities Listing Requirements.

The Board is chaired by an Executive Chairman. Whilst the Company supports the recommendations made under the Code, the Company maintains that the Chairmanship of the Board shall continue to be held by a Non-Independent Executive Director. At the moment, the Board is of the view that the Executive Chairman will remain objective in expressing his views and will allow all Board members the opportunity to participate and express their views in deliberations and decision-making in the Board without fear or favour. In addition, any decisions arrived by the Board are made on consensus. Despite this, the Board will endeavor that the composition of the Independent Directors comprise of more than one-third (1/3) of the Board to ensure balance of power and authority on the Board.

4. FOSTER COMMITMENT

4.1 Time Commitment

The Board is satisfied with the time commitment given by the Directors of the Company in discharging their duties for the financial year ended 31 December 2016.

The Board has met six (6) times during the financial year ended 31 December 2016. The details of the attendance by each of the Directors for the financial year ended 31 December 2016 are as follows:

Members of the Board	Attendance	Percentage
Tunku Dato' Yaacob Khyra (Chairman)	6/6	100%
Datuk Muhamad Umar Swift	6/6	100%
Yeo Took Keat	6/6	100%
Tan Sri Datuk Seri Razman Md Hashim	6/6	100%
Tan Sri Ahmad bin Mohd Don	6/6	100%
Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah	6/6	100%
Dato' Narendrakumar Jasani A/L Chunilal Rugnath	5/6	80%
Onn Kien Hoe	6/6	100%

An annual meeting calendar is prepared by the Company Secretary and circulated to all Directors before the beginning of every year which sets out the scheduled dates for meetings of the Board and Board Committees, in order to facilitate and foster the Directors' time planning and commitment to the Company.

The NRC is guided by the Company's Procedure for the Appointment and Removal of Director and will take into consideration various criteria in assessing new appointment of directorships to the Company including the number of directorships already held by the candidate and candidate's time availability and other commitments.

4.2 Training

All Directors have attended the Mandatory Accreditation Programme prescribed by Bursa Securities. The Nomination and Remuneration Committee evaluates the training needs of the Directors and recommends trainings to each Director to enable the Directors to discharge their duties effectively and proficiently, taking into account the individual needs of each of the Directors.

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During the financial year ended 31 December 2016, the Directors have attended and participated in various programmes and forums which they have individually or collectively considered as relevant and useful in contributing to the effective discharge of their duties as Directors.

The programmes or forums attended by the Directors include, inter alia, the following:-

Members of the Board	Programmes / Forum
Tunku Dato' Yaacob Khyra	<ul style="list-style-type: none"> • Briefing on New Companies Bill 2015. • Enterprise Risk Management ("ERM"): Driving Organizational Sustainability, Agility and Resilience.
Datuk Muhamad Umar Swift	<ul style="list-style-type: none"> • 18th Malaysia Strategic Outlook Conference 2016. • FIDE Forum: Industry Briefing on Directors Register Implementation. • Summary of Key Issues to be Discussed for the 3rd BNM – FIDE Forum Annual Dialogue with the Governor of Bank Negara Malaysia: "Economic and Financial Services Sector: Trends and Challenges Moving Forward". • Corporate Governance Disclosure – The Interplay between CG, Non-Financial Information and Investment Decisions. • FIDE Core Programme – Module A (Bank) Risk Management Practices for the Financial Market in the 21st Century. • Briefing on New Companies Bill 2015. • FIDE Engagement Session. • Bursa Malaysia's Breakfast Series: Future of Auditor Reporting – The Game Changer for Boardroom. • 2016 CPA Congress. • Advocacy Sessions on Management Discussion & Analysis ("MD&A") for Chief Executive Officers and Chief Financial Officers of Listed Issuers. • MIA International Accounts Conference 2016.
Yeo Took Keat	<ul style="list-style-type: none"> • Briefing on New Companies Bill 2015. • Corporate Governance Disclosure - The Interplay between CG, Non-Financial Information and Investment Decisions. • MIA International Accountants Conference 2016. • MIA - Companies Act 2016 - Key Insights and Implication for Directors / Shareholders.
Tan Sri Datuk Seri Razman Md Hashim	<ul style="list-style-type: none"> • Enterprise Risk Management. • The New Companies Bill 2015. • Directors' Induction Training & Crash Course on Takaful/Shariah Session. • 19th National Housing & Property Summit 2016 (Revitalizing the Housing & Property Industry).
Tan Sri Ahmad bin Mohd Don	<ul style="list-style-type: none"> • Directors' Training/Briefing Session on New Companies Bill 2015, New and Revised Auditor Reporting Standards & Enhancements to PIDM Differential Levy Systems Framework for Insurance Companies. • FIDE Forum Talk "FinTech": Business Opportunity or Disruptor?"
Tunku Yahaya @ Yahya bin Tunku Tan Sri Abdullah	<ul style="list-style-type: none"> • Briefing on New Companies Bill 2015. • Enterprise Risk Management ("ERM"): Driving Organizational Sustainability, Agility and Resilience.

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Members of the Board	Programmes / Forum
Dato' Narendrakumar Jasani A/L Chunilal Rugnath	<ul style="list-style-type: none"> LHDN – CTIM Tax Forum. MIA – Merger, Acquisition & Affiliation Seminar. LHDN – CTIM National Tax Conference 2016. MIA – Forum on Key Audit Matters. MIA Future of Audit. Grand Thornton – Global Conference. Grand Thornton – Tax & Business Conference – Budget 2017. CTIM – 2017 Budget Seminar. MIA – MATA 20 17 Budget Seminar. MIA – International Accounts Conference. CTIM – Tax Planning & Issues for Property Developer & Investor. CTIM – 2017 Budget Seminar. Jabatan Audit Negara – “Were the Auditors Sleeping?”
Onn Kien Hoe	<ul style="list-style-type: none"> An overview of latest development in Malaysian Financial Reporting Standards by Malaysian Institute of Accountants. National Tax Conference 2016. Directors' Induction Training & Crush Course on Takaful/Shariah Session. International Experience Sharing on IFRS Implementation.

5. UPHOLD INTEGRITY IN FINANCIAL REPORTING

5.1 Financial Reporting Standards

The Company's annual financial statements and quarterly financial results are reviewed by the Audit Committee in consultation with the external auditors to ensure the reliability of the Company's financial statements in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act 1965, before recommending for the Board's approval and submission to Bursa Securities for announcement.

5.2 Relationship with External Auditors

The Audit Committee reviews the appointment, performance and remuneration of the external auditors, before recommending them to the shareholders for re-appointment in the AGM.

The Audit Committee convenes meetings with the external auditors without the presence of the Executive Directors and Management of the Group whenever it deems necessary.

During the financial year ended 2016, the Audit Committee had conducted two (2) meetings on 25 February 2016 and 24 November 2016 respectively with the external auditors without the presence of the internal Auditors and Management to discuss their audit plan, audit findings, financial statements and other matters that require the Board's attention.

During the year, the Audit Committee had assessed Messrs PricewaterhouseCoopers (“PwC”) and is satisfied with the suitability and independence of PwC as external auditors of the Company.

6. RECOGNISE AND MANAGE RISKS

6.1 Sound Framework

The Board through the Risk Management Committee and the Audit Committee, continually reviews the adequacy and effectiveness of the risk management processes and internal controls in place within the various operating units with the aim of strengthening the risk management functions and internal controls across the Company and the Group.

The features of the Company's risk management framework and the internal controls system are as highlighted in the Statement on Risk Management and Internal Control in this Annual Report.

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6.2 Internal Audit Function

The Company has outsourced its internal audit function to KPMG Management and Risk Consulting Sdn Bhd beginning 2014, who has the relevant qualifications and is responsible in providing assurance to the Board via its periodical audit reports to the Audit Committee on the effectiveness of the internal controls.

7. ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

7.1 Corporate Disclosure Policies and Procedures

The Company has in place a Corporate Disclosure Policies and Procedures which sets out clear procedures on corporate disclosure requirements, its designated corporate disclosure officer and appointed spokespersons for the Company and respective roles and responsibilities of its management and officers to ensure that material information disclosed by the Company is accurate, timely and complete.

7.2 Leverage of Information Technology for Effective Dissemination of Information

Shareholders and investors can access the Company's website at www.maa.my for the latest corporate information of the Group. The Company's website provides all relevant information about the Company including its announcements and annual reports and is accessible by the public. Its corporate governance section includes, amongst others, the Board Charter, Code of Conduct and Whistle Blowing Policy.

8. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

8.1 Communication with Shareholders

The Company is committed to provide timely and accurate information equally to all shareholders regarding the Company's financial situation, performance, strategies, activities and governance and adopt channels for disseminating information that are fair, timely and cost efficient.

The Board notes the recommendation 8.1 of the Code to take reasonable steps to encourage shareholders participation at the AGM. The Company's AGM is the primary platform for communication with the widest range of shareholders. The Company will use best endeavours to serve the notice of the AGM meeting to shareholders earlier than the minimum notice period of at least twenty one (21) days before the date of the meeting in order to allow the shareholders to make necessary arrangements to attend and participate either in person or by proxy.

The forthcoming AGM will be a good opportunity for proactive engagement and communication between the Board, shareholders and investors.

- Shareholders who are unable to attend are entitled to appoint a proxy i.e to attend, speak and vote on their behalf.
- The MAA Group website (www.maa.my) contains references to and notices about the AGM.
- Members of the Board, Senior Management as well as the external auditor of the Company are present at the AGM to address any question or consent that shareholders may have.
- The Chairman at the commencement of the AGM, informs shareholders of their right to vote by poll. The Company also took note of the recommendation on e-voting and will explore the suitability and feasibility of employing electronic means for poll voting in future.
- Shareholders are welcome to contact the Company at any time throughout the year. The contact information is available on the Company's website (www.maa.my).

8.2 Poll Voting

In line with the recent amendments to the Listing Requirements, the Company will implement e-voting for all the resolutions set out in the Notice of AGM at the AGM. In addition, the Company will appoint at least 1 scrutineer to validate the votes cast at the AGM.

In accordance with Article 91 of the Articles of Association of the Company, the Chairman of the meeting has a right to demand a poll with respect to all resolutions which are put to vote at the AGM as set out in the Notice of AGM. The poll voting process at the general meeting will be conducted in accordance with the provisions of the Articles of Association of the Company.

9. COMPLIANCE WITH CODE

The Board is satisfied that the Company has implemented the principles and recommendations under the Code and believes that all material aspects have been complied with reasonably and in the manner most suited and appropriate for the Company in the best interest of all stakeholders.