

CORPORATE STEWARDSHIP



Cover Rationale

JCorp Corporate Stewardship is a comprehensive framework for JCorp and Group of Companies to drive sustainable value creation.

The cover design incorporates themes of exploration to emphasise the concept of stewardship as a journey. It illustrates imagery such as nautical vector art, a globe, and distant landscapes in the background.

This suggests that our corporate stewardship is not a destination but a continuous process of navigating uncharted waters, adapting to change, and embracing innovation.

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1

VISION

The Enactment



Johor Corporation (JCorp)

was incorporated as Perbadanan Kemajuan Ekonomi Negeri Johor (PKENJ) by the Johor State Government under Enactment No.4/1968 (*Enakmen Perbadanan Johor No.4/1968*) which was passed on **18 May 1968** as the principal development institution to drive the growth of the state's economy.

It was later amended in 1995 and renamed to Johor Corporation (*Pindaan; Enakmen No.5/1995*).

Corporate Philosophy Framework

OUR VISION

JCorp as a highly admired institution for its financial success and exemplary ESG practices

OUR ROLES



STRATEGIC

- Identify and undertake development of strategic projects that stimulate and contribute significant economic growth
- Capitalise on the opportunities unleashed by creating new verticals for the State economy



CORPORATE

- Develop & uphold corporate governance
- Provide corporate stewardship based on best practices
- Inculcate & institutionalise culture of excellence



COMMERCIAL

- Formulate & execute value creation continually
- Ensure returns from investment are maximised
- Deliver stakeholders' expectation effectively & successfully



ESG

- Commitment to environmental sustainability as a consideration in all decisions across the Group
- Strengthen social inclusiveness for improved well-being of the community & society
- Advocate responsible investments, business ethics & transparency

OUR MISSION



Championing SUSTAINABLE WEALTH* with #MembinaDanMembela

We believe in equitable wealth creation and distribution that empowers a more inclusive, resilient and sustainable future for generations to live well and prosper.

*Wealth Definition: Natural resources, financial & physical capital, social cohesion, human aptitude & attitude, culture & heritage



To grow the economy through catalytic projects

To build long term value through an ethical and impactful portfolio

To lead the way towards a sustainable, inclusive world

For betterment of livelihoods, the state and nation

For the well-being of the community, enterprises and human capital

For the continued preservation and accessibility of natural, social & cultural resources

ACCELERATED BY DIGITALISATION

PROSPERITY	LIVABILITY	SUSTAINABILITY
<p>PROSPERITY</p> <p>The extent to which JCorp is economically competitive, encourages innovation and digitalisation, and facilitates inclusive growth.</p> <p>Economic Performance</p> <ul style="list-style-type: none"> Contribution to GDP Reduced unemployment rate Increase in job creation Lower cost of living <p>Business Efficiency</p> <ul style="list-style-type: none"> Improved productivity Improved company agility Integration of digital transformation <p>Economic Performance</p> <ul style="list-style-type: none"> High-tech investments Increased R&D, Health and education expenditure Increased telecommunication investments New economy 	<p>LIVABILITY</p> <p>The extent to which JCorp empower communities' progress, improves livelihoods, and secures individual and collective well-being.</p> <p>Life Satisfaction</p> <ul style="list-style-type: none"> Social cohesion Work-life balance Cultural Belonging Happiness index Increased compensation levels <p>Housing & Safety</p> <ul style="list-style-type: none"> Housing affordability Reduced crime rate Improved access to space of leisure play, and nature <p>Engagement & Voice</p> <ul style="list-style-type: none"> Improved education and literacy Improved accountability and transparency Improved civic engagement 	<p>SUSTAINABILITY</p> <p>The extent to which JCorp contributes to a regenerative and circular economy, ensure a viable and resilient ecosystem that protects the environment.</p> <p>Environment</p> <ul style="list-style-type: none"> Improved energy efficiency and waste disposal Reduced pollution, water consumption, carbon emissions Circular economy integration <p>Social</p> <ul style="list-style-type: none"> Ethical labour standards and suppliers Improved product safety Increased cyber security and data privacy <p>Governance</p> <ul style="list-style-type: none"> Improved regulatory compliance Anti-corruption and ethical management Transparency in reporting

3-3-3 Strategic Playbook



3 OBJECTIVES 3 FOCUS AREAS 3 KEY STRATEGIES

IMPLEMENTATION

Accelerated by Digitalisation

Entity Level

JCorp Stewardship Programme

Governance / Capital Allocation / Organisation / Value Adding Partnership

Investee Companies

Agribusiness

Wellness & Healthcare

Food & Restaurants

Real Estate & Infrastructure



2

OBJECTIVE OF STEWARDSHIP GUIDEBOOK

Introduction

The objective of this Stewardship Guidebook is to act as a reference document for JCorp Nominee Directors to understand:

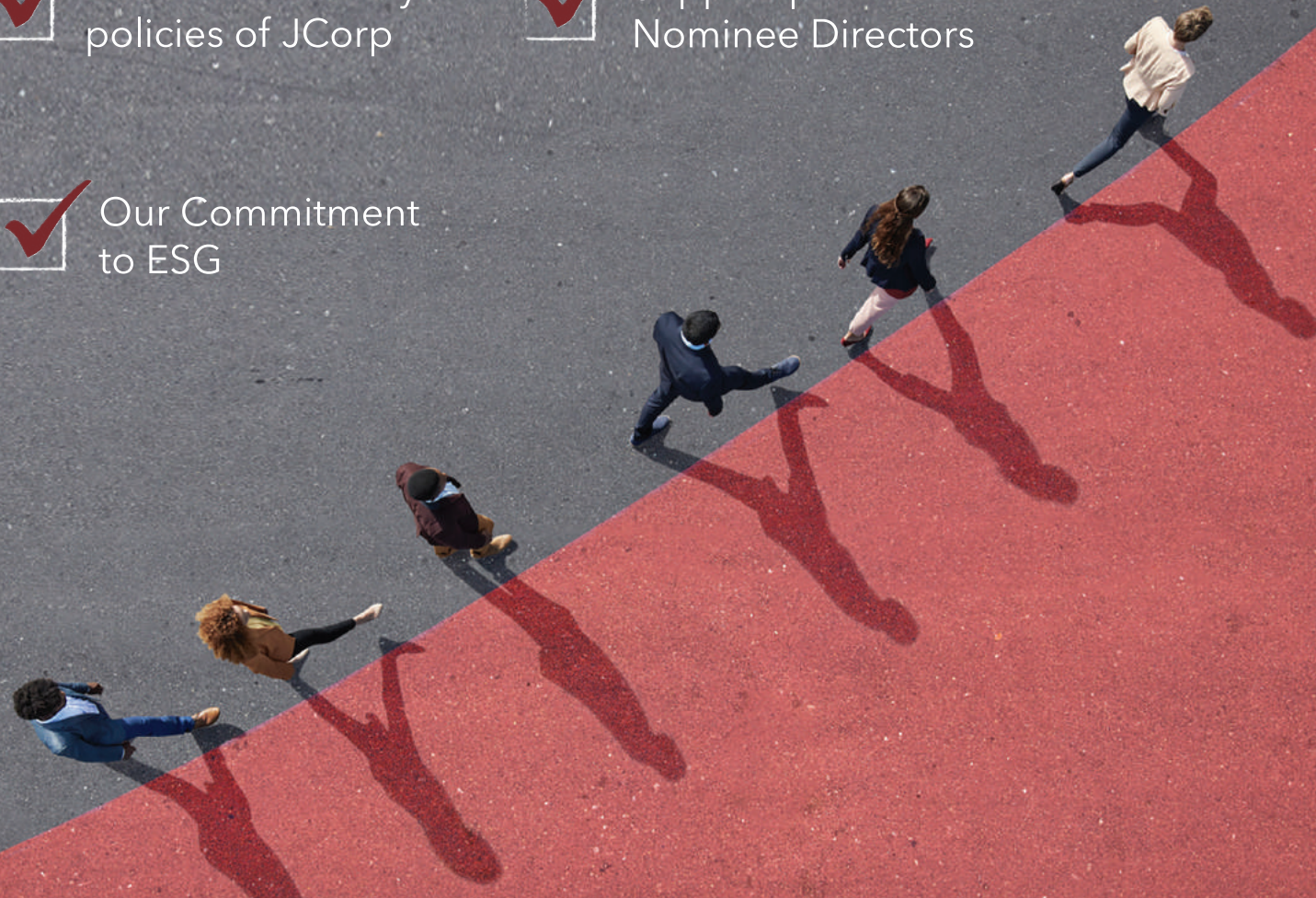
JCorp's principles on managing its investee companies

Standards and key policies of JCorp

Support provided to Nominee Directors

JCorp's expectation of Nominee Directors

Our Commitment to ESG



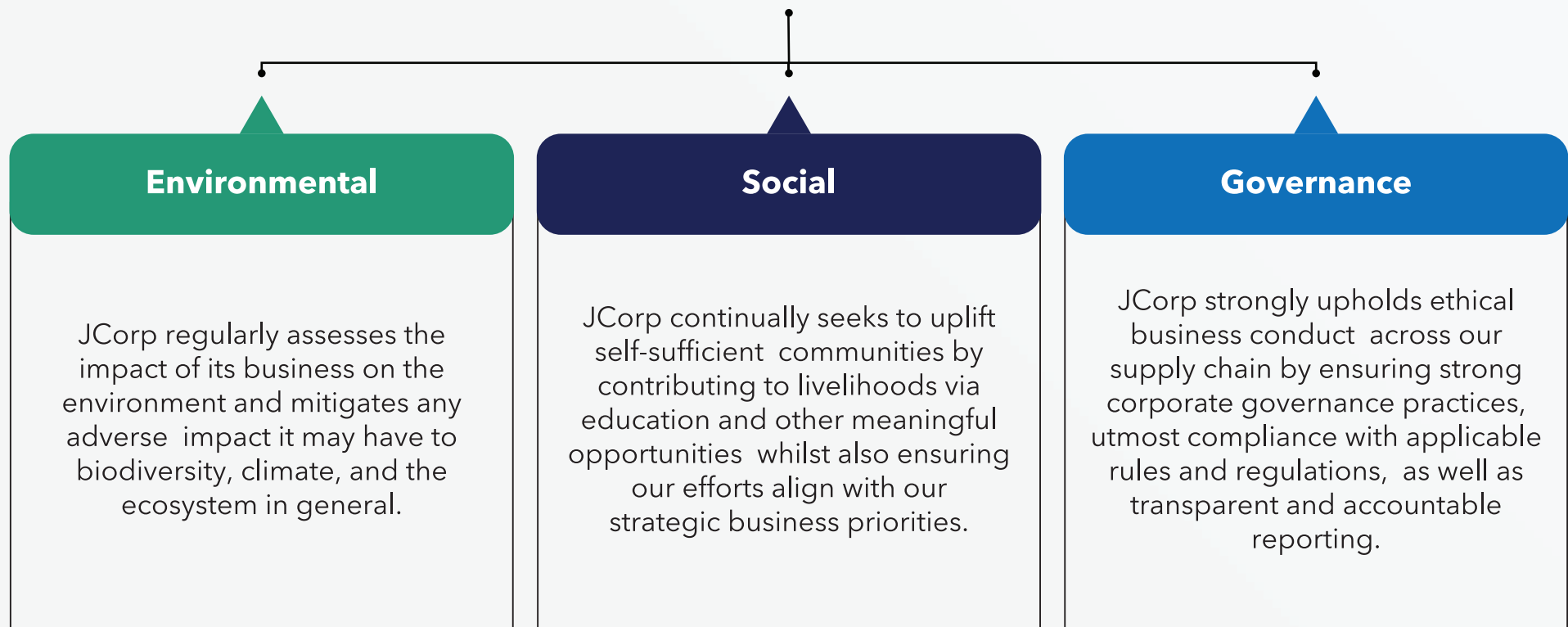
A large, light teal number '3' is positioned on the left side of the slide. It is partially enclosed by two curved, light teal lines that sweep across the top and bottom of the page.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

3.1 Strategic Action Areas

Our strategic action areas define our key commitments to sustainability across three main themes: environmental, social, and governance.

Strategic Action Areas & Commitment



3.2 Focus Areas & Issues

Our focus areas encompass key sustainability areas and issues assessed as most relevant to JCorp and its businesses.

Focus Areas & Issues

Decarbonisation

Decarbonisation refers to actions required to facilitate a low carbon economy transition, including the removal of carbon dioxide from the atmosphere, building climate resilience against potential risks and developing renewable energy capabilities.

Community Empowerment

Community Empowerment entails our steadfast commitment to ensure that we uplift the wellbeing and livelihoods of our local communities through active engagement on issues such as education and employment.

Governance and Accountability

Governance and accountability refers to the array of actions that enable a business to operate ethically, including implementing compliance measures, promoting integrity and fostering sustainable supply chains.

Natural Capital Conservation

Natural Capital Conservation covers actions focused on protecting the biological diversity of our planet, including preservation and stewardship of natural resources, minimising waste, ensuring responsible land use and preventing deforestation, as well as its impacts on the environment and society.

Fostering Our People

Fostering Our People refers to enabling our people - our most valued asset - to thrive with dignity in a safe working environment, including providing opportunities for development, fair compensation, mental health assistance and social safety nets.

Digital Transformation

Digital transformation refers to the products, infrastructure and processes that enable us to process electronic data, including the use of cutting-edge technologies to capture new opportunities and minimise potential threats.

3.3 Overall Targets

Drawing from a wide variety of sources, our overall targets outline our overarching ambition for each focus area:

	Strategic Action Areas	Overall Target
 ENVIRONMENTAL	JCorp regularly assesses the impact of its business on the environment and mitigates any adverse impact it may have to biodiversity, climate, and the ecosystem in general.	To achieve net zero by 2050 and align with internationally recognised environmental standards <i>Minimise the impacts of climate change while continually improving environmental practices in alignment with credible global standards.</i>
 SOCIAL	JCorp continually seeks to innovate products and services that uplifts and empowers our communities whilst aligning with our strategic business priorities.	To uplift wellbeing of the community enterprises and human capital <i>Build resilient communities through meaningful contributions while creating a competent and motivated workforce.</i>
 GOVERNANCE	JCorp strongly practices ethical business principles by ensuring strong corporate governance practices as well as transparent and accountable reporting, which are aided by efficient and cost-effective processes, tools, and technologies.	To continually refine corporate governance practices in alignment with industry recognised standards <i>Embrace best practices to ensure the continued strength of ethical conduct across business operations.</i>



4

**OUR CORE
BUSINESSES**

4.1 Our 4 Core Businesses



Agribusiness

KULIM

**Leading
RSPO-certified palm
oil group**

**Wellness &
Healthcare**



**Largest private
healthcare group in
Malaysia**

**Food &
Restaurants**



**Vertically
integrated food
operator**

**Real Estate &
Infrastructure**



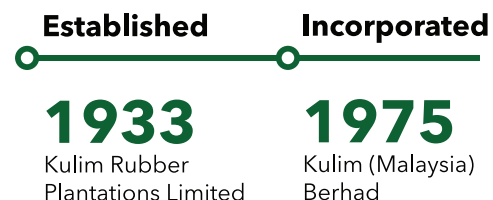
**End-to-end
sustainable
real estate
solutions provider**

4.2 At a Glance : AGRIBUSINESS

Our Vision

To be the most progressive, efficient, profitable & respectable agribusiness company in the region.

Corporate Info



Headquarters



Corporate Office



Total Employees

8,506
As at Dec 2022

Shareholder



Core Business

Plantation



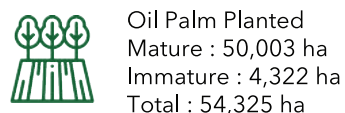
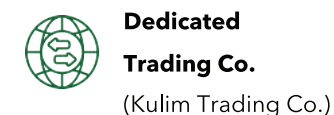
Livestock



Agro Farming

- Intensive Farming
- Mono-crop
- Pineapple

Trading & Services



Key Highlights



RSPO & MSPO Certified Mills



Halal Certified Mills



Biogas Plant



ISCC Certified Mills



Identity Preserved (IP) Certified Mills



ISO/IEC 17025:2017 Certified



ISO 37001:2016 Anti-Bribery Management System ("ABMS") certification

4.3 At a Glance : WELLNESS & HEALTHCARE



Corporate Info

Established

1981

first specialist hospital in Johor

1998

first KWAN clinic in Johor

KPJ Group Market Value



RM4.5 bil

As at Dec 2022

Core Business



29

specialist hospitals in Malaysia (4 accredited by JCI)



7

Ambulatory care & Wellness centers in Malaysia



Presence in **Malaysia, Indonesia, Bangladesh, and Thailand**

Key Highlights



>1,300

medical consultants



>3.3 mil

patients annually



16 KWAN clinics

(8 are MSQH accredited)



8

KWAN Mobile clinics



>19,000

employees

Awards and Recognition



Best Hospital of the Year in Malaysia Award from the GlobalHealth Asia Pacific Healthcare Awards (2017, 2018 & 2021)



Orthopedic Service Provider of the Year from GlobalHealth Asia-Pacific Healthcare awarded in 2017 to 2021



Pediatric Service Provider of the Year from GlobalHealth Asia-Pacific Healthcare awarded in 2021



Dental Service Provider of the Year from GlobalHealth Asia-Pacific Healthcare awarded in 2019 and 2021



Diagnostic Imaging Centre of the Year in Asia Pacific from the GlobalHealth Asia-Pacific Healthcare Awards in 2022



Oncology (Medical) Service Provider of the Year in Asia Pacific from the GlobalHealth Asia-Pacific Healthcare Awards in 2022



Women's Health & Wellness Service Provider of the Year in Asia Pacific GlobalHealth Asia-Pacific Healthcare Awards in 2022

4.4 At a Glance : FOOD & RESTAURANTS



Corporate Info

First Outlet in Malaysia

KFC 1973

Pizza Hut 1982

Core Business

KFC



>850
restaurants
across **SEA region**



**Bakery and
Commissary
facility**
supplying to all KFCs
and Pizza Huts

PIZZA HUT



>495
outlets in **Malaysia
and Singapore**



**Sauces under
Life brand**
are supplied to KFC and
Pizza Hut operations in
**Malaysia, Brunei,
and Singapore**

3 Processing Plants



Halal slaughtering

Primary processing

Manufacturing

Leading producer of sauces



**Cold
Dressing**



**Soup
Mixes**



**Cooking
pastes**

Key Highlights



Malaysia's only
**vertically
integrated**
food operator

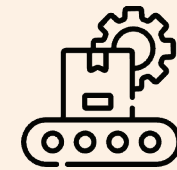
The only company
granted franchise
rights to operate in **Yum!**

KFC Malaysia, Singapore,
Brunei and
Cambodia.

Pizza Hut Malaysia, Singapore.

Total Revenue: YTD June 2022
RM2.3bil

Profit Before Tax: YTD June 2022
RM57mil



Combined annual
production capacity
48mil
birds-to-plant

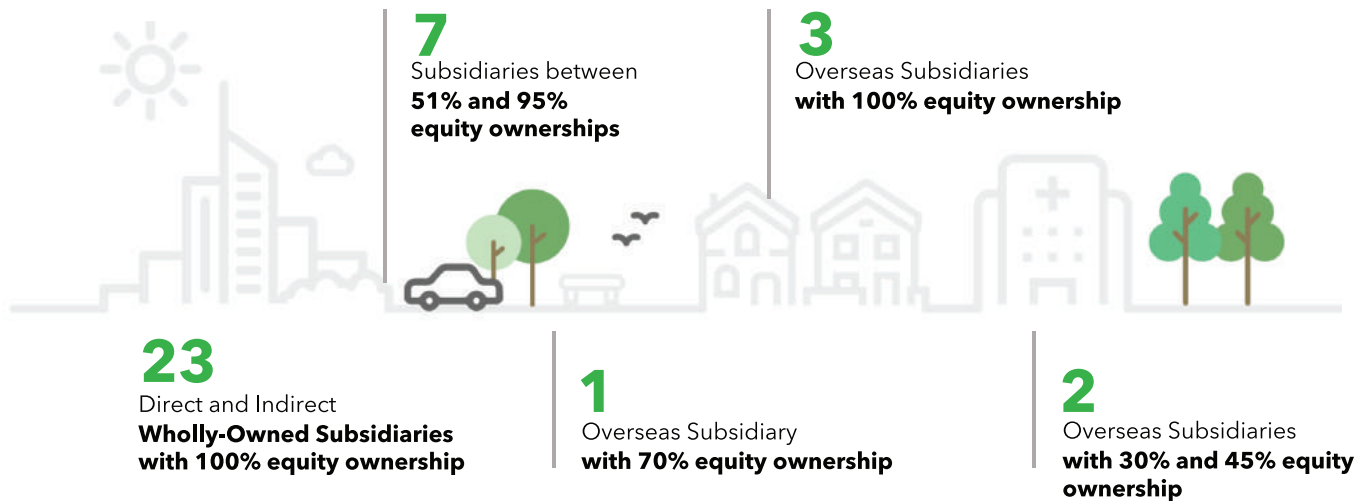
Corporate Info

Registered	Incorporated	Listed	Assumed
<p>1940-1946 limited company under Kesang Tin (Malaya) Limited</p> <p> Lot 10.3, Level 10, Wisma Chase Perdana, Off Jalan Semantan Damansara Heights, Kuala Lumpur</p>	<p>1960 29th Dec</p> <p>Malaysia under Companies Ordinances</p>	<p>1973 6th Sep</p> <p>Main Market of Bursa Securities under Damansara Realty Berhad</p>	<p>2020 11th Sep</p> <p>current name</p>

DHB Group has an international presence across

- Singapore
- Philippines

Equity Ownerships



Core Business

- Development and Project Management Services**
- Integrated Facilities Management Services**
- Property Technology Services**



5

STEWARDSHIP FRAMEWORK

5.1 What is JCorp Stewardship Framework



A framework for effective advocacy and management of investee companies
to drive sustainable value creation.

Driving **alignment of investee companies towards JCorp's expectation** of a high performance organisation, mission and purpose statement of
"Membina & Membela".

5.2 JCorp Stewardship Charter

Defines our investment **purpose, principles** and guides our day-to-day **decision making**.

It is fully expected for Nominee Directors to embody this spirit.



Active Owner

We are an active owner of all our investee companies



Long Term

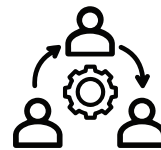
We invest for the long term



Trusted Steward

We aim to create sustainable value for all stakeholders

5.3 Why We Have JCorp Stewardship Framework



Conglomerate



Investment Holding Corporation

As part of our transformation journey, we are moving from a conglomerate to become an Investment Holding Corporation.

As an Investment Holding Corporation,



Stewardship

is the main lever how we manage our investee companies.

5.4 JCorp Stewardship Framework

The JCorp Stewardship Framework is structured into four (4) key components which would drive the objective of achieving sustainable value creation for the whole group and stakeholders.



5.5 Understanding Our Expectations - Governance

Component



Governance

Institutionalising leading practice in Board effectiveness and governance

Our Expectations of Nominee Directors

- Instil a **culture and practice of good governance** in investee companies
- Drive ESG agenda at investee companies, **advocating adoption and compliance towards ESG standards**
- **Drive compliance towards the Green Book parameters**, namely size, term limits, diversity in composition and capability, continuous evaluation of Board Members
- Drive an agenda of transparency at investee companies, **strongly recommending transparency in their KPIs**
- Exercising prudence to **advocate for more active monitoring and engagement** in the event of continued poor performance

5.6 Understanding Our Expectations - Capital Allocation

Component



Capital Allocation

Maximising
risk-adjusted
returns

Our Expectations of Nominee Directors

Drive an agenda towards maximising shareholder value by ensuring :

- **Capital is sufficiently allocated** between investee company needs and dividends to JCorp
- **Optimal use** of capital allocation & optimising return

5.7 Understanding Our Expectations - Organisational Health

Component



Organisational Health

Driving towards a high-performance organisation through performance monitoring and management

Our Expectations of Nominee Directors

Drive long term sustainable results through three focus areas :



Board Membership

- Set clear direction and expectations to board member
- Conduct periodic assessments of board members' performance



Management

- Review performance against KPI and VCP after each quarter earnings release
- Provide perspectives and recommendations to close any strategic gaps based on the performance



Policies

- Ensure adequacy of policies are in place to provide good Corporate Governance consistent with best practices

5.8 Understanding Our Expectations - Value Adding Partnership

Component



Value Adding Partnership

Maximising the standing relationships & networkings

Our Expectations of Nominee Directors

- Nominee Directors are selected, among other criteria, **based on their expertise, breadth of network and level of influence in the industry**
- Nominee Directors shall leverage on his/her strengths of networking and standing for the best interest of the Company
- Nominee Directors shall provide strategic insights in harnessing synergistic business opportunities within JCorp Group

5.9 Required Prior Engagements

Areas which require prior engagement with JCorp










6

**NOMINEE
DIRECTOR'S ROLE**

6.1 Board Governance Standards - Implementation of Green Book Elements

<p>1 Board Size</p> <ul style="list-style-type: none"> • Large companies 8 - 11 members • Small companies 4 - 7 members • Chairman and CEO are held by different people • Refrain from using alternate directors 	<p>4 Formal Committees</p> <ul style="list-style-type: none"> • Required for all PLCs and strategic companies: <div style="display: flex; justify-content: space-around; text-align: center;"> <div> Board Audit & Risk Committee</div> <div> Board Nomination & Remuneration Committee</div> <div> Board Investment Committee</div> <div> Board Sustainability Committee</div> <div> Board Tender Committee</div> </div>
<p>2 Board Details</p> <ul style="list-style-type: none"> • Minimum 2 IDs or 30% whichever is higher • Maximum 2 EDs or 30% representation • Encourage diversity at Board • BOD remuneration shall be competitive 	<p>5 Term Limit</p> <ul style="list-style-type: none"> • 2 years per term • Renewal subject to review and performance evaluation, no maximum term limit
<p>3 Selection Criteria</p> <p>Directors selected matching their experience to company position, in terms of:</p> <ul style="list-style-type: none"> • Financial performance • Business growth • Economic dependence on Group • Existing Directors' skills & experience <p>Holds no more than 3 PLC directorships and / or 10 non-listed companies</p>	<p>6 Performance Evaluation</p> <p>Only for PLCs and strategic companies, conducted at least annually</p> <p>Types of evaluation</p> <ul style="list-style-type: none"> • Board of Directors & Board Committee Evaluation • Individual Directors Evaluation • Managing Director / Executive Director Assessment by the Board • Board Evaluation on Chairman

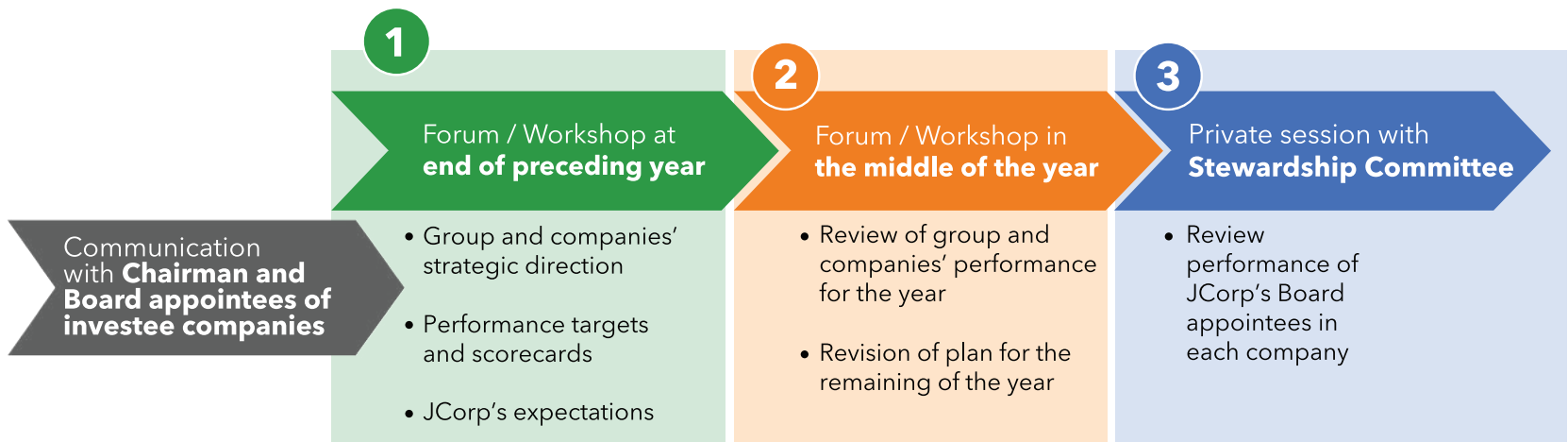
6.2 Engagement with Nominee Directors

Nominee Directors will be engaged at least once a year at forum/workshops and additionally through sessions with JCorp's President & Chief Executive



JCorp's Strategic Planning

Approved by JCorp's Board of Directors



Participants:

- PCE JCorp
- MCM members
- Chairmen of companies
- CEOs of companies
- JCorp's Board appointees
- JCorp's Portfolio Management Unit
- CIO JCorp
- CCSO JCorp
- JCorp's Head of Legal

Legend:

PCE - President & Chief Executive
MCM - Management Committee Meeting

CIO - Chief Investment Officer
CCSO - Chief Corporate Services Officer

6.3 Prior Engagement with JCorp

Nominee Directors will be supported by the Corporate Services and the Investment Division

Periodic topics of discussion	Topics which require prior deliberation with JCorp
 <p>Reviewing progress of the Value Creation Plan, performance of investee company and industry developments</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Strategic planning & budgeting <input checked="" type="checkbox"/> Capital structure changes <input checked="" type="checkbox"/> Appointment of key personnel
 <p>JCorp's and the ND's views on the investee company</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> New investment and divestment decisions
 <p>Issues and challenges faced by ND</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Bonus pot
 <p>Any additional support, information required by ND</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Any agenda that potentially conflicts with JCorp <input checked="" type="checkbox"/> External communications on matters relating to the above



In a situation where your view is **not the same as JCorp**

1

You are expected to **give precedence to your accountability** to the Company

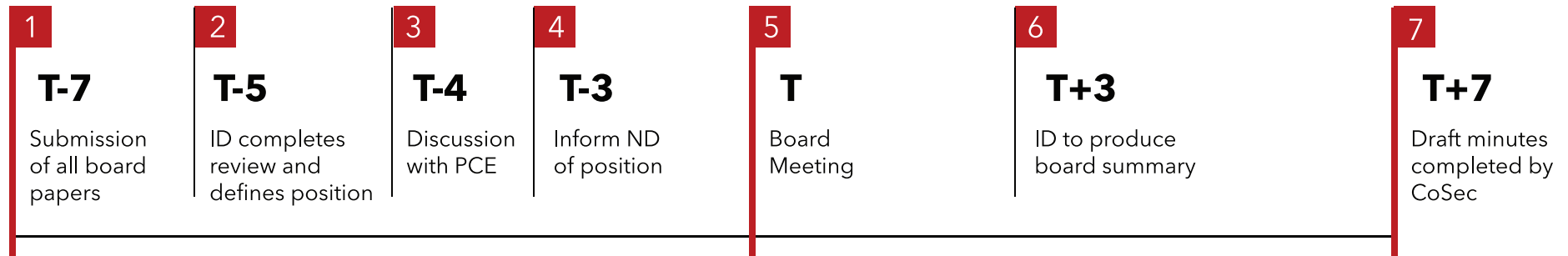
2

You are expected to **clarify and state to the Board that your position is not the same as JCorp**

JCorp reserves the right to take appropriate action to protect its interest as shareholder

6.4 Timeline of Board Activities

Prior to a board meeting, the Investment Division and CoSec shall define and relay its position on any investment matter, and this shall be communicated to the Nominee Director



	Timeline	PIC	Action
1	T-7	CoSec	Submission of all board papers completed and CoSec to circulate to directors
2	T-5	Investment	Investment Division to complete review of papers and defines position / point of view
3	T-4	Investment	CIO to discuss with PCE on position / point of view
4	T-3	Investment	Investment Division to inform Nominee Director of position
5	T	Nominee Director	Board Meeting date
6	T+3	Investment	CIO submission to PCE
7	T+7	CoSec	Draft minutes of board meeting completed



6.5 Contact Information

On Administrative / Company
Secretary related matters

Mohd Nordin Jamaludin
Chief Corporate Services Officer

✉ nordin.jamaludin@jcorp.com.my
☎ 019-263 4861

Nuraliza Abdul Rahman
Group Company Secretary

✉ nuraliza@jcorp.com.my
☎ 012-761 1927

On Finance related matters

Rozaini Mohd Sani
Chief Financial Officer

✉ rozaini.sani@jcorp.com.my
☎ 012-235 2730

Siti Hajar Marhani

General Manager,
Treasury & Corporate Finance
✉ hajar.marhani@jcorp.com.my
☎ 016-711 1043

On Strategic and all other matters

Shamsul Anuar Abdul Majid
Chief Investment Officer

✉ shamsulanuar@jcorp.com.my
☎ 014-916 6275

Lai Sin Kee

Senior General Manager,
Corporate Advisory
✉ sinkee.lai@jcorp.com.my
☎ 012-224 0050

6.6 Our References

In developing the JCorp Stewardship Framework, we have referenced the elements within PNB Stewardship Framework and the The Green Book by Putrajaya Committee on GLC High Performance.



PNB Stewardship Framework



The Green Book

Appropriate Size	Formal Committees
Diverse Composition	Term Limits
Rigorous Selection	Continuous Evaluation

Glossary

BARC	Board Audit & Risk Committee
BNRC	Board Nomination & Remuneration Committee
BIC	Board Investment Committees
BSC	Board Sustainability Committee
BTC	Board Tender Committee
CIO	Chief Investment Officer
CCSO	Chief Corporate Services Officer
CFO	Chief Financial Officer
CoSec	Company Secretary
ED	Executive Director
GMD	Group Managing Director
ID	Independent Director
JCI	Joint Commission International
KPI	Key Performance Indicator
KWAN	Klinik Waqaf An-Nur
MCM	Management Committee Meeting
MD	Managing Director
NID	Non-Independent Director
NINED	Non-Independent Non -Executive Director
NED	Non-Executive Director
PLC	Public Listed Company
PCE	President & Chief Executive
PSEZ	Pagoh Special Economic Zone
STeP	Sedenak Technology Park
VCP	Value Creation Plan

Notes

JOHOR CORPORATION

Level 13, Menara KOMTAR
Johor Bahru City Centre, 80000 Johor Bahru, Johor, Malaysia

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