

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 0211  
**COMPANY NAME** : TASHIN HOLDINGS BERHAD  
**FINANCIAL YEAR** : December 31, 2023

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

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

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The Board of Directors (“Board”) comprises ten (10) members with wide and varied backgrounds and experiences in different fields and industries.</li> <li>• The roles and responsibilities of the Board are clearly set out in the Board Charter and disclosed in the Corporate Governance Overview Statement in the Annual Report 2023.</li> <li>• The Board takes full responsibility for the overall performance of the Company and its subsidiaries (“the Group”). The duties and responsibilities of the Board include determining the Group’s overall business plan, performing periodic reviews of the business and financial performance and adopting and implementing risk management and internal control systems within the Group.</li> <li>• The Board has delegated specific responsibilities to the following Board Committees:-             <ol style="list-style-type: none"> <li>I. Audit Committee;</li> <li>II. Nomination Committee;</li> <li>III. Remuneration Committee;</li> <li>IV. Risk Management Committee; and</li> <li>V. Sustainability Committee</li> </ol> </li> <li>• The terms of reference of the various Board Committees as approved by the Board are available on the Company’s corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a>.</li> </ul>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• Dato' Kalsom binti Abd. Rahman is an Independent Non-Executive Chairperson of the Company who is responsible for the overall leadership and efficient operation of the Board.</li><li>• The key roles of the Chairperson as set out in the Board Charter include amongst others, the following:-<ul style="list-style-type: none"><li>- Leading the Board in setting the values and standards of the Company and the Group;</li><li>- Ensuring the provision of accurate, timely and clear information to the Directors;</li><li>- Ensuring the integrity and effectiveness of the governance process of the Board;</li><li>- Arranging regular evaluations of the performance of the Board, Board Committees and individual Directors;</li><li>- Facilitating the effective contributions of the Directors; and</li><li>- Performing other responsibilities assigned by the Board from time to time.</li></ul></li></ul> <p>The Chairperson, in consultation with the Managing Director and the Company Secretaries, sets the agenda for the Board meetings and ensures that all relevant issues are on the agenda.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The positions of the Chairperson and the Managing Director are held by two (2) different individuals.</li> <li>• The Chairperson, Dato’ Kalsom binti Abd. Rahman and the Managing Director, Mr. Lim Choon Teik, both hold separate position and their respective roles and responsibilities are governed by the Board Charter.</li> <li>• The roles and responsibilities of the Chairperson and the Managing Director are made clearly distinct to ensure the balance of power and authority between the Chairperson and the Managing Director.</li> <li>• The Chairperson is responsible for the overall leadership and governance of the Board while the Managing Director oversees the day-to-day management and running of the Group’s business operations and the implementation of the Board’s decisions and policies.</li> </ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b>	: Departure
<b>Explanation on application of the practice</b>	:
<b>Explanation for departure</b>	: The Chairperson of the Board is also a Chairperson of the Remuneration Committee and a member of the Nomination Committee.
	: The Chairperson is not involved in the management and operational matters of the Company, and she always provides constructive ideas and opinions to the Board and Board Committee based on different perspectives as a Board Chairperson and member of the Board Committee respectively.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	: Choose an item.

### Intended Outcome

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

### Practice 1.5

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The Group engages Securities Services (Holdings) Sdn. Bhd., an external consultant in carrying out the responsibilities of the corporate secretarial matters and provides support to the Board and keeps the Board abreast of changes to Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities") ACE Market Listing Requirements ("AMLR") and statutory requirements.</li><li>• The duties of the Company Secretaries are disclosed in the Corporate Governance Overview Statement in the Annual Report 2023.</li><li>• Both the Company Secretaries, Ms. Chua Siew Chuan and Ms. Chin Mun Yee, have the requisite credentials and are qualified to act as the Company Secretaries pursuant to Section 235(2) of the Companies Act 2016.</li><li>• The Board is satisfied with the performance of the Company Secretaries in providing sound governance advice, ensuring adherence to rules and procedures and advocating corporate governance best practices.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

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

### Practice 1.6

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

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>All Directors are furnished with a comprehensive Board meeting agenda, minutes of meeting and relevant information materials and documents at least five (5) days in advance at each Board meeting. Documents are sent earlier through email before despatching the hardcopy of the meeting materials to allow the Board members to have sufficient time to review and request any further information or clarification prior to the Board meeting.</p> <p>Upon conclusion of the Board meeting, the draft minutes is circulated to the Board for comments and to ensure that the minutes of the meeting accurately reflect the deliberations and decisions of the Board, including whether any Director who has an interest in the matter discussed has abstained from voting or deliberating on a particular matter. Thereafter, the final minutes is confirmed and approved by the Board and signed by the Chairman of the succeeding meeting as a correct record of the proceedings. Arrangements would be made for the Chairman to sign the aforesaid Minutes as a correct record of the proceeding thereof if the Meetings were conducted virtually.</p> <p>The Board Committees meetings attended by all Directors do not affect the objective and independent discussion by the Board Committees. Matters that require objective and independent discussion would be discussed without the presence of the Executive Directors. For example, private meetings with External Auditors. The Board Committees members are free to deliberate and decide on matters relating to the Board Committees meetings without undue influence from Executive Directors.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.

<b>Timeframe</b>	:	Choose an item.	
------------------	---	-----------------	--

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The Board Charter sets out the roles and responsibilities of the Board, Board committees, individual Directors and Management as well as Management limitations.</li> <li>• The Board Charter was adopted by the Board on 17 April 2018 and further revised on 15 December 2023.</li> <li>• The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board’s responsibilities. Any subsequent amendments to the Board Charter can only be approved by the Board.</li> <li>• The Board Charter is available on the Company’s corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a>.</li> </ul>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• In ensuring that all Directors commit to upholding ethical values and conduct that promotes sincerity and integrity, the Board had adopted the Code of Conduct and Ethics (“the Code”) which applies to all the Directors of the Group during the conduct of businesses of the Group.</li><li>• In addition, all Executive Directors of the Group are required to observe and comply with the Code of Conduct for Workplace which is issued by the Human Resources department.</li><li>• All Directors shall be accountable for full compliance with the Code. In the event of any violation of the Code, the Board shall take necessary actions to rectify the non-compliance or violation.</li><li>• The Code is available on the Company’s corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a>.</li><li>• The Board had also adopted the Anti-Bribery and Anti-Corruption (“ABAC”) Policy &amp; Guidelines to uphold the Group’s effort and commitment to ensure adequate and standardised ABAC Policy &amp; Guidelines are consistently applied throughout the Group by the staff and business operations within the Group and to adhere strictly to the ABAC Policy &amp; Guidelines.</li><li>• The ABAC Policy &amp; Guidelines is available on the Company’s corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a>.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The Whistleblowing Policy was established and approved by the Board to uphold the Group's effort and commitment to doing business with ethics of honesty and integrity, henceforth, providing a transparent and confidential process for handling the whistleblowing reports.</li><li>• The Whistleblowing Policy aims to provide a structured mechanism for its employees, Directors and associates to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Group and to provide reassurance that they shall be protected from reprisals or victimisation for whistleblowing in good faith.</li><li>• The Whistleblowing Policy is available on the Company's corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a>.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 4.1

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

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has established a Sustainability Committee on 15 December 2023. The Board with the assistance of the Sustainability Committee together with Management will plan and implement sustainability governance architecture that covers the following areas:- <ul style="list-style-type: none"><li>• Approving sustainability policy and framework;</li><li>• Ensure business strategy considers sustainability;</li><li>• Evaluate overall sustainability risks and opportunities; and</li><li>• Provide leadership over the implementation of the sustainability agenda.</li></ul>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company’s sustainability policy and framework, Environmental, Social and Governance strategies, priorities and targets as well as performance against these targets is available on the Company’s corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a> .	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.3**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board had undertaken the relevant training to stay abreast with and understand the sustainability issues relevant to the Company and its businesses, including climate-related risks and opportunities.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.4**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company has enhanced its Board and Board Committees Performance Evaluation Form by including questionnaires on Environmental, Social and Governance issues.</p> <p>As part of the sustainability initiative, the Company has also enhanced the performance evaluation of its senior management by including sustainability-related key performance indicators.</p> <p>The responsibility to execute the identified action plans for all the sustainability matters will be assigned to specific departments and/or individuals for execution and thereafter, Management will track its progress and compile the results accordingly.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.5- Step Up**

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

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

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

## Intended Outcome

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

## Practice 5.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board with the assistance of the Nomination Committee has codified the need for periodic review and refreshing of the Board so as to ensure that the composition is in line with the best interests of the Company and better practices of corporate governance.</p> <p>For the purpose of determining the eligibility of the Directors to stand for re-election at the forthcoming Seventh Annual General Meeting ("AGM") of the Company, the Board through its Nomination Committee undertakes a formal evaluation to determine the eligibility of each retiring Director in line with Practice 6.1 of the Malaysian Code on Corporate Governance, which include the following:</p> <ul style="list-style-type: none"><li>(i) Contribution and performance of each individual Director; and</li><li>(ii) Fit and proper assessment.</li></ul> <p>Based on the results of the abovementioned evaluations, the Board considered the performance of Dato' Toh Yew Peng, Mr. Toh Yew Seng, Mr. Koay Kah Ee and Mr. Foong Kok Chuin (each referred to as "retiring Director") to be effective. The retiring Directors were able to meet the Board's expectations in terms of experience, expertise, integrity, competency, participation and contribution. Each retiring Director demonstrates commitment to the role and has sufficient time to meet his commitment to the Company. The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the meeting of the Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
------------------	---	--	--

**Intended Outcome**

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

**Practice 5.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board presently comprises ten (10) Board members i.e., one (1) Executive Director, one (1) Managing Director, three (3) Non-Independent Non-Executive Directors and five (5) Independent Non-Executive Directors including the Independent Non-Executive Chairperson.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.3

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• During the financial year under review, none of the Independent Non-Executive Directors of the Company has served the Company for a cumulative term of more than nine (9) years.</li><li>• In the event that the Director is to remain as an Independent Non-Executive Director after the ninth (9<sup>th</sup>) year, the Company shall first justify the Director's independence and obtain annual shareholders' approval through a two-tier voting process.</li><li>• The Nomination Committee is responsible for conducting a review to determine whether a Director can continue to be independent if the tenure of the Independent Non-Executive Director exceeds the cumulative term of nine (9) years. Thereafter, the Nomination Committee shall recommend to the Board for recommendation to the shareholders on the retention of the aforesaid Independent Non-Executive Director, if he/she so met the independence guidelines as set out in Chapter 1 of Bursa Malaysia Securities AMLR.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

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

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

### Intended Outcome

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

### Practice 5.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• Appointment of the Board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.</li><li>• The Nomination Committee which comprises exclusively Independent Non-Executive Directors is responsible for making recommendations relating to any new appointment of Director to the Board and key senior management personnel. Any new nomination received by the Nomination Committee is to be assessed and reviewed by the Nomination Committee with appropriate selection criteria and processes and to identify candidates for directorships of the Company, members of the relevant Board Committees and key senior management personnel prior to recommendation to the Board for their assessment and approval.</li><li>• The Nomination Committee assesses the suitability of the candidates by taking into consideration the mix of skills, knowledge, expertise and experience, competencies, time commitment, fit and proper and professionalism required by the Board.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

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

### Practice 5.6

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Company does not solely rely on the recommendations from the existing Board members or Management in the process of appointing new Directors of the Company but adopts an approach to utilise independent sources throughout the recruitment process.  Formal and transparent procedures would be conducted by the Nomination Committee in assessing the candidate before he/she is recommended to the Board for assessment and approval.  During the financial year under review, the Company did not appoint any new Director to the Board of the Company.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The details of the Directors seeking re-election are set out in their respective Directors' Profile and the statement to support the re-election of the Directors is set out in the Notice of the Seventh AGM of the Company.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.8**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The Nomination Committee comprises exclusively Independent Non-Executive Directors and is chaired by Mr. Sim Puei Chun, the Senior Independent Non-Executive Director of the Company.</li> <li>• The terms of reference of the Nomination Committee is available on the Company's corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a>.</li> </ul>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Currently, the Company comprises two (2) female Directors out of ten (10) Directors, representing 20% of the total Boardroom.	
		The Board affirms that the appointment of more woman representatives to the Board and senior management will be prioritised when vacancies arise and when suitable candidates are identified.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	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 5.10**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<ul style="list-style-type: none"> <li>• The Board acknowledges the importance of gender diversity for the Board and senior management. However, the Board does not have any Gender Diversity Policy and has not set a gender diversity target as of the reporting period of this report.</li> </ul>	
		<ul style="list-style-type: none"> <li>• The recruitment and appointment of suitable female representations on the Board and senior management will be considered when vacancies arise or suitable candidates are identified in line with the Group's strategic objectives.</li> </ul>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

## Intended Outcome

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

## Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <ul style="list-style-type: none"><li>• A formal evaluation process is in place to assess the effectiveness of the Board as a whole. The Board through the Nomination Committee undertakes the following annual assessments once a year:-<ul style="list-style-type: none"><li>- The Board and Board Committees' performance evaluation;</li><li>- Self-performance evaluation;</li><li>- Audit Committee performance assessment questionnaires; and</li><li>- Independence of the Independent Non-Executive Directors.</li></ul></li><li>• Results of the aforesaid evaluations are presented to the Nomination Committee and the Board.</li><li>• Overall, the Board Committees, individual Directors, individual Audit Committee members and the Board as a whole had performed fairly well and had discharged their duties with care and diligence.</li><li>• The independence of the Independent Non-Executive Directors of the Company had been fulfilled in accordance with Bursa Malaysia Securities AMLR and would not impede their independence in carrying out their duties in the respective Board and Board Committees.</li></ul>
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 7.1

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The Board had adopted a Remuneration Policy setting out the criteria for determining the remuneration packages for the Directors and senior management, which takes into account the demands, complexities and performance of the Company as well as the skills and experience required.</li> <li>• This Remuneration Policy is to be reviewed by the Remuneration Committee on a periodic basis and any requirement for amendments to the aforesaid Policy shall be deliberated by the Remuneration Committee and thereafter, present the proposed revisions to the Board for approval.</li> <li>• The Remuneration Policy is available on the Company’s corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a>.</li> </ul>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 7.2

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The Remuneration Committee comprises exclusively three (3) Independent Non-Executive Directors.</li><li>• The duties and responsibilities of the Remuneration Committee as stated in its terms of reference, include but are not limited to the following:-<ul style="list-style-type: none"><li>• To recommend a framework of remuneration for Directors, Managing Director and key senior management personnel for the Board's approval. There should be a balance in determining the remuneration package, which should be sufficient to attract and retain Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including Director's fees, salaries, allowances, bonuses, options and benefit-in-kinds.</li><li>• To recommend specific remuneration packages for the Executive Director and the Managing Director. The remuneration package should be structured such that it is competitive. Salary scales drawn up should be within the scope of the general business policy and not be dependent on short-term performance to avoid incentives for excessive risk-taking. As for Non-Executive Directors and Independent Non-Executive Directors, the level of remuneration should be linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board.</li><li>• To ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of Executive Directors, Management and staff.</li></ul></li></ul>

	<ul style="list-style-type: none"> <li>The terms of reference of the Remuneration Committee is available on the Company's corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a>.</li> </ul>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 8.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The details of the remuneration of Directors of the Company comprising remuneration received/receivable from the Company and its subsidiaries during the financial year ended 31 December 2023 are as follows:-

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Kalsom binti Abd. Rahman	Independent Director	44	3	-	-	-	-	47	44	3	-	-	-	-	47
2	Mr. Sim Puei Chun	Independent Director	33	3	-	-	-	-	36	33	3	-	-	-	-	36
3	Madam Khaw Chooi Kee	Independent Director	36	3	-	-	-	-	39	36	3	-	-	-	-	39
4	Encik Rusdy bin Ishak	Independent Director	33	3	-	-	-	-	36	33	3	-	-	-	-	36
5	Ir. Tan Tiong Ben	Independent Director	33	3	-	-	-	-	36	33	3	-	-	-	-	36
6	Dato' Toh Yew Peng	Non-Executive Non-Independent Director	33	3	-	-	-	-	36	54	3	-	-	-	-	57
7	Mr. Toh Yew Seng	Non-Executive Non-Independent Director	33	3	-	-	-	-	36	54	3	-	-	-	-	57
8	Mr. Koay Kah Ee	Non-Executive Non-Independent Director	33	3	-	-	-	-	36	33	3	-	-	-	-	36
9	Mr. Lim Choon Teik	Executive Director	33	3	-	-	-	-	36	60	3	624	104	28	98	917
10	Mr. Foong Kok Chuin	Executive Director	33	3	-	-	-	-	36	33	15	504	84	18	82	736
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

### Intended Outcome

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

### Practice 8.2

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

<b>Application</b>	:	Departure								
<b>Explanation on application of the practice</b>	:									
<b>Explanation for departure</b>	:	<p>The Company had disclosed the top five (5) senior management's remuneration components in bands width of RM50,000.00 but not on a named basis as the Board is of the view that the detailed disclosures of individual remuneration information are sensitive and proprietary.</p> <p>For the financial year ended 31 December 2023, the senior management's remuneration components including salary, bonus, benefit-in-kind and other emoluments in bands of RM50,000.00 are shown below:</p> <table border="1" data-bbox="502 1198 1396 1456"> <thead> <tr> <th>Range of remuneration (RM)</th> <th>No. of senior management</th> </tr> </thead> <tbody> <tr> <td>400,001 - 450,000</td> <td>2</td> </tr> <tr> <td>450,001 - 500,000</td> <td>2</td> </tr> <tr> <td>500,001 - 550,000</td> <td>1</td> </tr> </tbody> </table> <p>Note: Successive bands of RM50,000.00 are not shown entirely as they are not represented.</p> <p>The Board through the Remuneration Committee will ensure that the remuneration of the senior management is commensurate with their key performance achievements and the performance of the Company.</p>	Range of remuneration (RM)	No. of senior management	400,001 - 450,000	2	450,001 - 500,000	2	500,001 - 550,000	1
Range of remuneration (RM)	No. of senior management									
400,001 - 450,000	2									
450,001 - 500,000	2									
500,001 - 550,000	1									
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>										
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.								
<b>Timeframe</b>	:	Choose an item.								

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

**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairperson of the Audit Committee, Madam Khaw Chooi Kee, is not the Chairperson of the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• None of the Audit Committee members was a former partner of the external audit firm of the Company i.e., the former partners of the audit firm and/or affiliate firm (including those providing advisory services, tax consulting, etc.).</li><li>• The Company has revised its terms of reference of the Audit Committee on 21 February 2022 to require a former partner of the external audit firm of the Company to observe a cooling-off period of at least three (3) years before being eligible to be appointed as a member of the Audit Committee.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The Audit Committee assessed the performance, competency and professionalism demonstrated by the external auditors during the financial year under review.</li><li>• Based on the annual assessment conducted for the financial year ended 31 December 2023, the Audit Committee is satisfied with the performance and independence of the external auditors as well as the fulfilment of criteria based on several factors, including independence of the external auditors, quality of audit review procedures and adequacy of the firm's expertise and its resources to carry out the audit work that they are tasked with.</li><li>• The Audit Committee obtained the assurance of independence from the external auditors as well as assessed and recommended the audit fees payable to the external auditors to the Board for approval.</li><li>• The Audit Committee considered and assessed the independence and objectivity of the external auditors during the financial year under review and also prior to engaging the external auditors for non-audit related services.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Audit Committee of the Company is comprised solely of the following Independent Non-Executive Directors:-  (a) Madam Khaw Chooi Kee (Chairperson); (b) Encik Rusdy bin Ishak; and (c) Ir. Tan Tiong Ben.

## Intended Outcome

There is an effective and independent Audit Committee.

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

## Practice 9.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>All members of the Audit Committee are financially literate and have the relevant accounting, finance and/or related financial experience and expertise to effectively discharge their duties.</li> <li>The qualifications and experience of the individual Audit Committee members are disclosed in the Directors' Profile segment in the Annual Report 2023.</li> <li>All members of the Audit Committee have attended the relevant training to stay abreast of relevant developments in accounting and auditing standards, practices and rules.</li> <li>The trainings and courses attended by the members of the Audit Committee are disclosed in the Annual Report 2023.</li> </ul>
<b>Explanation for departure</b>	:	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

**Intended Outcome**

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

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

**Practice 10.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The Group has in place an effective risk management and internal control framework to identify and assess the risks faced by the Group and also to implement and monitor control actions to manage and mitigate risks identified by the Risk Management Committee.</li> <li>• The Risk Management Committee assists the Board in continuously reviewing the activities of the Group to identify key business and operational risks, implement policies and procedures to address such risks and present the risk management reports to the Board for deliberations.</li> </ul>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

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

### Practice 10.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All subsidiaries have their own Risk Management Unit to review, monitor and assess the risk portfolio composition of significant activities within each subsidiary. The Risk Management Unit provides the Risk Management Committee with periodical reports on the status of risk management in the individual subsidiaries. The Risk Management Committee reviews the Group’s overall risks by assessing the adequacy and effectiveness of the risk portfolio composition and risk mitigation controls to determine the desired exposures of each major area of risk on a periodic basis. The risk management reports are further presented to the Board for their deliberations.</p> <p>The internal control system is devised to cater to the needs of the Group as well as risk management and such controls by their nature could only provide reasonable assurance but not absolute assurance against material misstatement or loss.</p> <p>Detailed information on the Risk Management and Internal Control framework can be obtained from the Statement of Risk Management and Internal Control segment in the Annual Report 2023.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### **Intended Outcome**

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

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

### **Practice 10.3 - Step Up**

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

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Risk Management Committee of the Company is comprised solely of the following Independent Non-Executive Directors:-  (a) Encik Rusdy bin Ishak (Chairman); (b) Madam Khaw Chooi Kee; and (c) Ir. Tan Tiong Ben.

### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The internal audit function is outsourced to Kloo Point Risk Management Services Sdn. Bhd., an independent professional service firm to conduct regular reviews in accordance with the internal audit plan or other ad-hoc assignments that are approved by the Audit Committee, and to assess the adequacy, efficiency and effectiveness of the Group's internal control system.</li><li>• The internal audit function reports directly to the Audit Committee and meets the Audit Committee on a half-yearly basis to review the internal audit findings and to discuss the corrective action plans in order to ensure that the control weaknesses highlighted in the internal audit reports are appropriately addressed by Management.</li></ul> <p>Detailed information related to the internal audit function can be obtained from the Audit Committee Report and Statement of Risk Management and Internal Control segments in the Annual Report 2023.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

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

## Practice 11.2

The board should disclose–

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The internal audit function is outsourced to Kloo Point Risk Management Services Sdn. Bhd., an external professional firm and the personnel handling the Group’s audit are free from any relationship or conflict of interest, which could impair their objectivity and independence.</li> <li>• Mr. Khor Ben Jin, Executive Director of Kloo Point Risk Management Services Sdn. Bhd. is the Engagement Director responsible for the internal audit of the Company. He is a Certified Internal Auditor, Fellow Member of the Association of Chartered Certified Accountants, Chartered Accountant of the Malaysian Institute of Accountants and Chartered Member of the Institute of Internal Auditors Malaysia.</li> <li>• The internal audit is conducted using a risk-based approach in accordance with the Standards for the Practice of Internal Auditing issued by the Institute of Internal Auditors.</li> <li>• More information on the internal audit function can be obtained from the Statement of Risk Management and Internal Control segment in the Annual Report 2023.</li> </ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The annual reports, circulars, general meetings, press releases, quarterly financial results and timely announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance. These form an important channel of communication to reach the stakeholders.</li><li>• The Board also ensures that the stakeholders are given the opportunity to speak and seek clarifications during the Company's AGM for effective and transparent communications with its stakeholders.</li><li>• The Company regularly updates the Group's corporate website at <a href="http://www.tashin.com.my">www.tashin.com.my</a> for the stakeholders and general public to access information on amongst others, the Group's corporate profile, products, financial performance, announcements published on Bursa Malaysia Securities' website, Board Charter, Board Committees' terms of reference and corporate information.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 12.2**

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

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

**Intended Outcome**

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

**Practice 13.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Notice of the Seventh AGM of the Company was issued on 30 April 2024, at least twenty-eight (28) days prior to the date of the AGM of the Company scheduled to be held on 6 June 2024.</p> <p>The Notice of AGM includes the details of the proposed resolutions and the explanatory notes to enable shareholders to make an informed decision in exercising their voting rights.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>All the Directors of the Company, including the Chair of the Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee attended the Sixth AGM of the Company held on 8 June 2023.</p> <p>The Board would ensure that all the Directors of the Company attend all future AGMs of the Company and provide responses if there are any questions addressed to them.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.3**

Listed companies should leverage technology to facilitate–

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company’s AGM will be held virtually via an online platform where shareholders will be able to submit proxy forms electronically; register for remote participation and voting at the AGM; attend and participate at meetings remotely via live streaming; and vote online remotely on resolutions tabled at the AGM of the Company.</p> <p>The Company has also undertaken the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Chairman of the Board via an online platform provides shareholders ample time to submit questions and questions are responded to by the Board members and senior management.</p> <p>As guided by the Securities Commission Malaysia, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders, proxies and/or corporate representatives shall communicate with the main venue of the virtual general meeting of the Company via real-time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the virtual general meeting of the Company as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders, proxies and/or corporate representatives may email their questions to <a href="mailto:eservices@sshb.com.my">eservices@sshb.com.my</a> during the virtual general meeting. The questions and/or remarks submitted by the shareholders, proxies and/or corporate representatives will be broadcast and responded to by the Chairman/Board/relevant advisers during the virtual general meeting. In the event of any unattended questions and/or remarks submitted, the Company will respond to the said unattended questions and/or remarks after the virtual general meeting via email.</p> <p>Corporate video and presentation by the Executive Director/Chief Financial Officer at the general meeting would allow the shareholders to have a better understanding of the Group's activities and financial performance.</p>
<b>Explanation for departure</b>	:  

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

<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

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

### Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: On 8 June 2023, the Company had conducted its Sixth AGM virtually by engaging SS E Solutions Sdn. Bhd. as the service provider for the Remote Participation and Voting facilities.  Upon taking into consideration the stability and cost of the meeting platform then, the Company has decided to engage SS E Solutions Sdn. Bhd.  All shareholders, proxies and/or corporate representatives can rely on real-time submission of typed texts to exercise their rights to speak or communicate in a virtual meeting by submitting questions or remarks in relation to the agenda items into the text box given in the live stream player via Securities Services e-portal.  The questions received from shareholders were read out and made visible to all meeting participants during the Sixth AGM of the Company.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**Intended Outcome**

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

**Practice 13.6**

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The minutes of the Sixth AGM of the Company held on 8 June 2023 was uploaded to the Company's corporate website within thirty (30) business days after the AGM of the Company. It is accessible at <a href="https://tashin.com.my/general-meeting/">https://tashin.com.my/general-meeting/</a> .
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**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.*

Click or tap here to enter text.

