

CORPORATE GOVERNANCE REPORT

STOCK CODE : 2658
COMPANY NAME : Ajinomoto (Malaysia) Berhad
FINANCIAL YEAR : March 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is responsible for the leadership and long-term success of the Company and the delivery of sustainable value to its stakeholders. In discharging its fiduciary duties and leadership functions, the Board is guided by the Board Charter, which outlines the duties and responsibilities of the Board, matters reserved for the Board as well as those which the Board may delegate to the Board Committees, Managing Director (“MD”)/Chief Executive Officer (“CEO”) and Management.</p> <p>The Board has reserved a formal schedule of matters for its decision making to ensure that direction and control of the Company are firmly in its hands. It has also set the strategic direction of the Company, exercised oversight on Management and set the appropriate tone at the top, while providing thought leadership and championing good governance and ethical practices throughout the Company.</p> <p>All the Directors of the Company has objectively discharged their fiduciary duties and responsibilities at all times in the best interests of the Company to oversee the conduct, business activities and development of the Company. The Board evaluates and determines the training needs of its Directors annually and encourages the Directors to attend various professional training programmes necessary to keep abreast on issues and challenges arising from the changing business environment within which the Company operates.</p> <p>During the financial year ended 31 March 2023, all Directors complied with Paragraph 15.08 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Main LR”) and attended training programmes as follows:-</p>

Name of Director	Training/courses attended
Tan Sri Dato' (Dr.) Teo Chiang Liang	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start
Koay Kah Ee <i>(resigned w.e.f. 31 March 2023)</i>	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start
Cheong Heng Choy	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start 2022 MFRS Updates Seminar
Tomoharu Abe <i>(resigned w.e.f. 30 June 2023)</i>	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start
Shunsuke Sasaki	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start
Dominic Aw Kian-Wee <i>(resigned w.e.f. 31 May 2023)</i>	<ul style="list-style-type: none"> Key Trends in Environmental, Social and Governance Reporting ESG Adoption and Strengthening Your Corporate Values Organising For Sustainability Success – How The Leaders Can Start
Kamarudin bin Rasid <i>(retired w.e.f. 31 March 2023)</i>	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start
Azhan bin Mohamed	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start
Norani binti Sulaiman	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start
Noriko Fujimoto	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start
Takahiro Sato <i>(resigned w.e.f. 31 May 2023)</i>	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start
Elaine Tan Ai Lin <i>(appointed w.e.f. 24 February 2023)</i>	<ul style="list-style-type: none"> Financial Knowledge and Skill for Non-Financial Personnel Introduction of Blockchain and the Interrelationship with Legal System Organising For Sustainability Success – How The Leaders Can Start
Yong Kum Cheng <i>(appointed w.e.f. 1 April 2023)</i>	<ul style="list-style-type: none"> Organising For Sustainability Success – How The Leaders Can Start

As Riichiro Osawa was only appointed to the Board on 1 July 2023, there is no disclosure of his training above.

The Board with the assistance of Nomination Committee, reviews the training programmes for the Board annually. The Board had approved an in-house training programme entitled 'Organising For Sustainability Success – How The Leaders Can Start' for the Board and Senior Management and it was conducted on 21 March 2023.

	<p>To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board discusses, reviews and adopts various business plans and strategies, both short-term and long-term through active discussions with the MD/CEO and Executive Directors. The Non-Executive Directors have consistently enquired on the operations of the Company, examined the Management's plans and proposals for the Company, gave opinions, and monitored their implementation and progress.</p> <p>The Board also promotes sustainability when setting the Company's business strategies. The Board ensures that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability. The Board ensures that all strategic and critical issues are considered in the formulation and adoption of the Company's strategies. The Board reviews and deliberates on the business plans and strategies for the Company before any decision is made. The MD/CEO, together with the Executive Directors, also brief and update the Board on the implementation and progress of the business plans of the Company.</p> <p>The Board, together with senior management, promotes good corporate governance culture within the Company which reinforces ethical, prudent and professional conduct.</p> <p>The Board also takes cognisance of the new amendments to the Main LR in relation to the enhanced sustainability reporting framework and any other amendments. As for the Company's anti-corruption measures, Management has taken proactive initiatives not only to ensure compliance but to also inhibit corrupt practices or actions. Control measures that were taken include reviewing and enforcement of the Company's policies on corruption, communication of policies through town hall briefings and training and workshops to the Company's employees.</p> <p>The Board encourages good corporate governance by applying sustainability practices throughout the Company. A detailed report on sustainability activities, demonstrating the Company's commitment to the global environmental, economic, social, and governance aspects of business, is presented under the Sustainability Statement contained in this Annual Report.</p> <p>The Board also assesses Management performance to determine whether the Company's business is being properly managed. The Audit Committee reviews the Company's quarterly unaudited financial results and the Company's business performance in conjunction with the Chief Finance Officer's ("CFO") detailed presentation on the financial and business performance of the Company at the Audit Committee Meeting where the CFO will answer questions raised by other Audit Committee members accordingly.</p>
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	<p>The Company has established a sound framework for internal controls and risk management which is detailed under Practice 10.1, 10.2, 11.1 and 11.2 of this Report. On the formal reporting level, the Board vide the Audit Committee, reviews the Internal Audit Report quarterly and discusses the relevant improvements required to address internal audit issues. Notwithstanding that, the MD/CEO also presents the Risk Management Report to the Audit Committee every quarter to ensure the risks faced by the Company are adequately addressed and monitored.</p> <p>The CFO has also presented the Company's annual budget to the Board for review and approval. The annual budget for the financial year ending 31 March 2024 had been tabled and approved by the Board on 24 February 2023. In addition, the Management had also updated the Board on the construction progress of the new factory located at Techpark@Enstek, Bandar Baru Enstek, Daerah Seremban, Negeri Sembilan, as well as the relocation project on a quarterly basis. The Company has successfully relocated to the new factory and has since been operating smoothly from December 2022.</p> <p>The Board recognises that succession planning is an ongoing process to ensure that the Company identifies and develops a talent pool of employees through mentoring, training and job rotation for senior management positions that have become vacant. The Board is also supported by the Nomination Committee to review Board and senior management succession plans to ensure there is an orderly succession of Board and senior management members with the appropriate calibre.</p> <p>Key senior management personnel are encouraged to attend continuing development programmes to ensure that they are well equipped with the necessary skills and knowledge to discharge their duties and responsibilities.</p> <p>The Board also ensures that the Company has in place procedures to enable effective communication with stakeholders.</p> <p>During the financial year ended 31 March 2023, in addition to the routine matters, the Board reviewed and deliberated on the following areas:-</p> <ul style="list-style-type: none">• Development of a business resilience strategy to improve performance and address supply chain disruptions caused by the COVID-19 pandemic and the Russia-Ukraine conflict.• Monitor the Company's compliance with various standards, including Halal certification and Hazard Analysis and Critical Control Points and conduct food safety training programs to enhance the knowledge of the Company's employees.• Relocation of the entire operations from current factory located at Jalan Kuchai Lama, Petaling, Kuala Lumpur to new factory at
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	Techpark@Enstek, Bandar Baru Enstek, Daerah Seremban, Negeri Sembilan.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is chaired by Tan Sri Dato' (Dr.) Teo Chiang Liang, an Independent Non-Executive Director. He was then re-designated as the Non-Independent Non-Executive Chairman on 31 May 2023. The Chairman of the Board had during the year –</p> <ul style="list-style-type: none">• provided leadership for the Board so that the Board can discharge its duties and responsibilities effectively;• through the Chief Finance Officer and Company Secretaries, set the Board agenda and ensured that Board members receive complete and accurate information in a timely manner;• led Board meetings and discussions;• encouraged active participation and allowed dissenting views to be freely expressed;• managed the interface between Board and Management;• ensured appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board;• led the Board in discussion on sustainability and Environmental, Social and Governance (“ESG”) matters; and• led the Board in establishing and monitoring good corporate governance practices in the Company.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Applied	
Explanation on application of the practice	:	The positions of the Chairman and Managing Director (“MD”)/Chief Executive Officer (“CEO”) are held by two different individuals and each has a clear accepted division of responsibilities to ensure that there is a balance of power and authority to promote accountability. The Chairman is responsible for instilling good corporate governance practices and leadership, and for ensuring Board effectiveness. The Chairman leads the Board in its collective oversight of Management, while the MD/CEO has the overall responsibilities over the Company's operating units, organisational effectiveness and implementation of Board policies and decisions. The distinct and separate roles of the Chairman and MD/CEO are clearly defined in the Board Charter to ensure that no one individual has unfettered powers of decision-making.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: <p>Tan Sri Dato' (Dr.) Teo Chiang Liang, the Chairman of the Board, is also the chairman of the Remuneration Committee and member of the two (2) Board Committees namely, Audit Committee and Nomination Committee.</p> <p>The Board took cognisance that having the same person assume the position of chairman of the Board and member of other board committees gives rise to the risk of self-review and may impair the objectivity of the chairman and the Board when deliberating on the observations and recommendations put forth by the board committees. However, Tan Sri Dato' (Dr.) Teo Chiang Liang is not involved in management and operational matters of the Company, and he always provides constructive ideas and opinions to the Board and Board Committee respectively and showed impartiality in his judgement and conduct based on different perspectives as a Board Chairman and member of Board Committees.</p> <p>Tan Sri Dato' (Dr.) Teo Chiang Liang is also conscious of his differing roles in the Board, Audit Committee, Nomination Committee and Remuneration Committee. Before recommending to the Board, all proposals and issues are deliberated at the respective Board Committees level which involved the participation of other Board Committee members. All recommendations by the Board Committees to the Board have been arrived at unanimously and this would have eliminated the risk of self-review.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:

Timeframe	:		
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Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company is supported by two (2) suitably qualified and competent Company Secretaries. Both Company Secretaries are qualified Chartered Secretaries under Section 235(2)(a) of the Companies Act 2016 registered with the Companies Commission of Malaysia and are Fellow members of the Malaysian Association of the Institute of Chartered Secretaries and Administrators ("MAICSA"). The Company Secretaries are external company secretaries from Securities Services (Holdings) Sdn. Bhd. with vast knowledge and experience from being in public practice and is supported by a team of competent company secretarial personnel.</p> <p>The Company Secretaries support the Board and the relevant Board Committees to ensure their effective functioning in accordance with their terms of reference and best practices, and in managing the corporate governance framework of the Company. The Company Secretaries also advise the Directors on their fiduciary and statutory duties, as well as corporate disclosures and compliances with the Companies Act 2016, the Company's Constitution, the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Main LR"), the Malaysian Code on Corporate Governance, adopted policies, and other pertinent regulations governing the Company, including guiding the Board towards the necessary compliances. The Company Secretaries also support the Board and the relevant Board Committees to ensure their effective functioning in accordance with their terms of reference, Board Charter and best practices, and in managing the corporate governance framework of the Company.</p> <p>The Company Secretaries also update the Board on changes in the regulatory requirements to ensure correct procedures are followed and the Company remains compliant with the relevant rules and regulatory requirements.</p> <p>The Company Secretaries are also acting as the official liaison party for the Company to prepare, and submit statutory returns to the Companies Commission of Malaysia ("CCM"). They will ensure that any change in the Company's statutory information will be notified to the CCM in the relevant prescribed forms in a timely manner.</p>

	<p>The Company Secretaries are responsible in arranging meetings of Directors and shareholders. This involves the preparation of agenda, issuance of proper notices of meetings, and taking and producing minutes to record the business transacted at the meetings and the decisions taken.</p> <p>All deliberations at the Sixty-First Annual General Meeting (“61st AGM”) and all Board and Board committee meetings were well minuted for the Board’s reference and for action plans to be communicated to the Management to work on and to report back to the Board.</p> <p>During the 61st AGM, the Company Secretaries coordinated with Management and Share Registrar / Poll Administrator to manage the processes of the meeting and ensure orderly proceedings, including the conduct of the poll taken on all resolutions tabled at the 61st AGM.</p> <p>The Board is also updated by the Company Secretaries on the Directors’ Resolutions in Writing passed, Directors’ dealings pursuant to Chapter 14 of the Main LR, announcements made to Bursa Securities and circulars or correspondences from Bursa Securities, at every scheduled Board meeting during the financial year.</p> <p>The Company Secretaries had and will continue to constantly keep themselves abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters, and with changes in the regulatory environment, through continuous training and industry updates. They have also attended many relevant continuous professional development programmes as required by MAICSA for practicing Chartered Secretaries.</p> <p>The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharge of its function, duties and responsibilities.</p>
Explanation for departure	:
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	Meeting materials are circulated to Directors at least five (5) business days in advance of Board/Board Committee meetings. The Minutes of Board/Board Committee meetings are circulated to the respective Chairman of the meetings in a timely manner for review before they are confirmed and adopted by members of the Board/Board Committee at their respective meetings.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has a Board Charter, which is published on the Company's website at www.ajinomoto.com.my, which was last updated by the Board on 24 August 2022. The Board Charter clearly sets out the Board's strategic intent and identifies the respective roles and responsibilities of the Board, Board Committees, individual Directors, Senior Independent Director and senior management, as well as issues and decisions reserved for the Board, the Board's governance structure and authority, and Terms of Reference of the Board, Board Committees and senior management. This is to ensure that all Directors and senior management acting on behalf of the Company are aware of their duties and responsibilities.</p> <p>The Board Charter was updated to ensure compliance with new rules and regulations issued by Bursa Malaysia, Securities Commission Malaysia and other relevant authorities.</p> <p>The Board Charter and Terms of Reference of the Board Committees will be reviewed as and when necessary to ensure they remain consistent with the Board's objectives and responsibilities, and reflect the latest compliance requirements as a result of changes in the regulatory framework, and remain relevant at all times.</p> <p>The Board keeps itself abreast of the responsibilities delegated to each Board Committee, and matters deliberated at each Board Committee meeting through the minutes of the Board Committee meetings and reports by the respective Board Committee Chairman, at Board meetings.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is committed in maintaining a corporate culture that engenders ethical conduct. The Board has formalised ethical standards by adopting a Code of Conduct, which summarises what the Company must endeavour to do proactively in order to increase corporate value, and which describes the areas in daily activities that require caution in order to minimise any risks that may occur. The Company's Code of Conduct covers ethical behaviour in all aspects of the Company's business operations, which includes areas concerning provision of safe, high-quality products and services, social contribution activities, conservation of the environment, respect for human rights and ensuring workplace safety, responsibilities to shareholders, fair and transparent transactions and protection and management of Company assets and information.</p> <p>The said Code of Conduct is published on the Company's website at www.ajinomoto.com.my.</p> <p>Employees are made aware that relevant disciplinary actions will be taken for unethical behaviour and gross misconduct.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has in place a whistleblowing policy, which is updated/revised as and when required, to encourage its employees to report genuine concerns in relation to breach of any legal obligation (including negligence, criminal activity, breach of contract and breach of the law), miscarriage of justice, danger to health and safety or to the environment and the cover-up of any of these in the workplace. The whistleblowing policy of the Company provides guidance on the appropriate communication and feedback channels to facilitate whistleblowing.</p> <p>The said whistleblowing policy is published on the Company's website at www.ajinomoto.com.my.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board promotes sustainability through its strategic oversight and integration of sustainability considerations in the decision-making process and operations of the Company. This entails taking a holistic view of how the Company creates value for its shareholders and stakeholders bearing in mind ESG factors. Company's efforts have been taken in the past years to strengthen sustainability governance by incorporating the Ajinomoto Group Creating Shared Value ("ASV") policy into the Company's business activities. ASV creates a virtuous cycle (the ASV cycle) that reinvests the economic value created by playing an active role in contributing towards resolving social issues through the Company's business activities. ASV represents a strategic initiative for realising sustainable growth.</p> <p>The Company's Sustainability Governance Structure was established to lead the ESG management of the Company. The Company's Managing Director/Chief Executive Officer ("MD/CEO") oversees the Company's sustainability initiatives and direction, as well as approves sustainability-related matters. The MD/CEO is supported by the Sustainability Management Committee ("SMC") which monitors material ESG risks and opportunities and ensures the implementation of sustainability strategies and initiatives.</p> <p>The activities of the SMC are supported concurrently by the ESG Committee. ESG Committee is responsible for monitoring and reviewing all environmental-related systems of the Company, including resource and energy saving, waste management, chemical spillage and emergency response management, environmental training and awareness, and legal compliance.</p> <p>The MD/CEO regularly reports to and discusses the ESG topics with the Board, which are an integral part of the Risk Management report, to keep the Board informed and apprised of latest sustainability developments that are relevant to the Company.</p>

	<p>The sustainability goals form part of the Company's overall performance tracking and strategy, including its progress on environmental impacts within its own operations and progress towards longer-term climate-related targets.</p> <p>During the financial year ended 31 March 2023, the Company has installed a solar photovoltaic system at its new plant in Bandar Baru Enstek, Techpark to reduce its carbon footprint. The Company has also installed a rainwater harvesting system while landscaping the general cleaning purposes.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company has engaged with stakeholders in a variety of ways through formal and informal activities. Sustainability strategies, priorities and targets, and performance are communicated through the Company’s annual report and corporate website, which contains its sustainability approach and governance, environmental performance, contributions to society and employee relations, among others.</p> <p>The Sustainability Statement contained in the Company’s 2023 Annual Report covers the Company’s approach towards a wide range of economic and environmental, social and governance (“ESG”) topics through the Ajinomoto Group Creating Shared Value (ASV) initiatives, the Company’s contributions in line with the United Nation’s Sustainable Development Goals, the results achieved and future plans going forward.</p> <p>The Company’s sustainability objectives and targets are also communicated across the organisation through knowledge-sharing, training, internal communications, and as part of the Ajinomoto Group Vision, among others, to build an internal culture that embraces and supports sustainability priorities.</p> <p>Details pertaining to the stakeholders’ engagement are available in the Sustainability Statement contained in the Company’s 2023 Annual Report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, through the Nomination Committee, assessed the annual training programme attended by the Directors during the financial year ended 31 March 2023 to ensure that the Directors had and will continue to constantly keep abreast on the relevant requirements and matters concerning the sustainability, including the latest development in industry as well as the sustainability issues relevant to the Company. An in-house training programme entitled 'Organising For Sustainability Success – How The Leaders Can Start' was organised during the financial year ended 31 March 2023.</p> <p>The Board is also regularly updated on the progress of the Company's sustainability priorities and initiatives through the quarterly updates by the Managing Director/ Chief Executive Officer, Chairman of the Risk Management Committee on the risk management report and annual approval of the Sustainability Statement.</p> <p>ESG-related risks such as risks arising from climate change, including physical, transitional and legal risks have been embedded into the Company's risk register. From the risk register, the Board is able to develop an oversight and mitigation measures for the said risk factors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination Committee had on 28 November 2022, revised the Board evaluation forms to include a review of the performance of the Board in addressing the Company’s material sustainability risks and opportunities.</p> <p>The current performance evaluation for senior management takes into account the progress and performance of material sustainability risks and opportunity of the Company. To uphold ESG performance and sustainability initiative, a set of key performance indicators for sustainability-related risks and opportunities has been established to identify action plans for all sustainability matters and assign responsibility to specific departments and individuals to track progress and compile results.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Chief Administration Officer is the designated person to manage sustainability strategies and initiatives in the Company.</p> <p>The Chief Administration Officer ensures alignment of the sustainability targets with the business operations of the Company. The Chief Administration Officer is supported by Sustainability Management Committee comprising heads of various departments.</p>

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination Committee (“NC”) is responsible to oversee and review on an on-going basis, the overall composition of the Board in terms of size, the required mix of skills, experience and other qualities and core competencies for the Directors of the Company.</p> <p>The effectiveness of the Board as a whole and the contribution and performance of each individual Director to the effectiveness of the Board and the Board Committees will also be assessed by the NC on an annual basis.</p> <p>If the Independent Director wishes to remain as an Independent Director after serving for a cumulative period of more than nine (9) years, justification from the Board on his/her independence status and shareholders’ approval at the AGM are required.</p> <p>The annual re-election of retiring Directors has been contingent on satisfactory evaluation of the retiring Directors’ performance and contribution to the Board.</p> <p>In order to ensure a candidate for nomination, election or re-election as a Director of the Company fulfil the fit and proper requirements, the Board had on 22 June 2022 adopted a Directors’ Fit and Proper Policy to serve as a guide to the Nomination Committee and the Board in their review and assessment of those candidates.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Since the commencement of the financial year ended 31 March 2023, the Board comprising 11 members, of which six (6) of them are Executive Directors and five (5) of them are Independent Non-Executive Directors. Following the appointment of Ms. Elaine Tan Ai Lin to the Board on 24 February 2023, and the resignation of Mr. Koay Kah Ee and Encik Kamarudin bin Rasid on 31 March 2023, the Board has reduced to 10 members comprising five (5) Executive Directors and five (5) Independent Non-Executive Directors.</p> <p>Subsequent to the changes in the Board composition after the financial year ended 31 March 2023, the Board currently consists of nine (9) members, of which five (5) are Executive Directors, three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The composition of the Board complies with Paragraph 15.02 of the Main LR, which stipulates that the Company must ensure that at least two (2) Directors or 1/3 of the Board, whichever is the higher, are Independent Directors.</p> <p>Although less than half of the Board comprises Independent Directors, the Board is of the view that having three (3) Independent Non-Executive Directors on the Board provides adequate check and balance of power and authority and is able to support independent deliberation of the Board and sufficiently enable it to discharge its duties objectively. Despite Tan Sri Dato' (Dr.) Teo Chiang Liang's re-designation as the Non-Independent Non-Executive Chairman on 31 May 2023, he continues to provide the strong leadership necessary to marshal the Board's priorities objectively.</p> <p>The Board and the Nomination Committee will continue to explore and identify suitable candidates for appointment to the Board as Independent Directors based on merit, competence and contribution that each potential candidate can bring to further strengthen the Board.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board takes cognisance of the best practice of Malaysian Code on Corporate Governance (“MCCG”) on the tenure of Independent Director which shall not exceed a cumulative term of nine (9) years and if the Board intends to retain the Independent Directors beyond nine (9) years, it should justify and seek annual shareholders’ approval through a two-tier voting process.</p> <p>During the financial year ended 31 March 2023, in line with the MCCG, the Board sought shareholders’ approval for the retention of its Directors who have served more than a cumulative term of twelve (12) years as Independent Directors in accordance with the recommendations of the MCCG. Tan Sri Dato’ (Dr.) Teo Chiang Liang, Mr. Koay Kah Ee and Mr. Dominic Aw Kian-Wee, the Independent Directors of the Company who had each served the Board for a cumulative term of more than twelve (12) years, were retained as Independent Directors through a two-tier voting process at the 61st Annual General Meeting of the Company held on 30 August 2022.</p> <p>The Nomination Committee and the Board had assessed the independence of Tan Sri Dato’ (Dr.) Teo Chiang Liang, Mr. Koay Kah Ee and Mr. Dominic Aw Kian-Wee, and had recommended that they be retained as Independent Directors of the Company as they continue to bring independent and objective judgement to Board deliberations and continue to meet the following criteria for independence in discharging their roles and functions as Independent Directors of the Company:-</p> <ul style="list-style-type: none">• fulfilled the criteria under the definition of Independent Director pursuant to Paragraph 1.01 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Main LR”);• not been involved in any business or other relationship which could hinder the exercise of independent judgement, objectivity or his ability to act in the best interests of the Company;• no potential conflict of interest, whether business or non-business related with the Company;• not established or maintained any significant personal or social relationship, whether direct or indirect, with the Managing Director

	<p>/ Chief Executive Officer and Executive Directors, major shareholders or Management of the Company (including their family members) other than normal engagements and interactions on a professional level consistent with his duties and expected of him to carry out his duties as an independent director; and</p> <ul style="list-style-type: none"> • not derived any remuneration and other benefits apart from Directors' fees and hospitalisation and surgical coverage that are approved by shareholders. <p>Mr. Koay Kah Ee and Mr. Dominic Aw Kian-Wee resigned as Directors of the Company on 31 March 2023 and 31 May 2023, respectively, while Tan Sri Dato' (Dr.) Teo Chiang Liang was re-designated as the Non-Independent Non-Executive Director on 31 May 2023, in adherence to the recent amendments to the Main LR, which limit the tenure of an independent Director to not more than a cumulative tenure of 12 years.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supportive of the Board and senior management composition diversity recommendation promoted by the Malaysian Code on Corporate Governance in order to offer greater depth and breadth to Board discussions and constructive debates at senior management level.</p> <p>The Directors and senior management are recruited based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.</p> <p>The Board appoints its members through a formal and transparent selection process. The new appointees will be considered, evaluated and interviewed by the Nomination Committee and the Nomination Committee will then recommend the candidates to be approved and appointed by the Board. The Company Secretaries will ensure all appointments are properly documented. This process was applied for the appointment of Ms. Elaine Tan Ai Lin and Mr. Yong Kum Cheng as Directors of the Company during the financial year ended 31 March 2023.</p> <p>The Company is an equal opportunity employer and does not practice discrimination of any form, irrespective of age, gender, race and religion, throughout the organisation. The Directors of the Company devotes sufficient time to carry out their duties.</p> <p>All Directors shall, prior to accepting new directorships in other companies, notify the Chairman of the Board and/or the Company Secretary, and inform them the indication of time that will be spent on the new appointment to ensure that the Director would still have the time to focus and fulfill their roles and responsibilities effectively. The Directors are also required to submit a timely update on their other relevant directorships to the Company Secretary, who will update the Board. Such information is used to monitor the number of directorships held by the Directors and to notify the Companies Commission of Malaysia accordingly, where required.</p>

	None of the Directors have directorships in public listed companies that exceeded the maximum limit of five (5) directorships.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.6

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

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Nomination Committee (“NC”) is responsible for overseeing the selection and assessment of Directors. The NC will scrutinise the suitability and qualification of the candidates and recommend the same for the Board’s approval. In discharging this duty, the NC will assess the suitability of an individual by taking into account the individual’s mix of skill, functional knowledge, expertise, experience, professionalism, integrity and/or other commitments that the candidate can bring to complement the Board. The policies and procedures for recruitment and appointment of Directors are guided by the TOR of NC.</p> <p>During the financial year ended 31 March 2023, the current Board members of the Company had nominated Ms. Elaine Tan Ai Lin and Mr. Yong Kum Cheng to be appointed as the Directors of the Company. The NC and the Board had reviewed their credentials and acknowledged that they are fit and suitable to be appointed accordingly. As such, Ms. Elaine Tan Ai Lin was appointed to the Board on 24 February 2023 while Mr. Yong Kum Cheng was appointed to the Board on 1 April 2023.</p> <p>When sourcing for potential candidates to fill the vacancy of the Board, the Board leverages the Directors’ network to source for potential candidates for appointment to the Board. All nominees to the Board are first considered and evaluated by the NC, taking into consideration the following criteria, before conducting interviews with the shortlisted candidates:-</p> <ul style="list-style-type: none">– Professional expertise, level of experience, competency and background;– Time commitment and potential to add value to the Board and the Company as a whole; and– Promotion of diversity in views and opinions in the Board.

	<p>This process was applied for the appointment of Ms. Elaine Tan Ai Lin and Mr. Yong Kum Cheng as Directors of the Company during the financial year ended 31 March 2023.</p> <p>Although the Board did not utilise independent sources to identify the new Board members appointed during the financial year ended 31 March 2023, namely, Ms. Elaine Tan Ai Lin and Mr. Yong Kum Cheng who were recommended by the current Board member, Board decisions were still made objectively in the best interests of the Company taking into account their diverse skills, expertise and potential to contribute to the Board.</p> <p>The Board will consider utilising independent sources to identify suitably qualified candidates when the need arises in the future.</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
<p>Measure :</p>			
<p>Timeframe :</p>	<table border="1" style="width: 100%; height: 40px;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The performance of the retiring Directors who are recommended for re-election at the annual general meeting has been assessed through the Board and Board Committee evaluation, including the fit and proper assessment.</p> <p>The information on Directors standing for re-election and the justification from the Board to support the re-election of Directors were disclosed in the explanatory notes to the Notice of Sixty-First Annual General Meeting of the Company.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	<p>During the financial year ended 31 March 2023, the Nomination Committee is chaired by Mr. Dominic Aw Kian-Wee, the Independent Director. The Nomination Committee Chairman has led the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed and will lead the succession planning and appointment of future Board members.</p> <p>On 24 February 2023, Ms. Elaine Tan Ai Lin, an Independent Non-Executive Director was appointed as a member of the Nomination Committee.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	The Board recognises that a gender-diverse Board could offer greater depth and breadth whilst the diversity at key senior management would lead to better decision-making. Currently, there are three (3) female Directors which comprises 33% female representation at the Board level.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board practises non-gender discrimination and endeavours to promote workplace diversity and supports the representation of women in the composition of Board and senior management positions of the Company. The gender diversity policy of the Board has been incorporated in the Company's Board Charter.</p> <p>The Board, assisted by Management, is responsible for developing strategies to meet the objectives of gender diversity, and monitoring the progress of achieving the objectives through the monitoring, evaluation and reporting mechanisms. These gender diversity strategies include:-</p> <ul style="list-style-type: none"> (a) recruiting from a diverse pool of candidates i.e., from Director's registry, open advertisement or by the use of independent search firms for all positions, including senior management; (b) reviewing succession plans to ensure an appropriate focus on gender diversity; (c) identifying specific factors to take into account the recruitment and selection processes to encourage gender diversity; (d) developing programs to develop a broader pool of skilled and experienced senior management and Board candidates, including, workplace development programs, mentoring programs and targeted training and development; and (e) any other strategies the Board develops from time to time. <p>Currently, there are (3) female Directors on the Board namely, Puan Norani binti Sulaiman, Ms. Noriko Fujimoto and Ms. Elaine Tan Ai Lin. Ms. Elaine Tan Ai Lin was appointed as a Director of the Company on 24 February 2023.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: The Board has, through the Nomination Committee, conducted the following annual assessments in the financial year ended 31 March 2023:- (i) Directors' self-assessment The annual assessment of the Directors is based on a comprehensive assessment system, which commences with the completion of a set of comprehensive Self-Assessment Form detailing all assessment criteria which must be completed by each Director for evaluation by the Nomination Committee. Criteria for the self-assessment include self-ratings on the Director's knowledge, support of the mission and goals of the Company, time commitment, and active participation on the Board. The completed evaluation forms were submitted to the Company Secretaries, who tabulated the results for tabling at the Nomination Committee and Board meetings held on 27 June 2023. Based on the evaluation conducted in the financial year ended 31 March 2023, the Nomination Committee and the Board were satisfied with the performance of the individual Directors. (ii) Evaluation on the effectiveness of the Board as a whole and Board Committees The criteria for the assessment of the performance of the Board as a whole and the Board committees cover composition, processes, accountability as well as the fulfilment of duties and responsibilities.

Based on the evaluations conducted in the financial year ended 31 March 2023, the Nomination Committee and the Board were satisfied with the performance of the Board as a whole as well as the Board Committees.

(iii) **Assessment of Independent Directors**

The Board through the Nomination Committee has also assessed the independence of the Independent Directors on the Board, taking into account the following:-

- fulfillment of the definition of an independent director as set out in Paragraph 1.01 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“**Main LR**”)
- ability to exercise independent judgement and act in the best interests of the Company
- potential conflicts of interest with regards to any contracts or transactions with the Company
- significant personal or social relationship with the Management or major shareholders (including their family members) other than those on a professional level consistent with their duties and generally expected of them
- derivation of other remuneration and benefits apart from Directors’ fees and other benefits approved by shareholders

All the Independent Directors had executed their respective Declaration of Independence.

For the financial year ended 31 March 2023, the Board is satisfied that the Independent Directors have brought independence and objective judgements to the Board and have not been compromised, amongst others, by familiarity or close relationship with other Board members.

(iv) **Review of the term of office and performance of Audit Committee and each of its members**

Based on the evaluation conducted for the financial year ended 31 March 2023, the Nomination Committee and the Board were satisfied with the performance of all the Audit Committee members, and the Board has renewed the term of office of each of the Audit Committee members for another term of one (1) year.

All the assessments conducted at the NC Meeting were reported to the Board during the Board Meeting held on the same day and the Board noted the following:-

- Individual Directors are able to meet the Board of Directors’ expectations in terms of character, experience, integrity,

competency and time commitment in discharging their roles as Directors of the Company.

- Individual Directors are exercised due care and carried out professional duties proficiently.
- The Board and Board Committees had been effective in carrying out their functions and duties.
- All Independent Directors had been and remain independent from management and free from any business relationship that could materially interfere with their independent judgement.

The Board will consider engaging a professional, experienced and independent party to lend greater objectivity to the assessments as and when required.

The above annual evaluation system is reviewed as and when required to ensure they remain relevant in light of the Companies Act 2016, Malaysian Code on Corporate Governance and Main LR.

The Board is also satisfied with the level of time commitment given by all the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at the Board meetings during the financial year ended 31 March 2023 as set out in the table below:-

Name of Director	Attendance
Tan Sri Dato' (Dr.) Teo Chiang Liang	5/5
Koay Kah Ee <i>(resigned w.e.f. 31 March 2023)</i>	5/5
Tomoharu Abe <i>(resigned w.e.f. 30 June 2023)</i>	5/5
Shunsuke Sasaki	5/5
Dominic Aw Kian-Wee <i>(resigned w.e.f. 31 May 2023)</i>	5/5
Kamarudin bin Rasid <i>(retired w.e.f. 31 March 2023)</i>	5/5
Azhan bin Mohamed	5/5
Norani binti Sulaiman	5/5
Noriko Fujimoto	5/5
Takahiro Sato <i>(resigned w.e.f. 31 May 2023)</i>	5/5
Cheong Heng Choy	5/5

	Elaine Tan Ai Lin * <i>(appointed w.e.f. 24 February 2023)</i>	
	<i>Note:-</i> <i>* There were no Board meetings held after the appointment of Ms. Elaine Tan Ai Lin as a Director of the Company on 24 February 2023 and hence, she did not attend any Board meetings held in the financial year ended 31 March 2023.</i>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>In view that fair remuneration is crucial to attract, retain and motivate Directors and senior management, the Board has adopted Policies and Procedures to Determine the Remuneration of Directors and Senior Management, which takes into account the demands, complexities and performance of the Company as well as skills and experience required to determine the remuneration of Directors and senior management. The said policies and procedures are available on the Company's website at www.ajinomoto.com.my.</p> <p>The Board has adopted Ajinomoto's Group Remuneration Policy and Ajinomoto Co. Inc.'s recommendations to set the remuneration of its Executive Directors, which includes salaries, bonuses and benefits-in-kind. The compensation system takes into account the performance of each Executive Director and the competitive environment in which the Company operates. The Remuneration Committee reviews the remuneration packages of the Executive Directors and recommends the same to the Board to ensure their remuneration is sufficiently attractive and is able to retain and motivate them to contribute to the success of the Company. The Executive Directors take no part in deciding their own remuneration.</p> <p>The remuneration of Non-Executive Directors is made up of Directors' fees and other benefits in the form of hospitalisation and surgical coverage and meeting travelling allowances. The level of remuneration for Non-Executive Directors shall reflect the experience and level of responsibilities undertaken by the Non-Executive Directors concerned. The remuneration of Non-Executive Directors is reviewed by the Remuneration Committee annually and is recommended by the Board as a whole and subject to shareholders' approval at General Meeting, with the individual Non-Executive Director abstaining from all</p>

	<p>deliberations and voting in respect of his own remuneration at Board level.</p> <p>The remuneration of senior management is made up of salary, bonus, allowance and other benefits in the form of short-term and/or long-term incentive plans as determined by the Managing Director/Chief Executive Officer.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has a Remuneration Committee that assists the Board in implementing its policies and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company. The Remuneration Committee also assists the Board to structure and link Directors' remuneration to the strategic objectives of the Company, which rewards contribution to the long-term success of the Company in promoting business stability, sustainability and growth.</p> <p>The Remuneration Committee has a detailed Terms of Reference in writing, which includes the Remuneration Committee's –</p> <ul style="list-style-type: none">• Objectives• Composition of members• Chairman• Secretary• Meetings• Minutes• Quorum• Circular resolutions• Reporting• Authority• Duties and responsibilities <p>The Terms of Reference of the Remuneration Committee is published on the Company's website at www.ajinomoto.com.my.</p> <p>The Remuneration Committee is chaired by Tan Sri Dato' (Dr.) Teo Chiang Liang, the Non-Independent Non-Executive Chairman of the Company. On 24 February 2023, Ms. Elaine Tan Ai Lin, an Independent</p>

	<p>Non-Executive Director was appointed as a member of the Remuneration Committee.</p> <p>The Remuneration Committee currently consists of all Non-Executive Directors with a majority of them being Independent Directors, which is in line with the Malaysian Code on Corporate Governance.</p> <p>The Directors who are shareholders of the Company had abstained from voting in respect of their fees and benefits at the 61st Annual General Meeting of the Company held on 30 August 2022 and would continue to abstain from voting in respect of the same at the forthcoming 62nd Annual General Meeting.</p>	
<p>Explanation for departure</p>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	:	
<p>Timeframe</p>	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The details of the Directors' remuneration for the financial year ended 31 March 2023 for each individual Director with a breakdown into fees, salaries and bonus, benefits-in-kind and other emoluments are set out in the subsequent page.</p> <p>Explanatory notes to the Directors' remuneration of the Company:-</p> <ol style="list-style-type: none">(1) The Directors' fees in respect of the financial year ended 31 March 2023 are subject to shareholders' approval at the 62nd AGM to be held in 2023.(2) Meeting allowance, transport allowance and hospitalisation coverage approved by shareholders at the 61st AGM of the Company.(3) Based on the Company's current remuneration policy, all Malaysian Directors are entitled to receive gratuity payment upon their resignation or retirement from office. The Company would make a provision for the gratuity amounts during the Directors' term of office, and hence, the above gratuity was provided for in the financial statements for the current financial year but it has not been paid yet.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee ⁽¹⁾	Allowance ⁽²⁾	Salary	Bonus	Benefits-in-kind	Other emoluments ⁽³⁾	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Dato' (Dr.) Teo Chiang Liang	Independent Director	90.0	31.5	Input info here	Input info here	Input info here	36.0	157.5	-	-	-	-	-	-	-
2	Koay Kah Ee (resigned w.e.f. 31 March 2023)	Independent Director	45.0	21.5	Input info here	Input info here	Input info here	18.0	84.5	-	-	-	-	-	-	-
3	Tomoharu Abe (resigned w.e.f 30 June 2023)	Executive Director	Input info here	Input info here	749.5	104.4	195.0	Input info here	1048.9	-	-	-	-	-	-	-
4	Shunsuke Sasaki	Executive Director	Input info here	Input info here	654.4	104.4	105.0	Input info here	863.8	-	-	-	-	-	-	-
5	Dominic Aw Kian-Wee (resigned w.e.f.31 May 2023)	Independent Director	35.0	21.2	Input info here	Input info here	Input info here	14.0	70.2	-	-	-	-	-	-	-
6	Kamarudin bin Rasid (retired w.e.f. 31 March 2023)	Executive Director	27.0	Input info here	418.2	198.9	13.7	10.8	668.6	-	-	-	-	-	-	-
7	Azhan bin Mohamed	Executive Director	27.0	Input info here	332.0	80.4	13.4	10.8	463.6	-	-	-	-	-	-	-
8	Norani binti Sulaiman	Independent Director	35.0	21.5	Input info here	Input info here	1.8	14.0	72.3	-	-	-	-	-	-	-
9	Noriko Fujimoto	Executive Director	Input info here	Input info here	527.2	104.4	72.7	Input info here	704.3	-	-	-	-	-	-	-
10	Takahiro Sato (resigned w.e.f 31 May 2023)	Executive Director	Input info here	Input info here	717.2	104.4	122.0	Input info here	943.6	-	-	-	-	-	-	-
11	Cheong Heng Choy	Independent Director	35.0	21.5	Input info here	Input info here	Input info here	14.0	70.5	-	-	-	-	-	-	-
12	Elaine Tan Ai Lin (appointed w.e.f. 24 February 2023)	Independent Director	3.4	Input info here	Input info here	Input info here	Input info here	1.4	4.8	-	-	-	-	-	-	-

Intended Outcome

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

Practice 8.2

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

Application	:	Not applicable - all members of senior management are members of the board	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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

Intended Outcome

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

Practice 8.3 – Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	Members of senior management of the Company are also Executive Directors of the Company and their detailed remuneration are disclosed under Practice 8.1 above.

No	Name	Position	Company ('000)					Total
			Salary and Directors' Fee	Allowance	Bonus	Benefits	Other emoluments	
1	Tomoharu Abe (resigned w.e.f 30 June 2023)	Managing Director, Chief Executive Officer	749.5	-	104.4	195.0	-	1048.9
2	Takahiro Sato (resigned w.e.f 31 May 2023)	Executive Director, Chief Supply Chain Officer	717.2	-	104.4	122.0	-	943.6
3	Shunsuke Sasaki	Executive Director, Chief Finance Officer	654.4	-	104.4	105.0	-	863.8
4	Noriko Fujimoto	Executive Director, Chief Sales and Marketing Officer	527.2	-	104.4	72.7	-	704.3
5	Kamarudin bin Rasid (retired w.e.f 31 March 2023)	Executive Director, Chief Administration Officer	445.2	-	198.9	13.7	10.8	668.6

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year ended 31 March 2023, the Chairman of the Audit Committee is chaired by Mr. Koay Kah Ee, an Independent Non-Executive Director, while Tan Sri Dato' (Dr.) Teo Chiang Liang is Chairman and Independent Non-Executive Director of the Board. Tan Sri Dato' (Dr.) Teo Chiang Liang, Mr. Dominic Aw Kian-Wee, Puan Norani binti Sulaiman and Mr. Cheong Heng Choy, the Independent Non-Executive Directors, are the members of the AC. On 24 February 2023, Ms. Elaine Tan Ai Lin, an Independent Non-Executive Director was appointed as a member of the Audit Committee.</p> <p>This separation of leadership and responsibility ensured that the objectivity of the Board's review of the Audit Committee's findings and recommendations are not impaired. This separation is set out clearly in the Terms of Reference of the Audit Committee.</p> <p>Mr. Koay Kah Ee is responsible to ensure the overall effectiveness and independence of the Audit Committee. Together with other members of the Audit Committee, they had ensured amongst others that -</p> <ol style="list-style-type: none"> a. the Audit Committee is fully informed about significant matters related to the Company's audit and its financial statements and these matters are addressed; b. the Audit Committee appropriately communicates its insights, views and concerns about relevant transactions and events to Internal and External Auditors; c. the Audit Committee's concerns on matters that may have an effect on the financial or audit of the Company are communicated to the External Auditors; and d. there is co-ordination between Internal and External Auditors.
Explanation for departure	:	

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

Measure :		
Timeframe :		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	Before appointing a former partner of the external audit firm of the Company as a member of the Audit Committee, the Audit Committee has adopted the Policies and Procedures to Assess the Suitability, Objectivity and Independence of External Auditors, that requires a cooling-off period of at least three (3) years to be observed by the former partner of the external audit firm of the Company before being appointed as a member of the Audit Committee. This is to safeguard the independence of the audit and preparation of the Company's financial statements.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>In recommending the appointment or re-appointment of the External Auditors to the Board, the Audit Committee has established Policies and Procedures to Assess the Suitability, Objectivity and Independence of External Auditors ("Policies and Procedures") that consider amongst others:-</p> <ol style="list-style-type: none">the competence, audit quality, experience and resource capacity of the External Auditors and its staff assigned to the audit;the audit firm's other audit engagements;the adequacy of the scope of the audit plan;the External Auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; andobtaining written assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. <p>The assessment to consider the suitability, objectivity and independence of the audit firm is conducted annually.</p> <p>During the financial year ended 31 March 2023, the AC had assessed the suitability, objectivity and independence of Messrs. KPMG PLT ("KPMG") as the Auditors of the Company based on the following criteria set out in the Policies and Procedures of the Company:-</p> <ul style="list-style-type: none">feescompetence, audit quality and resource capacitynon-audit workindependence <p>Upon completion of its assessment, the Audit Committee was satisfied with KPMG's technical competency and had recommended to the Board the re-appointment of KPMG as External Auditors of the Company. The Board had in turn, recommended the same for shareholders' approval at the 61st AGM of the Company.</p>

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	For the financial year ended 31 March 2023, the Audit Committee comprises solely of the following Independent Directors in line with Practice 9.4 of the Malaysian Code on Corporate Governance:- a. Koay Kah Ee (<i>resigned w.e.f. 31 March 2023</i>); b. Tan Sri Dato' (Dr.) Teo Chiang Liang; c. Dominic Aw Kian-Wee; d. Norani binti Sulaiman; e. Cheong Heng Choy (<i>re-designated as Chairman of the Audit Committee w.e.f. 1 April 2023</i>); and f. Elaine Tan Ai Lin (<i>appointed w.e.f. 24 February 2023</i>).

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>All members of the Audit Committee are financially literate and are able to understand the Company's business and matters under the purview of the Audit Committee including the financial reporting process. They have continuously applied a critical and probing view on the Company's financial reporting process, transactions and other financial information, and effectively challenged Management's assertions on the Company's financials. Any inconsistencies or irregularities in the financial and operational reports would be questioned to ascertain that the Quarterly Report and the annual Audited Financial Statements taken as a whole provide a true and fair view of the Company's financial position and performance.</p> <p>All members of the Audit Committee have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules, as and when required.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by a Risk Management Committee, which is guided by the risk framework of Ajinomoto Co., Inc's Risk Management Guideline System. The risk management framework serves as a reference for the Risk Management Committee to identify, assess and monitor the key business risks of the Company in order to safeguard shareholders' investment and the Company's assets.</p> <p>The Risk Management Committee is chaired by the Managing Director/Chief Executive Officer ("MD/CEO") and includes other key Management staff of the Company. Periodic Management meetings are conducted to deliberate the risk issues faced by the Company and the necessary actions to be taken. The MD/CEO presents the risk management report to the Board quarterly for the Board's attention.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board via the Risk Management Committee oversees the risk management of the Company. The Risk Management Committee, with the assistance of the senior management team, assesses the risk tolerance of the Company, identifies the risk issues faced by the Company and takes appropriate actions to manage the identified risks within defined parameters.</p> <p>The Company has Internal Auditors to provide independent assessments on the adequacy, efficiency and effectiveness of the Company's internal control system. The Internal Auditors reports directly to the Audit Committee and internal audit plans are tabled to the Audit Committee for review, and approval by the Board to ensure adequate coverage.</p> <p>The implementation of risk management and internal controls are ongoing processes, which are undertaken at each department. The Company will continuously enhance the existing system of risk management and internal controls to address the changing business environment.</p> <p>The review and periodic testing of the Company's internal control and risk management framework are conducted as and when required.</p> <p>Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control in the 2023 Annual Report.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The internal audit function of the Company is carried out by an outsourced professional service firm that assists the Audit Committee and the Board in managing the risks and establishment of the internal control system and processes of the Company by providing an independent assessment on the adequacy, efficiency and effectiveness of the Company's risk management and internal control system and processes. The Internal Auditors reports directly to both the Audit Committee and the Board.</p> <p>The Audit Committee has the following duties and responsibilities to ensure the internal audit function is effective and able to function independently:-</p> <ul style="list-style-type: none">• review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;• review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;• review the internal audit plan, consider the internal audit reports and findings of the Internal Auditors, fraud investigations and actions and steps taken by Management in response to audit findings;• review and decide on the budget for the internal audit function;• review any appraisal or assessment of the performance of members of the internal audit function; and• approve any appointment or termination of the Internal Auditors. <p>In developing the scope of the internal audit function, the Audit Committee is satisfied that –</p> <ol style="list-style-type: none">a. the person responsible for the internal audit has relevant experience, sufficient standing and authority to enable him to discharge his functions effectively;

	<p>b. the firm appointed to carry out the Company’s internal audit function has sufficient resources and is able to access information to enable it to carry out its role effectively; and</p> <p>c. the personnel assigned to undertake internal audit have the necessary competency, experience and resources to carry out the function effectively.</p> <p>The Internal Auditors has and will continue to keep abreast with developments in the profession, relevant industry and regulations.</p> <p>The internal audit function is independent of the operations of the Company and provides reasonable assurance that the Company’s system of internal control is satisfactory and operating effectively.</p> <p>Areas for improvements are highlighted to the Audit Committee and the Board, and the implementation of recommendations has consistently been monitored. None of the internal control weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the 2023 Annual Report.</p> <p>Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control and the Audit Committee Report in the Company’s 2023 Annual Report.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 11.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the financial year ended 31 March 2023, the internal audit function is outsourced to Tricor Axcelasia Sdn. Bhd. and has confirmed that the internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.</p> <p>The number of staff deployed for the internal audit reviews ranges from 3 to 5 staff per visit including the Engagement Director. The staff involved in the internal audit reviews possess professional qualifications and/or a university degree. Certain staffs are members of the Institute of Internal Auditors Malaysia.</p> <p>The Engagement Executive Director is Mr. Chang Ming Chew (“Mr. Chang”) who has diverse professional experience in internal audit, risk management and corporate governance advisory. He is a Professional Member of the Institute of Internal Auditors Malaysia, a member of the Malaysian Institute of Accountants and a member of the Association of Chartered Certified Accountants, United Kingdom. Mr. Chang is a Certified Information Systems Auditor (CISA), Certified Internal Auditor (USA) and has a Certification in Risk Management Assurance (USA).</p> <p>The internal audit reviews were conducted using a risk-based approach and was guided by the International Professional Practice Framework (IPPF).</p> <p>As part of initiatives to maintain high standards of corporate governance, the Board determined that it is timely to effect a change of the Internal Auditors since Tricor Axcelasia Sdn. Bhd. has been the Internal Auditors of the Company for the past ten (10) years. Premised on the above, the Company had on 28 March 2023 appointed Baker Tilly Monteiro Heng Governance Sdn. Bhd. as its Internal Auditors for the financial year ending 31 March 2024, enabling the Company to benefit from fresh perspectives and views of another professional internal audit firm.</p>

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

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value. The Board, in its best efforts, always keeps the shareholders and various stakeholders informed of the Company's business and corporate developments and ensure that the Company's communication with them is transparent and timely. Announcements, news, promotions and all relevant updates are posted on the Company's website regularly. Shareholders may also communicate with the Company on investor relation matters by posting their enquiries to the Company through the Company's web enquiry form on its website. The Company will endeavour to reply to these enquiries in the shortest possible time.</p> <p>The Board is also mindful of the disclosure obligations as stipulated in the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Main LR") and strives to ensure compliance at all times, assisted by the Company Secretaries. The Board endeavours to provide timely and accurate disclosure of all material or price sensitive information of the Company to shareholders and investors and may provide additional disclosure of information on a voluntary basis, where possible and applicable, as soon as practicable through various appropriate channels and announcements made to Bursa Securities. The Board ensures that all material information and corporate disclosures are discussed with Management prior to dissemination to ensure compliance with the Main LR. In deciding on the necessary disclosures and announcements, the Board is also guided by Bursa Securities' Corporate Disclosure Guide as published by Bursa Securities from time to time, and assisted by the Company Secretaries. All public announcements are electronically published and can be accessed publicly at Bursa Securities' website at www.bursamalaysia.com or the Company's website at www.ajinomoto.com.my.</p> <p>Besides that, the Annual Report to shareholders, is also one of the main channels of communication between the Company and its shareholders and stakeholders. The Annual Report, which is prepared in accordance with the requirements of the Main LR, communicates comprehensive information of the financial results and activities undertaken by the</p>

	<p>Company. All information to shareholders is available electronically as soon as it is announced or published.</p> <p>Another key avenue of communication with its shareholders is the Company's Annual General Meeting, which provides a useful forum for dialogue with shareholders where they may raise questions or seek clarifications on the Company's business and reports from the Company's Directors.</p> <p>Apart from the above, in maintaining the effective communication with the stakeholders, the Company has established an exhibition center named "1909 INFOSEUM" to enable the stakeholders to have a better understanding on the Company and its products. This leads the stakeholders to better appreciate the Company's objectives and the quality of its management and products.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company has provided all shareholders at least twenty-eight (28) days' notice before the date of the 61st Annual General Meeting last year and will give all shareholders at least twenty-eight (28) days' notice before the date of the 62nd Annual General Meeting this year.</p> <p>The Notice of General Meeting provides detailed explanation for the resolutions proposed along with any background information and reports or recommendation that are relevant, where required and necessary, to enable shareholders to make informed decisions in exercising their voting rights.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	All the Directors of the Company (except for Tan Sri Dato' (Dr.) Teo Chiang Liang due to a personal emergency, the demise of his family member) attended the 61 st Annual General Meeting of the Company held on 30 August 2022. During the 61 st Annual General Meeting, the financial results and the Company's business strategy for the new financial year were presented, after which the Chairman of the meeting invited questions from the shareholders present. The Board responded to the questions raised during the 61 st Annual General Meeting.	
		All the Directors of the Company have and will always endeavour to attend all general meetings and the Chairman of the Audit, Nomination, Remuneration and other committees will provide meaningful response to questions addressed to them.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>In accordance with the Companies Act 2016 and the Company's Constitution, the Company may convene a meeting of members at more than one venue using any technology or method that enables the members of the Company to participate and to exercise the members' rights to speak and vote at the meeting. The main venue of the meeting shall be in Malaysia and the Chairman shall be present at the main venue.</p> <p>The Company has been holding virtual general meetings since 2020. At the Company's virtual 61st AGM held on 30 August 2022, the Company had continued to leverage on technology to facilitate remote shareholders' participation and electronic voting for the conduct of poll on the resolution.</p> <p>The entire AGM proceedings and poll voting were conducted entirely through Securities Services e-Portal. The Administrative Guide with detailed registration and voting procedures were shared with the shareholders and the same were also published on the Company's website.</p> <p>The Company had conducted its voting on all resolutions at its virtual 61st AGM held on 30 August 2022 by online live polling to provide for remote voting and immediate poll results. The Company had engaged SS E Solutions Sdn. Bhd. to act as the Poll Administrator to provide the electronic polling services, while Commercial Quest Sdn. Bhd. was the appointed independent scrutineer to verify the poll results.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.

Application	:	Applied
Explanation on application of the practice	:	<p>At the commencement of 61st Annual General Meeting (“AGM”), the Chairman of the meeting briefed the shareholders, corporate representatives and proxies present virtually at the meeting of their right to ask questions and vote on the resolutions set out in the Notice of the 61st AGM dated 28 July 2022.</p> <p>A video clip prepared by the Managing Director/Chief Executive Officer of the Company was played at the 61st AGM, covering the following key points:-</p> <ol style="list-style-type: none">i. overview of the Company's performance and financial results for the financial year ended 31 March 2022;ii. business strategy for the fiscal year or financial year ended 31 March 2023;iii. business topics: Mission, Vision and introduction of the following activities to address health and wellbeing matters:-<ul style="list-style-type: none">- “Less Salt, Umami it!” Campaign;- “Rasa Sifu” Kubis Wok La La Campaign;- AMB live streaming;- Winning Meals “Kachimeshi®”; and- 31st SEA Games.iv. Relocation project: “Tech Park@Enstek, Negeri Sembilan”. <p>All the Directors, senior management and the representative of the external auditors were present at the 61st AGM to provide responses to the questions posed by shareholders via Securities Services e-Portal (“SSeP”) in relation to the agenda items for the 61st AGM, both prior to and during the meeting.</p> <p>The shareholders, corporate representatives, and proxies were able to rely on real time submission of typed text to exercise their rights to speak or communicate in a virtual meeting by submitting questions or</p>

	<p>remarks in relation to the agenda items into the text box given in the live stream player within the same SSeP page.</p> <p>Apart from questions received from Minority Shareholders Watch Group, which were answered accordingly by the Company at the 61st AGM, the Directors of the Company had actively responded to relevant questions raised by the shareholders during the 61st AGM of the Company.</p> <p>The Board also ensure that sufficient opportunities were given to shareholders to raise issues relating to the affairs of the Company by providing ample time for the Question-and-Answer session during the general meetings of the Company.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 13.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The 61st Annual General Meeting (“AGM”) was held 30 August 2022 via live streaming and online remote voting using Securities Services e-Portal (“SSeP”), a secured platform provided by SS E Solutions Sdn. Bhd. (“SSE”).</p> <p>SSeP is a reliable infrastructure that enabled the conduct of a fully virtual AGM to be held smoothly and enabled shareholders to exercise their rights to speak and vote virtually. Technical support assistance was provided to shareholders and proxies to contact and request for e-Services Assistance or email at eservices@sshshb.com.my.</p> <p>At the beginning of the 61st AGM, a video clip was played by SSE to demonstrate to the shareholders, corporate representatives and proxies who were present at the 61st AGM on the step-by-step guide on the online voting module within the SSeP to facilitate the polling.</p> <p>The shareholders could freely ask questions using the text box at the bottom of the live streaming player via real time submission of typed texts.</p> <p>To ensure effective communication with the shareholders at a fully virtual general meeting, questions posed by shareholders were displayed on the screen for all the meeting participants’ reference whilst the Chairman read out and answered the shareholders’ questions.</p> <p>The required preparation and measures have been taken to ensure seamless experience for shareholders who participating online as much as possible like they are in a physical meeting. There was also smooth two-way communication between shareholders and proxies with the Board and Senior Management during the AGM.</p>

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

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The Minutes of the 61 st Annual General Meeting, including the questions raised during the meeting together with the answers provided by the Company and outcome of the voting results, were made available to the shareholders within thirty (30) business days after the 61 st Annual General Meeting at the Company's corporate website at www.ajinomoto.com.my .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

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

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

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