

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7176
COMPANY NAME : TPC PLUS BERHAD
FINANCIAL YEAR : December 31, 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 PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

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

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board of Directors ("Board") of TPC Plus Berhad ("Company") is mindful of its overall responsibility for the corporate governance and management of the business and affairs of the Company.</p> <p>In meeting the objectives and goals of the Company:</p> <ol style="list-style-type: none"> 1. The Board has established Board committees i.e. Audit Committee, Nomination and Remuneration Committee and Risk Management Committee to assist the Board in the execution of its responsibilities. <p>The functions, duties and responsibilities of the Board committees are set out in the respective charter of the Board committees. All these charters can be found on the Company's website, www.tpc.com.my</p> <ol style="list-style-type: none"> 2. The Company's Board Charter has clearly defined and separated the roles and responsibilities of the Management and the Board of Directors which are headed by 2 different individuals for check-and-balance and unfettered decision making. 3. The Company has taken into consideration the economic, environmental and social factors, the details of which can be found in the Management Discussion and Analysis published in the Company's annual report. 4. The Board has approved the Anti-Corruption Policy, Employee Code of Conduct and Ethics, and Whistle Blowing Policy, all of which can also be found on the Company's website, to promote an ethical and good corporate governance culture within the Company: 5. Approval Limit Matrix, Capital Expenditure and Disposal Policy, Risk Management Framework and Review and Disclosure Procedures for Related Party Transactions were also approved by the Board to guide, monitor and control the day-to-day business operations in safeguarding the shareholders' and other stakeholders' interests. |
| Explanation for departure | : | |

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

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| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 1.2

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

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board of Directors is headed by YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop, an Independent Non-executive Director who has no conflict of interest with the Company. The Chairman's background and experience can be found in the Directors' Profile of the Company's Annual Report.</p> <p>The Chairman will liaise with the Company Secretary in setting out the agenda of meetings, ensure board papers include sufficient information and presented in a clear manner and distributed to every Board members before meetings.</p> <p>Representatives from the Management are always invited to join in the Board meetings to brief, explain and/or update the Board on matters relating to finance, management and operation. After the briefing is done, the Chairman will ensure that sufficient time is set aside for deliberations. Decisions will be made based on a majority consensus of the Board members.</p> <p>The Chairman will liaise with the Secretary and Management to have all the charters, policies and procedures and terms of reference reviewed and amended where necessary and thereafter approved by the Board. The Chairman will ensure that all corporate governance practices are guided by these charters, policies and procedures and terms of reference adopted.</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

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The position of the Chairman and the Managing Director of the Company are held by two different individuals with YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop heading the Board and responsible for the leadership, effectiveness, conduct and governance of the Board. Mr Lim Yew Chua, on the other hand, is the Managing Director who oversees and manages the day-to-day running of the businesses, makes operational decisions and implements the Board's policies and decisions.</p> <p>The roles and responsibilities of the Chairman and Managing Director are set out in the Company's Board Charter which can be found on the Company's website.</p> <p>The roles and responsibilities are clearly separated in order to maintain effective supervision and accountability of the Board and the Management, to ensure a balance of power and authority and also for proper, effective and unfettered decision making.</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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Company Secretary is a member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and qualified to act as a Company Secretary under Section 235(2) of the Companies Act 2016.</p> <p>Besides managing the logistics of all Board, Board Committee and general meetings, the Company Secretary also ensures that provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Companies Act 2016 and the Malaysian Code on Corporate Governance are complied with where applicable and that all secretarial records are properly kept and updated.</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

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Directors, individually or as a whole board, have unrestricted access to the Management and all information relating to the Company and its Group in the discharge of their duties.</p> <p>The Chairman will liaise with the Company Secretary on the agenda of the meeting and the notice and materials of the meeting will be sent out 7 days before the meeting. However, when there are instances where meeting materials could not be ready in time, these materials will be forwarded to the Directors less than 7 days before the meeting.</p> <p>Draft minutes will be sent to the Directors, Management and/or Auditors for comments. All comments received will be noted and/or incorporated in the Minutes and the final Minutes will be tabled at the next meeting for confirmation.</p> <p>For urgent matters which require the Board's decision outside of Board Meetings, Directors' Circular Resolution together with all relevant materials will be circulated for the Board's consideration. All circular resolutions approved by the Board will be tabled for notation at the next Board Meeting.</p> <p>All minutes and resolutions passed by the Board are properly kept at the registered office of the Company.</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

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board Charter was first adopted by the Board on 12 December 2013 and was periodically reviewed and updated in accordance with the needs of the Company and in accordance with any new regulations that may have an impact on the discharge of the Board's responsibilities.</p> <p>Apart from setting out the roles and responsibilities of the Board and the Management, the Board Charter also outlines the code of conduct of Directors and matters reserved for the Board.</p> <p>The Board Charter is made available on the Company's website.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

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

Practice 3.1

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

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

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board of Directors has approved and established an Employee Code of Conduct and Ethics ("Code") for managing conflicts of interest and preventing the abuse of power, corruption, insider trading, bribery, money laundering and misconducts.</p> <p>Employees who come across any unlawful or unethical situation or any suspected violations of the Code may raise their concerns in accordance with the Company's Whistle Blowing Policy.</p> <p>Details on the Code and the Whistle Blowing Policy can be found on the Company's website at www.tpc.com.my</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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Group has in place a Whistle Blowing Policy to encourage transparent and ethical conduct within the Group. The main objectives of the Whistle Blowing Policy are:</p> <ul style="list-style-type: none"> • To provide avenues for employees to disclose any acts of wrongdoing. • To assure the employees that they will be protected from reprisals, discrimination or being victimised for whistle-blowing in good faith. • To investigate and take necessary action on any reported wrongdoing. <p>The Company will not entertain any anonymous disclosure. The person who wishes to whistle-blow any improper conduct within the Group is required to disclose his or her name, NRIC number and contact telephone number (mobile, home and/or office). These identity details will be kept confidential to afford protection to the whistleblower.</p> <p>The whistleblower remains liable for his or her own conduct and is responsible to ensure that the disclosure is made in good faith and free from any malicious intent.</p> <p>The Whistle Blowing Policy was last reviewed and approved by the Board on 30 May 2019 and is made available on the Company's website at www.tpc.com.my</p> |
| Explanation for departure | : | |
| <p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>Clause 21.2 of the Company's Constitution provides that the Board shall comprise not less than 2 and not more than 10 Directors.</p> <p>The current Board of Directors has 7 members of which 4 are Independent Non-Executive Directors (including the Chairman of the Board) and 3 Non-Independent Executive Directors.</p> <p>All the 4 Independent Non-Executive Directors do not hold any shares in the Company, directly or indirectly, and are free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of the Company.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 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.

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| Application | : | Not applicable - No independent director(s) serving beyond 9 years | |
| Explanation on application of the practice | : | | |
| Explanation for departure | : | | |
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| <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 4.3 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years.

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| Application | : | Not Adopted |
| Explanation on adoption of the practice | : | According to the Company's Board Charter: 1. The tenure of an Independent Director should not exceed a cumulative term of 9 years; and 2. Upon completion of the 9 years: a. The Independent Director concerned may continue to serve on the Board subject to his re-designation as a Non-Independent Director; and b. Should the Board wishes to retain such a Director as an Independent Director, the Board must justify and seek shareholders' approval on the matter. |

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The appointment of a new Director is a matter for consideration and decision by the full Board upon recommendation from the Nomination and Remuneration Committee.</p> <p>While promoting diversity, due recognition to integrity, financial and technical knowledge, experience and skill-sets of the Director concerned and business imperative still remain a priority.</p> <p>There was no new appointment to the Board in 2020. The following Directors who were to retire by rotation at the 17th Annual General Meeting held on 22 July 2020 were re-appointed as Directors by the shareholders:</p> <ol style="list-style-type: none">1. YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop2. Mr Lim Yew Kwang3. Mr Lim Yew Piau |
| 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 4.5

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.

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| Application | : | Departure |
| Explanation on application of the practice | : | |
| Explanation for departure | | <p>The Board agreed that its current composition which comprises 7 Directors is fair considering:</p> <ol style="list-style-type: none">1. The size and complexity of the Group's operation;2. The Company has about 1,600 shareholders only; and3. The Board has a majority of 4 Independent Directors which fairly reflects the investment of shareholders other than the major shareholder who holds 59.02% of the total shares issued by the Company. <p>Therefore, no new Director, particularly a female Director, was appointed during the financial year ended 31 December 2020.</p> <p>Although the Company does not have any written policy on gender diversity and the Board did not set any target to appoint a female Director so far, there is a majority of female staff in the Group's managerial level. The Company will review its succession plan and may consider grooming female staff and prepare them for senior or Board position in the future. And, as always, there is no gender discrimination being practised in the Group in all areas.</p> |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board of Directors did not appoint any new Director during the financial year ended 31 December 2020 and does not intend to appoint any for the time being.</p> <p>Nevertheless, the Company's Board Charter clearly states that in identifying candidates for appointment of Directors, the Board should not solely rely on recommendations from existing Board members, Management or major shareholders and may utilise independent sources to identify suitably qualified candidates.</p> |
| Explanation for departure | : | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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

Practice 4.7

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

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| Application | : | Applied | |
| Explanation on application of the practice | : | <p>The Nomination and Remuneration Committee comprises the following persons who are all Independent Non-Executive Directors:</p> <p>YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop Mr Liang Ah Lit @ Nyah Chung Mun Mr Chong Chee Siong Mr Chong Peng Khang</p> <p>The Nomination and Remuneration Committee is chaired by YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop, a Senior Independent Director of the Company.</p> | |
| Explanation for departure | : | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>During the financial year ended 31 December 2020:</p> <ol style="list-style-type: none"> 1, The Nomination and Remuneration Committee had conducted an evaluation on the Board and the Audit Committee using the Board Evaluation Form and Audit Committee Evaluation Form; and 2. The Board had evaluated the Board Committees and their individual members by using the Board Committee Evaluation Form and Board Skills Matrix Form. <p>All the aforesaid evaluation or assessment forms used were adopted from the 3rd Edition of the Corporate Governance Guide.</p> <p>All the questions in the forms were discussed and answered based on the consensus of the members of the Nomination and Remuneration Committee or the Board as a whole except for the Board Skill Matrix Form which is answered by the individual Directors i.e. on a self-assessment basis.</p> <p>The Nomination and Remuneration Committee is satisfied that the Board as a whole possesses a diverse set of skills, experience and expertise which are necessary to govern the Group in relation to, among others, the poultry and animal feed business, sales and marketing, legal practice, financial and accounting, corporate governance, risk management and internal controls.</p> <p>The results of the assessments also indicated that overall the Board, the Board Committees and the Directors had been discharging their duties and responsibilities effectively. Other than encouraging the Directors to be more tech-savvy, the Nomination and Remuneration Committee had also recommended for the Board to endorse the re-election of the Directors who are retiring by rotation at the Company's forthcoming 18th Annual General Meeting.</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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The current practice of the Company is for the Executive Directors to be remunerated by taking into consideration their experience, responsibilities and contributions to ensure that the Company attracts and retains Directors of the quality needed to manage the business of the Group.</p> <p>In addition to travelling allowance for attending meetings, Non-Executive Directors are paid an annual fees which is a fixed sum and not by a commission on or percentage of profits or turnover of the Company.</p> <p>The fees of Directors and any benefits payable to Non-Executive Directors will be subjected to shareholders' approval at the Company's Annual General Meeting.</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 6.2

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.

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| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Board of TPC Plus Berhad has established a Nomination Committee and a Remuneration Committee on 11 May 2004 which were subsequently merged as the Nomination and Remuneration Committee effective from 20 April 2012.</p> <p>The Nomination and Remuneration Committee comprises the following persons who are all Independent Non-Executive Directors:</p> <ol style="list-style-type: none">1. YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop2. Mr Liang Ah Lit @ Nyah Chung Mun3. Mr Chong Chee Siong4. Mr Chong Peng Khang <p>The Nomination and Remuneration Committee is chaired by YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop.</p> <p>The Nomination and Remuneration Committee Charter which sets out, among others, the responsibilities of the Nomination and Remuneration Committee is published on the Company's website, www.tpc.com.my</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

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.

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| Application : | Applied | | | | | | | | |
| Explanation on application of the practice : | The remuneration details of each Director on a named basis for the financial year ended 31 December 2020 are as follows: | | | | | | | | |
| | | TPC Plus Berhad (RM'000) | | | | | | | |
| | | <u>Fees</u> | <u>Salary</u> | <u>Bonus</u> | <u>EPF</u> | <u>SOCSO</u> | <u>EIS</u> | <u>Allowance</u> | <u>Total</u> |
| | Executive Directors | | | | | | | | |
| | Lim Yew Chua | - | - | - | - | - | - | - | - |
| | Lim Yew Kwang | - | - | - | - | - | - | - | - |
| | Lim Yew Piau | - | - | - | - | - | - | - | - |
| | Non-Executive Directors | | | | | | | | |
| | Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop | 32.40 | - | - | - | - | - | 1.70 | 34.10 |
| | Liang Ah Lit @ Nyah Chung Mun | 32.40 | - | - | - | - | - | 1.70 | 34.10 |
| | Chong Chee Siong | 32.40 | - | - | - | - | - | 1.70 | 34.10 |
| | Chong Peng Khang | 32.40 | - | - | - | - | - | 1.70 | 34.10 |
| | | Subsidiaries of TPC Plus Berhad (RM'000) | | | | | | | |
| | | <u>Fees</u> | <u>Salary</u> | <u>Bonus</u> | <u>EPF</u> | <u>SOCSO</u> | <u>EIS</u> | <u>Allowance</u> | <u>Total</u> |
| | Executive Directors | | | | | | | | |
| | Lim Yew Chua | 32.40 | 120 | - | 14.40 | 0.829 | 0.095 | - | 167.72 |
| | Lim Yew Kwang | 32.40 | 120 | - | 14.40 | 0.829 | 0.095 | - | 167.72 |
| | Lim Yew Piau | 32.40 | 120 | - | 14.40 | 0.829 | 0.095 | - | 167.72 |
| | Non-Executive Directors | | | | | | | | |
| | Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop | - | - | - | - | - | - | - | - |
| | Liang Ah Lit @ Nyah Chung Mun | - | - | - | - | - | - | - | - |
| | Chong Chee Siong | - | - | - | - | - | - | - | - |
| | Chong Peng Khang | - | - | - | - | - | - | - | - |

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| Explanation on application | Pursuant to Section 230(1) of the Companies Act 2016, fees and benefits payable to the Directors of the Company will have to be approved by the shareholders at a general meeting and as such shareholders' approval will be sought at the Company's |
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| of the practice (Cont'd) | forthcoming 18th Annual General Meeting for the payment of the above Directors Fees. The travelling allowance paid to Non-Executive Directors for the financial year ended 31 December 2020 was approved by the shareholders at: 1. The 16th Annual General Meeting held on 30 May 2019 for allowance paid from 1 January 2020 to 22 July 2020; and 2. The 17th Annual General Meeting held on 22 July 2020 for allowance paid from 23 July 2020 to 31 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

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.

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| Application | : | Departure |
| Explanation on application of the practice | : | |
| Explanation for departure | : | <p>The Company has identified its Top 5 Senior Management as follows:</p> <ol style="list-style-type: none"> 1. Mr Lim Yew Chua, Managing Director 2. Mr Lim Yew Kwang, Executive Director 3. Mr Lim Yew Piau, Executive Director 4. Mr Cham Chee Song, Feedmill Manager 5. Mr Lim Chin Yoong, Senior Grading Store Supervisor <p>The breakdown of the remuneration of the 3 Executive Directors on a named basis are disclosed under Practice 7.1 above.</p> <p>The Board has opted not to disclose on a named basis the other 2 Senior Management's remuneration in the bands of RM50,000 as the Board is of the view that the disclosure of such information may put the Company in a disadvantage position given the keen competition for talent in the industries which the Group operates.</p> <p>On top of that, the Company is not able to obtain consent from the 2 Senior Management personnel for the disclosure of their personal data to the public at large.</p> |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | |
| Measure | : | |
| Timeframe | : | |

Intended Outcome

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 | : | Mr Chong Peng Khang, a Chartered Accountant of the Malaysian Institute of Accountants and a fellow member of the Association of Chartered Certified Accountants, is the Chairman of the Audit Committee. The chairmanship of the Board is held by another Independent Non-Executive Director i.e. YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop. |
| 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>It is stated in the Company's Audit Committee Charter that a former key audit partner must observe a cooling-off period of at least two years before he can be appointed as a member of the Audit Committee.</p> <p>So far, no former key audit partner was appointed as a Director of the Company nor as a member of any Board Committee.</p> <p>The Audit Committee Charter can be found on the Company's website, www.tpc.com.my</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 Board of Directors has approved and adopted an External Auditors Assessment Policy which covers the selection and appointment of External Auditors, annual assessment, independence and non-audit engagement.</p> <p>The Audit Committee has during the financial year ended 31 December 2020 evaluated the suitability, objectivity and independence of the Company's External Auditors, Crowe Malaysia PLT, by using the External Auditor Evaluation Form provided in the 3rd Edition Corporate Governance Guide.</p> <p>The Audit Committee is satisfied with the outcome of the evaluation and is of the opinion that Crowe Malaysia PLT is independent and suitable to continue to act as the Company's External Auditors.</p> <p>The Audit Committee had recommended to the Board of Directors to endorse the re-appointment of Crowe Malaysia PLT as the Company's External Auditors for the financial year ending 31 December 2021 at the forthcoming 18th Annual General Meeting.</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 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

| | | |
|--|---|---|
| Application | : | Adopted |
| Explanation on adoption of the practice | : | <p>The appointment of the Audit Committee members was made in accordance with the Audit Committee Charter which states that all members of the Committee shall be Non-Executive Directors with a majority being Independent Directors.</p> <p>All the following Audit Committee members appointed by the Board are Independent Non-Executive Directors:</p> <ol style="list-style-type: none">1. Mr Chong Peng Khang (Chairman)2. YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop3. Mr Liang Ah Lit @ Nyah Chung Mun4. Mr Chong Chee Siong |

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 profile of each Audit Committee member is disclosed in the Directors' Profile of the Company's Annual Report.</p> <p>All the Audit Committee members have attended and will continue to attend trainings that will aid them in the discharge of their duties and responsibilities more effectively.</p> <p>The trainings attended by the Audit Committee members during the financial year ended 31 December 2020 are as follows:</p> <table><thead><tr><th><u>Directors</u></th><th><u>Training</u></th></tr></thead><tbody><tr><td>Chong Peng Khang</td><td>Risk Management and Section 17A of the MACC Act</td></tr><tr><td></td><td>Tax Related Measures to Counteract Economic Impact of COVID-19</td></tr><tr><td></td><td>Remote Tax Audit and Investigation due to COVID-19 Disruption</td></tr><tr><td></td><td>COVID-19: Financial Reporting Impacts</td></tr><tr><td></td><td>Responding to COVID-19 – Employers Do's and Don'ts</td></tr><tr><td></td><td>Transfer Pricing Considerations in light of COVID-19</td></tr><tr><td></td><td>Combating COVID-19 with Resilience</td></tr><tr><td></td><td>Impact of COVID-19 – Perspective from China</td></tr><tr><td></td><td>Breach of Fiduciary Duty in a Downturn</td></tr><tr><td></td><td>Comprehensive Tax Updates</td></tr><tr><td></td><td>Captain's Forum: Transformation Towards Recovery</td></tr><tr><td></td><td>Analytics and Big Data for Accountants</td></tr><tr><td></td><td>Anti-Bribery and Corruption Management</td></tr><tr><td></td><td>Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries</td></tr></tbody></table> | <u>Directors</u> | <u>Training</u> | Chong Peng Khang | Risk Management and Section 17A of the MACC Act | | Tax Related Measures to Counteract Economic Impact of COVID-19 | | Remote Tax Audit and Investigation due to COVID-19 Disruption | | COVID-19: Financial Reporting Impacts | | Responding to COVID-19 – Employers Do's and Don'ts | | Transfer Pricing Considerations in light of COVID-19 | | Combating COVID-19 with Resilience | | Impact of COVID-19 – Perspective from China | | Breach of Fiduciary Duty in a Downturn | | Comprehensive Tax Updates | | Captain's Forum: Transformation Towards Recovery | | Analytics and Big Data for Accountants | | Anti-Bribery and Corruption Management | | Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries |
| <u>Directors</u> | <u>Training</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Chong Peng Khang | Risk Management and Section 17A of the MACC Act | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Tax Related Measures to Counteract Economic Impact of COVID-19 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Remote Tax Audit and Investigation due to COVID-19 Disruption | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | COVID-19: Financial Reporting Impacts | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Responding to COVID-19 – Employers Do's and Don'ts | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Transfer Pricing Considerations in light of COVID-19 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Combating COVID-19 with Resilience | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Impact of COVID-19 – Perspective from China | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Breach of Fiduciary Duty in a Downturn | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Comprehensive Tax Updates | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Captain's Forum: Transformation Towards Recovery | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Analytics and Big Data for Accountants | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Anti-Bribery and Corruption Management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | |
|---|---|---|
| | <p>YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop</p> <p>Liang Ah Lit @ Nyah Chung Mun</p> <p>Chong Chee Siong</p> | <p>Corporate Liability – Section 17A of the MACCA 2018 – How to develop adequate procedures as a line of defence for commercial organisation, its directors, partners & top management against corporate liability arising from corruption prosecution</p> <p>Adequate Procedures: Anti-Bribery & Corruption</p> <p>5S Awareness Training HACCP Awareness Training National Budget 2021</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 its overall responsibility for:</p> <ul style="list-style-type: none"> ● determining and approving the risk management policy and framework as well as the Group's risk appetite; ● annual review of the Key Risk Profile of the Group and determine the acceptability of the residual risks of the Group; and ● reviewing the adequacy, effectiveness and integrity of the Group's internal financial controls, operational and compliance controls established by the Management and the effectiveness of internal audit function. <p>The Risk Management Committee and the Audit Committee have been delegated and assigned with the duty to provide assurance to the Board on the adequacy and effectiveness of risk management and internal control systems of the Group respectively.</p> <p>The Risk Management Committee will carry out its duty and responsibility as defined in the Risk Management Committee Charter and will be guided by the Risk Management Framework approved by the Board.</p> <p>The risk management and internal control system put into effect by the Management is an ongoing process in identifying, evaluating and managing significant risks faced by the Group. The Board recognised that such a system is designed to manage and reduce, rather than eliminate, the risks identified to acceptable levels.</p> <p>Therefore, the system of risk management and internal control implemented can only provide reasonable and not absolute assurance against the occurrence of any material misstatement, error or loss.</p> <p>Further information on the Group's risk management and internal control is made available in the Statement on Risk Management and Internal Control of the Company's Annual Report.</p> |
| <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 9.2

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

| | | |
|--|---|---|
| Application | : | Applied |
| Explanation on application of the practice | : | <p>The Company has put in place Risk Management Policy, Risk Management Reporting Structure and Risk Assessment, Communication and Monitoring Processes which were reviewed by the Risk Management Committee and approved by the Board of Directors.</p> <p>The Risk Management Policy sets out, among others, the Group's principles towards risks, risk appetite and the need for ongoing identification, evaluation, management and control of risks.</p> <p>The Risk Management Reporting Structure outlined the risk reporting structure and the respective roles and responsibilities of the committees, working group and officers.</p> <p>The Risk Assessment, Communication and Monitoring Processes provides how risks can be identified, rated, controlled and continuously monitored and reviewed for improvement.. Residual risk heat map is used to identify and evaluate the risks and thereafter decide what actions shall be taken against each risk so as to ensure the residual risks are kept at an acceptable level in the most cost effective manner.</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 9.3 - 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 | : | Adopted |
| Explanation on adoption of the practice | : | The Board has established a Risk Management Committee which comprises a majority of Independent Directors as follows: <ol style="list-style-type: none">1. YBhg. Tan Sri Datuk Seri (Dr.) Abu Seman bin Haji Yusop, Independent Director (Chairman)2. Mr Liang Ah Lit @ Nyah Chung Mun, Independent Director3. Mr Chong Chee Siong, Independent Director4. Mr Chong Peng Khang, Independent Director5. Mr Lim Yew Chua6. Mr Lim Yew Kwang7. Ms Lim Chian Harn |
| | | |

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 Company has outsourced its internal audit function to an independent professional consulting company to assist the Board in reviewing the adequacy and effectiveness of the risk management, internal control and governance processes within the Group.</p> <p>To preserve independence and objectivity, the outsourced internal audit function is not permitted to act on behalf of Management, decide and implement management action plan, perform on-going internal control monitoring activities (except for follow-up on the progress of action plan), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to a member of the Management or an employee.</p> <p>The oversight role of the Audit Committee and the activities taken by the Audit Committee on the internal audit function during the financial year are disclosed in the Statement on Risk Management and Internal Control and the duties and responsibilities of the Audit Committee in relation to internal audit function are set out in the Audit Committee Charter.</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 Audit Committee had during the financial year ended 31 December 2020 evaluated the Internal Auditors by using the Evaluation of Internal Audit Function form adopted from the 3rd Edition of the Corporate Governance Guide.</p> <p>From the evaluation, the Audit Committee was satisfied that the Internal Auditors are independent and have sufficient resources and experience to continue carrying out the internal audit function effectively.</p> <p>The internal audit are carried out, in all material aspect, in accordance with the International Professional Practices Framework (“IPPF”) established by the Institute of Internal Auditors Global (“IIA”).</p> <p>The Engagement Director of the outsourced internal audit function, Mr Pang Nam Ming, is a Certified Internal Auditor (“CIA”) and Certification in Risk Management Assurance (“CRMA”) accredited by the IIA and a professional member of the Institute of Internal Auditors Malaysia (“IIAM”).</p> <p>2 internal audit engagement were carried out during the financial year ended 31 December 2020. Each engagement was carried out by a senior consultant or consultant led by a manager. The whole engagement was oversight by the Engagement Director. All the internal audit personnel are free from any relationships or conflicts of interest which could impair their objectivity and independence.</p> <p>The details of the internal audit function and oversight role of the Audit Committee on the function are disclosed in the Statement on Risk Management and Internal Control including but not limited to the details of the engagement letter, review of the outsourced internal audit function’s resources and continuous professional developments.</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's Annual General Meeting remains the principal forum for dialogue and interaction with shareholders during which the shareholders may seek clarifications and comment on the Group's businesses and financial performance.</p> <p>Other than Annual General Meeting, material information and updates, quarterly financial results, Circular to Shareholders and Annual Report are disseminated to shareholders, other stakeholders and the public at large via announcements to Bursa Malaysia Securities Berhad. These information are accessible through Bursa's and the Company's website.</p> <p>In conserving the environment and to improve sustainability, printed copies of the Company's Circular to Shareholders and Annual Report will only be sent out to shareholders upon request.</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 11.2

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 | : | TPC Plus Berhad is not a Large Company as defined in the Malaysian Code on Corporate Governance. | |
| <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 12.1

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

| | | | |
|--|---|--|--|
| Application | : | Departure | |
| Explanation on application of the practice | : | | |
| Explanation for departure | | Due to the uncertainties brought about by the COVID-19 pandemic during the financial year ended 31 December 2020, the 17th Annual General Meeting was held as soon as possible when a physical meeting is allowed under strict compliance of standard operating procedures. Therefore, a 21-day notice was given for the 17th Annual General Meeting which is in compliance with the Companies Act 2016, Listing Requirements of Bursa Malaysia Securities Berhad and the Company's Constitution. | |
| <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 | : | Applied | |
| Explanation on application of the practice | : | <p>All the Directors of the Company attended the 17th Annual General Meeting held on 22 July 2020.</p> <p>The respective chairman of the Board of Directors and Board Committees were present at the 17th Annual General Meeting to answer and explain all questions and matters raised at the said meeting.</p> | |
| Explanation for departure | : | | |
| | | | |
| <i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i> | | | |
| Measure | : | | |
| Timeframe | : | | |

Intended Outcome

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

Practice 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 | : | <p>The 17th Annual General Meeting (“AGM”) was the only general meeting held during the financial year ended 31 December 2020 and it was held physically.</p> <p>The Company did not have a large number of shareholders, only 1,521 as at 31 March 2020. The shareholders were encouraged to appoint the Chairman of the 17th AGM as their proxy to vote according to their wishes as indicated in their proxy forms. The proxy forms may be submitted to the Company electronically via email.</p> <p>Members who wished to raise any questions in relation to any items on the Agenda of the 17th AGM were able to do so by submitting their questions electronically via email to the Company before the AGM.</p> <p>The outcome of the AGM and a summary of the key matters discussed at the AGM were announced on the same day and made available at the Company’s website.</p> <p>Despite having a general meeting arranged as aforesaid, the Company may in future explore the possibility of engaging an outside party who has the expertise and technology which can assist the Company in conducting virtual general meetings including voting in absentia and remote participation.</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 | : | |

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

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

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