

CORPORATE GOVERNANCE STATEMENT

Introduction

The Board of Directors (“Board”) recognises the importance of practising and maintaining sound corporate governance to direct the businesses and practices of the Group towards enhancing business prosperity, sustainability and on-going value creation for its stakeholders. The Board is fully committed in ensuring that a high standard of corporate governance is practised and maintained throughout the Group as the underlying principles in discharging its roles and responsibilities.

The Board is pleased to present below the Governance Framework and how the Group has applied the guiding principles of good governance and the extent to which it has complied with the Principles and Recommendations set out in the Malaysian Code on Corporate Governance 2012 (“MCCG”). The principles and recommended best practices have been applied consistently throughout the financial year ended 30 June 2015 except where otherwise rationalised herein. The Board has also taken into account the requirements issued by the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“Listing Requirements”) and under the various Guides.

Corporate Governance Framework



Board Charter

The Board has established a Board Charter which is available on the Company’s website at www.lion.com.my/lioncor. The Board Charter clearly sets out the principal roles of the Board, the demarcation of the roles, functions, responsibilities and powers of the Board, the Board Committees and the Management. It also defines the specific accountabilities and responsibilities of the Board to enhance coordination, communication and facilitation between the Management and the Board and ultimately, to reinforce the overall accountability of both the Board and the Management towards the Company and the stakeholders as well as to serve as reference criteria for the Board in the assessment of its own performance and of its individual Directors.

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

Roles and Responsibilities of the Board

The Board establishes the vision and strategic objectives of the Group and is entrusted with the responsibility in leading and directing the Group towards achieving its strategic goals and realising long-term shareholders’ values. The Board retains full and effective control of the Group’s strategic plans, overseeing the conduct of the Group’s businesses, implementing, reviewing and maintaining an appropriate system of risk, control and compliance management and ensuring the adequacy and integrity of the Group’s system of internal control. The Board is also responsible in ensuring financial integrity, setting the Group’s risk appetite, reviewing and approving material contracts or transactions, related party transactions, capital financing and succession planning and for the implementation of shareholders’ communications.

The Board delegates to the Managing Director (“MD”), the authority and powers of executive management of the Company and its businesses within levels of authority specified from time to time. The MD may delegate aspects of his authority and powers but remains accountable to the Board for the Company’s performance and is required to report regularly to the Board on the progress being made by the Company’s business units and operations.

The Board meets on a quarterly basis, with additional meetings convened as and when necessary. During the financial year ended 30 June 2015, five (5) Board Meetings were held and each Director attended all the Board Meetings held during the financial year. A brief profile of each member of the Board are set out in the Directors' Profile section of this Annual Report.

Delegation by the Board

The Board delegates certain functions to several committees, namely the Audit and Risk Management Committee, the Nomination Committee and the Remuneration Committee, to support and assist in discharging its fiduciary duties and responsibilities. The respective committees report to the Board on matters considered and their recommendations thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

The Board may form other committees delegated with specific authorities to act on its behalf whenever required. These committees operate under approved terms of reference or guidelines set out by the Board.

Board Composition, Independence and Diversity Balance

The Board comprises seven (7) Directors, six (6) of whom are non-executive. The current Board composition complies with the Listing Requirements. The broad range of experience, skills and knowledge of the Directors effectively facilitate the discharge of the Board's stewardship.

In promoting diversity, gender and opportunities, the Board in its appointments and composition pays due recognition and weightage to the skills, experience and business acumen of the Directors. The Board reviews the appropriate mix of skills, experience and knowledge required of its members, in the context of the needs of the Group's businesses and strategies. The Board reviews its composition and size from time to time for appropriateness and the fulfilment of the gender diversity representation. The Board acknowledges the recommendation of MCCG pertaining to the establishment of boardroom gender diversity policy. The Board currently has no female Director.

Represented on the Board are four (4) independent non-executive Directors who bring their independent advice, views and judgement to bear on the decision-making process of the Group to ensure that a balanced and unbiased deliberation process is in place to safeguard the interests of other stakeholders. As and when a potential conflict of interest arises, it is mandatory practice for the Directors concerned to declare their interests and abstain from the decision-making process.

Directors' Code of Ethics

The Board in discharging its functions has observed the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia ("CCM") which can be viewed from the CCM's website at www.ssm.com.my, the provisions of the Companies Act, 1965, and the principles of the MCCG.

The Group has put in place a Code of Ethics covering Code of Business Practice for all Directors and employees of the Group, including the Whistleblower Policy, Competition Policy, Sexual Harassment Policy and Sustainability Policy & Framework of the Group and such codes, policies and ethics are made aware to all Directors and employees and accessible for reference within the Group. Key policies including the Code of Business Practice and the Whistleblower Policy are available on the Company's website at www.lion.com.my/lioncor.

The Board ensures the implementation of appropriate internal control system to support, promote and ensure the compliance with the above and notes any exception and monitors the resolutions of the issues highlighted via the Compliance Risk Self-Assessment reporting on a half-yearly basis.

Sustainability

The Board in discharging its governance role is guided by the Group's Sustainability Plans/Framework to ensure that the Group's and the Company's business strategies and businesses promote sustainability. This includes due attention and consideration of the Environmental, Social and Governance, and Risks and Compliance aspects of the businesses and operations which underpin its business sustainability. The sustainability activities carried out by the Group are set out in the Sustainability section of the Chairman's Statement on pages 34 to 37 of this Annual Report. The Governance aspects are set out herein whilst the Risks and Compliance aspects are also set out herein and in the Statement on Risk Management and Internal Control on pages 19 to 21 of this Annual Report.

Supply of Information

The Board, as a whole and its members in their individual capacities, has unrestricted access to complete information on a timely basis in the form and quality necessary for the discharge of their duties and responsibilities. Prior to each Board meeting, all Board members are furnished with the relevant documents and sufficient information to enable them to obtain a comprehensive understanding of the issues to be deliberated upon. Senior management of the Group are also invited to attend Board meetings to provide their professional views, advice and explanation on specific items on the agenda in order for the Board to arrive at an informed decision.

Besides direct interactions with the Management, external independent professional advisers are also made available at the Company's expense to render their independent views and advice to the Board, whenever deemed necessary and under appropriate circumstances or at the request of the Board.

Company Secretaries

The Company Secretaries advise the Board on its duties and obligations, and the appropriate requirements, disclosures and procedures to be complied with in relation thereto. The Company Secretaries are also responsible in ensuring that Board meeting procedures are followed and that applicable rules and regulations are complied with.

The Company Secretaries also facilitate the communication of decisions made at Board and Board Committees to the relevant Management for appropriate actions.

The Company Secretaries update and appraise the Directors on a continuing basis on new and revised requirements to the Listing Requirements and the MCCG.

The appointment and removal of Company Secretaries are subject to the approval of the Board.

STRENGTHEN COMPOSITION

Nomination Committee

The Nomination Committee comprises three (3) members, all of whom are non-executive Directors with a majority of them being independent Directors. The Nomination Committee is chaired by Datuk Emam Mohd Haniff bin Emam Mohd Hussain, an independent Director, who is also the senior independent Director identified by the Board. The members and terms of reference of the Nomination Committee are presented on page 27 of this Annual Report.

Appointment to the Board and the Effectiveness of the Board

The Nomination Committee is responsible for identifying, evaluating and nominating suitable candidates with the necessary mix of skills, experience and competencies to be appointed to the Board and Board Committees to ensure the effectiveness of the Board and the Board Committees. The Nomination Committee annually reviews and assesses the effectiveness of the Board and the Board Committees as well as individual Directors based on the criteria set out by the Board and according to the fulfilment of the respective Board Committee's terms of reference.

The assessment criteria of the Board's evaluation/performance review process as well as the process and criteria to identify candidates for appointment as directors, and directors for re-election and re-appointment are set out in the Board Charter.

In assessing and recommending to the Board suitable candidature of Directors, the Nomination Committee shall consider the competencies, commitment, contribution, performance and board diversity including the appropriateness and the fulfilment of the gender diversity representation and the required mix of skills, qualifications, expertise and experience, knowledge, professionalism and integrity which would contribute to the overall desired composition of the Board.

The Directors' mix of skills are set out in the respective Director's Profile on pages 5 to 8 of this Annual Report.

Activities of the Nomination Committee for the Financial Year

The Nomination Committee met once since the date of the last Annual Report and had carried out the following duties in accordance with the terms of reference whereat all the members attended:

- (i) Reviewed and assessed the effectiveness of the Board and the Board Committees as well as the individual Directors and their independence based on the broad Fit & Proper, and Independence criteria using a set of quantitative and qualitative performance evaluation forms approved by the Board, and made the appropriate recommendation to the Board.
- (ii) Reviewed the retirement and re-election, and re-appointment of Directors for Board's consideration.
- (iii) Reviewed the re-appointment and retention of independent Directors whose tenure of service will exceed or has exceeded nine (9) years for recommendation to shareholders for their approval based on their attributes necessary in discharging their roles and functions as independent Directors.
- (iv) Reviewed the training needs of the Directors.
- (v) Approved and recommended for Board's consideration the Nomination Committee Report for inclusion in the Annual Report.

Re-election, Re-appointment and Retention of Directors

In accordance with the Articles of Association of the Company, one-third (1/3) of the Directors shall retire from office at every annual general meeting and all Directors shall retire from office at least once in every three (3) years. Retiring Directors can offer themselves for re-election. Directors who are appointed by the Board during the financial year are subject to re-election by the shareholders at the next annual general meeting following their appointment. The Nomination Committee is responsible for recommending to the Board for re-appointment of those Directors who are over 70 years of age and the retention of the independent Directors whose tenure of service will exceed nine (9) years or has exceeded nine (9) years, for shareholders' approval at the next annual general meeting.

Directors' Remuneration

The Company has adopted the objective as recommended by the MCCG in determining the remuneration of executive Directors so as to ensure that it attracts and retains the Directors needed to manage the Company and the Group effectively. Directors do not participate in decisions regarding their own remuneration. The responsibilities for developing a formal remuneration policy and determining the remuneration packages of executive Directors lie with the Remuneration Committee. Nevertheless, it is the ultimate responsibility of the Board to approve the remuneration of these Directors. The members and terms of reference of the Remuneration Committee are presented on page 27 of this Annual Report.

Directors' fees are recommended by the Board for the approval by shareholders of the Company at the annual general meeting.

For confidentiality, the details of the Directors' remuneration are not disclosed for each individual Director. The transparency and accountability aspects of corporate governance applicable to Directors' remuneration recommended by the best practices of the MCCG are deemed appropriately served by the disclosures in the ensuing paragraphs.

The aggregate remuneration of Directors who served during the financial year ended 30 June 2015 are categorised as follows:

	Fees RM'000	Salaries & Other Emoluments RM'000	Total RM'000
Executive Director	24	656	680
Non-executive Directors	213	–	213
	<u>237</u>	<u>656</u>	<u>893</u>

The number of Directors whose total remuneration falls into the respective bands is as follows:

Range of Remuneration (RM)	Number of Directors	
	Executive	Non-executive
25,000 & below	–	1
25,001 – 50,000	–	5
650,001 – 700,000	1	–

REINFORCE INDEPENDENCE

Assessment of Independent Directors and Board Performance Evaluation

The Board observes the recommendation by the MCCG in ensuring that the independent Directors bring independent and objective judgement to the Board deliberations. Accordingly, the Board assisted by the Nomination Committee assesses the independent Directors on an annual basis. In addition, the independent Directors affirm their independence annually to the Board. The Board with the assistance of the Nomination Committee also assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director, including independent Directors, on an annual basis. All assessments and evaluations carried out by the Nomination Committee in discharging its duties were also properly documented.

In line with the MCCG, the Board has adopted a nine (9)-year policy for independent Directors. The tenure of an independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent Director may continue to serve on the Board subject to the Director's re-designation as a non-independent Director. In the event such Director is to be retained as an independent Director, the Board must first justify and obtain shareholders' approval.

Based on the assessment carried out for the financial year ended 30 June 2015, the Board was satisfied with the level of independence of the independent non-executive Directors and their ability to act in the best interest of the Company. The Board was also satisfied that the Board and the Board Committees have discharged their duties and responsibilities effectively and that the Board composition in terms of size, the balance between executive, non-executive and independent Directors, and mix of skills and experience was adequate.

The Role and Functions of Chairman and MD

The Group Chairman also assumes the position of the Group's MD. He brings with him a wealth of over 40 years of experience in the business operations of the Group and possesses the calibre to ensure that policies and strategies approved by the Board are effectively implemented. In view of the vast experience of the Group Chairman/MD, the Group stands to benefit directly from the extensive knowledge and involvement of the Chairman in the business deriving from his years of experience and industry goodwill. The Board considers the departure from the recommended practice of separating the functions as appropriate under the present circumstances.

FOSTER COMMITMENT

Time Commitment

A Director shall notify the Chairman of the Board of his acceptance of any new directorship in public listed companies. In any event the maximum number of appointments in public listed companies shall be limited to five (5) or any other number as set out in the Listing Requirements.

The notification shall include an assurance of his continued time commitment to serve the existing Board and that his other appointments shall not be in conflict or compete with the existing appointment with the Company.

Directors' Training

All members of the Board have attended Bursa Securities' Mandatory Accreditation Programme.

The Directors are also encouraged to attend relevant external professional programmes as necessary to keep abreast of issues facing the changing business environment within which the Group operates.

During the financial year, the Directors had attended the following seminars, breakfast series, workshops and training programmes ("Programmes") on topics/subjects in relation to corporate governance, business opportunities and prospects in various industries and countries, risk management and internal controls, economic and regional issues, management and entrepreneurship, regulatory updates and requirements, finance, and sustainability covering community, environment, marketplace and workplace:

Name of Directors	Programmes
Tan Sri William H.J. Cheng	<ul style="list-style-type: none"> • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. General pillars of ASEAN Economic Community ("AEC") 2. Protection of intellectual property in view of the AEC single market • Seminar on Hong Kong Regulatory Requirement on Directors – Disclosure of Inside Information
Tan Sri Cheng Yong Kim	<ul style="list-style-type: none"> • Bursa Malaysia in collaboration with FTSE – Education Seminar: Overview of Environmental, Social and Governance Index and Industry Classification Benchmark • Khazanah Megatrends Forum 2014 – Scaling the Efficiency Frontier: Institutions, Innovation, Inclusion • The Boston Consulting Group Leaders' Forum 2014: Winning in ASEAN • Khazanah Global Lectures 2014 • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. The Key Factors of Goods and Services Tax and its Implementation 2. Transfer Pricing • Invest Malaysia 2015 – ASEAN's Multinational Marketplace • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. General pillars of ASEAN Economic Community ("AEC") 2. Protection of intellectual property in view of the AEC single market
Datuk Emam Mohd Haniff bin Emam Mohd Hussain	<ul style="list-style-type: none"> • Permodalan Nasional Berhad – Investment Series on "Great companies deserve great boards and great boards leading the way for highly innovative companies" • Bursa Malaysia & Iclif – Nominating Committee Programme Part 2: Effective Board Evaluations • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. The Key Factors of Goods and Services Tax and its Implementation 2. Transfer Pricing • Seminar on Current Trends in Shareholders' Activism & Predicting Financial Crime – Detection, Prevention & Remediation. • "Light and Shadow in the Boardroom: Reflections on Board Evaluation and Development" organised by Yayasan Tun Ismail Mohamed Ali Berdaftar • Bursa Malaysia – Risk Management & Internal Control Workshop for Audit Committee Members: Is Our Line of Defence Adequate and Effective? • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. General pillars of ASEAN Economic Community ("AEC") 2. Protection of intellectual property in view of the AEC single market

Name of Directors	Programmes
M. Chareon Sae Tang @ Tan Whye Aun	<ul style="list-style-type: none"> • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. The Key Factors of Goods and Services Tax and its Implementation 2. Transfer Pricing • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. General pillars of ASEAN Economic Community ("AEC") 2. Protection of intellectual property in view of the AEC single market
Datuk Mohd Yusof bin Abd Rahaman	<ul style="list-style-type: none"> • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. The Key Factors of Goods and Services Tax and its Implementation 2. Transfer Pricing • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. General pillars of ASEAN Economic Community ("AEC") 2. Protection of intellectual property in view of the AEC single market
Dr Folk Jee Yoong	<ul style="list-style-type: none"> • Bursa Malaysia in collaboration with The Institute of Internal Auditors Malaysia – Audit Committee Breakfast Series: "Enhancing Internal Audit Practice" • Bank Negara Malaysia – Anti-Money Laundering and Counter Financing of Terrorism • Presented by Paul Drum – Impact of Goods and Services Tax on Businesses • Bursa Malaysia & Iclif – Nominating Committee Programme Part 2: Effective Board Evaluations • Bursa Malaysia in collaboration with FTSE – Education Seminar: Overview of Environmental, Social and Governance Index and Industry Classification Benchmark • Bursa Malaysia in collaboration with MSWG – Workshop on Appreciation & Application of ASEAN Corporate Governance Scorecard • Malaysian Institute of Accountants ("MIA") – How to Achieve Business Goals Faster • Monash University Malaysia - Conference on Sustainable Development • Certified Practising Accountants Australia – Guides for Malaysian Listed Companies • MIA - Labuan International Business and Financial Centre's Foundation Structures for Business Succession Planning • Bursa Malaysia – Great Companies Deserve Great Board • Monash University Malaysia - 2015 Management Budget Seminar • MIA in collaboration with Malaysian Anti-Corruption Commission – Integrity in Business Practice • Malaysia External Trade Development Corporation – National Seminar and Workshop on Trade In Services • The Institute of Chartered Accountants of England and Wales - Economic Insight Q4 • RHB Research – 2015 Market Outlook • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. The Key Factors of GST and its Implementation 2. Transfer Pricing • University of Tuanku Abdul Rahman – Impact of IFRS 15 on Different Business Sectors • MIA – Transforming Finance Teams for Higher Performance • K&N Kenanga – GST and Market Outlook 2015 • International Centre for Education in Islamic Finance – Islamic Wealth Management Symposium • PEMANDU in collaboration with Bursa Malaysia – Lead the Change Event: Getting Women on Boards • Kuala Lumpur City Centre - Islamic Finance Asia Forum: Sustainability, Innovation and Performance • Bursa Malaysia – Post Workshop Discussion for Audit Committee: Risk Management and Internal Control

Name of Directors	Programmes
Dato' Afifuddin bin Abdul Kadir	<ul style="list-style-type: none"> • Asian Summit – Board Risk Intelligence 2014 (Risk Governance into practice) • UMW Oil & Gas Corporation Berhad – In-house programme : Introduction to NAGA 6 in Shenzhen, China • Lion Group In-house Directors' Training on: <ol style="list-style-type: none"> 1. The Key Factors of Goods and Services Tax and its Implementation 2. Transfer Pricing • PEMANDU in collaboration with Bursa Malaysia – Lead the Change Event: Getting Women on Boards • Bursa Malaysia – Post Workshop Discussion for Audit Committee : Risk Management & Internal Control

In addition, the Company would arrange site visits for the Directors, whenever necessary, to enhance their understanding of the Group's businesses and have a better awareness of the risks associated with the Group's operations.

The Directors are also updated and appraised on a continuing basis by the Company Secretaries on new and revised requirements to the Listing Requirements and the MCCG ("Continuing Updates").

The Board, after having undertaken an assessment of the training needs of each Director, views the aforementioned Programmes attended by the Directors, and the Continuing Updates provided to the Directors, as adequate to enhance the Directors' skills and knowledge to carry out their duties as Directors.

The Board will, on a continuing basis, evaluate and determine the training needs of each Director, particularly on relevant new laws and regulations, and essential practices for effective corporate governance and risk management to enable the Directors to sustain their active participation in board deliberations and effectively discharge their duties.

Newly appointed Directors are required to attend a familiarisation programme. This includes meeting key senior management to be briefed on the core businesses and operations of the Group. It also serves as a platform to establish effective channel of communication and interaction with Management.

UPHOLD INTEGRITY IN FINANCIAL REPORTING

Financial Reporting

The Board aims to present a balanced and clear assessment of the Group's position, financial performance and future prospects to the Company's stakeholders through the annual financial statements, quarterly financial reports and corporate announcements which are in accordance with the Listing Requirements. The Board discusses and reviews the recommendations proposed by the Audit and Risk Management Committee prior to the adoption of the quarterly financial results and the annual audited financial statements of the Group and of the Company, including timely and quality disclosure through appropriate corporate disclosure policies and procedures adopted.

The Audit and Risk Management Committee supports the Board in its responsibility to oversee the financial reporting and the effectiveness of the internal controls of the Group. The Audit and Risk Management Committee comprises five (5) members, with a majority of them being independent Directors. The terms of reference and the main activities undertaken by the Audit and Risk Management Committee during the financial year under review are set out in the Audit and Risk Management Committee Report on pages 22 to 26 of this Annual Report.

Directors' Responsibility in Financial Reporting

The Board is responsible for ensuring that the quarterly and annual financial statements are prepared in accordance with the applicable financial reporting standards in Malaysia, the provisions of the Companies Act, 1965 and the Listing Requirements. The Board is satisfied that for the financial year ended 30 June 2015, the financial statements presented give a true and fair view of the state of affairs, results and cash flows of the Group and of the Company.

Relationship with the External Auditors

The Board has established a formal and transparent relationship with the external auditors through the Audit and Risk Management Committee. The Audit and Risk Management Committee evaluates the performance and assesses the suitability and independence of the external auditors and recommends the appointment of the external auditors and their remuneration to the Board. The appointment of the external auditors is subject to the approval of shareholders at the annual general meeting whilst their remuneration is determined by the Board. The external auditors meet with the Audit and Risk Management Committee at least twice a year and attend the annual general meeting of the Company.

The Audit and Risk Management Committee has obtained written confirmation from the external auditors on their independence in undertaking the annual audit of the Company's financial statements.

RECOGNISE AND MANAGE RISKS

Risk Management Framework

The Board regards risk management as an integral part of business operations. A Corporate Risk Management System implementing an Enterprise Wide Risk Management Framework ("CRMS-ERM") was developed, enhanced and documented. The CRMS-ERM Manual sets out in a comprehensive manner the process adopted by the Group towards risk identification, evaluation, treatment, risks appetite setting, control, tracking and monitoring of strategic, business, financial and operational risks.

The Board delegates the oversight of risk management and internal control to the Audit and Risk Management Committee. The Audit and Risk Management Committee is assisted by the Risk Management Committee ("RMC") in overseeing the implementation of the risk management framework via the Corporate Performance Scorecards ("CPS") and the Corporate Risk Scorecards ("CRS"). The Risk Management Team of each key operating company together with the RMC reports the CPS and CRS to the Audit and Risk Management Committee on a half-yearly basis. The detailed processes of risk management are described in the Statement on Risk Management and Internal Control on pages 19 to 21 of this Annual Report.

The RMC also assesses all material and key risks associated with the Group's businesses and operations as well as corporate proposals.

Internal Control

The Board has overall responsibility in maintaining a sound internal control system for the Group to achieve its objectives within an acceptable risk profile as well as safeguarding the interests of stakeholders including shareholders' investment and the Group's assets. An overview of the state of internal control within the Group is set out in the Statement on Risk Management and Internal Control on pages 19 to 21 of this Annual Report.

Internal Audit Function

The Board has established an internal audit function within the Group. The internal audit function is led by a Chief Internal Auditor who reports directly to the Audit and Risk Management Committee. The internal auditors attend all meetings of the Audit and Risk Management Committee and the detailed internal audit function is set out in the Audit and Risk Management Committee Report on pages 22 to 26 of this Annual Report.

Compliance Function

The Board has approved a Compliance Framework which lays down mechanisms and tools to ensure consistency and efficiency in identifying, managing and mitigating compliance risks within the Group. Reviews are conducted by the Group Compliance Function to assess the degree of compliance with statutory, regulatory and codes of ethics/standards requirements and internal standard operating procedures aligned to the business objectives. The Audit and Risk Management Committee is provided with compliance reports at agreed intervals to facilitate the Board with a holistic and overview of all compliance matters.

ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

The Board acknowledges the importance of timely and equal dissemination of material information to the shareholders, investors and public at large. The Board ensures its adherence to and compliance with the disclosure requirements of the Listing Requirements as well as the Corporate Disclosure Guide issued by Bursa Securities.

The Company's shareholders and members of the public may gain access to any latest corporate information of the Company on its website at www.lion.com.my/lioncor which is linked to the announcements published on the website of Bursa Securities at www.bursamalaysia.com.

STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

The Board has oversight over the implementation and maintenance of the required effective communications and engagements with shareholders.

The annual general meetings and the extraordinary general meetings are the principal forum for dialogue with shareholders. Shareholders are provided with an opportunity to participate in the question and answer session at which shareholders may raise questions regarding the proposed resolutions at the said meetings as well as on matters relating to the Group's businesses and affairs. The Chairman and the Board members are in attendance to respond to shareholders' queries. The Chairman also shares with the shareholders, the Company's responses to questions submitted in advance of the annual general meetings by the Minority Shareholder Watchdog Group.

The Group also values dialogues with institutional investors, fund managers and analysts. The Group has been practising open discussions with investors/fund managers/analysts upon request through meetings, teleconferencing and emails. In this regard, information is disseminated with strict adherence to the disclosure requirements of Bursa Securities.

The Company's website at www.lion.com.my/lioncor provides easy access to corporate information, Board Charter, key policies, annual reports and company announcements pertaining to the Group and its activities.

The Board has identified the Company Secretaries to whom concerns may be conveyed and who would bring the same to the attention of the Board.