

CORPORATE GOVERNANCE REPORT

STOCK CODE : 2429
COMPANY NAME : TANCO HOLDINGS BERHAD
FINANCIAL YEAR : June 30, 2020

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's principal activities amongst others include setting out strategic plans and policies and overseeing the investments and businesses of the Group. In fulfilling its fiduciary duties, the Board ensures that there are appropriate systems and procedures in place to identify the Company's significant risks and implementation of appropriate internal controls and mitigation measures to manage these risks. Key matters such as approval of annual and interim results, major acquisitions and disposals, major agreements as well as review of the adequacy and integrity of the internal controls system and risk management strategies of the Company are reserved for the Board. The Group has in place financial authorisation limit for matters such as operating and capital expenditure and Standard Operating Procedures ("SOPs") to improve efficiency and productivity among all departments within the Group.</p> <p>The Board has delegated the day-to-day affairs of the Group's business to the Group Managing Director ("GMD") of the Company. The GMD, supported by the Group Executive Director ("GED") and Executive Directors, will focus on the business and leads the Senior Management of the Company in making and implementing the day-to-day decisions on the business operations, managing resources and risks in pursuing the corporate objectives of the Group. The GMD may delegate appropriate functions to any member of the Senior Management reporting to the GMD.</p> <p>The Board has established a Board Charter which provides reference for Directors in relation to the Boards' roles, powers, duties and functions. The Board Charter also outlines the processes and procedures to ensure the Board's and Board Committees' effectiveness and efficiency. The Board Charter is available on the Company's website at www.tancoholdings.com.</p>

	<p>Apart from the aforesaid principal roles and responsibilities of the Board, the Board also delegates certain responsibilities to the following Board Committees with clearly defined terms of reference to assist the Board in discharging its responsibilities:-</p> <p>(a) Audit and Risk Management Committee; (b) Nomination Committee; and (c) Remuneration Committee.</p> <p>While the Board Committees have their own functions and delegated roles, duties and responsibilities, they will report to the Board with their decisions and/or recommendations. Hence, the ultimate responsibility and decision on all matters lies with the Board.</p>
<p>Explanation for departure</p>	<p>:</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>:</p>
<p>Timeframe</p>	<p>:</p>

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 Chairman of the Company, Dato' Dr. Mohd. Aminuddin Bin Mohd. Rouse is an Independent Non-Executive Director of the Company.</p> <p>The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board.</p> <p>As provided under the Company's Board Charter, the Chairman will:</p> <ul style="list-style-type: none">• monitor the workings of the Board, especially the conduct of Board meetings;• ensure that all relevant issues for the effective running of the Company's business are on the agenda;• ensure that quality information to facilitate decision-making is delivered to board members on a timely basis;• encourage all Directors to play an active role in board activities; and• managing the interface between the Board and Management. <p>During Board Meetings, the Chairman leads the discussion, allowing sufficient time for deliberations on key issues and complex matters. He also encourages active participation and allows views including dissent to be freely expressed.</p> <p>The Chairman also plays a key role in the conduct of the general meetings. Besides ensuring the proper flow of resolutions tabled at the meeting, he manages the communication on the floor. He further encourages active participation from shareholders and allows sufficient amount of time during the questions and answers session.</p>
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

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	:	<p>The Board is led by Dato' Dr. Mohd. Aminuddin Bin Mohd. Rouse as the Independent Non-Executive Chairman and Mr. Andrew Tan Jun Suan as the GMD.</p> <p>There is a clear separation between the Chairman's role and the GMD to ensure a division of responsibilities and a balance of control, power and authority.</p> <p>The Chairman leads and manages the Board with a keen focus on governance and compliance. In turn, the Board monitors the functions of the Board Committees in accordance with their respective terms of reference, to ensure its own effectiveness, while the GMD manages the businesses and operations of the Group and implements and develops the Board's decisions, policies and strategies.</p> <p>The distinct and separation roles and responsibilities of the Chairman and GMD are clearly stated in the Board Charter which is available on the Company's website at www.tancoholdings.com.</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 1.4

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 Board is supported by a suitably qualified, experienced and competent Company Secretary who is a Fellow member of the Malaysian Institute of Chartered Secretaries and Administrators and is also qualified under the Companies Act 2016.</p> <p>The Company Secretary advises the Board on issues relating to compliance with laws, rules, procedures and regulations affecting the Company and the Group. The Board members have unrestricted access to the advice and services of the Company Secretary. The Company Secretary attends Board and Board Committees meetings and is responsible for ensuring the meeting procedures are followed and that applicable rules and regulations are complied with. The Company Secretary also ensure that accurate and proper record of the proceedings and resolutions passed are taken and maintained in the statutory registers of the Company.</p> <p>The Company Secretary has been continuously attending the necessary training programmes, conferences, seminars, briefings and/or forums so as to keep herself abreast with the current regulatory changes in laws and regulatory requirements that are relevant to her profession and enabling her to provide the necessary advisory role to the Board.</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 1.5

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	:	<p>Regular Board and Committee meetings are scheduled throughout the year to enable the Directors to plan ahead and fit the meetings into their own schedules. To assist the Directors in planning their attendance, the Company Secretary consults every Directors before fixing the dates of these meetings.</p> <p>In order to discharge their responsibilities effectively, the Board meet regularly on a quarterly basis. Additional or special Board meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters under their purview and which requires the Board's expeditious review or consideration. Such meetings will enable the Board members to effectively assess the viability of the business and corporate proposals and the principal risks that may have significant impact on the Group's business or on its financial position and the mitigating factors. All Board approvals sought are supported with all the relevant information and explanations required for an informed decision to be made.</p> <p>The Notice of Meetings together with the relevant Board Papers compiled by the Company Secretary shall be circulated to all the Directors at least five (5) working days before the Meeting unless the Directors agree to a shorter period.</p> <p>To facilitate productive and meaningful deliberations, the proceedings of the Board meetings are conducted in accordance with a structured agenda with the supply of complete and timely information to enable the Board to discharge their responsibilities effectively and for them to make informed decisions. The Board reviews and deliberates on the Group's financial performance and results, business operations, reports of the various Board Committees, corporate exercises and strategic financials and investments decisions.</p> <p>All issues discussed, decisions and conclusions and whether any Director abstained from voting or deliberating on a particular matter at the Board/Board Committee Meeting with required actions to be taken by responsible parties are documented in the minutes by the Company Secretary.</p>

	Minutes of the Meetings are circulated to all Board members in a timely manner and signed by the Chairman of the Board/Board Committees as a correct record of the proceedings of the meeting based on confirmation from all the Board/Board Committee members.	
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 Charter and Terms of References (“TORs”) for Board Committees which set out the principal functions, composition, roles and responsibilities of the Board of Directors of the Group and also the functions and responsibilities delegated to the Board Committees as well as to the Management of the Company and its Group.</p> <p>The objectives of the Board Charter and TORs are to ensure that the members of the Board are aware of their roles, duties and responsibilities and the application of principles and practices of good corporate governance in their business conduct and dealings in respect of, and on behalf of the Company and the various laws and legislations governing them and the Company.</p> <p>The Board Charter and TORs are periodically reviewed and updated in tandem with changes in regulations and best practices that may have impact on the discharge of the Board’s responsibilities.</p> <p>The Board has recently revised and approved the TOR of Audit and Risk Management Committee on 27 May 2020 following the recent changes in Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).</p> <p>The latest Board Charter and TORs are available on the Company’s website at www.tancoholdings.com.</p>
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

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 has formalised a Code of Ethics and Conduct for its Directors which is incorporated in the Board Charter, to enhance the standard of corporate governance and promote ethical conduct of the Directors and the same is adhered to at all times.</p> <p>The Group has also established and adopted a Group Code of Conduct and Business Ethics to ensure that all employees and Directors maintain and enforce the highest standards of ethics and professional conduct in the performance of their duties and responsibilities throughout the organisation.</p> <p>Both the aforesaid Codes are available on the Company's website at www.tancoholdings.com.</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 Group has in place a Whistleblowing Policy which serves as an internal disclosing channel in relation to whistleblowing at work place to enable employees to raise genuine concerns, disclose alleged, suspected or actual wrongdoings or known improper conduct at the workplace on a confidential basis.</p> <p>Employees also have free access to the GMD of the Company and may raise concerns of non-compliance to him.</p> <p>The Whistleblowing Policy, underlining its protection and reporting channels, is available on the Company's website at www.tancoholdings.com.</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 4.1

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>With the retirement of Dato' Dr. Mohd. Noordin bin Haji Keling ("Dato' Noordin") at the conclusion of the Sixtieth (60th) Annual General Meeting ("AGM") of the Company held on 18 December 2019, the Board currently has seven (7) members comprising four (4) Executive Directors and three (3) Independent Non-Executive Directors (including the Chairman).</p> <p>Out of the seven (7) members, three (3) members are Independent Non-Executive Directors, representing approximately 43% of the Board. The Board composition is balanced and complies with Paragraph 15.02 of the MMLR of Bursa Securities, which states that at least two (2) or one-third (1/3) of the Board, whichever is higher, are Independent Directors.</p> <p>The Board took note of Practice 4.1 of the Malaysian Code on Corporate Governance ("MCCG") and they will through the Nomination Committee continuously evaluate suitable candidates for Independent Directors to form at least half of the Board. Nevertheless, the selection process should be exercised with due care and careful assessment has to be made based on merits, competencies, skills, knowledge, appropriate experience and time commitment to ensure that the candidates would be able to contribute to the effectiveness of 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	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 4.2

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 justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.

Application	: Applied - Two Tier Voting
Explanation on application of the practice	<p>The Board believes the tenure period will not interfere with the exercise of independent judgement and the ability to act in the best interests of the Company. The Board also recognises that Independent Directors may over time develop significant insights in the Group's business and operations, and can continue to provide significant and valuable contribution objectively to the Board as a whole. Nonetheless an annual shareholders' approval will be sought for the retention of an Independent Director who has served the Board for more than nine (9) years. In the case of an Independent Director who has served the Board for more than twelve (12) years, shareholders' approval will be sought through a two-tier voting.</p> <p>The Nomination Committee and Board have duly assessed, determined and resolved that Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse who has served as Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years and Mr. James Wong Kwong Yew who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years but less than twelve (12) years as at the date of this Report to remain as Independent Directors based on the following justifications as well as contributions from them, as members of the Board and also members of the respective Board Committees:</p> <ul style="list-style-type: none">(i) They have fulfilled the criteria under the definition on Independent Director in the MMLR of Bursa Securities;(ii) They are able to bring independent and objective judgment to the Board;(iii) They have been with the Company for more than twelve (12) and nine (9) years respectively and therefore understand the Company's business operations which enable them to participate actively and contribute positively during deliberations or discussions at Board Meetings;(iv) They have devoted sufficient time to discharge their statutory duties and fiduciary responsibilities; and

	<p>(v) They have exercised due care during their tenure as Independent Non-Executive Directors of the Company and carried out their professional duties in the interest of the Company and shareholders.</p> <p>In view of the above, Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse will have to go through a two (2) tier voting process as described in the Guidance to Practice 4.2 of the MCCG.</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

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

Practice 4.3 - Step Up

The board has a policy which limits the tenure of its independent directors to 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 4.4

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the importance of boardroom diversity in terms of age, gender, nationality, ethnicity and recognises the benefits of this diversity.</p> <p>The Board also recognises that having a range of different skills, backgrounds, experience and diversity is essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance.</p> <p>The Board is of the view that while promoting boardroom diversity is essential, the normal selection criteria of a Director, based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board, should remain a priority. Thus, the Company does not set any specific target for boardroom diversity but will actively work towards achieving the appropriate boardroom diversity.</p> <p>The Company takes diversity not only in the Boardroom but also in the workplace as it is an essential measure of good governance, critically attributing to a well-functioning organisation and sustainable development of the Company.</p> <p>The Board via the Nomination Committee recommends the candidates for appointment on the Board based on candidates' merits, skills, knowledge, expertise and experiences, professionalism, integrity and time commitment to ensure that the candidates would be able to contribute to the effectiveness of the Board and in the case of candidates for the position of Independent Non-Executive Director, to evaluate the candidates' ability to discharge such responsibilities/functions as expected from the Independent Non-Executive Directors.</p>
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

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

Practice 4.5

The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

Application	:	Applied
Explanation on application of the practice	:	<p>As at the date of this Report, the Board has one (1) female Director out of seven (7) Directors namely, Dato' Tan Lee Sing.</p> <p>The Board acknowledges the importance of boardroom diversity in terms of age, gender, nationality, ethnicity and recognises the benefits of this diversity.</p> <p>The Board is of the view that while promoting boardroom diversity is essential, the normal selection criteria of a Director, based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board, should remain a priority. Thus, the Company does not set any specific target for boardroom diversity but will actively work towards achieving the appropriate boardroom diversity.</p> <p>The Board has adopted a Gender Diversity Policy and a copy is available on the Company's website at www.tancoholdings.com.</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

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

Practice 4.6

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board delegates to the Nomination Committee the responsibility of making recommendations on any potential candidate for the appointment as a new Director. The Nomination Committee is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous and that appointments are made on merits.</p> <p>The process for the appointment of a new Director is summarised in the sequence as follows:-</p> <ol style="list-style-type: none">1. The candidate identified upon the recommendation by the existing Directors, management, major shareholders, independent search firms and/or other independent sources;2. In evaluating the suitability of candidates for appointment to the Board, the Nomination Committee considers, inter-alia, the competency, experience, commitment, contribution and integrity of the candidates, and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidates' independence;3. Recommendation shall then be made by Nomination Committee to the Board. This also includes recommendation for appointment as a member of the various Board Committees, where necessary; and4. Decision to be made by the Board on the proposed new appointment, including appointment to the various Board Committees.
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

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

Practice 4.7

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

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee is chaired by Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse, an Independent Non-Executive Director.	
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

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

Practice 5.1

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 and its outcome.

For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination Committee has a formal assessment mechanism in place to assess on an annual basis, the effectiveness of the Board Committees, the Board as a whole and the contribution of each individual Director, including the independence of the Independent Non-Executive Directors.</p> <p>The annual assessment criteria is based on the customised sets of questionnaires which are prepared in line with the best practices of the MCCG taking into account the mix of skills, expertise, experience, composition, performance and contributions and size of the Board as a whole and of each individual Director.</p> <p>The results of the assessments are compiled by the Company Secretary and will be tabled in the form of a summary by the Nomination Committee Chairman to the Board for the Board's review and deliberation. The results of the assessments also form the basis of the Nomination Committee's recommendation to the Board for the re-election of Directors at the AGM.</p> <p>The Nomination Committee has also conducted the annual review of the terms of office and performance of the Audit and Risk Management Committee and each of the members to ensure that they have carried out their duties and function in accordance with the Terms of References.</p> <p>The assessments and evaluations carried out by the Nomination Committee in the discharge of its function are properly documented.</p> <p>The Board has reviewed the current evaluation processes and is of the opinion that they are adequate in providing an objective annual assessment of the effectiveness of the Board, Board Committees and each individual Directors.</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 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 6.1

The board has in place 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 policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	The Board has in place a Remuneration Policy to determine the remuneration of its Director and Senior Management. The details are as set out in the said policy and is available on the Company's website at www.tancoholdings.com .
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 6.2

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	:	The Terms of Reference of Remuneration Committee was last reviewed on 29 August 2019. The revised Term of References of Remuneration Committee which set out the policies and procedures to determine the remuneration of the Board and senior management is available on the Company's website at www.tancoholdings.com .
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

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 7.1

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	:	Departure																																														
Explanation on application of the practice	:																																															
Explanation for departure	:	<p>The Details of the remuneration of each Director on a named basis is not disclosed due to confidentiality and security reason.</p> <p>Alternatively, a detailed of Directors' remuneration of the Directors as at 30 June 2020 paid or payable by the Company and its subsidiary companies for the financial year ended 30 June 2020, distinguishing between Executive and Non-Executive Directors in aggregate, with categorisation into appropriate components and the number of Directors whose remuneration falls within the following bands are as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="2">Company</th> <th colspan="2">Subsidiaries</th> <th rowspan="2">Group</th> </tr> <tr> <th>Executive Directors</th> <th>Non-Executive Directors</th> <th>Executive Directors</th> <th>Non-Executive Directors</th> </tr> </thead> <tbody> <tr> <td>Directors' Fees (RM)</td> <td>-</td> <td>142,742</td> <td>-</td> <td>-</td> <td>142,742</td> </tr> <tr> <td>Salaries (RM)</td> <td>-</td> <td>-</td> <td>1,317,738</td> <td>-</td> <td>1,317,738</td> </tr> <tr> <td>Other Emoluments (RM)</td> <td>-</td> <td>-</td> <td>184,570</td> <td>-</td> <td>184,570</td> </tr> <tr> <td>Meeting Attendance Allowances (RM)</td> <td>-</td> <td>23,000</td> <td>-</td> <td>-</td> <td>23,000</td> </tr> <tr> <td>Benefits-in-kind (RM)</td> <td>-</td> <td>7,200</td> <td>91,784</td> <td>-</td> <td>98,984</td> </tr> <tr> <td>Total (RM)</td> <td>-</td> <td>172,942</td> <td>1,594,092</td> <td>-</td> <td>1,767,034</td> </tr> </tbody> </table>	Category	Company		Subsidiaries		Group	Executive Directors	Non-Executive Directors	Executive Directors	Non-Executive Directors	Directors' Fees (RM)	-	142,742	-	-	142,742	Salaries (RM)	-	-	1,317,738	-	1,317,738	Other Emoluments (RM)	-	-	184,570	-	184,570	Meeting Attendance Allowances (RM)	-	23,000	-	-	23,000	Benefits-in-kind (RM)	-	7,200	91,784	-	98,984	Total (RM)	-	172,942	1,594,092	-	1,767,034
Category	Company			Subsidiaries		Group																																										
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	Range of Remuneration	Number of Directors	
		Executive	Non-Executive
	Below RM50,000 *	-	2
	RM50,001 – RM100,000	-	2
	RM100,001 – RM150,000	1	-
	RM250,001 – RM300,000	1	-
	RM550,001 – RM600,000	1	-
	RM600,001 – RM650,000	1	-
* Including a Non-Executive Director who has retired on 18 December 2019			
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	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 7.2

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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board is of the opinion that the disclosure of the Senior Management personnel on a named basis would not be in the best interest of the Group due to confidentiality and sensitivity concerns.	
		The Board ensures that the remuneration of Senior Management is commensurate with the performance of the Company, with due consideration to attract, retain and motivate Senior Management personnel to lead and run the businesses successfully.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	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 7.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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 8.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of Audit and Risk Management Committee (“ARMC”) is Mr. James Wong Kwong Yew, who is an Independent Non-Executive Director and the Chairman of the Board is Dato' Dr. Mohd. Aminuddin bin Mohd. Rouse, who is an Independent Non-Executive Chairman.	
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 8.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The policy on observation of a cooling-off period of at least 2 years for a former key audit partner prior to the appointment as an ARMC member is incorporated in the Terms of Reference of ARMC.</p> <p>Presently, no member of the ARMC was former key audit partner of the Group’s External Auditors.</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 8.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.

Application	: Applied
Explanation on application of the practice	<p>The ARMC has adopted an External Auditors Policy which sets out the procedures on appointment and re-appointment of External Auditors, the annual assessment of the External Auditors as well as the declaration of the independence by the External Auditors.</p> <p>Apart from the above, the Terms of Reference of the ARMC also requires the ARMC to assess the suitability, objectivity and independence of the External Auditors annually.</p> <p>The Board has delegated to the ARMC to undertake an annual assessment of the quality of audit which encompassed the performance and calibre of the External Auditors and their independence, objectivity and professionalism. The assessment process involves identifying the areas of assessment, setting the minimum standards and devising tools to obtain the relevant data. The areas of assessment include among others, the External Auditors' calibre, quality processes and performances, audit team, audit scope and planning, audit communication, audit governance and independence as well as the audit fees.</p> <p>In addition to performing their own assessment, the ARMC may also request the Group Financial Controller and the finance personnel (who have substantial contact with the external audit team) to perform the annual assessment of the External Auditors. The ARMC also takes into account the openness in communication and interaction with the lead audit engagement partner and engagement team through discussions at private meetings, which demonstrated their independence, objectivity and professionalism.</p> <p>To support the ARMC's assessment of their independence, the External Auditors have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements.</p> <p>At the ARMC meetings held on 27 May 2020 and 28 August 2020 respectively, the External Auditors namely, Baker Tilly Monteiro Heng PLT ("BTMH") has presented to the ARMC its 2020 Audit Plan and</p>

	<p>Audit Review Memorandum for the financial year ended 30 June 2020 which included BTMH's confirmation that they have complied with the requirements for independence.</p> <p>The External Auditors will rotate their engaging partner in charge of the audit of the Company's Audited Financial Statements at least once every five (5) years to maintain their independence from the Group.</p> <p>The ARMC, having been satisfied with the performance of the External Auditors, had at its meeting held on 28 August 2020 recommended to the Board for approval of the re-appointment of the External Auditors for the ensuing financial year ending 30 June 2021. The Board has no objections to the re-appointment of the External Auditors and will accordingly seek the approval of the shareholders on the re-appointment at the forthcoming AGM 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

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 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The ARMC comprises wholly of Independent Non-Executive Directors. As at the date of this Report, all the three (3) ARMC members have satisfied the independence test based on the criteria set out in the MMLR of Bursa Securities.

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 8.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate 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>The members of the ARMC possess a mix of skill, knowledge and appropriate level of expertise and experience to enable them to discharge their duties and responsibilities pursuant to the Terms of Reference ("TOR") of the ARMC.</p> <p>The current ARMC comprises of three (3) members and one (1) of whom is a member of the Malaysian Institute of Accountants.</p> <p>All the members of the ARMC are financially literate and are able to analyse and interpret financial statements to effectively discharge their duty and responsibility as members of the ARMC.</p> <p>The ARMC is aware of the need to continuously develop and to broaden their knowledge in the areas of accounting and auditing in order to carry out their roles and duties effectively.</p> <p>The training attended by the ARMC members during the financial year ended 30 June 2020 are set out in the Corporate Governance Overview Statement under "Directors' Training" in the Company's Annual Report 2020.</p> <p>In addition, the ARMC members were also briefed by the External Auditors, Baker Tilly Monteiro Heng PLT on the Financial Reporting Developments inclusive of the amendment of Malaysian Financial Reporting Standards ("MFRS"), new MFRS and International Financial Reporting Standards at the ARMC meeting held during the financial year.</p> <p>For the financial year ended 30 June 2020, the Board through the Nomination Committee had reviewed the effectiveness of the ARMC via an evaluation questionnaire. The Board is satisfied with the performance of the ARMC and the necessary skills, experience,</p>

	<p>knowledge and other relevant field of expertise of the ARMC members had contributed to the overall effectiveness of the ARMC.</p> <p>The detailed report on the activities of the ARMC for the financial year ended 30 June 2020 is set out in the Company's Annual Report 2020.</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 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges that risk management and internal controls is an integral part of the overall management processes which is an ongoing process to identify, evaluate, monitor and manage and mitigate the risks that may affect the achievement of its business objectives. The Board continues to review the system to ensure that the risk management and internal control system provides a reasonable but not absolute assurance against material misstatement or losses. The Board has endorsed a risk management and internal control framework which consists of a formalised risk management policy and procedure for a systematic and consistent approach to evaluate and improve the adequacy and effectiveness of the Group's risk management process.</p> <p>Further details on the management and reporting of risks as well as controls in place to mitigate and manage those risks are provided under the Statement on Risk Management and Internal Control in the Annual Report 2020.</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 9.2

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	:	The key features of the Company’s risk management and internal control framework, which cover their adequacy and effectiveness are disclosed in the Statement on Risk Management and Internal Control of the Company’s Annual Report 2020.	
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 9.3 - 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 10.1

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 ARMC of the Company is responsible for monitoring and reviewing the effectiveness of the Group's Internal Audit function. The Internal Audit function is independent of the External Auditors and is led by the Internal Audit, which is outsourced to S F Chang Corporate Services Sdn Bhd who has a direct reporting line to the ARMC. The Internal Auditor attends and reports at ARMC meeting on its work conducted as well as its findings, management's responses and recommendations.</p> <p>The information on the Internal Audit function is available in the ARMC Report and Statement on Risk Management and Internal Control in the Annual Report 2020.</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 have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 10.2

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>The Internal Auditors reports to the ARMC. This reporting relationship supports internal audit independence and objectivity, which assures adequate consideration of audit recommendations and planned corrective actions. The relationship also gives Internal Audit staff the authority needed for full, free and unrestricted access to any or all operations, records, property and personnel within the Group.</p> <p>The Internal Audit function is carried out in accordance with The International Standards for the Professional Practice of Internal Auditing set by the Institutions of Internal Auditors. The Internal Audit team is made up of four (4) personnel headed by Chang Siew Foong, a member of the Malaysian Institute of Accountants and they are free from any relationships or conflicts of interest which could impair their objectivity and independence.</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 11.1

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

Application :	Applied
Explanation on application of the practice :	<p>The Company recognises the importance of being transparent and accountable to its shareholders and has used various channels of communications to enable the Board and Management to continuously communicate, disclose and disseminate comprehensive and timely information to investors, shareholders, financial community and the public generally.</p> <p>The Board has adopted the following measures with regard to communication with the Company's stakeholders:-</p> <p>(i) Announcements to Bursa Securities</p> <p>Material information, updates and periodic financial reports are published on a timely basis through announcements to Bursa Securities. Shareholders and investors can obtain the Company's latest announcements such as quarterly financial results and the distribution of annual reports and circulars in the website of Bursa Securities at www.bursamalaysia.com.</p> <p>(ii) Corporate Website</p> <p>A corporate website at www.tancoholdings.com is maintained and the said website contains relevant information on the Group's activities, financial results, major strategic development and other matters affecting stakeholders' interests for the shareholders, potential investors, suppliers and the general public.</p> <p>(iii) Annual Reports</p> <p>The Company's Annual Reports to the shareholders remain the central means of communicating to the shareholders, amongst others, the Company's operations, activities and performance for the past financial year end as well as the status of compliance with applicable rules and regulations.</p>

	<p>(iv) AGMs</p> <p>The AGM is the principal forum for dialogue and communication with shareholders.</p> <p>(v) Investor Relations</p> <p>Shareholders and other interested parties are welcome to contact the Company should they have any comments, questions or concerns, by writing in, via telephone, facsimile or email, details of which are as follows:-</p> <p>Address : No. 1, Jalan Bandar 1, Pusat Bandar Puchong, 47160 Puchong, Selangor Darul Ehsan</p> <p>Telephone No. : 603 8070 8288</p> <p>Fax No. : 603 8070 8299</p> <p>Email address : corporate@tancoholdings.com</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 11.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	Not Applicable as the Company is not a Large Company as defined under the MCCG.	
		Presently, the Annual Report provides a fairly comprehensive overview on the Group's financial and non-financial information including the outlook and prospects of the Group to stakeholders.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 12.1

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	:	The Notice of the Sixty-First (61 st) AGM is dated 30 October 2020, which is more than twenty eight (28) days prior to the Company's 61 st AGM to be held on 16 December 2020.	
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 12.2

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	:	<p>At the 60th AGM of the Company held on 18 December 2019, all Directors were present with the exception of Dato' Noordin who has informed the Board of his absence from the 60th AGM. Dato' Noordin has retired as Independent Non-Executive Director of the Company at the conclusion of the 60th AGM held on 18 December 2019.</p> <p>Nevertheless, all the other Directors, including the Chairman of the Board and Board Committees have attended the 60th AGM of the Company.</p> <p>In addition to the above, the Management team and the External Auditors were also present to response questions raised by the shareholders and to provide clarifications to shareholders.</p> <p>The Board believes that participation of shareholders in the Company's general meeting is the most appropriate platform for shareholders to raise questions pertaining to the business activities of the Group. All the Directors of the Company will always endeavor to attend all general meetings and the Chairman together with other Directors and External Auditors are expected to be present and will provide meaningful response to questions address to them.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

Intended Outcome

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

Practice 12.3

Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate–

- including voting in absentia; and
- remote shareholders' participation at General Meetings.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>All General Meetings of the Company are held in accessible locations within the Klang Valley. The last AGM of the Company was held at Poolside Cove, Sunway Lagoon Club, No. 3, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia, a strategic and familiar location which is easily accessible by shareholders.</p> <p>Alternatively, shareholders who are not able to attend the general meetings are entitled to appoint any person(s) or Chairman of the meetings as their proxies to attend, participate, speak and vote in his/her stead at general meetings.</p> <p>In line with the Government's initiative to curb the spread of Covid-19 pandemic and as part of the Company's precautionary measures, the Company had on 3 June 2020 conducted its Extraordinary General Meeting on a fully virtual basis through live streaming and online remote voting via remote participation and voting ("RPV") facilities from the Broadcast Venue.</p> <p>The forthcoming 61st AGM of the Company has been scheduled to be held on 16 December 2020. In view of the current Covid-19 pandemic and in the interest of the safety and health of the shareholders, the Board of Directors of the Company has decided that the forthcoming 61st AGM will also be conducted on a fully virtual basis through live streaming and online remote voting via RPV facilities. This allows shareholders and proxies to fully participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely from any locations via RPV facilities which are available on Vote2U online website at https://web.vote2u.app.</p> <p>The virtual meeting is in compliance with the MCCG, the Guidance Note on the Conduct of General Meetings for listed issuers issued by the Securities Commission Malaysia and the Companies Act 2016 as well as the Company's Constitution.</p>

	<p>The Company will continue to monitor the development of technology for voting in absentia and remote shareholders' participation in general meetings, taking into consideration the security, stability and reliability of the system, applicable laws and regulations and cost of implementation.</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>:</p>	<p>Please explain the measure(s) the company has taken or intend to take to adopt the practice.</p>
<p>Timeframe</p>	<p>:</p>	<p>Choose an item.</p>

**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.

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