

## CORPORATE GOVERNANCE OVERVIEW STATEMENT



**The Board of Directors (the Board) is pleased to present Malaysia Airports' Corporate Governance Overview Statement (CG Overview Statement) to provide shareholders and investors with an overview of the corporate governance (CG) practices of the Company during the financial year 2022.**

Malaysia Airports is committed in maintaining high level commitment in carrying out our oversight roles of overseeing the management of affairs of the Company as we remain committed to promoting sound corporate governance practices and a culture of integrity as well as transparency throughout Malaysia Airports Group (the Group). The Board upholds that good corporate governance is of utmost

importance for charting the Group's strategic direction and guiding decision-making processes, and to continuously achieve sustainable long-term value for the stakeholders.

During the year under review, Malaysia Airports remained affirmed in upholding compliance with the following statutory and regulatory requirements, guidelines, and governance best practices:

Companies Act 2016.

Main Market Listing Requirements (Listing Requirements) of Bursa Malaysia Securities Berhad (Bursa Securities).

Malaysian Code on Corporate Governance 2021 (MCCG 2021).

Corporate Governance Guide 4<sup>th</sup> Edition 2021 (CG Guide) by Bursa Securities.

Corporate Disclosure Guide by Bursa Securities.

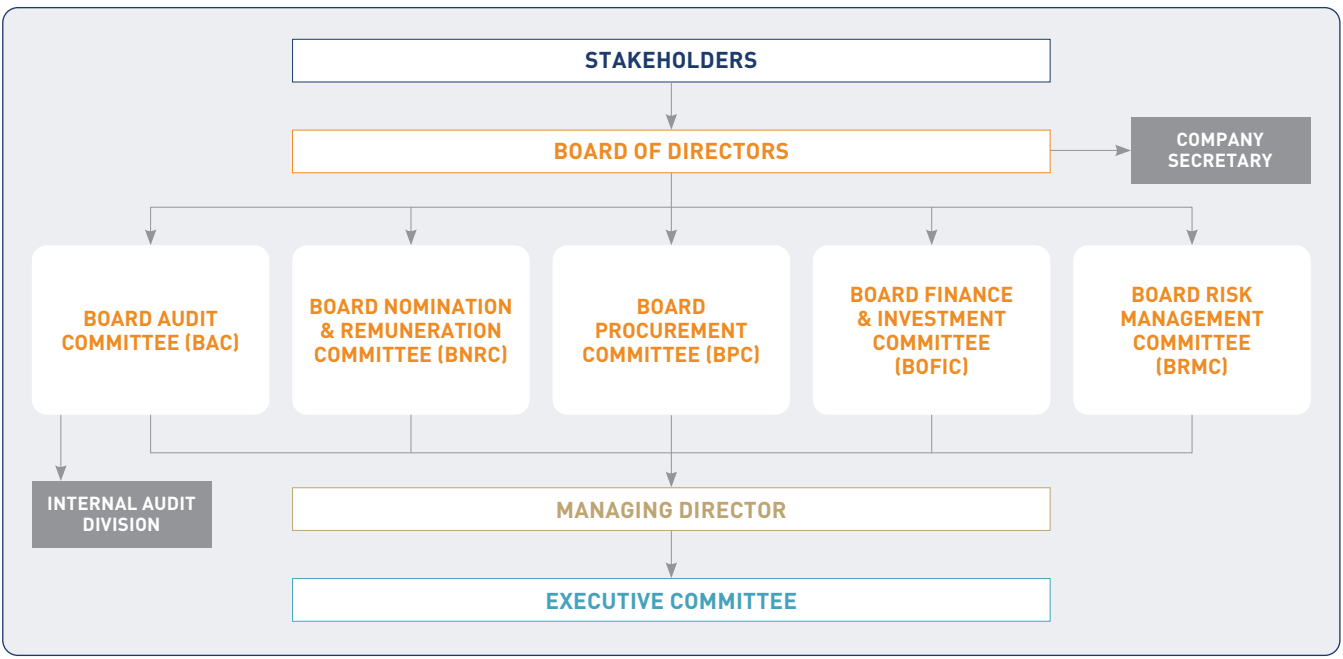
ASEAN Corporate Governance Scorecard; and

Developments in market practice and regulations.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## CORPORATE GOVERNANCE FRAMEWORK

With continuous guidance from the Board, the Malaysia Airports' corporate governance structure remains robust and effective across the Group. Responsibility for good governance lies with the Board, and to ensure the effective discharge of its functions and responsibilities, the Board delegates its powers to the Board Committees and Managing Director (MD) as well as to the Executive Committee (EXCO) which comprises Senior Management personnel. The Board, in implementing corporate governance best practices, ensures accountability to the Company's shareholders and other stakeholders. Malaysia Airports' Corporate Governance Framework can be illustrated as follows: -



This statement provides an overview of Malaysia Airports' application of the following three (3) key principles of corporate governance as set out in the MCCG 2021: -



We hereby present our application and adoption of the recommendation and practices of MCCG 2021 throughout this statement. This statement is prepared in compliance with Listing Requirements of Bursa Securities, and it is to be read together with the CG Report 2022 of the Company (CG Report) which is available on the Company's website at [www.malaysiaairports.com.my](http://www.malaysiaairports.com.my).

As of 31 December 2022, Malaysia Airports adopted and applied 41 out of 43 recommended practices by MCCG 2021 together with 3 out of 5 optional step-up practices. The CG Report provides the details on how the Company has applied each Practice as set out in the MCCG 2021 during the financial year 2022.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### A BOARD LEADERSHIP AND EFFECTIVENESS

##### Roles and Responsibilities of the Board

The Board is responsible for overseeing and monitoring the business operations of the Company in an effective and responsible manner. Each member of the Board has a duty to act in the best interest of the Company. In this respect, the Board sets the Company's values and standards, and ensures that its obligations to the shareholders and other stakeholders are fulfilled.

In discharging its functions, the main roles and responsibilities of the Board are as follows: -

- Review and approve the Group's overall strategy, vision, mission, objective, core values, brand promise and governance framework of the Group.
- Review and approve corporate key performance indicators (KPIs) and targets.
- Provide guidance on strategic direction, challenge assumptions, priorities and options, and review business plans and budgets put forward by Senior Management.
- Set the Company's enterprise risk management framework, review major risk exposure and ensure that appropriate risk mitigation plan is in place and consider risk factors for major projects.
- Together with Senior Management, promote good governance culture that upholds ethical and professional behaviour in keeping with the Company's brand promise.
- Review the performance of MD and Senior Management against the corporate KPIs.
- Plan and determine the succession plan of Senior Management including appointment, compensation, renewal of employment contracts and replacement.
- Oversee the implementation of investor relation programmes and appropriate shareholders' communication policy.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE

## A BOARD LEADERSHIP AND EFFECTIVENESS

## BOARD OF DIRECTORS

Chairman



**Tan Sri Datuk Zainun Ali**  
Non-Independent Non-Executive Chairman  
(Appointed on 17 February 2023)

MEETING  
ATTENDANCE:  
N/A

## Members

**Dato' Iskandar Mizal Mahmood**

Managing Director  
Meeting Attendance: 14/14

**Datuk Johan Mahmood Merican**

Non-Independent Non-Executive Director  
Meeting Attendance: 5/6  
(Appointed on 29 June 2022)

**Dato' Normah Osman**

Non-Independent Non-Executive Director  
Meeting Attendance: 14/14

**Wong Shu Hsien**

Non-Independent Non-Executive Director  
Meeting Attendance: 12/14

**Rohaya Mohammad Yusof**

Non-Independent Non-Executive Director  
Meeting Attendance: 14/14

**Datuk Azailiza Mohd Ahad**

Senior Independent Non-Executive Director  
Meeting Attendance: 14/14

**Tan Sri Mohamad Salim Fateh Din**

Independent Non-Executive Director  
Meeting Attendance: 5/5  
(Appointed on 25 July 2022)

**Dato' Ir. Mohamad Husin**

Independent Non-Executive Director  
Meeting Attendance: 14/14

**Ramanathan Sathiamutty**

Independent Non-Executive Director  
Meeting Attendance: 14/14

**Cheryl Khor Hui Peng**

Independent Non-Executive Director  
Meeting Attendance: 5/5  
(Appointed on 25 July 2022)

## Former Members who served during the year under review:

**Dato' Seri Diraja Dr. Zambry Abd Kadir**

Non-Independent Non-Executive Chairman  
Meeting Attendance: 14/14  
(Resigned on 3 December 2022)

**Datuk Zalekha Hassan**

Independent Non-Executive Director  
Meeting Attendance: 8/8  
(Retired on 2 June 2022)

**Datuk Seri Yam Kong Choy**

Senior Independent Non-Executive Director  
Meeting Attendance: 8/8  
(Retired on 2 June 2022)

**Rosli Abdullah**

Independent Non-Executive Director  
Meeting Attendance: 9/9  
(Resigned on 1 July 2022)

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#### A BOARD LEADERSHIP AND EFFECTIVENESS

##### MAIN AREAS OF OVERSIGHT

- Overall strategy, vision, values, and governance framework of the Group.
- The Company's Annual Audited Financial Statements and Quarterly Financial Statements.
- Payment of dividends and the Company's dividend policy.
- The Group's annual budget and any amendment to allocation, borrowing and security, acquisitions and disposals of tangible/non-tangible assets and capital expenditure over a specified amount.
- Company's long-term financial plan and annual capital expenditure programme.
- Approval of any significant change in accounting policies and practices.
- Approval of all circulars, resolutions and corresponding documentation sent to stakeholders.
- Approval of changes in the capital structure of the Company with regards to issuance or allotment of shares or other securities, or its status as a public listed company.
- Appointment or removal of MD and Company Secretary.
- Recommendation to shareholders for the appointment, re-appointment, or removal of the external auditors.
- Appointment, re-appointment or removal of Directors and recommendation for their election or re-election for consideration of shareholders, pursuant to the Company's Constitution.
- Approval for the establishment of Board Committees, their terms of reference, review of their activities and where appropriate, ratification of their decisions.

##### MAIN ACTIVITIES IN 2022

- Terms for ISG COVID-19/Force Majeure Relief Treatment and Midfield Terminal Project for ISG.
- Matters related to the Operating Agreements between the Government and Malaysia Airports.
- Material litigations and issues with material financial impact.
- Revision of Internal Policies.
- Joint Venture and Land Development at Lapangan Terbang Sultan Abdul Aziz Shah Subang.
- Full year result for financial year ended 31 December 2021 and approval of Audited Financial Statements for financial year ended 31 December 2021.
- Quarterly Result Announcements.
- Corporate Scorecard and Key Performance Indicators (KPIs) of Senior Management for FY2021 and FY2022.
- COVID-19 Screening & Testing and Related Value-Added Service at KLIA Terminal 1 and 2 and Other International Airports.
- Maintenance, Repair & Overhaul Facility for Collins Aerospace at Subang Aerotech Park.
- Change of Composition of Board Committees.
- Revision of Terms of Reference of Board Committees.
- Proposed Appointment of Concessionaire to Redevelop Satellite Building Centre Court and Operation of New Retail Outlets.
- Assessment in Governance, Risk and Compliance for Procurement Tender Process for Automated People Mover (APM).
- Issuance of Senior Sukuk Under the Sukuk Wakalah Programme.
- Strategic Roadmap for subsidiaries companies.
- Memorandum of Business Exploration with Pelaburan Hartanah Berhad for Development of Aeronautical Support Zone Two (2) and KLIA Aeropolis.
- FY2021 Performance Result for Company Secretary.
- Extension of Concession Period and Sublease Term for Commercial.
- Design, Construction, Installation, Completion, Testing & Commissioning of Proposed Baggage Handling System (BHS) Asset Replacement Program.
- Matters Related to Pestech Technology Sdn Bhd (PTSB) on Delivery of Asset Replacement Project (ARP) for APM.
- Infrastructure Works for Digital Free Trade Zone (DFTZ) and Its Associated Works.
- Special Incentive Programme for Restoration and Development of International Connectivity and Traffic.
- Audit Fees for the Group for Financial Year Ended 31 December 2022.
- Appointment of Consultant for Board Performance Evaluation 2022.

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**A BOARD LEADERSHIP AND EFFECTIVENESS****Delegation to Management**

The responsibility of managing the Company is delegated to Senior Management through the MD. In this regard, the Board sets the Company's policies and strategic directions, and ensures its decisions are executed accordingly by Senior Management. The implementation of policies and strategic directions, and execution of Board decisions are controlled via written procedures [i.e., Limits of Authority (LOA) and Procurement Policies & Procedures (Procurement Manual)] which outline the appropriate approving authority and types of decisions required.

**Roles of Chairman, Managing Director and Senior Independent Director**

To ensure an effective discharge of responsibilities, there is a clear division of responsibilities between the running of the Board and the executives responsible for the running of the day-to-day business operations of the Group. This division of responsibilities helps ensure objectivity between the functions of the Board and Senior Management.

Consistent with Practice 1.3 of MCCG 2021, the positions of Chairman, MD and Senior Independent Director of the Company are held by different individuals. The distinct and separate roles of the Chairman who heads the Board, Senior Independent Director who is a point of contact for shareholders and other stakeholders, and MD who leads the Management also ensures a balance of power and authority, which in turn ensures high level of corporate governance and that no one individual has unfettered decision-making power. The respective roles of the Chairman, Senior Independent Director, MD, and their division of responsibilities are tabulated below: -



**TAN SRI DATUK ZAINUN ALI**  
Chairman

**ROLES AND RESPONSIBILITIES OF CHAIRMAN**

- Lead the Board in setting values and governance standards of the Company.
- Maintain a relationship of trust with and between Board members.
- Ensure the provision of accurate, timely and clear information to the Board.
- Ensure effective communication with shareholders and other stakeholders.
- Act as facilitator for meetings to ensure: -
  - adequate notice of meetings.
  - adequacy of information for Board meetings.
  - no member dominates the discussion.
  - full discussion takes place.
  - variety of opinion among Board members is drawn out.
  - outcome of discussions results in logical and coherent policy to guide the MD and against which the performance of the Company can be monitored; and
  - consensus is obtained in Board meetings and when necessary, to call for vote.
- Arrange annual evaluation of the performance of the Board and Board Committees.
- Facilitate effective contribution from Board members and ensure constructive relations are maintained between Board members.
- Create the conditions required for the effectiveness of the Board and individual Directors, both inside and outside the boardroom including the appropriate balance of power, level of accountability and independent decision making.
- Lead discussions among Board members.
- Build a cohesive leadership team consisting of the Board and Senior Management.
- Delegate responsibilities to other Directors, Board Committees and Management.

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#### A BOARD LEADERSHIP AND EFFECTIVENESS



**DATO' ISKANDAR MIZAL  
MAHMOOD**  
Managing Director

#### ROLES AND RESPONSIBILITIES OF MANAGING DIRECTOR

- Lead the day-to-day management of the Group and chairs the EXCO.
- Responsible for implementing policies, strategies and decisions adopted and agreed by the Board.
- Provide a structure that facilitates clear reporting to the Board with high quality information and recommendations to enable informed decisions in all aspects of the Company's business and strategy.
- Answerable to the Board for the achievement of the agreed goals within the limitations of authority granted by the Board.
- Report to and advise the Board on: -
  - all matters that materially affect the Company and its performance including any potential strategic or significant development prospects.
  - any underperforming business/activities of the Company and outline proposals to rectify the situation; and
  - all material matters that affect or could affect shareholders and the markets in which the shareholders' interests are located.
- Regularly review the succession plan for Senior Management with the Chairman and other Board members.
- Represent the Company to major customers, employees, suppliers, and professional associations.



**DATUK AZAILIZA MOHD  
AHAD**  
Senior Independent Director

#### ROLES AND RESPONSIBILITIES OF SENIOR INDEPENDENT DIRECTOR

- Serve as a point of contact for shareholders and other stakeholders to voice their concerns relating to the affairs of the Group.
- Chair Board meetings when the Chairman is absent or fail to arrive within 15 minutes or if the Chairman is required to be excused from the meeting.
- Review the notification by the Chairman on acceptance of new directorships in other companies.
- Lead board evaluation on the Chairman.
- Advise the Board if there is any potential conflict of interest by the Chairman.
- Perform such duties as the Board may establish.
- Encourage dialogue session between Independent Directors and Management.

All queries relating to Malaysia Airports Group can be channeled to the Senior Independent Director's email address [sid@malaysiaairports.com.my](mailto:sid@malaysiaairports.com.my) or directed to the following address:

**Datuk Azailiza Mohd Ahad**  
Senior Independent Director

Malaysia Airports Corporate Office  
Persiaran Korporat KLIA  
64000 KLIA, Sepang  
Selangor Darul Ehsan



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## Board Composition

The Board currently comprises six (6) Non-Independent Non-Executive Directors (NINEDs) and five (5) Independent Non-Executive Directors (INEDs). The current Board composition complies with the provision of the Company's Constitution and exceeds the minimum requirement of one-third for INEDs as set out in the Listing Requirements. The Board took cognisance of the recommendation of Practice 5.2 of MCCG 2021 with regards to composition of boards of Large Companies to comprise majority INEDs. However, the composition of the Board is subject to the provision of the Constitution of the Company. Rule 113 of the Constitution states that the Minister of Finance Incorporated (MOF Inc), the Special Shareholder, shall have the right from time to time: -

- ▶ To appoint any person; or
- ▶ To nominate any acting director (with the consent of the Director concerned) to be a Government Appointed Director so that there shall not be more than six (6) Government Appointed Directors at any time comprising:
  - (i) The Chairman of the Board.
  - (ii) The Managing Director.
  - (iii) One (1) representative each from the Ministry of Finance and the Ministry of Transport; and
  - (iv) Two (2) other representatives as may be determined.

The composition of the Board reflects the interest of MOF Inc which is adequately represented by the appointment of their nominees without compromising the interest of other shareholders.

At present, one (1) of the NINEDs is a nominee director from Khazanah Nasional Berhad (KNB), the largest shareholder of the Company. Another NINED is a nominee director from Employees Provident Fund (EPF), another major shareholder. The INEDs represent the minority shareholders' interest and their independent voice carries a significant weight in the Board's decision-making process.

On 2 June 2022, Malaysia Airports bade farewell to Datuk Seri Yam Kong Choy and Datuk Zalekha Hassan who retired as INEDs upon the conclusion of 23<sup>rd</sup> AGM. Malaysia Airports then welcomed Datuk Johan Mahmood Merican, representative of Minister of Finance Incorporated (MOF Inc) from Ministry of Finance (MOF) on 29 June 2022.

Thereafter, Malaysia Airports also bade farewell to Rosli Abdullah who resigned as INED on 1 July 2022. On 25 July 2022, the Company welcomed Tan Sri Mohamad Salim Fateh Din and Cheryl Khor Hui Peng as INEDs.

On 3 December 2022, Malaysia Airports bade farewell to Dato' Seri Diraja Dr. Zambry Abd Kadir who resigned as a Non-Independent Non-Executive Chairman and then welcomed Tan Sri Datuk Zainun Ali who was nominated by MOF Inc. as Non-Independent Non-Executive Chairman on 17 February 2023.

The Directors' profiles are available on pages 149 to 159 of this Annual Report.

The Board regularly reviews its composition and the composition of Board Committees to ensure appropriate balance, and the presence of the required skills and experience at all times.



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#### A BOARD LEADERSHIP AND EFFECTIVENESS

In conclusion, the Board and Board Committees are content with their compositions and are of the view that, with the current mix of skills, knowledge, experience, and strength of existing Directors, the Board and respective Board Committees are in the position to discharge their duties effectively.

#### Board Composition

1  
MD

5  
NINEDs

5  
INEDs

### Diversity

The Board believes that a balance of experience, skills, competency, expertise, diversity, and knowledge are key elements to introducing different perspectives into Boards' discussions and to ensure better analysis of risks and opportunities to leading a long-term sustainable business. With such balance, our Board ensures the continuity of effective oversight and informed decision making with respect to issues affecting the Company.

The Board considers diversity in gender, age, and ethnicity of the existing Board members in seeking potential candidate(s) for new appointment on the Board. This helps ensure an appropriate balance between the experienced perspectives of long-serving Directors and new perspectives that bring fresh insights to the Board.

Malaysia Airports has always been supportive of MCCG 2021's recommendation that Large Companies have at least 30% Women Directors. At present, the Board is represented by six (6) Women Directors out of the total eleven (11) Directors which made up 60% of the Board composition.

A Board Diversity Policy has also been established since 2018. It provides that the Board will always maintain minimum 30% Women Directors as its members.

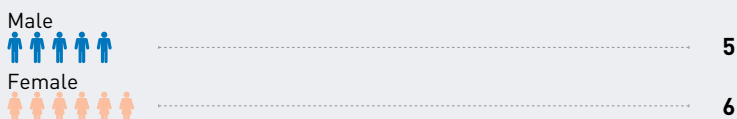
The gender diversity philosophy is cascaded from the Board to the Senior Management throughout the Group. The Company will

continue to take steps to promote diversity, including gender diversity, at operational as well as management level and strive to inculcate a working environment which is free from discrimination. The policy on diversity is also implemented in recruitment and promotion processes.

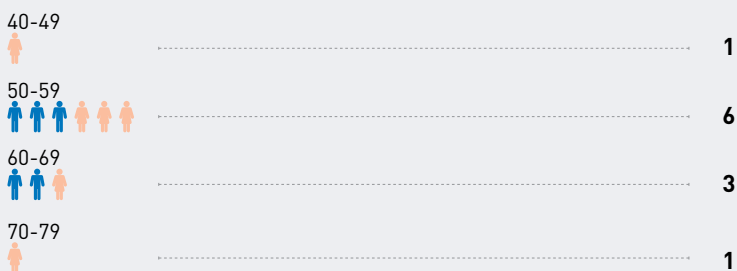
Whilst having regard to gender diversity, the Board also recognises that diversity should also be considered from other aspects such as cultural background, expertise, international and regional exposures, and industry expertise.

Revision to the Company's Board Diversity Policy was made on 31 March 2022.

#### Board Gender Diversity



#### Directors' Age Range



#### Board Members' Ethnicity

8  
Malay

2  
Chinese

1  
Indian

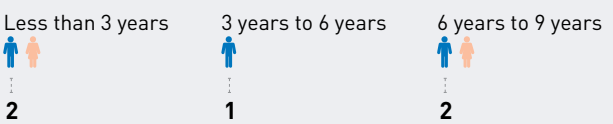
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A BOARD LEADERSHIP AND EFFECTIVENESS

Tenure

The Board Charter provides that the tenure of INEDs shall not exceed a cumulative term of nine (9) years or 75 years of age, whichever is earlier. To date, none of the INEDs have served more than nine (9) years or attained the age of 75 years old.

Tenure of Independent Directors



Board Members' Industry and Background Experience

The Board ensures that it has appropriate mix of diversity, skills, experience and expertise to effectively discharge its collective responsibility.

BNRC will assist the Board in reviewing and ensuring the Directors possess the right mix of skills, competencies, experience and other requirements in managing a highly regulated aviation industry.



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##### Board's Attendance

In FY2022, the Board met 14 times. Nine (9) of the meetings were scheduled meetings and five (5) were special meetings. All members of the Board attended more than 50% of their meetings held during the year and they complied with Paragraph 15.05 (3)(c) of the Listing Requirements and provision of the Constitution of the Company. The calculation of the percentage of attendance is based on each Director's date of appointment. This reflects Board members' commitment and dedication in fulfilling their duties and responsibilities.

The details of meetings of the Board, Board Committees and AGM held during the year under review are set out below: -

Meeting	Quarter 1 2022	Quarter 2 2022	Quarter 3 2022	Quarter 4 2022	Total meetings in 2022
Annual General Meeting	-	2 June 2022	-	-	1
Board	12 January 2022 8 February 2022 28 February 2022 22 March 2022 31 March 2022	25 April 2022 29 April 2022 30 May 2022 30 June 2022	28 July 2022 25 August 2022 29 September 2022	20 October 2022 29 November 2022	14*
Board Nomination & Remuneration Committee	14 March 2022 30 March 2022	14 April 2022 26 May 2022 28 June 2022	26 September 2022	25 October 2022 25 November 2022	8
Board Audit Committee	20 January 2022 24 February 2022	25 May 2022	24 August 2022	25 October 2022 25 November 2022	6
Board Finance & Investment Committee	24 January 2022	21 April 2022	-	-	2
Board Procurement Committee	25 January 2022 17 February 2022 21 March 2022	22 April 2022 8 June 2022 23 June 2022	21 July 2022 28 July 2022 15 August 2022 8 September 2022	17 October 2022 30 November 2022	12
Board Risk Management Committee	17 March 2022	-	8 September 2022	19 December 2022	3

\* Out of 14 Board meetings, there were 5 Special (unscheduled) Board meetings held in 2022.

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**A BOARD LEADERSHIP AND EFFECTIVENESS****Supply of Information**

The Chairman has the responsibility for ensuring that the Directors receive accurate, timely and clear information with regards to the Group's financial and operational performance, as well as information contained in proposal papers submitted to the Board and Board Committees. This emphasis on quality information will enable the Board to make sound decisions and provide the necessary advice to Management. To ensure the Board has sufficient time to read and comprehend the contents of any of the papers, all Board and Board Committee papers are issued and submitted electronically to the Board and Board Committees in advance prior to the scheduled meetings. The Company Secretary has a duty to assist the Chairman to ensure the process of disseminating the information is effective and reliable.

Under the current practice, notices of Board and Board Committee meetings are issued to the Directors and Board Committee members as well as individuals invited to the meetings at least 14 days from the date of meetings. The Company endeavours to ensure that the board papers are circulated to all Directors and Board Committees at least five (5) business days in advance to ensure that Directors are provided with sufficient time to prepare for the meetings and facilitate robust discussions.

**Access to Management and Independent Advice**

The Directors have access to Management and unrestricted access to any information relating to the Group to enable them to discharge their duties. The Directors also have direct access to the advice and services of the Company Secretary and are regularly updated on the new statutory requirements relating to the duties and responsibilities of the Directors.

The Directors may seek independent professional advice at the Company's expense collectively as a Board, respective Board Committee or in their individual capacity.

**Declaration of Interest**

As a permanent agenda for Board meetings, the Directors have a duty to declare to the Board should they have any interest, whether direct or indirect, on any agenda item or transaction proposed to be entered into by the Company. An interested

Director shall abstain from deliberations and decision making on the said agenda item. In the event a corporate proposal is required to be approved by the shareholders, any interested Directors shall abstain from voting on the resolutions relating to the corporate proposal and shall further undertake to ensure that persons connected to them similarly abstain from voting on the resolutions.

**Directors' Commitment**

The Board recognises that it is important for all Directors to be able to dedicate sufficient time to the Company in discharging their responsibilities. The NINEDs or INEDs are expected to commit their time to the Company. Each individual Director confirms his or her understanding on time commitment when the appointment is accepted.

With regards to external appointments, the Board Charter provides that all Board members shall notify the Chairman of the Board before accepting any new directorships. This shall include an indication of time that will be spent on any new appointment.

At present, in compliance with Paragraph 15.06 of the Listing Requirements, no individual Board member has more than five (5) directorships in listed issuers.

**Succession Planning**

The BNRC has the responsibility to ensure adequate succession planning is conducted to ensure the orderly identification and selection of new INEDs in the event of an opening on the Board, whether such opening exists by reason of an anticipated retirement, the expansion of the size of the Board etc.

The Board selects and plans the MD's succession and evaluates the MD, endorses the development plan of those in pivotal positions, understands the pool of future leaders as well as reviewing the philosophy of the Company.

The Board via BNRC also plans for Senior Management succession, including appointing, determining their compensation and where appropriate, replacing Senior Management.

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##### Induction and Continuous Professional Development

Other than the Mandatory Accreditation Programme (MAP) as required by Bursa Securities, newly appointed Directors will receive a comprehensive induction briefing designed to familiarise themselves with the Group's businesses and operations, including the major risks faced within the environment of the Company's business as well as an overview of the additional responsibilities of NEDs.

Directors are encouraged to attend continuous professional development programme to ensure they keep abreast with latest developments and legislations in the areas related in discharging their duties and responsibilities. A dedicated budget for Directors' training is provided each year by the Company.

During the year under review, Directors attended continuous professional development programmes covering various topics ranging from governance, changes in statutory and regulatory requirements and industry trends. To equip them with specific knowledge relating to the operations of the Group, the Directors also attended familiarisation programmes on airport operations and aviation that were intended to enhance their deliberations on matters brought to Board and Board Committee meetings.

Collectively, the Board members spent 82 days attending and participating in training during the year under review.

The following is a summary of trainings or courses attended by the Directors:

List of trainings attended	Mode of Training	Duration in day(s)
<b>Accounting and Audit</b>		
• Financial Reporting on Impact of Climate Change Effects	Seminar	1
• Materiality: Determining ESG Topics That Matter	Workshop	1
• The Audit Committee – Unpacking the roles of the Committee & honing its effectiveness in discharging its responsibilities holistically	Seminar	1
• Audit Committee: The Megatrends & Priorities for Boards	Conference	1
<b>Airport and Aviation</b>		
• 17 <sup>th</sup> ACI Asia-Pacific Regional Assembly	Conference	1
• 41 <sup>st</sup> Session of the ICAO General Assembly	Conference	11
• Walkabout and Familiarisation on the KLIA Terminal 1 Operation Readiness Plan	Site Visit	1
<b>Business and Management</b>		
• Mini EPF Strategy Workshop	Workshop	2
• Khazanah Megatrends Forum 2022	Forum	2
<b>Digitalisation and New Technologies</b>		
• GSMA Mobile World Congress 2022	Conference	3
• Cloud is the Future	Forum	1
<b>Governance and Integrity</b>		
• Governance in Groups	Seminar	2
• MCCG 2021	Seminar	1
• Section 17A MACC Act 2009 – Implementation of TRUST	Seminar	1
• Section 17A MACC Act and Adequate Procedures	Seminar	1
• Conduct of Directors and Common Breaches of Listing Requirements	Seminar	1
• Corporate Governance Conference 2022 – Investment Stewardship in Times of Heightened Sustainability Demands	Conference	1

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List of trainings attended	Mode of Training	Duration in day(s)
<b>Infrastructure Management</b>		
• Malaysia Rail Industry Dialogue 2022	Forum	1
• Symposium Pelan Tindakan untuk Pelan Keselamatan Jalan Raya Malaysia 2022-2023	Conference	1
• Familiarisation on the Seaport Operations - Tanjung Bruas & Sri Junjungan Port	Site Visit	3
• 17 <sup>th</sup> Green Port Congress	Conference	3
<b>IT Strategy &amp; Governance and ICT</b>		
• Plenipotentiary Conference 2022 (PP-22)	Conference	5
<b>Leadership</b>		
• Steward Leadership for Sustainability	Seminar	1
• Talent Uprising: How Boards Should Rethink Their Talent Strategy in this Era of Opportunity	Forum	1
• Board and Leadership Talk 2022	Forum	1
• International Directors' Summit 2022	Conference	3
• Milken Institute Asia Summit 2022	Conference	3
• Courage Leadership Talk: Building a Winning Talent Strategy for the New Talent Landscape	Forum	1
• Introduction to Corporate Directorship	Seminar	2
<b>Legal</b>		
• Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuer - Continuing Disclosure Requirements & Corporate Disclosure Policy for the Listing Requirements	Seminar	1
<b>Regulatory</b>		
• Mandatory Accreditation Programme (MAP)	Seminar	3
• Companies Act 2016: Practical Guide for Company Directors	Seminar	1
<b>Risk Management</b>		
• Masterclass: Climate Governance from a Risk Viewpoint	Seminar	1
• Cyber Security: What Directors Need to Know	Seminar	1
<b>Sustainability Skills – Social &amp; Environment</b>		
• Overview of Environment, Social & Governance (ESG) and Climate Change	Seminar	1
• TCFD Climate Disclosure Training Programme – TCFD 101 Session	Seminar	1
• TCFD Climate Disclosure Training Programme – TCFD 102 Session	Seminar	1
• TCFD 102 : Building Experience in Climate-Related Financial Reporting	Seminar	1
• Sustainability for the Palm Oil Sector	Seminar	1
• Capacity Building of Task Force on Climate-Related Financial Disclosures (TCFD)	Seminar	1
• Feasibility of a Long-Term Aspirational Goal for International Aviation CO2 Emissions Reductions	Conference	4

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### A BOARD LEADERSHIP AND EFFECTIVENESS

##### Time spent on training in 2022:

No.	Directors	Time Spent (day)
1.	Dato' Iskandar Mizal Mahmood	14
2.	Datuk Johan Mahmood Merican	4
3.	Dato' Normah Osman	12
4.	Wong Shu Hsien	1
5.	Rohaya Mohammad Yusof	11
6.	Datuk Azailiza Mohd Ahad	4
7.	Tan Sri Mohamad Salim Fateh Din	10
8.	Dato' Ir. Mohamad Husin	1
9.	Ramanathan Sathiamutty	8
10.	Cheryl Khor Hui Peng	17

##### Company Secretary

#### ZAWARDI SALLEH

The Company Secretary of Malaysia Airports is qualified to act as a secretary under Section 235 of the Companies Act 2016. He is a member of The Malaysian Institute of Chartered Secretaries & Administrators (MAICSA) and he holds a Practising Certificate from the Companies Commission of Malaysia. He is accountable for all matters with regard to the proper functioning of the Board as well as to facilitate effective information flows within the Board and Board Committees and between Senior Management and NEDs. He has been with the Company since 2018.

The Company Secretary is also tasked to facilitate the ongoing professional development of all Directors. He constantly keeps himself abreast and educated on the changes and developments in statutory and regulatory requirements, corporate governance and sustainability through continuous education and training. The training programme attended by the Company Secretary in the financial year 2022 are as follows: -

No.	Training	Mode of Training	Duration in day(s)
1.	Walkabout and Familiarisation on the KLIA Terminal 1 Operation Readiness Plan	Site Visit	1
2.	Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuer – Continuing Disclosure Requirements & Corporate Disclosure Policy for the Listing Requirements	Seminar	1
3.	Corporate Governance & Remuneration Practices for the ESG World	Seminar	1
4.	Khazanah Nasional Berhad's Company Secretary Circle	Conference	1
5.	MAICSA Annual Conference 2022 – Challenging the Challenges in Governance	Conference	2

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in discharging their functions for the year under review.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE

## A BOARD LEADERSHIP AND EFFECTIVENESS

## BOARD NOMINATION &amp; REMUNERATION COMMITTEE (BNRC) REPORT

Chairman

**Datuk Azailiza Mohd Ahad**  
Senior Independent Non-Executive Director

MEETING  
ATTENDANCE:  
8/8

## Members

**Wong Shu Hsien**  
Non-Independent Non-Executive Director  
Meeting Attendance: 8/8

**Ramanathan Sathiamutty**  
Independent Non-Executive Director  
Meeting Attendance: 4/4  
(Appointed on 3 June 2022)

## Former Members who served during the year under review:

**Datuk Seri Yam Kong Choy**  
Senior Independent Non-Executive Director  
Meeting Attendance: 4/4  
(Retired on 2 June 2022)

**Datuk Zalekha Hassan**  
Independent Non-Executive Director  
Meeting Attendance: 4/4  
(Retired on 2 June 2022)

## KEY FUNCTIONS

Determines criteria for Board or Board Committees' membership, structure, responsibilities, and effectiveness; reviews the term of office and performance of the Board, other Board Committees, and individual Director; formulates and reviews the policies and procedures on human resource with regards to recruitment, appointment, promotion, and transfer of Senior Management.

Reviews, assesses, and recommends to the Board, remuneration packages of MD, Company Secretary and Senior Management as well as matters relating to employees of the Group, limited to Collective Agreement for Non-Executives, Terms and Conditions of Executives, quantum of bonus and annual increment for employees.

## Composition

BNRC shall comprise at least three (3) members, all of whom shall be NEDs with the majority being Independent Non-Executive Directors (INEDs). The majority of BNRC members currently consist of INEDs.

## ACTIVITIES IN 2022

- Composition of Board, Board Committees, and boards of subsidiaries.
- Board Performance Evaluation and Board Improvement Plan.
- Directors' Trainings.
- Remuneration of Board, MD, and Senior Management.
- Establishment of Senior Management positions.
- Corporate Scorecard and Senior Management KPI setting.
- Board and Board Committee Succession Plan and Pool of Potential Directors.
- Nomination, Appointment, Renewal and Succession Plan of Senior Management.
- Talent Development.
- Board and Management Policies.
- Minimum Wage Salary Adjustment.
- Strategic Assignment of Key Management Personnel.
- Performance of Senior Management Personnel for FY2021.
- Review of the Existing Pool of Executive Search Companies for Recruitment of Senior Management.
- Appointment of Consultant for Board Performance Evaluation 2022.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### A BOARD LEADERSHIP AND EFFECTIVENESS

##### Nomination and Appointment of Directors

The nomination and appointment of Directors is a vital process as it determines the Board composition and quality of Board members as well as their competency. BNRC is entrusted by the Board to review candidates for new appointments to the Board and determine the criteria for the selection of new Directors.

The BNRC, in making its recommendation, will consider the following criteria in the selection of candidates:

- Skills, knowledge, competencies, expertise, and experience.
- Professionalism.
- Integrity.
- Diversity.
- Commitment, contribution, and performance; and
- In the case of candidates for INEDs, BNRC will also evaluate the candidate's ability to discharge such responsibilities or functions as expected of INEDs.

The Board leverages its members' network, shareholders' recommendation, and industry database to source for potential candidates for appointment to the Board.

The process of appointment of INEDs is governed by the Company's Framework for Appointment of Independent Non-Executive Directors which provides step by step procedures from the point of nomination up to the appointment.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE

**A BOARD LEADERSHIP AND EFFECTIVENESS****Directors' Retirement and Re-election**

The Board, via BNRC, reviews the performance of Directors who are subject to retirement and re-election at the AGM through the annual Board Performance Evaluation together with other Directors. This is carried out by giving due regard to their performance and the ability to continue to contribute to the Board in terms of knowledge, skills, and experience. The Board submits its recommendation to the shareholders on the retirement and re-election at the AGM for approval.

As provided under Rule 132 of the Company's Constitution, a director who is newly appointed during the year shall retire at the AGM following his or her appointment.

The following Directors who were appointed since the last AGM are standing for re-election and they have offered themselves to be re-elected at the forthcoming AGM and that the Board has made observations as follows: -

**Tan Sri Datuk Zainun Ali**

Tan Sri Datuk Zainun Ali is a chairman who possesses strong Board leadership skills. She encourages open discussion and expression of views among Board members. She was appointed as Non-Independent Non-Executive Chairman of the Company on 17 February 2023, having previously served in the same role from 18 January 2019 to 11 August 2020. With more than 40 years of experience in legal and judiciary as well as matters relating to integrity, Tan Sri Datuk Zainun Ali's expertise complements the other members of the Board.

**Datuk Johan Mahmood Merican**

Datuk Johan Mahmood Merican has deep knowledge in corporate finance, accounting, and economics, having served in various senior leadership roles in the Government. His presence on the Board enhances the relationship between the Company and the stakeholders, thus fostering better understanding of the interest between all parties. He continues to offer sound views and broad perspective to the deliberations of the Board and Board Committees. He has been making meaningful contributions since his appointment on the Board.

**Tan Sri Mohamad Salim Fateh Din**

Tan Sri Mohamad Salim Fateh Din possesses vast experience in construction, property investment and development industries. He has been proactive in expressing his views during Board and Board Committee meetings and proven to be a team player when it comes to making collective decisions. He has been making meaningful contributions since his appointment on the Board.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### A BOARD LEADERSHIP AND EFFECTIVENESS

##### Cheryl Khor Hui Peng

Cheryl Khor Hui Peng has extensive exposure and knowledge in finance and audits, as well as governance, internal controls, sustainability, and risk management across a broad range of industries, all of which are complementary to the diversity of skillsets of the Board. She challenges prevailing opinions, while balancing with the need to remain a good team player. She has been making meaningful contributions since her appointment on the Board.

Rule 134 of the Company's Constitution provides that one-third of the Directors, or a number nearest to one-third, who have been the longest in office since their last election shall retire by rotation at each AGM. At the forthcoming AGM, two (2) Directors are to retire in accordance with Rule 134 and they have offered themselves for re-election. They are: -

##### Dato' Ir. Mohamad Husin

Dato' Ir. Mohamad Husin possesses extensive experience in construction and development projects, and maintenance of government facilities, mainly relating to infrastructures. His appointment further strengthens the talent of the Board through his technical expertise and insights as well as working experience with the statutory bodies.

##### Datuk Azailiza Mohd Ahad

Datuk Azailiza Mohd Ahad has continuously demonstrated determination, commitment, and professionalism as a Board member. With her vast experience and extensive knowledge in legal advisory works, she provides insights and varied perspectives to the Board and Board Committees.

### Fit and Proper Assessment

The BNRC is also responsible to conduct fit and proper assessment on any person identified to be appointed as Director or to continue holding the position as Director within the Group prior to initial appointment or proposed re-election/re-appointment as Director. The fit and proper assessment of a Director may also be conducted whenever the Company becomes aware of any information that could materially compromise a Director's fitness and propriety. The fit and proper assessment is guided by the Directors' Fit and Proper Policy of the Company.

The newly appointed Directors and the existing Directors who are seeking re-election at AGMs are required to complete a Fit and Proper Declaration, and such declarations are verified against independent sources. The Directors' Fit and Proper Policy was established by the Board on 25 April 2022.

For FY2022, the Board was satisfied that each of the newly appointed Directors and existing Directors who are seeking re-election at this forthcoming AGM had met the required standard of fitness and propriety.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE  
A BOARD LEADERSHIP AND EFFECTIVENESS

Independence of Directors

The Board adopts a standard which is met by all individual Directors where it considers “independence” as a matter of individual judgment and conscience. A Director is independent only when he or she is free from any business or other relationship that might interfere with the exercise of his or her independent judgment.

In 2022, BNRC carried out a review of Director’s independence. It concluded that each of the five (5) INEDs are independent at those times and had carried out their duties in an objective and professional manner. The Board was satisfied that the INEDs had represented the interest of minority shareholders as required of them by virtue of their roles and responsibilities. The Board will continue to monitor and review whether there are relationships or circumstances that could potentially affect their independence.

The Board undertakes that the rights of minority shareholders shall not be impaired in any manner and that the number and strength of INEDs are adequate to promote the independence of the Board and safeguard the rights of the minority shareholders. The independence of the Directors is determined according to the independence criteria as set out in paragraph 1.01 of the Listing Requirements. In 2022, all five (5) INEDs satisfied the independence criteria.

Board Performance Evaluation

The Board Performance Evaluation (BPE) is intended to evaluate the performance of the Board, Board Committees and individual members of the Board as well as identifying any gaps or areas of improvement where required. The BPE framework is reviewed periodically to ensure that BPE analysis is able to contribute to the Board’s overall effectiveness and is part of an ongoing effort to drive continuous effectiveness of the Board and Board Committees.

As recommended under Practice 6.1, MCCG 2021, the Board through Board Nomination & Remuneration Committee (BNRC) has engaged the independent consultant to conduct the board assessment to undertake a formal and objective

annual evaluation to determine the effectiveness of the board, its committees, and each individual director. At least every three (3) years, to facilitate objective and candid board evaluations.

In 2022, the Board appointed a consultant, namely KPMG Management & Risk Consulting Sdn Bhd (KPMG) to conduct the BPE and provide advice on the evaluation of Board effectiveness. KPMG uses a set of evaluation questionnaires as a tool to evaluate the Board, Board Committees and individual Directors. The forms were rolled out to ten (10) Directors who have served as Board members for the year under review. Responses were duly received from all Directors and findings were analysed accordingly by KPMG. The BPE forms consist of the following Assessment Topics areas: -

Assessment Topic 1	Board of Directors
Assessment Topic 2	Board Skills Matrix
Assessment Topic 3	Directors’ Self and Peer Assessment
Assessment Topic 4	Fit and Proper Assessment
Assessment Topic 5	Independence Assessment of Independent Directors
Assessment Topic 6	Board Audit Committee
Assessment Topic 7	Board Nomination & Remuneration Committee
Assessment Topic 8	Board Risk Management Committee
Assessment Topic 9	Board Finance & Investment Committee
Assessment Topic 10	Board Procurement Committee

One-on-one interview session conducted by KPMG with the all the Board members and selected Senior Management to gather further insights on the responses of the assessment forms on a confidential basis.

The Board and the BNRC were briefed on the findings, overview of the results of the BPE and views of each Board member, of which the findings would be used as a yardstick to measure the Board’s effectiveness. This will form the basis to formulate a Board Performance Improvement Plan (BPI) for the following year.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### A BOARD LEADERSHIP AND EFFECTIVENESS

##### Board Remuneration

The Board Remuneration structure is designed by benchmarking the Directors' remuneration against peer companies to ensure competitiveness in attracting and retaining high calibre and qualified NEDs on the Board, as well as to ensure that the remuneration commensurate with their responsibilities and duties. The calibre of the NEDs serving the Company is essential in upholding high standards of corporate governance adopted by the Group.

The Chairman and other Board Members received the following fees for the financial year ended 31 December 2022: -

MAHB			
No.	Fee	Chairman	Non-Executive Director
1.	Directors' Fee	Monthly: RM18,000 Annually: RM216,000	Monthly: RM12,000 Annually: RM144,000
2.	Meeting Allowance		
	2.1 Board Meeting	RM5,000/meeting	RM3,000/meeting
	2.2 Board Committee Meeting	RM4,000/meeting	RM2,000/meeting
3.	Senior Independent Director Allowance	-	Monthly: RM1,000 Annually: RM12,000

Subsidiaries of Malaysia Airports			
No.	Fee	Chairman	Non-Executive Director
Directors' Fee			
1.	KLIA Aeropolis Sdn Bhd	Monthly: RM4,000 Annually: RM48,000	Monthly: RM3,000 Annually: RM36,000
2.	K.L. Airport Hotel Sdn Bhd		
3.	MAB Agriculture-Horticulture Sdn Bhd		
4.	Malaysia Airports Consultancy Services Sdn Bhd		
5.	Malaysia Airports Sdn Bhd		
6.	Malaysia Airports (Niaga) Sdn Bhd		
7.	Malaysia Airports (Sepang) Sdn Bhd		
8.	Urusan Teknologi Wawasan Sdn Bhd		
9.	Istanbul Sabiha Gökçen International Airport (ISG) and SGC Airport Operations Trade and Tourism Inc. (SGC)*		

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE

**A BOARD LEADERSHIP AND EFFECTIVENESS**

## Subsidiaries of Malaysia Airports

No.	Fee	Chairman	Non-Executive Director
Meeting Allowance			
1.	KLIA Aeropolis Sdn Bhd	RM1,500 per meeting	RM1,200 per meeting
2.	K.L. Airport Hotel Sdn Bhd		
3.	MAB Agriculture-Horticulture Sdn Bhd		
4.	Malaysia Airports Consultancy Services Sdn Bhd		
5.	Malaysia Airports Sdn Bhd		
6.	Malaysia Airports (Niaga) Sdn Bhd		
7.	Malaysia Airports (Sepang) Sdn Bhd		
8.	Urusan Teknologi Wawasan Sdn Bhd		
9.	Istanbul Sabiha Gökçen International Airport (ISG) and SGC Airport Operations Trade and Tourism Inc. (SGC)*		

## Committee of Malaysia Airports' Subsidiaries

No.	Fee	Chairman	Non-Executive Director
Meeting Allowance			
1.	ISG and SGC*	RM2,500 per meeting	RM2,000 per meeting

## Management Committee of Malaysia Airports

No.	Fee	Chairman	Non-Executive Director
Meeting Allowance			
1.	Whistleblowing Independent Committee	RM1,500 per meeting	RM1,000 per meeting

\* To be paid to one subsidiary only (i.e., ISG).



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### A BOARD LEADERSHIP AND EFFECTIVENESS

Details of remuneration received by the Chairman and other members of the Board for the financial year ended 31 December 2022 are summarised as follows:

Category	Salary, Bonus and Other Emoluments (RM)	Directors' Fees		Directors' Other Emoluments^		Benefits-in-Kind^^		Total
		MAHB (a) (RM)	Subsi (b) (RM)	MAHB (c) (RM)	Subsi (d) (RM)	MAHB (e) (RM)	Subsi (f) (RM)	(RM)
Non-Executive Directors								
Dato' Seri Diraja Dr. Zambry Abd Kadir <i>(Resigned with effect from 3 December 2022)</i>	0.00	199,741.94	44,387.10	292,395.20	4,500.00	0.00	0.00	541,024.24
Datuk Johan Mahmood Merican <i>(Appointed with effect from 29 June 2022)</i>	0.00	72,800.00	0.00	17,350.00	0.00	6,867.00	0.00	97,017.00
Dato' Zamzuri Abdul Aziz <i>(Resigned with effect from 8 March 2022)</i>	0.00	27,096.77	9,032.26	12,000.00	0.00	5,000.00	0.00	53,129.03
Dato' Dr. Amiruddin Muhamed <i>[Alternate Director to Dato' Zamzuri Abdul Aziz] (Ceased as Alternate Director to Dato' Zamzuri Abdul Aziz with effect from 8 March 2022)</i>	0.00	0.00	0.00	3,000.00	0.00	0.00	0.00	3,000.00
Dato' Normah Osman	0.00	144,000.00	36,000.00	75,000.00	2,400.00	0.00	0.00	257,400.00
Wong Shu Hsien*	0.00	0.00	0.00	0.00	0.00	3,927.00	0.00	3,927.00
Rohaya Mohammad Yusof	0.00	144,000.00#	0.00	53,350.00	0.00	0.00	0.00	197,350.00
Datuk Azailiza Mohd Ahad	0.00	144,000.00	36,000.00	103,600.00	1,200.00	0.00	0.00	284,800.00
Tan Sri Mohamad Salim Fateh Din <i>(Appointed with effect from 25 July 2022)</i>	0.00	62,709.68	17,541.94	21,000.00	0.00	6,907.00	0.00	108,158.62
Dato' Ir. Mohamad Husin	0.00	144,000.00	96,000.00	109,000.00	4,500.00	0.00	0.00	353,500.00
Ramanathan Sathiamutty	0.00	144,000.00	74,935.48	92,711.75	28,200.00	12,000.00	0.00	351,847.23
Cheryl Khor Hui Peng <i>(Appointed with effect from 25 July 2022)</i>	0.00	62,709.68	8,806.45	31,000.00	1,200.00	7,000.00	0.00	110,716.13
Datuk Seri Yam Kong Choy <i>(Retired with effect from 2 June 2022)</i>	0.00	60,800.00	55,733.34	48,416.67	5,700.00	0.00	0.00	170,650.01
Datuk Zalekha Hassan <i>(Retired with effect from 2 June 2022)</i>	0.00	72,800.00	48,533.34	38,750.00	3,000.00	0.00	0.00	163,083.34
Rosli Abdullah <i>(Resigned with effect from 1 July 2022)</i>	0.00	72,387.10	60,322.57	47,361.75	14,600.00	0.00	0.00	194,671.42
<b>Total</b>	<b>0.00</b>	<b>1,351,045.17</b>	<b>487,292.48</b>	<b>944,935.37</b>	<b>65,300.00</b>	<b>41,701.00</b>	<b>0.00</b>	<b>2,890,274.02</b>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE

## A BOARD LEADERSHIP AND EFFECTIVENESS

Category	Salary, Bonus and Other Emoluments (RM)	Directors' Fees		Directors' Other Emoluments^		Benefits-in-Kind^^		Total
		MAHB (a) (RM)	Subsi (b) (RM)	MAHB (c) (RM)	Subsi (d) (RM)	MAHB (e) (RM)	Subsi (f) (RM)	
Executive Director**								
Dato' Iskandar Mizal Mahmood	1,434,181.70	0.00	0.00	0.00	0.00	33,241.25	0.00	1,467,422.95
Grand Total	1,434,181.70	1,351,045.17	487,292.48	944,935.37	65,300.00	74,942.25	0.00	4,357,696.97

This disclosure is for the payment made to the respective Directors in financial year 2022.

\* The directors' fees and directors' other emoluments in respect of services rendered to the Company by Ms. Wong Shu Hsien is waived by Khazanah Nasional Berhad, the major shareholder of the Company.

# 50% of director fees paid to Employee Provident Fund ("EPF"), in respect of services rendered to the Company by Puan Rohaya Mohammad Yusof as Nominee Director of EPF.

\*\* Being the Managing Director.

^ Directors' Other Emoluments comprises Senior Independent Director allowance, meeting allowance, car allowance°, entertainment allowance°, personal assistance allowance° and out-of-pocket expenses.

^^ Benefits-in-kind comprises car°, petrol°, driver° and IT & telecommunication devices.

° For Chairman only.

°° For Managing Director only.

In line with the Board Charter, a review of Directors' remuneration is conducted once every three (3) years, or as and when necessary, to ensure that remuneration level is aligned with market and industry practices, business strategy and long-term objective of the Company. The Board believes that the alignment of remuneration offered to the Directors will enable the Company to continue to attract and retain individuals of the required caliber on the Board.

### Senior Management Remuneration

The Company places great importance on the retention of talented employees as its success is dependent on its ability to attract, motivate and retain the right employees. Among the strategies to support this ambition is a competitive remuneration policy which mainly consist of the following principles: -



The Senior Management's performance is evaluated on a yearly basis where the corporate level Key Performance Indicators (KPIs) are set by the Board and cascaded to the Senior Management. The Senior Management's performance is then reviewed in the middle of the year and at the beginning of the following year.

The Board took note of the recommendation of Practice 8.2 of MCCG 2021 regarding the disclosure of top five (5) senior management's remuneration on a named basis in bands of RM50,000. However, the Board opts not to disclose the remuneration of Senior Management, given the sensitive nature of such information, invasion of privacy and high competition for talents in the aviation industry.

At present, the top five (5) Senior Management's remuneration packages are within the range of RM55,000.00 per month to RM86,000.00 per month.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### A BOARD LEADERSHIP AND EFFECTIVENESS

##### Board Committees

To provide effective oversight and leadership, the Board is assisted by five (5) Board Committees. Similar to the Board, each Board Committee is supported by the Company Secretary, and they have unrestricted access to advice and counsel for the performance of their duties.

##### BOARD AUDIT COMMITTEE (BAC)



**Cheryl Khor Hui Peng**  
Independent Non-Executive Director  
(Appointed on 25 July 2022)

MEETING  
ATTENDANCE:  
3/3

##### Members

**Wong Shu Hsien**  
Non-Independent Non-Executive Director  
Meeting Attendance: 6/6

**Dato' Ir. Mohamad Husin**  
Independent Non-Executive Director  
Meeting Attendance: 6/6

**Datuk Azailiza Mohd Ahad**  
Senior Independent Non-Executive Director  
Meeting Attendance: 6/6

##### Former Member who served during the year under review:

**Rosli Abdullah**  
Independent Non-Executive Director  
Meeting Attendance: 3/3  
(Resigned on 1 July 2022)

##### KEY FUNCTIONS

Reviews and evaluates performance of external auditors and Internal Audit Division in ensuring efficiency and effectiveness of the Company's operations, adequacy of internal control system, compliance with established policies and procedures, transparency in decision-making process and accountability of financial and management information. Reviews related party transactions.

##### Composition

BAC shall comprise no fewer than four (4) members, all of whom are NEDs with the majority being INEDs. At least one (1) member must be a member of the Malaysian Institute of Accountants or having the working experience and qualification as prescribed under Paragraph 15.09(1)(c)(ii) of the Listing Requirements of Bursa Securities.

BAC currently comprises majority INEDs and the Chairman is a member of the Malaysian Institute of Accountants.

##### ACTIVITIES IN 2022

- Review of Board Audit Committee Report for Annual Report 2021.
- Quarterly results and year-end financial statements of the Group.
- Performance Review of MAHB and its Subsidiaries.
- Related Party Transactions.
- 2022 Statutory Audit Plan.
- Enhancement to Audit Plan 2022.
- Internal Audit Activities Progress 2021.
- Internal Audit Activities Progress 2022.
- Internal Audit New Reports.
- Follow Up Audit Activities – Outstanding Issues.
- Revision of Internal Audit Charter.
- Review of Terms of Reference of the Board Audit Committee.
- Corporate Integrity Division Plan for 2022 and Corporate Integrity Division Activity Report.
- Performance Report on Anti-Bribery Management System.
- Integrity and Anti-Bribery Management System Quarterly Report.
- Appointment of New Member of Whistleblowing Independent Committee.
- Revision to the Terms of Reference of Whistleblowing Independent Committee.
- Performance on Adequate Procedures.
- Internal Audit Plan 2023.
- Internal Audit Resource Planning.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE

## A BOARD LEADERSHIP AND EFFECTIVENESS

## BOARD FINANCE &amp; INVESTMENT COMMITTEE (BOFIC)

Chairman

**Tan Sri Mohamad Salim Fateh Din**  
Independent Non-Executive Director  
(Appointed on 28 July 2022)

MEETING  
ATTENDANCE:  
N/A

## Members

**Wong Shu Hsien**  
Non-Independent Non-Executive Director  
Meeting Attendance: 2/2

**Datuk Azailiza Mohd Ahad**  
Senior Independent Non-Executive Director  
Meeting Attendance: 2/2

**Rohaya Mohammad Yusof**  
Non-Independent Non-Executive Director  
Meeting Attendance: 2/2

## Former Member who served during the year under review:

**Datuk Seri Yam Kong Choy**  
Senior Independent Non-Executive Director  
Meeting Attendance: 2/2  
(Retired on 2 June 2022)

## KEY FUNCTIONS

Reviews and monitors financial investment policy and financial investment portfolios of the Group; reviews, evaluates, and assesses prospective investments/divestments, new businesses, projects, and overseas ventures, taking into consideration factors such as strategic rationale, return on investment and resource requirements of those prospects, and make appropriate recommendations to the Board.

Reviews and monitors the performance of local investments, overseas ventures and other strategic/major investments, and oversees current and future capital and financial resource requirement.

## Composition

BOFIC shall comprise no fewer than four (4) members and at least one (1) member must be an INED. The composition of BOFIC currently consists of two (2) INEDs.

## ACTIVITIES IN 2022

- KLIA Aeropolis Land Lease Agreement and Development Agreement.
- Land Development at KLIA Aeropolis.
- Lapangan Terbang Sultan Abdul Aziz Shah Regeneration Project.
- Development of Subang Aerotech Park.
- Development of Mitsui Outlet Park at Penang International Airport.
- Updates and Performance Review of Overseas Venture.
- Installation of Solar Photovoltaic.
- Performance Summary of Local Investment Portfolio.
- Revision of Terms of Reference of BOFIC.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### A BOARD LEADERSHIP AND EFFECTIVENESS

##### BOARD PROCUREMENT COMMITTEE (BPC)

Chairman



**Dato' Ir. Mohamad Husin**  
Independent Non-Executive Director

MEETING  
ATTENDANCE:  
12/12

##### Members

**Datuk Johan Mahmood Merican**  
Non-Independent Non-Executive Director  
Meeting Attendance: 1/4  
(Appointed on 28 July 2022)

**Tan Sri Mohamad Salim Fateh Din**  
Independent Non-Executive Director  
Meeting Attendance: 3/4  
(Appointed on 28 July 2022)

**Dato' Normah Osman**  
Non-Independent Non-Executive Director  
Meeting Attendance: 12/12

**Ramanathan Sathiamutty**  
Independent Non-Executive Director  
Meeting Attendance: 12/12

##### KEY FUNCTIONS

Reviews and approves procurements of RM10 million up to RM200 million, tender evaluation criteria and selection tendering methods and list of selected tenderers.

Reviews and approves procurement policies and procedures, including the anti-corruption policy and codes of conduct, as well as oversees and monitors the efficiency and effectiveness of procurement processes and support of national development objectives.

##### Composition

BPC shall comprise at least three (3) members made up of both INEDs and NINEDs. The composition of BPC currently comprises a majority of INEDs.

##### ACTIVITIES IN 2022

- Design, Construction, Installation, Integration, Completion, Testing and Commissioning of Baggage Handling System (BHS) Assets Replacement Programme.
- Provision of Shuttle Services at KLIA Terminal 1.
- Provision of COVID-19 Screening, Testing and Related Value-Added Services at KLIA Terminal 1 and 2.
- Design, Construction, Project and Management of Maintenance, Repair and Overhaul (MRO) Facility at Subang Aerotech Park, Lapangan Terbang Sultan Abdul Aziz Shah (LTSAAS).
- Comprehensive Cleaning and Related Services at KLIA Terminal 1 and 2.
- Tenancy of Retail and Food & Beverage Outlets.
- Improvement of Existing Air-Conditioning and Mechanical Ventilation (ACMV) System.
- Implementation of Google Workspace Subscription, Google Cloud Platform Subscription, and Related Google Services.
- Design, Supply, Install, Testing, Commissioning and Associated Works for Airport Integrated Security and Safety System (AIS3).
- Review of Overall Status and Procurement Plan.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE

**A BOARD LEADERSHIP AND EFFECTIVENESS****BOARD RISK MANAGEMENT COMMITTEE (BRMC)**

**Ramanathan Sathiamutty**  
Independent Non-Executive Director

MEETING  
ATTENDANCE:  
3/3

**Members**

**Dato' Normah Osman**  
Non-Independent Non-Executive Director  
Meeting Attendance: 3/3

**Rohaya Mohammad Yusof**  
Non-Independent Non-Executive Director  
Meeting Attendance: 2/3

**Dato' Ir. Mohamad Husin**  
Independent Non-Executive Director  
Meeting Attendance: 2/2  
(Appointed on 28 July 2022)

**Cheryl Khor Hui Peng**  
Independent Non-Executive Director  
Meeting Attendance: 2/2  
(Appointed on 28 July 2022)

**Former Members who served during the year under review:**

**Datuk Zalekha Hassan**  
Independent Non-Executive Director  
Meeting Attendance: 1/1  
(Retired on 2 June 2022)

**Rosli Abdullah**  
Independent Non-Executive Director  
Meeting Attendance: 1/1  
(Resigned on 1 July 2022)

**KEY FUNCTIONS**

Formulates overall risk management framework, occupational safety and health, ICAO safety management system and information security strategy of the Group and recommends for approval and/or approves (whenever applicable) any major risk decisions by the Group.

Oversees senior management's responsibilities in managing risks including information security risks and safety to ensure that the risk management process is in place and functioning.

**Composition**

BRMC shall comprise at least four (4) members made up of both INEDs and NINEDs. BRMC currently comprises a majority of INEDs.

**ACTIVITIES IN 2022**

- Corporate Risk Profile 2022.
- Statement on Risk Management and Internal Control for inclusion in Annual Report 2021.
- Aviation Security.
- Occupational Safety and Health.
- Corporate Quality Management.
- Airport Standards and Safety.
- Insurance Placement 2023 for MAHB Group.
- Resolution for Unregistered Airport Land.
- MAHB Sustainability Framework.
- Substation Tripped Incident Report.

The Terms of Reference (TORs) of each Board Committee are available on Malaysia Airports' website at [www.malaysiaairports.com.my](http://www.malaysiaairports.com.my). The summary of TOR and activities carried out by BAC are set out in BAC Report from pages 226 to 229 of this Annual Report.

Except for BAC which reviews its TOR on an annual basis, other Board Committees review their TOR once in two (2) years.

The Chairmen and members of each Board Committee are appointed by the Board. As a matter of good practice, during each Board meeting, the Chairmen of Board Committees will report the outcome of deliberations from their respective Board Committee meetings held prior to the Board meeting, and relevant minutes of Board Committee meetings would be tabled to the Board for information, as the case may be. This would enable the Board to raise its comments or views on all deliberations and decisions of the Board Committees.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### A BOARD LEADERSHIP AND EFFECTIVENESS

### CORPORATE GOVERNANCE CULTURE AS OUR CORE

#### Code of Ethics

The Code is intended to provide clear guidelines on permissible or non-permissible conducts in the business practices of Malaysia Airports. The Code is implemented to ensure that all Employees and their representatives comply with the same standards. It also serves as guidelines when making judgment calls on work ethics, including in bridging and fostering close relations between the Company and its customers.

The Code of Conduct for the Board is subject to statutory duties of Directors as stipulated under the Companies Act 2016, Listing Requirements, and other relevant rules and regulations. The Code summarises the Directors' fiduciary duties to the Company, provides guidance to directors to deal with ethical issues and helps to foster the spirit of social responsibility and accountability in line with the legislation, rules and regulations governing the Malaysia Airports Group of the following areas: -

Corporate Governance	Insider Trading
Conflict of Interest	Use of Company's Assets
Relationship with Shareholders, Employees, Creditors and Customers	Anti-Corruption/Bribery
Corporate Responsibilities and Sustainability	Anti-Money Laundering
Confidentiality	Fair Dealing



CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE  
A BOARD LEADERSHIP AND EFFECTIVENESS

Anti-Bribery and Corruption Policy Statement

The Company is committed to ensure zero tolerance against all forms of corruption, among others, by undertaking the following:

- Working together with employees, stakeholders and interested parties to create a corrupt-free business environment and achieving its anti-corruption objectives.
- Upholding anti-corruption principles for Malaysian companies in business dealings and interactions with business partners and government agencies.
- Complying with laws and regulations relating to the fight against bribery and corruption.
- Establishing anti-corruption control framework and implement continuous improvement.
- Encouraging concerns regarding corruption to be reported to the Company through its Whistleblowing Programme.
- Promoting the value of integrity, transparency, and good corporate governance.
- Setting up independent, empowered, and relevant functions to ensure anti-corruption compliance in the organisation.
- Reporting corrupt act to Malaysian Anti-Corruption Commission if there is a reasonable belief that such act has been committed.

Whistleblowing Policy

Malaysia Airports has in place a Whistleblowing Policy. The objective of this policy is to provide a mechanism for all levels of employees and external parties who have business relationship with the Group to report concerns about any suspected wrongdoing, inappropriate behaviour, or misconduct on a timely basis for action by Whistleblowing Independent Committee.

A revision to the Whistleblowing Policy was approved by the Board on 30 November 2020. The Board has the overall responsibility and oversees the implementation of this policy.

Complaints can be channeled online on the Company’s website at [www.malaysiaairports.com.my](http://www.malaysiaairports.com.my) via the Whistleblowing Programme Reporting of Concern Form, or emailed to [wic\\_secretariat@malaysiaairports.com.my](mailto:wic_secretariat@malaysiaairports.com.my), or by calling the hotline at 03-8777 7314 or 019-659 2263.

Sustainability

As a listed company, the Board acknowledges that the Company’s utmost priority is to create stakeholders’ value for stakeholders by taking a long-term view on growth. Environmental, Social and Governance (ESG) elements are critical in measuring the sustainability and ethical impact of business decisions. These criteria help the Board and Management to better determine the future financial performance of the Company by considering risks and returns in a holistic manner.

The Board also supports the implementation of the International Integrated Reporting Council (IIRC) Integrated Reporting framework to assess the Company’s performance with regards to ESG indicators. This Integrated Annual Report also includes a Sustainability Statement which is prepared with reference to the Global Reporting Initiative (GRI) standards. This enables stakeholders to track and measure the Company’s progress towards achieving key sustainability goals, targets, and initiatives in a transparent and timely manner.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

#### B EFFECTIVENESS AUDIT AND RISK MANAGEMENT

Board Audit Committee and Board Risk Management Committee are primarily responsible for risk management and internal control oversight:

##### Board Audit Committee

Board Audit Committee (BAC) plays a key role in the Company's governance structure. BAC is positioned to rigorously challenge and ask probing questions on the Company's financial reporting process, related party transactions and conflict of interest, internal control, internal and external audit processes.

In line with MCCG 2021, the Chairman of BAC is not the Chairman of the Board. BAC comprised of majority INEDs.

During the year under review, BAC members attended professional development courses in accounting and auditing standards to keep abreast with changes in the regulatory environment.

The BAC report is available at pages 226 to 229 of this Report.

##### Board Risk Management Committee

Board Risk Management Committee (BRMC) was established to oversee the Company's Risk Management Framework and policies. BRMC is responsible for determining the Company's risk tolerance and actively identify, assess, and monitor key business risks to safeguard shareholders' investments and the Company's assets.

The Corporate Risk Profile of the Group and the mitigation plan for the risks are being monitored by BRMC on a quarterly basis. The risks are categorised into several areas namely strategic, regulatory, operational, human capital, information technology, reputational and financial.

##### Risk Management and Internal Controls

The Company has a well-resourced internal audit function which critically reviews all aspects of the Company's activities and internal controls. Comprehensive audits on practices, procedures, compliance, expenditures, and internal controls for all business and support units and subsidiaries are undertaken on a regular basis. The Head of Internal Audit has a direct access to the Board through the Chairman of the BAC.

The effectiveness of Internal Control Systems is reviewed from time to time. The Board Committees are entrusted with their respective functions which are aimed at supporting the Board's oversight roles of proper implementation of corporate governance practices, audit, risk management and internal control systems.

The Board is guided by the Risk Management Framework to ensure effective oversight of risks and controls in the Group. The effectiveness of risk management and internal control is regularly reviewed to ensure they are working as intended.

Details of Risk Management Framework and Internal Control System of Malaysia Airports Group are set out in the Statement on Risk Management and Internal Control on pages 220 to 225 of this Report.

##### Financial Reporting

In presenting the annual audited financial statements and quarterly financial results to the shareholders, the Directors ensure the information presented contains a balanced and comprehensive assessment of the Group's financial position and prospects. BAC assists the Board in reviewing the information disclosed in the financial statements and ensuring its completeness, accuracy, and adequacy.

The financial statements of Malaysia Airports Group for the financial year ended 31 December 2022 are prepared in accordance with Malaysian Financial Reporting Standards (MFRSs) as issued by the Malaysian Accounting Standards Board, International Financial Reporting Standards, and the requirements of the Companies Act 2016.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

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

##### **Communication and Relationship with Stakeholders**

The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company, and as such adopts an open and transparent policy in respect of its relationship with shareholders and investors. The Board always ensures the timely release of financial results on a quarterly basis to provide shareholders with an overview of the Company's performance and operations in addition to the various announcements released during the year.

The Company is fully committed to conducting dialogues with financial analysts from time to time as a means of effective communication that enables the Board and Management to convey timely information relating to the Company's performance, corporate strategy and other matters affecting shareholders' interests.

#### INVESTOR RELATIONS

At Malaysia Airports, we dedicate our efforts in continuously creating and maximising value for our shareholders. We understand the importance of engaging with our shareholders and prospective investors regularly to keep them up to date with insights on the Group's strategies, business performance and latest developments.

The Group has in place a dedicated Investor Relations department which facilitates effective communication with shareholders, analysts and fund managers. Our comprehensive Investor Relations Programme was implemented to consistently deliver effective, timely and transparent communication with the investment community.

To keep Senior Management and the Board abreast of market perceptions and concerns, the Investor Relations team provides them with regular updates on shareholding details, investor relations activities, recommendations by analysts and feedback from the investment community, as well as commentary on share price performance. The Investor Relations team also facilitates shareholder communication and engagement, with the Senior Management's full support.

#### QUARTERLY FINANCIAL RESULTS AND ANALYST BRIEFING

Malaysia Airports organises presentations using teleconferencing facilities during quarterly financial result briefings to equity and fixed income analysts as well as fund managers. Site visits and meetings at our facilities are also held regularly with members of the investment community. Our proactive Investor Relations initiatives ensure timely dissemination of relevant information to the public and investment community for better understanding of the financial and operational performance as well as key strategies of the Group.

Malaysia Airports further emphasises on timely disclosure through the circulation of investor presentations. Presentations of financial results and performance are prepared in a concise and transparent manner and are made available on our website in tandem with the release of financial results announcement to Bursa Securities.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

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

### INVESTOR ENGAGEMENT

#### COVID-19 Response

The unprecedented impact and challenging operating environment due to the outbreak of COVID-19 posed a threat towards the Group's operations, putting pressure on the Company's share price performance. Whilst the Group strives to overcome the tough climate, the Investor Relations team continues to proactively engage with the investment community to provide accurate, relevant, and reliable

information of the Group's position in a clear and transparent manner. The Investor Relations team aims to safeguard the shareholders' interest and to ensure continuous and accurate information flows to the relevant users and market participants reflecting the true and up-to-date position of the Group.

#### One-on-one Meetings, Conference Calls and Investor Conferences

The senior management and Investor Relations team have been actively participating in meetings and conference calls with institutional investors, fund managers, analysts and rating agencies held in Malaysia as well as abroad. We participated in over 570 engagements, in an effort to continuously reach out to a wider investor base.

The Group's efforts on engaging with stakeholders have not come unnoticed, as Malaysia Airports once again earned recognition from various institutions within the investment community in 2022:

- Most Outstanding Company (Malaysia Transportation) at the Asiamoney 2022 Asia's Outstanding Companies Poll
- Most Improved Investor Relations (Malaysia) at the Alpha Southeast Asia's Institutional Investor Awards
- Top 5 for Best Senior Management IR Support and Best Strategic CSR (Malaysia) at the Alpha Southeast Asia's Institutional Investor Awards
- 2<sup>nd</sup> Best Investor Relations Professional (Industrials – Asia ex China) at the Institutional Investor 2022 All-Asia Executive Team
- 3<sup>rd</sup> Best Investor Relations Company (Industrials – Asia ex China) at the Institutional Investor 2022 All-Asia Executive Team

#### Investor Relations Portal

In further efforts to enhance access by various stakeholders, the Investor Relations department maintains an Investor Relations portal on the company's website, <http://www.malaysiaairports.com.my>. The portal offers an effective communication platform with a wide range of

information for shareholders, prospective investors and the general public including the key financial highlights, annual reports, financial results, investor presentations, press releases, and disclosures to Bursa Securities.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE

C

## INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

## Investor Feedback

To further strengthen the Group's relationship with the investing community, the Investor Relations team values their feedback or enquiries which can be communicated directly to the Investor Relations team.

The team endeavours to provide timely responses to feedback or queries through ongoing engagement and direct communication with stakeholders.

## MALAYSIA AIRPORTS CREDIT RATING

Malaysia Airports is committed towards maintaining a sound financial position and a robust balance sheet. In 2022, Malaysia Airports continues to exhibit solid financial and operating fundamentals; as evident by its strong investment grade credit ratings:

Rating Agency	Credit Rating
RAM	AAA
Moody's	A3

Moody's further upgraded its outlook on Malaysia Airports to 'Stable' in August 2022, from 'Negative' previously.

Malaysia Airports is committed to maintain the above ratings, achieved through the Group's prudent and pragmatic capital management approach in the course of doing its business.

## Conferences, Roadshows and Events in 2022

6 January	UBS Malaysia Corporate Day
7 January	CGS-CIMB Annual Malaysia Corporate Day
2 March	Nomura ASEAN Conference
8-9 March	CITIC CLSA ASEAN Forum
16 March	Maybank Malaysia Aviation Day
23 March	Credit Suisse Asian Investment Conference
30 March	Affin Hwang Virtual Conference
20 April	CLSA Webinar
26 April	UOB Kay Hian Malaysia Corporate Day

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

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

#### Conferences, Roadshows and Events in 2022

26 April	UBS Reopening Day Investor Conference
8 June	HSBC Annual Transport & Logistics Conference
10 June	Citi Pan-Asia Regional Investor Conference
10 June	UBS OneASEAN Conference
14-15 June	Bursa-Daiwa-Affin Hwang Malaysia Corporate Day
29 June	Affin Hwang Virtual Conference
6 July	Maybank Invest ASEAN Malaysia Week
19 July	CGS-CIMB Malaysia Investor Corporate Day
13-14 September	CITIC CLSA Flagship Investors Forum
12 October	Nomura Malaysia Corporate Day
26 October	AGCO Frontier & Emerging Conference
8 November	CLSA Investors Site Visit to Cainiao Aeropolis eHub
30 November	UOB Virtual Conference
1 December	CGS-CIMB ASEAN Travel & Tourism Conference
6 December	Maybank Malaysia Tourism Virtual Conference

#### Equity Research Coverage

Affin Hwang Investment Bank Berhad
AmInvestment Bank Berhad
CGS-CIMB Securities Sdn Bhd
Citigroup Global Markets Inc
CLSA Securities Malaysia Sdn Bhd
Credit Suisse Securities (Malaysia) Sdn Bhd
Hongkong and Shanghai Banking Corporation Ltd
Hong Leong Investment Bank Berhad
JPMorgan Securities (Malaysia) Sdn Bhd
KAF Equities Sdn Bhd
Kenanga Investment Bank Berhad
Macquarie Capital Securities (Malaysia) Sdn Bhd
Maybank Investment Bank Berhad
MIDF Amanah Investment Bank Berhad
Nomura Securities Malaysia Sdn Bhd
RHB Investment Bank Berhad
TA Securities Holdings Berhad
UBS Securities Pte Ltd
UOB Kay Hian Pte Ltd

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE



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

## FINANCIAL CALENDAR

## ► General Meeting

**28 April 2023**Notice of 24<sup>th</sup> Annual General Meeting**1 June 2023**24<sup>th</sup> Annual General Meeting

## ► Financial Year 2022 - Quarterly Results Announcements

**30 May 2022**Unaudited consolidated results for the 1<sup>st</sup> quarter ended 31 March 2022**25 August 2022**Unaudited consolidated results for the 2<sup>nd</sup> quarter ended 30 June 2022**29 November 2022**Unaudited consolidated results for the 3<sup>rd</sup> quarter ended 30 September 2022**28 February 2023**Unaudited consolidated results for the 4<sup>th</sup> quarter ended 31 December 2022

## ► Dividend

The Board had on 28 February 2023, recommended a single-tier final dividend of up to 3.91 sen per ordinary share in respect of the financial year ended 31 December 2022 (Final Dividend), amounting to dividend payable of RM64.87 million.

The Final Dividend may consist of an electable portion which can be elected to be re-invested in new ordinary shares in accordance with the Dividend Reinvestment Plan (DRP), subject to the relevant regulatory approvals. The Board on 28 February 2023 had approved that the DRP shall apply to the Final Dividend and that the entire Final Dividend can be elected to be re-invested in new shares.

**3.91** sen  
per ordinary share  
single-tier final  
dividend FY2022

**Notice of Book Closure Date**  
12 April 2023

**Entitlement Date**  
28 April 2023

**Payment Date**  
25 May 2023



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE

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

#### Communication to Investment Community

- Annual Report, Financial Statements, Sustainability Report, Airport Statistics, Corporate Governance Statement and Notice of AGM
- Corporate website including investor relations portal and media centre
- Announcements to Bursa Securities
- Group and one-on-one meetings
- Conference calls on financial results and business developments
- Investor relations and media centre
- Wide coverage via 19 equity research analysts and 2 credit rating agencies

#### Engagement via mainstream, social and airport media channels

Quarterly financial results  
press release

Media updates on business  
developments

Extensive social media  
engagement

Public outreach via virtual  
and physical engagements

Shareholders may raise questions by contacting the Investor Relations Division. The Company's Investor Relations Policy promotes effective communication with the shareholders, investment community, other stakeholders, and the public in general. It is intended to give a clear picture of the Group's performance and operations.

To maintain transparency and effectively address matters and concerns raised by any parties, the Company dedicates an e-mail at [ir@malaysiaairports.com.my](mailto:ir@malaysiaairports.com.my) to which stakeholders can direct their queries.

#### Investor Relations Contact:

Aizzura Ab Rahim

Tel : +603 8777 7407

E-Mail : [ir@malaysiaairports.com.my](mailto:ir@malaysiaairports.com.my)

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE

## C

## INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

**Conduct of General Meeting**

The Board regards the Annual General Meeting (AGM) as an opportunity to communicate directly with the shareholders, hence encourages their attendance and active participation. Malaysia Airports had successfully convened and conducted its Twenty-third Annual General Meeting (23<sup>rd</sup> AGM) on 2 June 2022 as a fully virtual general meeting conducted via live streaming. It was conducted via a virtual meeting solution that facilitated remote shareholders' participation, along with a secure and encrypted e-polling solution that allows voting in absentia.

The Notice of 23<sup>rd</sup> AGM was circulated to the shareholders on 28 April 2022, being 28 days before the date of meeting to enable shareholders to go through the Annual Report, adopting the Practice under Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders of MCCG 2021 and fulfilling the minimum 21-day notice requirement under the Companies Act 2016 and Listing Requirements. The additional time given to shareholders enables them to make necessary arrangements to attend and participate either in person, by corporate representative, by proxy or to appoint an attorney to attend on their behalf.

As guided by MCCG 2021, in facilitating greater shareholder participation, the Board has taken proactive measures in leveraging technology during the Company's 23<sup>rd</sup> AGM via voting in absentia and remote shareholders' participation. Resolutions during 23<sup>rd</sup> AGM were arrived at via online electronic poll voting to enable all shareholders to cast their votes. SS E Solutions Sdn Bhd ("SSES") was the Poll Administrator appointed for the 23<sup>rd</sup> AGM, whilst Commercial Quest Sdn Bhd was the Independent Scrutineers appointed to verify the results of the poll voting and validate the votes cast at the Meeting.

The Company's 23<sup>rd</sup> AGM was attended by all Directors, Senior Management, external auditors as well as 315 shareholders and proxies. The MD had also shared with the shareholders the Company's responses to questions which were submitted in advance by the Minority Shareholder Watch Group (MSWG).

During the 23<sup>rd</sup> AGM, the Chairman had invited members to raise questions and seek clarifications on the proposals tabled via the online platform. Appropriate answers and clarifications were provided by the Board members, Chairmen of Board Committees and Senior Management to allow the shareholders to make informed voting decisions at the meeting. Management had answered several late questions received from the shareholders via emails after the 23<sup>rd</sup> AGM.

**COMPLIANCE STATEMENT**

The Board considers the Company has applied the recommendations of MCCG 2021 to a large extent. The Board is committed to fully comply with the recommendations of the MCCG 2021 and will continue to pursue efforts to address the departures.

This Corporate Governance Overview Statement is made in accordance with a resolution of the Board as passed at the Board of Directors' meeting held on 10 April 2023.