



## STATEMENT ON CORPORATE GOVERNANCE

## STATEMENT ON CORPORATE GOVERNANCE

For the financial year ended 31 March 2013

The Board of Directors ("**the Board**") of Symphony Life Berhad (formerly known as Bolton Berhad) ("**the Company**" or "**SymLife**") is committed to upholding the highest standards of corporate governance throughout the Group and its group of companies ("**the Group**") as a fundamental part of discharging its responsibilities to safeguard shareholders' investment and ultimately enhance shareholders' value and the financial performance of the Group.

Throughout the years, the Board has made concerted efforts to ensure that SymLife's corporate governance framework, internal processes, guidelines and systems remain robust and relevant by abiding with applicable regulatory requirements and implementing appropriate risk management and internal controls.

SymLife's corporate governance model has been built and enhanced based on the following guidelines:

1. Malaysian Code of Corporate Governance 2012 ("**MCCG 2012**");
2. Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"); and
3. Corporate Governance Guide Towards Boardroom Excellence ("**CG Guide**") by Bursa Securities

The Board believes that the above guidelines have, in all material respects, been adhered to and complied with as set out in this statement.

### A. BOARD OF DIRECTORS

#### Board Composition and Balance

The Board currently consists of six (6) members, out of which, two (2) members are Executive Directors, including the Executive Chairman, two (2) Non-Independent Non-Executive Directors and two (2) Independent Non-Executive Directors.

In compliance with MCCG 2012 on the maximum tenure of nine (9) years for Independent Non-Executive Directors, two Directors, namely Datuk Zakaria bin Dato' Ahmad and Encik Abdul Sani bin Busu have retired from the Board and Dato' Robert Teo Keng Tuan was redesignated as Non-Independent Non-Executive Director on 1 April 2013, leaving the number of Independent Non-Executive Directors to two (2). This is still within the prescribed minimum of one-third as stipulated in Paragraph 15.02 of the Main LR of Bursa Securities.

However, since the Executive Chairman is also an Executive Director, MCCG 2012 has recommended that the Board must comprise a majority of independent Directors. In view of this, the Board is currently in the process of identifying new Independent Directors to join the Board.

## STATEMENT ON CORPORATE GOVERNANCE

In terms of how the Board operates, there is a clear division of responsibilities in the Group. The Executive Chairman represents the Board to shareholders and investors and provides Board leadership and direction on policy formation and decision making. He is ably assisted by the Executive Director who is responsible for implementing the policies and decisions of the Board in the day-to-day operations of the Group.

The role of the Non-Executive Directors is crucial in upholding the principles of good corporate governance. The current Non-Executive Directors are of varied experience and technical background including from the legal and accounting fraternities, and multinational stewardship at the highest levels. The breadth of experience and knowledge provides not only the necessary balance of power and authority to the Board as part of a good governance structure but also strengthens the Board with unbiased and independent views and insights, valuable advice and unwavering judgement, taking into consideration the interests of all stakeholders.

The Board has delegated specific responsibilities to various Board committees, including the Audit, Nominating, Remuneration and Risk Management, which operates within their respective approved terms of reference. These committees assist the Board in making informed decisions through proper evaluations and in-depth deliberations on selected issues. However, the ultimate responsibility for the final decision on all matters, lies with the Board after considering the recommendations by the committees. For the day-to-day operations of the Company to be run smoothly, the Board has also delegated some of its authority to certain level of Management.

A brief write-up of the background of the members of the Board as at the date of this statement is represented from pages 10 to 12 of this Annual Report.

### **Board Meetings**

The Board meets at least five (5) times a year with additional meetings convened as and when necessary. Board meetings for each financial year are scheduled in advance to facilitate the Directors to plan ahead and fit the Board meetings into their respective schedules.

The Board has formal schedule of matters reserved at Board Meetings which includes corporate plans, annual budgets, operational and financial performance reviews, major investments and financial decisions, changes to the management and corporate structure within the Group, including key policies and procedures and delegated authority limits. All proceedings of Board meetings are duly recorded in the minutes of each meeting and signed minutes of each Board meeting are properly kept by the Company Secretaries.

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During the financial year ended 31 March 2013, the Board and Audit Committee met a total of eight (8) and five (5) times respectively. Details of the attendance of each Director at these meetings are as follows:

Directors	Designation	No. of Board Meetings Attended	No. of Audit Committee Meetings Attended
Tan Sri Mohamed Azman bin Yahya	Executive Chairman	8 out of 8	-
Mr. Wing Kwong @ Chan Wing Kwong	Executive Director	8 out of 8	-
Tan Sri Nik Mohamed bin Nik Yaacob	Independent Non-Executive Director	8 out of 8	-
Mr. Chin Jit Pyng	Non-Independent Non-Executive Director	8 out of 8	-
Datuk Zakaria bin Dato' Ahmad (retired on 1 April 2013)	Independent Non-Executive Director	8 out of 8	5 out of 5
Dato' Robert Teo Keng Tuan	Independent Non-Executive Director (redesignated to Non-Independent on 1 April 2013)	5 out of 8	4 out of 5
Encik Abdul Sani bin Busu (retired on 1 April 2013)	Independent Non-Executive Director	8 out of 8	5 out of 5
Mr. Lee Siew Choong	Independent Non-Executive Director	8 out of 8	5 out of 5

### Appointment to the Board

The Nominating Committee has been entrusted with the responsibilities for considering and recommending the right candidates to the Board for appointments. In addition, the Nominating Committee also has the function of assessing the effectiveness of the Board, reviewing the skills and competencies of individual Directors and the composition of the various Committees of the Board. The objective is to improve the Board's effectiveness, identify gaps, maximise strengths and address weaknesses of the Board.

### Retirement and Re-election of Directors

All Directors are subject to re-election by the shareholders at the first opportunity after their appointment, and are subject to re-election at least once every three (3) years, in accordance with Articles 90 and 83 of the Company's Articles of Association. The re-election of Directors at a regular interval not only promotes the creation of an effective Board, but also present the shareholders with the opportunity to gauge the performance of the Directors.

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The retiring Directors who are seeking re-election would be subjected to performance assessment carried out by the Nominating Committee, which would then submit its recommendations to the Board for deliberation and approval. The Board would endorse a Director for re-election if his performance is considered as satisfactory and meet the expected roles and responsibilities.

Directors over the age of seventy (70) years old are also required to submit themselves for re-appointment annually, in accordance with Section 129(6) of the Companies Act, 1965.

At the 50th Annual General Meeting, Dato' Robert Teo Keng Tuan and Mr. Chin Jit Pyng will stand for re-election in accordance with Article 83 of the Company's Articles of Association and Mr. Lee Siew Choong will seek for re-appointment pursuant to Section 129(6) of the Companies Act, 1965. All the three (3) Directors being eligible, have offered themselves for re-election/re-appointment.

### Directors' Training

All the Directors have successfully completed the Mandatory Accreditation Training Programme ("MAP") and fulfilled the Continuing Education Programme ("CEP") requirements as prescribed by the Main LR of Bursa Securities.

In addition to that, Board members are also encouraged to continue to attend training programmes and seminars conducted by highly competent professionals that are relevant to the Company's operations and businesses. This is to further enhance their skills as well as to keep abreast with amendments in the regulatory guidelines and changes in the business environment. It is therefore important for the Board to supplement, or rather, complement the extensive experience and knowledge of the Directors with trainings on topical and current issues relating to the Group's business with the intention of further improving the quality of advice and guidance given by the members of the Board.

During the financial year, the Directors attended a one-day seminar on "An overview of Property Market" organised by the Company. Apart from that, the Directors also individually attended various other courses and seminars as listed below:

1. Bursa Malaysia : Invest Malaysia 2012 Conference;
2. Affin Investment Bhd Politics & Business – The Malaysia Connection forum: Politics Decoded – Implications on Financial Markets;
3. Ekuinas : Talked by invited guest – John Thompson of 3i on Private Equity;
4. KLBC Luncheon Talk on "The 21st Century Malaysia : Distractions & Solutions";
5. Optimising IFRS/MFRS Convergence;
6. CEO Forum 2012 on "Malaysia in the New Global Context – Realising Malaysia's True Potential";
7. Forum on "Citizenship in the Age of the Internet";
8. National Tax Seminar 2012;
9. Directors' In House Training on "Corporate Governance & Director Duties";
10. Perdana Discourse Series 15 on "The Future of Affirmative Action";
11. Limited Liability Partnership;
12. Role of Audit Committee in Assuring Audit Quality;

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13. The new Corporate Governance Blueprint and Regulatory Updates Seminar;
14. Corporate Governance – The Holistic Board; and
15. Persidangan Cukai Malaysia 2012.

### Board Charter

A Board Charter has been established and approved by the Board on 17 November 2012. The objectives of the Board Charter are to ensure that all Board members are aware of their duties and responsibilities as Board members, the various legislations and regulations affecting their conduct and that the highest standards of Corporate Governance are applied in all dealings by the Board Members individually and/or on behalf of the Company.

To view the complete version of Board Charter, please visit [www.symphonylife.my](http://www.symphonylife.my)

### Board Performance Evaluation

The annual performance evaluation of the Board was primarily based on the answers detailed questionnaire. The questionnaire covers topics that include, amongst others, the Board Structure, Board Process, conduct of the Board and financial performance etc. The results of these questionnaires conducted by the Nominating Committee, were documented and formed the basis of a report to be reported to the Board for deliberations. The Board will evaluate the performance and formulate an “initiatives”, to enhance the effectiveness of the Board.

Independent Directors are also assessed on their independence by the Nominating Committee.

### Supply of Information

The Board has full and timely access to complete information pertaining to the Group’s state of affairs, with all relevant supporting financial and non-financial information.

All Directors are given ample notice for each Board meeting and are provided with the agendas and a set of Board papers that contains relevant and material information prior to each meeting so that the Board is accorded sufficient time to appraise the proposals or information. The Board is able to seek further information and clarification from the Management at all times in order to make informed decisions.

The Management conducts detailed briefings at the meetings and where necessary, professional and independent opinions are also made available to the Directors either in the form of written opinions or the physical presence of the professionals, by invitation, at the meetings to field queries by the Directors. This ensures that the Directors have comprehensive understanding of the issues deliberated at the meetings.

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Minutes of every Board meeting are circulated to each Director prior to the confirmation of the minutes at the following Board meeting. The Board also receives minutes of all sub-committees' meetings and are briefed on the issues raised at the respective Committees' meetings to ensure that all Directors are kept informed of the Committees' activities.

In performing their duties, all Directors also have full access to the advice and services of the Company Secretaries. The Company Secretaries attend all Board meetings and advise the Board on regulatory procedures and updates on the latest regulatory and compliance matters.

### **Code of Conduct**

The Group has in place a Code of Conduct that is applicable to all staff and Directors of the Group. The Code of Conduct is essentially a set of rules to govern the standards of good conduct and ethics within the Group and in the Group's relationship with external parties in upholding and preserving the good name of the Group.

### **Whistle Blowing Policy**

As part of its commitment to uphold the highest standards of ethics, integrity and accountability, the Group also has in place a Whistle Blowing Policy. This is essentially a mechanism to enable the employees and members of the Board to disclose internally any serious malpractice or misconduct without fear of reprisal. This policy provides a safe and acceptable platform for employees and other members of the Group to channel their concerns about illegal, unethical or improper business conduct affecting the Group and its employees.

### **Board Committees**

The Board delegates certain responsibilities to the respective Committees of the Board which operates with specific terms of references to support and assist the Board in discharging its fiduciary responsibilities. These Committees have been accorded the necessary authority to analyse the relevant issues and report to the Board with their proceedings and deliberations. Where Committees have no authority to make decisions on matters reserved for the Board, recommendations would be highlighted to the Board for approval.

The Company has four (4) principal Board Committees.

### **Audit Committee**

The Board is assisted by the Audit Committee, whose composition, roles and functions and summary of its activities during the financial year are set out in the Audit Committee Report on pages 51 to 55 of this Annual Report.

## STATEMENT ON CORPORATE GOVERNANCE

### ***Nominating Committee***

#### **Composition of the Nominating Committee**

The Nominating Committee shall be appointed by the Board of Directors from among their number and shall be composed of not fewer than two (2) members of whom:

- (a) all are Non-Executive Directors; and
- (b) majority are Independent Directors.

The members of the Committee shall elect a Chairman from among their number and the quorum for any meeting of the Committee shall be two (2).

If a member of the Committee resigns, dies or for any other reason ceases to be a member, resulting in Independent Directors comprising less than the majority of the members or the number of members being reduced to below two (2), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to comply with the requirement that Independent Directors constitute a majority of the members or to make up the minimum number of two (2) members, as the case may be.

#### **Duties and responsibilities of the Nominating Committee**

- (i) To consider and recommend to the Board, suitably qualified candidates for directorships proposed by any Directors or shareholder for appointment and the re-appointment/re-election of Directors to the Board;
- (ii) To assess and recommend to the Board, Directors to fill the seats on Board's Committees;
- (iii) To annually assess the effectiveness of the Board as a whole, the Committees of the Board, and for assessing the contribution of each individual Director, including Independent Non-Executive Directors;
- (iv) To review annually and recommend to the Board with regard to the structure, size, tenure, directorships, balance and composition of the Board and Committees including the required mix of skills and experience, core competencies and gender diversity which the Directors should bring to the Board and other qualities to function effectively and efficiently; and
- (v) To ensure that all Directors receive orientation and appropriate continuous training programmes in order to broaden their perspective and to keep abreast with developments in the market place and with changes in new statutory and regulatory requirements.

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### Nominating Committee Meetings

- (i) The Committee may regulate its own procedure and in particular the calling of meetings, the notice to be given of such meetings, the proceedings thereat, the keeping of minutes and the custody, production and inspection of such minutes.
- (ii) A resolution in writing signed by all members in lieu of convening a formal meeting shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolutions may consist of several documents in like form, each signed by one or more members.

The Nominating Committee members as at 1 April 2013 are as follows:

Lee Siew Choong (Chairman)	Independent Non-Executive Director
Tan Sri Nik Mohamed bin Nik Yaacob	Independent Non-Executive Director
Dato' Robert Teo Keng Tuan	Non-Independent Non-Executive Director

The Committee consists entirely of Non-Executive Directors. The Nominating Committee is responsible for nominating the right candidates with the required skills, experience and attributes for recommendation to and appointment by the Board.

The Board, through the Nominating Committee, has implemented a process of evaluating the effectiveness and performance of the Board as a whole as well as the effectiveness and contributions of each individual Director.

During the financial year, the Committee has assessed the Executive Chairman, the individual Directors, the Board Committees and the Board as a whole and is satisfied with the performance of the Board and believes that the Board reflects a good mix of skills with different professional backgrounds, knowledge, financial and business expertise, experience and qualifications to enable the Board to provide clear and effective leadership to the Group.

The Nominating Committee meets as and when necessary.

### **Remuneration Committee**

#### **Composition of the Remuneration Committee**

The Remuneration Committee shall be appointed by the Board of Directors from among their number and shall be composed of not fewer than two (2) members, all or a majority of whom are Non-Executive.

The members of the Committee shall elect a Chairman from among their number and the quorum for any meeting of the Committee shall be two (2).

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If a member of the Remuneration Committee resigns, dies or for any other reason ceases to be a member, resulting in the Non-Executive Directors comprising less than the majority of the members or the number of members being reduced to below two (2), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to comply with the requirement that the Non-Executive Directors constitute a majority of the members or to make up the minimum number of two (2) members, as the case may be.

### **Duties and responsibilities of the Remuneration Committee**

- (i) To establish and recommend to the Board, the remuneration structure and policy for Executive Director/Chief Executive Officer including the terms of employment or contract of employment/service, benefits, pension or incentive scheme entitlement; bonuses, fees and expenses and any compensation payable on the termination of the service contract by the Company and/or Group and to review changes to the policy, as necessary;
- (ii) To review Executive Directors' goals and objectives and to assess their performance against these objectives as well as contributions to the corporate strategy;
- (iii) To recommend the engagement of external professional advisors to assist and/or advise the Committee on remuneration matters, where necessary; and
- (iv) To keep abreast of the remuneration packages for members of Board Committees to ensure that they commensurate with the scope of responsibilities held and reviews and recommends changes to the Board whenever necessary.

### **Remuneration Committee Meetings**

- (i) The Committee may regulate its own procedure and in particular the calling of meetings, the notice to be given of such meetings, the proceedings thereat, the keeping of minutes and the custody, production and inspection of such minutes.
- (ii) A resolution in writing signed by all members in lieu of convening a formal meeting shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held. Any such resolutions may consist of several documents in like form, each signed by one or more members.

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The Remuneration Committee members as at 1 April 2013 are as follows:

Tan Sri Nik Mohamed bin Nik Yaacob (Chairman)	Independent Non-Executive Director
Dato' Robert Teo Keng Tuan	Non-Independent Non-Executive Director
Mr. Chin Jit Pyng	Non-Independent Non-Executive Director

The Committee is responsible for recommending to the Board the appropriate remuneration for both Executive and Non-Executive Directors.

Individual Directors do not participate in discussions or decisions concerning his remuneration packages.

### **Risk Management Committee**

The objective of the Risk Management Committee ("**RMC**") is to assist the Board in discharging its fiduciary duties to safeguard shareholders' investment and the Group's assets through a sound and objective system of internal control and risk management policies and processes.

The RMC was established and entrusted with the task of assisting the Board in formalising and monitoring the Group's risk management policy which involves the following:

- Ensuring compliance with the requirements of Bursa Malaysia Securities Berhad's Statement on Internal Control – Guidance for Directors of Public Listed Companies;
- To identify and quantify all business and operational risks on a timely basis;
- Ensuring that the business risk of the Group is being reviewed on a periodic basis;
- To review the standard policies and procedures to be in place for all identified risks;
- To recommend and quantify favourable and unfavourable factors identified with each risk factor on a timely basis;
- To evaluate internal management capabilities to manage these risks; and
- To report to the Board/Audit Committee on the risk profile of the entire Group.

### **Authority & Scope**

The RMC has delegated authorities from the Board with a remit that encompasses all risk management activities within the Group, including compliance with the risk management strategy. The RMC shall report to the Audit Committee.

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### Composition

The membership of the RMC has been approved by the Board of Directors and the members are:

- Chief Financial Officer (Chairman)
- Financial Controller
- Head, Corporate Finance (Committee Secretary)
- Chief Operating Officer – Projects
- General Manager – Marketing

The Secretary of the RMC shall be the Head, Corporate Finance.

The RMC is responsible for:

- Establishing Strategic Context – ensuring that the strategic context of the risk management strategy is complete and takes into account the environment within which the Group operates and the requirements of the Board and stakeholders.
  - Relationship between the Group and its environment.
  - Requirements of internal and external stakeholders and their risk perceptions.
- Establishing Risk Management Processes – determining the overall risk management processes that should be adopted by the divisions and subsidiaries and developing guidelines and policies for implementation.
  - Conduct risk identification for divisions and subsidiaries.
  - Conduct risk evaluations, factors and the level of assessment.
  - Determine risk treatments – implementation of plans and options that the business can utilise to deal with risks.
- Establishing Risk Management Structure – ensuring a short and long term risk management strategy, framework and methodology have been implemented and consistently applied to all divisions and subsidiaries.
- Ensuring Risk Management Capability – ensuring risk management processes are integrated into all core business processes and that the culture of the organisation reflects the risk consciousness of the Board.
  - Ensure that risk management processes are integrated into all core business processes.
  - Establish clear ownership and communication of risks.
- Establishing Reporting Mechanism – providing a consolidated risk and assurance report to the Board and External Auditors to support the statement relating to internal control in the Company's Annual Report.
  - To provide a consistent and complete risk profile, consolidated view of the Group and remedial actions.
  - Assurance as to adherence to risk management structure and external requirements.

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- Establishing Business Benefits – identifying opportunities to release potential business benefits through the enhancement of risk management capabilities within the Group.
- Establishing Effectiveness of Risk Management Processes – simplifying and improving the effectiveness of existing risk management structures.
- Managing the Risk Management Program – supporting the implementation of the risk management processes within the business. The RMC will act as steering committee for the Group's Risk Management Program.
  - To implement best practice risk management processes that will improve the effectiveness of the Group.
  - Meet all corporate governance requirements.

### Frequency of Meetings

The RMC shall meet on a quarterly basis. Additional meetings may be called as and when required by the RMC.

During the financial year the RMC convened a total of four (4) meetings i.e. once every quarter to discuss the Group-wide risk profile as presented by the individual risk owners. High and new risk areas are immediately flagged and reported to the Audit Committee whose comments and advice are noted for the full Board's information. Risk issues that cannot be resolved at the Audit Committee's level are brought immediately for the Board's deliberations.

## B. DIRECTORS' REMUNERATION

### Remuneration Policy and Procedure

The Group have in place a Remuneration Policy for the Board of Directors which aims to attract, motivate and retain talented Directors and ensure the remuneration for the Board of Directors are equitable and aligned with both the Group's short and long term interests.

The Remuneration Committee is responsible for the recommendation of the salary and other benefit packages - policy and framework of Directors, including Executive Directors. However, it is nevertheless the responsibility of the Board to approve the remuneration packages of these Directors.

The remuneration packages of Executive Directors are linked to their individual performance and of the Group and includes salaries, benefits and performance-related/incentive pay which is subject to the Group's financial performance. Any salary reviews would take into account of market salary ranges as well as being broadly comparable and competitively in line with those awarded by similar companies.

As for the Non-Executive Directors, the Board considers their responsibility and time commitments, taking into account the number of Board meetings, membership of Board Committees and all additional work and contribution towards the Group.

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### Details of Directors; Remuneration

The aggregate and range of remuneration the Executive and Non-Executive Directors received and will receive from the Company for the financial year ended 31 March 2013 are in the following tables:

<b>Aggregate Remuneration</b>	<b>Fees &amp; Allowances (RM)</b>	<b>Salaries &amp; Other Emoluments (RM)</b>	<b>Total (RM)</b>
Executive Directors	-	4,102,773	4,102,773
Non-Executive Directors	324,000	491,000	815,000
<b>Total</b>	<b>324,000</b>	<b>4,593,773</b>	<b>4,917,773</b>

The number of Directors whose total remuneration falls within the following bands is as follows:

<b>Range of Remuneration (RM)</b>	<b>Executive</b>	<b>Non-Executive</b>
100,001 – 150,000	-	4
250,001 – 300,000	-	2
1,600,001 – 1,650,000	1	-
2,600,001 – 2,650,000	1	-
<b>Total</b>	<b>2</b>	<b>6</b>

\*Includes the gratuity payment of RM1.49 million to an Executive Director

### C. SHAREHOLDERS

#### Shareholders and Investor Relations

The Board acknowledges the importance of maintaining transparency and accountability to its shareholders and its investors and to timely disseminate material information, the Group's performance and any significant developments affecting the Group. The public announcement via Bursa Securities, namely the Quarterly and Annual Financial Results provide an overview of the Group's financial performance and operations to its shareholders, institutional shareholders and investors.

At each AGM, the principal forum for dialogue with all shareholders, the Board takes pleasure in presenting the progress and performance of the Group's business. Shareholders are encouraged to participate in the Question and Answer sessions on the proposed resolutions or about the Group's operations in general. The members of the Board as well as the External Auditors of the Company are also present to respond to any questions raised during the meeting.

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The Executive Chairman and the Executive Director also from time to time conduct briefings for business analysts, large shareholders, corporate partners and financial institutions to keep them informed of the various activities and initiatives undertaken by the Group. Exclusive and adhoc interviews are also given to the media to disseminate information to the public through the printed press.

The Group also communicates through its website at [www.symphonylife.my](http://www.symphonylife.my) especially for details of recent launches.

Details of the Senior Independent Non-Executive Director to whom concerns regarding the Group may be conveyed are as follows:

Post : Mr. Lee Siew Choong  
c/o Secretarial Department  
Level 9, Symphony House  
Dana 1 Commercial Centre  
Jalan PJU 1A/46  
47301 Petaling Jaya  
Selangor Darul Ehsan

Fax : (603) 7844 6886

The logo for Symphony Life, featuring the word "Symphony" in a blue, sans-serif font above the word "Life" in a grey, cursive script font. The logo is partially overlaid by a large, stylized graphic of a hand or a musical instrument, rendered in shades of grey.

### D. ACCOUNTABILITY AND AUDIT

#### Financial Reporting

The Board seeks to present a balanced, clear and understandable assessment of the Group's financial position and prospects. In presenting the annual financial statements and quarterly announcements of the Group's financial performance to shareholders, the Board is primarily responsible for ensuring that all applicable accounting and regulatory standards have been complied with. The Directors also have the responsibilities for taking steps as are reasonably available to them to safeguard the assets of the Group and prevent any fraud or irregularities.

The Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965 is set out on page 58 of this Annual Report.

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### Relationship with Auditors

The Audit Committee supports the Board in its responsibility to oversee the financial reporting and the effectiveness of the internal control of the Group.

Key features for the relationship of the Audit Committee with both the internal and external auditors and summary of the activities of the Audit Committee during the financial year are set out in the Audit Committee Report on pages 51 to 55 of this Annual Report.

### Internal Control

The Board has overall responsibilities for corporate governance and the development of sound internal control system for the Group to achieve its objectives within the acceptable risk profile as well as safeguarding shareholders' interest and the Group's assets. The Group's Statement on Risk Management and Internal Control is set out on pages 47 to 50 of this Annual Report.

The Statement on Corporate Governance is made in accordance with the resolution of the Board of Directors' meeting held on 19 June 2013.

The logo for Symphony Life is centered on the page. It features the word "Symphony" in a blue, sans-serif font, with the word "Life" in a smaller, grey, cursive font directly beneath it. The logo is set against a background of a large, stylized circular graphic composed of multiple overlapping, curved grey bands that create a sense of motion and depth, resembling a musical instrument or a dynamic wave.

**Symphony**  
Life