

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 5167  
**COMPANY NAME** : TURBO-MECH BERHAD  
**FINANCIAL YEAR** : December 31, 2022

## 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>	:	<p>The Board of Directors ("<b>Board</b>") of Turbo-Mech Berhad ("<b>Turbo</b>" or the "<b>Company</b>") is accountable and responsible for the overall performance and affairs of the Company by overseeing and appraising the Company's strategies, policies, performance, future expansion, corporate governance, risk management, investments made by the Company and the proper conduct of business of the Group. While the Management is responsible for day-to-day management and operations of Turbo.</p> <p>In discharging its roles and responsibilities, the Board is guided by the Board Charter which sets out the respective roles of the Board, the Chairman, the Chief Executive Director, Independent Directors and Senior Independent Director.</p> <p>The Board meets regularly to perform its principal responsibilities, amongst others:-</p> <ul style="list-style-type: none"><li>(a) Reviewing and adopting a strategic plan for the Group, addressing the sustainability of the Group's business;</li><li>(b) Overseeing the conduct of the Group's business;</li><li>(c) Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;</li><li>(d) Succession planning for senior management;</li><li>(e) Overseeing the development and implementation of a shareholder communication policy for the Group; and</li><li>(f) Reviewing the adequacy and the integrity of the management information and risk management &amp; internal controls system of the Group.</li></ul> <p>The Board Charter serves as a reference point for Board's activities and promotes good corporate governance. The Board reviews its Board Charter once in every two (2) years and updates the Board Charter to ensure it complies with legislations and best practices, and remains relevant and effective in light of the Board's objectives. The Board</p>

	<p>Charter was last reviewed on 22 March 2022 and is made available on the Company's website at <a href="http://www.turbomech.com.my">www.turbomech.com.my</a>.</p> <p>The Board has established several committees, namely Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee to support and assist in discharging its duties and responsibilities. Each committee operates its functions in accordance with its terms of reference which are periodically reviewed by the Board. The Chairman of the respective Board Committees reports to the Board on key matters deliberated at the respective Board Committee meetings and makes recommendations to the Board for final decision, where necessary.</p> <p>Nevertheless, the Board remains ultimately responsible for corporate governance and the affairs of the Company. While at all times, the Board retains full responsibility for guiding and monitoring the Company, in discharging its responsibilities.</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 1.2

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>	:	<p>The Board of Turbo is led by Mr Gan Kok Ten, who is an Executive Chairman. He was appointed to the Board on 15 October 2009, and subsequently re-designated as Executive Chairman on 24 November 2015. He is also a major shareholder of the Company.</p> <p>His main responsibility is to lead and manage the work of the Board in order to ensure that it operates effectively and fully discharge its role and regulatory responsibilities. He serves as the main liaison person between the Board and the Management. He also chairs the meetings of the Board and the shareholders.</p> <p>Together with the other Non-Executive and Independent Directors, he leads the discussion on the strategies and policies recommended by the Management. In ensuring the effective functioning of the Board, the responsibilities undertaken by the Chairman include, amongst others:-</p> <ul style="list-style-type: none"><li>• leading the Board in the oversight of management;</li><li>• representing the Board to shareholders and chairing general meeting of shareholders;</li><li>• setting the board agenda and ensuring the provision of accurate, timely, complete and clear information to Directors;</li><li>• leading and chairing board meetings and discussions;</li><li>• ensuring appropriate steps are taken to provide effective communication with shareholders and relevant stakeholders and their views are communicated to the Board as a whole;</li><li>• encouraging active participation and allowing dissenting views to be freely expressed;</li><li>• managing the interface between board and Management;</li><li>• leading the board in establishing and monitoring good corporate governance practices in the Company;</li><li>• ensuring the integrity of the governance process and issues;</li><li>• maintaining regular dialogue with the Chief Executive Officer ("CEO") over all operational matters and consulting with the remainder of the Board promptly over any matters that gives him/her cause for major concern;</li><li>• functioning as a facilitator at meetings of the Board to ensure that no member, whether executive or non-executive, dominates discussion, that appropriate discussions takes place and that relevant opinions among members is forthcoming. The Chairman</li></ul>

	<p>will ensure that discussions result in logical and understandable outcomes; and</p> <ul style="list-style-type: none"> <li>ensuring that all Directors are enabled and encouraged to participate in its activities. This includes ensuring that all relevant issues are on the agenda and that all Directors receive timely, relevant information and that they are properly briefed on issues arising at Board meetings.</li> </ul> <p>The detailed roles and responsibilities of the Chairman are encapsulated in the Board Charter which is available on the Company's website at <a href="http://www.turbomech.com.my">www.turbomech.com.my</a>.</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>	:	<p>The Board recognises the importance of exercising objective oversight over Management in order to safeguard the interest of the Company and its stakeholders. Stemming from this, the Board aims to ensure that there is an appropriate balance of power and authority in the Company to prevent any single individual from dominating deliberations and the decision-making process.</p> <p>Appropriately, the role of Chairman and CEO are held by two different individuals. The position of Chairman is held by Mr Gan Kok Ten whilst the position of CEO is held by Encik Nasaruddin Bin Mohamed Ali ("Encik Nasaruddin"). Encik Nasaruddin is also an Executive Director of the Company. He was appointed as Non-Independent Non-Executive Director on 15 October 2009, and subsequently re-designated as an Executive Director on 1 March 2012. He was later appointed as CEO of the Company and the Group on 13 August 2012.</p> <p>The Chairman leads the Board to ensure the Board effectively discharges its leadership, control roles and assists the Board fulfils the goals it sets by assigning specific tasks to members of the Board. He also acts as liaison between the Board and the Management, carries out other duties as requested by the Board as a whole, depending on need and circumstances.</p> <p>The CEO cum Executive Director is responsible for overseeing day-to-day management of the business operations of the Group with powers, discretions and delegations authorised from time to time by the Board. He is accountable for leading the Management team, implementing the decisions approved by the Board, building a dynamic corporate culture with the requisite skills and competency. He is also responsible for developing and recommending to the Board budgets that support the Group's long-term vision and strategy.</p> <p>The respective duties and responsibilities of the Chairman and CEO are clearly articulated in the Board Charter, which is available on the Company's website at <a href="http://www.turbomech.com.my">www.turbomech.com.my</a>.</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

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>	:	Applied
<b>Explanation on application of the practice</b>	:	The Chairman of the Board is not a member of the Audit Committee, Nomination Committee or Remuneration Committee. The Board upholds the Practice of restricting the Chairman of the Board from being a member of the Audit Committee, Nomination Committee or Remuneration Committee.
<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 1.5

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>	:	<p>The Board is supported by two (2) qualified and competent Company Secretaries, namely Ms Tai Yit Chan and Ms Chan Yoke Peng. They are qualified under Section 235(2) of the Companies Act 2016, experienced, and competent in performing their duties.</p> <p>The Board has ready and unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively.</p> <p>The Board is also regularly apprised and advised by both Company Secretaries on statutory and regulatory updates and requirements as well as pertinent governance matters from time to time at Board meetings. In discharging their role as counsels to the Board, the Company Secretaries also ensure proper supply of relevant information as well as the accuracy and adequacy of meeting materials, recording of meeting minutes and resolutions of the Board and Board Committees.</p> <p>The Company Secretaries play an advisory role to the Board in relation to the Company's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, Malaysian Code on Corporate Governance and legislation.</p> <p>The Company Secretaries constantly keep themselves abreast of changes in the realm of corporate governance through attending relevant conferences and training programmes. They have also attended the relevant continuous professional development programmes as required by the Companies Commission of Malaysia or MAICSA for practising Company Secretaries. Detailed information on the functional accountabilities of the Company Secretaries is encapsulated in the Board Charter.</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

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>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has unrestricted access to timely and accurate information, necessary in furtherance of their duties, which is not only quantitative but also such information deemed necessary for instance, products and services qualities, market share, market reaction and environmental performance.</p> <p>To facilitate the Directors' time planning, the 2022 annual meeting calendar was prepared and tabled to the Board at the Board meeting held in November 2021. The Chairman, together with Management and Company Secretary, are responsible for ensuring Directors receive adequate and timely information prior to Board or Board Committee meetings.</p> <p>The Board members are provided with the necessary materials in advance of each Board and Board Committee meetings. Materials provided to the board include but not limited to:-</p> <ul style="list-style-type: none"><li>• Financial reports;</li><li>• Proposals on capital expenditure (if any);</li><li>• Proposals on acquisitions and disposals (if any);</li><li>• Annual budget or Business Plan; and</li><li>• Reports of Board Committees (if any).</li></ul> <p>To ensure the meetings are run in smooth and seamless manner, Board papers and agenda items are circulated at least seven (7) days prior to the meeting.</p> <p>Despite the Movement Control Orders imposed by the Government of Malaysia, the Board meetings proceeded virtually as per schedule in order for the Board members to discharge their duties and responsibilities effectively. All pertinent issues discussed at the Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries.</p> <p>The minutes of Board meetings are prepared within a reasonable period following a Board meeting. The draft minutes are circulated together with the Board papers at the following Board meeting.</p>

	The minutes of meetings records the decisions, including key deliberations, rationale for each decision made and any concerns or dissenting issues. In addition to the provision, the Directors, either as a group or individually, may upon obtaining prior Board's approval seek independent advice, where necessary, at the Company's expenses on any matters in relation to the discharge of their duties.	
<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 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>	:	<p>The Board of Turbo has put in place a Board Charter which serves the board as a primary reference point on governance matters as well as a guideline for newly appointed Directors.</p> <p>The Board Charter covers amongst others, the following matters:-</p> <ul style="list-style-type: none"> <li>• Role and responsibilities of the Board;</li> <li>• Structure of the Board;</li> <li>• Role of the Chairman;</li> <li>• Role of the CEO;</li> <li>• Role of the Management;</li> <li>• Role of the Independent Director;</li> <li>• Role of the Senior Independent Director;</li> <li>• Tenure of Directors;</li> <li>• Role of the Company Secretary;</li> <li>• Role of the Board Committees;</li> <li>• Communication with stakeholders; and</li> <li>• Board structure and procedures.</li> </ul> <p>The Board has reserved a formal schedule of matters for its decision to ensure that the direction and control of the Group is firmly in its hands. This includes strategic issues and planning, formulation of policies, material acquisition and disposal of assets, implementing an appropriate system of risk management, approval of the financial statements, financing and borrowing activities, ensuring regulatory compliance, reviewing the adequacy and integrity of internal controls, overseeing the investment and business of the Group, limit of authority and conflict of interest issue relating to a substantial shareholder or a Director including approving related party transactions.</p> <p>The Board Charter shall be reviewed periodically, and in any event, at least once in every two (2) years to ensure it remains consistent with the Company's objective, latest practise and laws.</p>

	The Board Charter was last reviewed and revised on 22 March 2022 in line with the updated Malaysian Code on Corporate Governance issued on 28 April 2021 and the amendments to the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 19 January 2022. The said Board Charter is available on the Company’s website at <a href="http://www.turbomech.com.my">www.turbomech.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 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>	:	<p>The Company has established a Code of Conduct for Directors and Employees to promote a corporate culture which engenders ethical conduct that permeates throughout the Group.</p> <p>The Code of Conduct covers the following overarching areas:-</p> <ul style="list-style-type: none"><li>▪ Building an ethical culture;</li><li>▪ Ways in managing conflict of interest;</li><li>▪ Responsibilities to Shareholders;</li><li>▪ Relationship with Employees; and</li><li>▪ Health and Safety.</li></ul> <p>In line with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACCA"), and in particular the implementation of the corporate liability provision that took effect on 1 June 2020 and in compliance with the amendments to the MMLR of Bursa Securities in relation to anti-corruption measures, the Board had adopted Anti-Bribery Management System Policy to ensure that it has adequate procedures in place to prevent the occurrence of corrupt practices of its employees and/or any person(s) associated with the Group from undertaking corrupt conduct in relation to the business activities.</p> <p>A copy of the Code of Conduct and Anti-Corruption Policy are available on the Company's website at <a href="http://www.turbomech.com.my">www.turbomech.com.my</a>.</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 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>	:	<p>The Company is committed to the highest standards of professionalism, honesty, integrity and ethical behavior in the conduct of its business and operations. With this, the Whistleblowing Policy has been formulated which applicable to all employees as well as stakeholders of the Company. The Whistleblowing Policy provides a mechanism for employees, customers, vendors, professional advisers and any stakeholders of the Company to report instances of unethical behavior, actual or suspected fraud or dishonesty or violation of the Company's Code of Conduct.</p> <p>The policy outlines the relevant procedures such as when, how and to whom a concern may be properly raised about the genuinely suspected or instances of wrongdoing at the Company and its subsidiaries. The identity of the whistleblower is kept strict confidence and protection is accorded to the whistleblower against any form of reprisal or retaliation. All such concerns shall be set forth in writing and forwarded in a sealed envelope labelling with "Strictly Private and Confidence – To be opened by the Addressee only" to either the Chief Executive Officer or Chairman of the Audit Committee.</p> <p>All communications made in good faith that discloses or demonstrates information that may evidence malpractice or unethical activity should be addressed to the Chairman of the Audit Committee and he will perform the initial investigation in consultation with the Chairman of the Board.</p> <p>The Whistleblowing Policy is made available on the Company's website at <a href="http://www.turbomech.com.my">www.turbomech.com.my</a> and is subject to periodic review by the Board.</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

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.

Application	:	Applied	
Explanation on application of the practice	:	The Board sits at the top of the Company’s sustainability governance structure by setting the directions for sustainability for the Group. The Board is supported by Risk Management Committee and the Chairman of Sustainability Committee which responsible for the implementation of the sustainability strategy and initiatives across the Group. While, the management team will take responsibilities to ensure compliance with environmental and financial regulations, recommendation of action plans to incorporate sustainable practices in engineering operations and monitor economic, environmental and social impacts of engineering operations.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

The 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>	:	<p>Mr Gan Kok Ten, the Chairman of the Risk Management Committee who is also the Executive Chairman of the Group, is responsible for the implementation of the sustainability strategy and initiatives across the Group. He ensures that the Group's strategies, priorities and targets are communicated to internal and external stakeholders and its progress of implementation.</p> <p>The sustainability statement which captures the Group's journey in the sustainability framework acted as our communication channel to our internal and external stakeholders. The Sustainability statement can be found in our Annual Report 2022.</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 4.3

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>	:	<p>The Company is cognisant of the current issues regarding to environmental degradation and climate change. The Group has expanded the management practices in mitigating our Group's environmental impact by including energy, water and waste management in more in-depth approach.</p> <p>The Board continuously keeps themselves abreast of and understanding to the sustainability agendas which are relevant to the Company and its business through periodical updates by the Management as well as training programmes attended by them respectively.</p> <p>In order to equip themselves and enhancing their Environmental, Social and Governance competency, all of them have participated in relevant continuous professional development programmes as detailed on page 36 of the Annual Report 2022.</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 4.4

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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company took cognisance of the fast-changing environment in the industry and has in place processes and procedures to measure internal progress and achievement against sustainability targets.</p> <p>The performance evaluation of the Board and Senior Management for year 2021 included Environmental, Social and Governance (“ESG”) elements and skills and experience required to drive ESG strategy and implementation.</p> <p>The Nomination Committee and the Board are of the view that the current skills matrix is adequate to meet the strategic objectives of the Group. However, greater emphasis is to be placed on ESG strategies and mapping progress against planned objectives.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

The 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>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The Executive Chairman who is also the Chairman of Risk Management Committee and Sustainability Committee, is the designated person responsible for the implementation of the sustainability strategy and initiatives across the Group.</p> <p>He is also responsible for promoting the integration of sustainability impacts and considerations into the Group's risk management framework and ensuring that actions plan developed comply with the strategic organisational objectives.</p>

### 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.

Application	:	Applied	
Explanation on application of the practice	:	The Nomination Committee (“NC”) had reviewed the effectiveness of the Board as a whole and the contribution and performance of each individual Director based on the summary of results from the evaluation completed by the Directors and was satisfied that the Directors have discharged their responsibilities in a commendable manner. The NC was also of the view that all the Directors have contributed to robust deliberations and decision making during the Board and Board Committees meetings. The NC had proposed the re-election of the retiring Directors to the Board for the shareholders’ approval at the Fourteenth Annual General Meeting of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		



### Intended Outcome

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

### Practice 5.2

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

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board currently comprises two (2) Executive Directors (including the Executive Chairman cum Chief Financial Officer and Chief Executive Officer cum Executive Director), three (3) Independent Non-Executive Directors and two (2) Non-Independent Non-Executive Directors. The current Board composition comprises at least three (3) Independent Non-Executive Directors which is in compliance with Paragraph 15.02(1) of the Main Market Listing Requirements (“<b>MMLR</b>”) of Bursa Malaysia Securities Berhad (“<b>Bursa Securities</b>”).</p> <p>Notwithstanding that the current Board composition does not comprise at least half of the Independent Directors, the three (3) Independent Directors together with the Chairman of the Audit Committee and the Nomination Committee who are both Independent Non-Executive Directors are able to exercise strong independent judgment and provide independent views and advices to all Board deliberations. This represents satisfactory alternative to the requirement of the recommended best practice of having at least half of the Board members to be Independent Directors, with appropriate representations of minority interest through the Independent Non-Executive Directors.</p> <p>An annual assessment of independence of the Independent Directors would be conducted on annual basis. Based on the evaluation results, the Board was satisfied that each Independent Director has fulfilled the independence criteria set out in the MMLR of Bursa Securities and they continue to demonstrate their independence through their engagement in all meetings, providing objective challenge to the Management and bringing independent judgment to decisions taken by the Board.</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>	:	The Board has reviewed and discussed the current composition and at an appropriate time to recompose the composition of the Board including appointing an additional independent director to comply with this Practice 5.2 of MCGG.

<b>Timeframe</b>	:	Choose an item.	
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### 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>	:	<p>The Board noted that the tenure of an independent director should not exceed a cumulative term of nine (9) years. The Board is of the view that the ability of long serving independent directors to remain independent and to discharge their duties with integrity and competency should not be measured solely by tenure of service or any pre-determined age.</p> <p>In line with the Board Charter and MCCG, all Independent Directors who have served the Company beyond nine (9) years will submit themselves for annual shareholders' approval through a two-tier voting process at the AGM to be retained as Independent Directors. The recommendation by the Board for retaining such Independent Directors is based on their independence, incumbent knowledge and contributions to the strategic objectives and stewardship of the Company.</p> <p>During financial year 2022, an Independent Director, namely Mr Tam Juat Hong has served on the Board for a cumulative term of more than nine (9) years. The justifications for retention of Mr Tam Juat Hong are provided in the Explanatory Notes to the Notice of Thirteenth Annual General Meeting ("AGM") for shareholders' consideration. At the Thirteenth AGM of the Company held on 23 May 2022, the shareholders approved the retention of Mr Tam Juat Hong as an Independent Director of the Company via two-tier voting.</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>	:		
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**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>	:	<p>The Board recognises that Board diversity optimises decision-making process and has adopted a Diversity Policy to set out the approach to diversity on the Board and workforce of the Group. The Board conducts regular reviews of its composition with the aim to ensure it achieves a diverse Board which is able to unearth a breadth of perspectives. In sourcing for suitable candidates, the Company takes into account the benefits of having different facets of diversity including gender, age, ethnicity, nationality, professional background, skills and experience.</p> <p>The Nomination Committee is responsible to lead the process for the nomination of new Board appointments and making the necessary recommendations. In this respect, the role of the Nomination Committee is detailed in its Terms of Reference, which is accessible for reference on at the Company's website.</p> <p>In making its recommendations to the Board, the Nomination Committee considers and assess the suitability of a new appointment based on objective criteria, including:-</p> <ul style="list-style-type: none"><li>• skills, knowledge, expertise and experience;</li><li>• professionalism;</li><li>• character, integrity, commitment (including time commitment) and competency;</li><li>• boardroom diversity including gender, age and ethnicity diversity; and</li><li>• in the case of candidates for the position of Independent Directors, the Nomination Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Directors.</li></ul> <p>The Board is currently made up of members with a mix of skill sets, knowledge and experience (e.g. accounting, finance, banking, engineering, legal, marketing/sales, taxation, and business management) and age (32-71).</p>

	<p>Each Director is expected to devote sufficient time to the Company in carrying out their duties and responsibilities. In accordance with the MMLR, none of the Board members hold more than five (5) directorships in listed companies to ensure that would not unduly affect their time commitment and responsibilities to the Board for the financial year under review.</p> <p>The Board noted that one of the Board members holds other directorships. However, he is able to commit and devote his time for attending the Board and Board Committees meetings. The Board is satisfied that each Director has devoted sufficient time to discharge his/her responsibilities to serve the Board effectively.</p>	
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<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>	:	<p>The Board appreciates the importance of using a variety of approaches and sources to ensure that it is able to identify the most suitable candidates. In this regard, the Nomination Committee is charged with the responsibility of identifying, selecting and recommending to the Board suitable candidates based on criteria established in the Directors' Fit and Proper Policy for compliance with Para 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>The current process with regards to the appointment of new directors to the board is based on the recommendation from the Nomination Committee. The Board relies on the existing network and referrals from directors and major shareholder as primary means to source for new directors as they represent a tried and tested method of sourcing high-calibre directors with a sound understanding of the business. The Board may also utilise variety of independent sources including directors' registry, industry and professional association, open advertisements and independent search firms to identify suitably qualified candidates, if required.</p> <p>The Directors appointment process is carried out based on a methodical process undertaken by the Nomination Committee. Evaluation of candidates include the review of resumes, reference checks and interviews based on criteria established in the Directors' Fit and Proper Policy for compliance with Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.</p> <p>Detailed information on the process undertaken by the Nomination Committee including its process of identifying and appointing a candidate can be found in the Terms of Reference of the Nomination Committee on the Company's website at <a href="http://www.turbomech.com.my">www.turbomech.com.my</a>.</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 5.7

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.

Application	:	Applied	
Explanation on application of the practice	:	Shareholders are kept informed of the Board’s decision in respect of appointment of director via announcements to Bursa Securities.  The details of Directors who are standing for re-election are set out in page 32 of Annual Report 2022.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 5.8**

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination Committee is chaired by Mr Gordon Yong Lin Fook, the Independent Non-Executive Director of the Company.</p> <p>The Board acknowledges that an effective recruitment and evaluation process of Directors is the bedrock of a high-performing Board. The Board therefore entrusts to Mr Gordon Yong Lin Fook, as an Independent Director, is the most suitable and qualified person to lead the conduct of the process in an objective manner.</p> <p>During the financial year under review, the Chairman of the Nomination Committee has discharged his duties by undertaking the following to:-</p> <ul style="list-style-type: none"><li>• lead the annual reviewing of Board Effectiveness Evaluation, ensuring that the performance of the Board, Board Committees and each individual director is assessed objectively and holistically;</li><li>• lead the assessment of Directors’ training needs periodically with the aim of devising relevant professional development programmes based on such assessment for recommendation to the Board;</li><li>• lead the assessment on the size and composition of the Board.</li></ul>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 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>	:	<p>The Board has formalised a policy on diversity. The Board of Turbo is of the view that diversity on the board enhances the decision-making capability of the Company and it improves board discussions process by allowing different perspectives to be included in decision making.</p> <p>The Board composition currently comprises two (2) woman Directors, namely Ms Chan Bee Eie and Pn. Nurul Ain Binti Khirul Ashar. The Company is in compliance with the requirement of having at least one woman director on its board which will take effect from 1st June 2023 as mandated under the MMLR of Bursa Securities.</p> <p>Notwithstanding that, the Board will continue to review the gender diversity and may make adjustment to this aspect in future.</p> <p>The Company also ensure diversity in its management level by having strong female representation at the management level which could potentially be a pipeline for future candidates to be appointed as Directors or Senior Management.</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**

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.

Application	:	Applied	
Explanation on application of the practice	:	The Board has formalised a policy on diversity of the Group by taking consideration on a range of different skills, age, gender, ethnicity, backgrounds and experience represented amongst its Directors, officers and staff as the Board is aware that it is important in ensuring robust decision-making processes with a diversity of viewpoints and the effective governance of the Company.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

## Intended Outcome

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>	<p>The Board annually evaluates the performance of Directors along with the governance processes that supports the Board with the aim of improving individual and collective contributions, effectiveness of the Board and its Board Committees. The evaluation process is undertaken by the Nomination Committee (“NC”), supported by the Company Secretary.</p> <p>The Directors complete the relevant questionnaires regarding the effectiveness of the Board and its Board Committees.</p> <p>The NC met once in the financial year ended 31 December 2022, which were attended by all NC members. Below is a summary of the activities undertaken by the NC for the financial year ended 31 December 2022:-</p> <ul style="list-style-type: none"><li>• Conducted annual assessment on the effectiveness of the Board and Committees covering areas such as Board structure and operation, management relationship with the Board, Board’s role and responsibilities, the required mix of skills and experience of the Directors, time commitments, skills, characters, experiences, integrity and competencies to effectively discharge the role as a Director and reported the findings in the Board meeting.</li><li>• Reviewed and assessed the independence of the Independent Directors of the Company.</li><li>• Reviewed and assessed the term of office and performance of the Audit Committee and each of its members.</li><li>• Reviewed, considered and recommended to the Board for approval, the re-election of Directors who retire by rotation pursuant to Clause 101 of the Company’s Constitution at</li></ul>

	<p>forthcoming Fourteenth (“14th”) AGM taking into consideration of their fit and proper assessment. The Directors standing for retirement by rotation and subject to re-election at the forthcoming AGM are En. Omar Bin Mohamed Said and En. Nasaruddin Bin Mohamed Ali.</p> <ul style="list-style-type: none"> <li>Reviewed, considered and recommended to the Board for approval taking into consideration of the fit and proper assessment, the re-election of Director, namely Pn. Nurul Ain Binti Khirul Ashar, who retires pursuant to Clause 104 of the Company’s Constitution at forthcoming AGM.</li> <li>Reviewed and discussed the suitable training programme for continuous development of Directors.</li> </ul> <p>Based on the evaluation results, the Board and the NC concluded the following that:-</p> <ol style="list-style-type: none"> <li>The Directors had discharged their responsibilities in a commendable manner, acted competently, contributed effectively to the Board and demonstrated full commitment to their duties as Directors;</li> <li>The Board and Board Committees had contributed positively to the Group and were operating in an effective manner;</li> <li>The Board Chairman had performed in an excellent manner and contributed to the Board;</li> <li>The performance of the Audit Committee, Nomination Committee and Remuneration Committee were found to be effective and consistently exceeding expectations;</li> <li>The Directors demonstrated good character, experience, integrity, competence and possess the necessary traits and time to effectively serve on the Board or the Company, as the case may be; and</li> <li>The Independent Directors had demonstrated their independence through their engagement in meetings and provided objective challenges to the Management as well as independent judgment to decisions made by the Board.</li> </ol> <p>The Terms of Reference of the NC is made available on the Company’s website at <a href="http://www.turbomech.com.my">www.turbomech.com.my</a></p>
Explanation for departure	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.	
Measure	

<b>Timeframe</b>	:		
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### 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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>In determining the remuneration of the Executive Directors, the Company's objective is to provide fair and competitive remuneration to its Board in order for the Company to benefit by attracting and retaining a high-quality team.</p> <p>The remuneration/fees of the Non-Executive Directors were determined by the Board as a whole based on level of responsibilities undertaken and contributions to the Board. Each individual Director concerned abstained from discussion on their own remuneration/fees.</p> <p>The payment of Directors' fees and benefits payable to the Directors of the Company will be subject to the shareholders' approval at the Company's forthcoming Annual General Meeting.</p> <p>The Executive Directors' remuneration packages are structured to link rewards to corporate and individual performance. Performance is measured against the results achieved by the Group and individual achievement against targets set at the beginning of each year.</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

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>	:	<p>The Remuneration Committee consists of three (3) members, wholly of Non-Executive Directors, namely Ms Chan Bee Eie, the Chairperson of the Remuneration Committee, Encik Omar Bin Mohamed Said and Mr Gordon Yong Lin Fooi.</p> <p>The Remuneration Committee is responsible for considering and recommending the following matters to the Board for its approval:-</p> <ul style="list-style-type: none"><li>(i) To recommend to the Board the framework of Executive Directors' remuneration and the remuneration package for each Executive Director drawing from outside advice as necessary.</li><li>(ii) To recommend to the Board any performance related pay schemes for Executive Directors.</li><li>(iii) To review Executive Directors' scope of service contracts.</li><li>(iv) To consider the appointment of the service of such advisers or consultants as it deems necessary to fulfil its functions.</li></ul> <p>The Remuneration Committee's Terms of Reference is periodically reviewed by the Board and disclosed on the Company's website.</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**

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>	:	Please see the details as below.

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	Gan Kok Ten	Executive Director	-	-	-	-	-	-	-	-	-	327.27	21.46	-	-	348.73
2	Nasaruddin Bin Mohamed Ali	Executive Director	22	-	-	-	-	-	22	22	-	-	-	-	-	22
3	Tam Juat Hong	Independent Director	22	-	-	-	-	10	32	22	-	-	-	-	10	32
4	Gordon Yong Lin Fooi	Independent Director	20	-	-	-	-	10	30	20	-	-	-	-	10	30
5	Omar Bin Mohamed Said	Non-Executive Non-Independent Director	20	-	-	-	-	4	24	20	-	-	-	-	4	24
6	Chan Bee Eie	Non-Executive Non-Independent Director	20	-	-	-	-	10	30	20	-	-	-	-	10	30
7	Nurul Ain Binti Khirul Ashar (Appointed on 14 November 2022)	Independent Director	5	-	-	-	-	1	6	5	-	-	-	-	1	6
8	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
9	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
10	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
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>	:	Not applicable - all members of senior management are members of the board	
<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>	:		



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>	:	<p>Mr Tam Juat Hong is an Independent Director and was appointed as Chairman of Audit Committee on 1 June 2016. The Chairman of the Board is Mr Gan Kok Ten.</p> <p>As such, the Chairman of the Audit Committee is distinct from the Chairman of the Board. Having the positions of Board Chairman and Chairman of the Audit Committee assumed by different individuals allows the Board to objectively review the Audit Committee's findings and recommendations.</p> <p>Mr Tam Juat Hong is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.</p> <p>His full profile can be found on page 8 of the Annual Report.</p> <p>The duties and responsibilities of the Chairman of the Audit Committee are outlined in the Terms of Reference of the Audit Committee, which is also available on the Company's website.</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

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>	:	<p>The Board recognises the need to uphold the independence of the external auditors from the Board and Management. None of the members of the Audit Committee are former key audit partners of external audit firm(s) servicing the Company.</p> <p>The Terms of Reference of the Audit Committee has written a cooling period of three (3) years for a former key audit partner to observe before being appointed as a member of the Audit Committee on 22 March 2022.</p> <p>Presently, none of the members of the Audit C are former key audit partners.</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

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Audit Committee ("AC") conducts yearly assessment on the suitability, objectivity and independence of the Company's external auditors.</p> <p>Aside, the AC reviews the nature and extent of non-audit services rendered by the external auditors during the financial year and concluded that the provision of these services did not compromise their independence and objectivity. In addition, the AC received written confirmation from the external auditors that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>Ernst &amp; Young PLT provided assurance that they have been independent throughout the audit engagement in accordance with the terms of all relevant professional and regulatory requirements for the audit of the financial year ended 31 December 2022.</p> <p>During the year under review, the AC had reviewed, assessed and recommended the re-appointment of Ernst &amp; Young PLT as the auditors for the Board's consideration for recommendation for shareholders' approval at the forthcoming Annual General Meeting.</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>	:	Whilst the Company does not have a formal policy in place to assess the External Auditors, the Audit Committee will assess and review their suitability, objectivity and independence annually.
<b>Timeframe</b>	:	Choose an item.



**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>	:	Not Adopted
<b>Explanation on adoption of the practice</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 9.5

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>	:	<p>The Audit Committee assists the Board in the effective discharge of its responsibilities in the area of financial reporting of the Group. The Audit Committee currently comprises majority of Independent Non-Executive Directors, namely Mr Tam Juat Hong (Chairman), Mr Gordon Yong Lin Fooi, Pn Nurul Ain Binti Khirul Ashar and Ms Chan Bee Eie.</p> <p>The Audit Committee possess a wide range of skills and the requisite financial literacy to discharge its duties effectively. Mr Tam Juat Hong is a member of MIA and the Malaysian Institute of Certified Public Accountants, and thus, fulfilling the requirement of Paragraph 15.09(1)(c) of the MMLR of Bursa Securities which calls for one (1) member of the Audit Committee to be a member of a professional accountancy body.</p> <p>Through the Nomination Committee, the Board reviews the terms of office of the Audit Committee and assess the performance of the Audit Committee annually.</p> <p>All members of the Audit Committee have undertaken continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules to enable them to sustain their active participation in the functions of the Audit Committee. Details of their training can be seen on page 36 of the 2022 Annual Report.</p> <p>During the Audit Committee Meetings, the members of the Audit Committee were briefed by the external auditors on the following key areas:</p> <ul style="list-style-type: none"><li>• Financial Reporting developments;</li><li>• Adoption of Malaysian Financial Reporting Standards;</li></ul>

	<ul style="list-style-type: none"> <li>• Malaysian Code on Corporate Governance (where appropriate); and</li> <li>• Other changes in regulatory environment.</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 10.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Turbo is ultimately responsible for reviewing the Company's risks, approving the risk management framework and policy and overseeing the Company's strategic risk management and internal control framework. The Board has in place an ongoing process for identifying, evaluating, monitoring and managing the principal risks that may affect the achievement of business objectives of the Group.</p> <p>The Board through Risk Management Committee reviews the key risks identified regularly to ensure sufficient measures are taken to mitigate the risk. The Board is assisted by the Audit Committee and Risk Management Committee in reviewing the adequacy and the effectiveness of the Company's risk management and internal control framework.</p> <p>The Risk Management Committee reports its activities and makes recommendations to the Board. An annual comprehensive risk management report on salient changes to the key risk profile is tabled to the Board to facilitate timely assessment. Any major changes to risks or emerging significant risk of the business units in the Group together with the appropriate actions and/or strategies to be taken, will be brought to the attention of the Board by the Chairman of the Risk Management Committee.</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 10.2

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>Management is responsible to manage the key business risks of the Group and implement appropriate internal control systems to manage those risks. The Board via the Risk Management Committee reviews the adequacy and effectiveness of the risk management framework and system of internal controls, and the policies and compliance procedures with respect to business practices.</p> <p>The key features of Turbo's risk management framework and practices are disclosed in the Statement of Risk Management and Internal Control as part of the 2022 Annual Report, including the adoption of internationally recognised risk management frameworks, key risks areas and relevant risk responses in mitigating the risk exposures.</p> <p>The Internal Audit function assists the Risk Management Committee in evaluating the effectiveness of the company's risk management and internal control system through its Internal Audit Plan. The Board has received assurance from the Chief Executive Officer and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects.</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>	:	Not Adopted
<b>Explanation on adoption of the practice</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 11.1

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>	:	<p>The Internal Audit Function of the Company is carried out by the outsourced Internal Auditors, GovernanceAdvisory.com Sdn. Bhd. to provide an independent assurance to the Board on the effectiveness and adequacy of the Group's system of internal control. Details of the internal audit function are set out in the Statement on Risk Management and Internal Control and Audit Committee Report.</p> <p>The Head of Internal Auditor reports directly to the Audit Committee and assists the Audit Committee in the discharge of its duties and responsibilities.</p> <p>The Internal Auditor attends and reports at Audit Committee meeting on reviews conducted once a year.</p> <p>Evaluation of the effectiveness of the internal audit function for the period from 1 January 2022 to 31 December 2022 was conducted on 27 February 2023 by the Audit Committee.</p> <p>A private session was conducted between Audit Committee and Internal Auditors without the presence of Executive Directors and Management to ensure that the independence and objectivity of the Internal Auditors were not compromised.</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>	:	<p>During the financial year ended 31 December 2022, GovernanceAdvisory.com Sdn. Bhd. provided a total of four (4) personnel to the Internal Audit function. All the personnel were free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of their work.</p> <p>All internal audit work carried out is guided by the International Professional Practices Framework promulgated by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors. During the financial year ended 31 December 2022, the total internal audit cost incurred was RM16,000.00.</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

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>	:	<p>The Board recognises the importance of maintaining transparency and accountability to its shareholders as a key element of good corporate governance and thus, maintains a high level of disclosure and communication with its shareholders through disclosure to Bursa Securities.</p> <p>The Group leverages on a number of formal channels for effective dissemination of information to shareholders and other stakeholders, particularly through the Annual Report, announcements to Bursa Securities, quarterly results, AGM, and Group website.</p> <p>Apart from the mandatory public announcements through Bursa Securities, the Company's website, <a href="http://www.turbomech.com.my">www.turbomech.com.my</a> is accessible by the shareholders, investors and members of the public to obtain information on the Company's corporate information, operation activities and financial performance.</p> <p>Stakeholders may at any time direct questions or request publicly available information via the communication channels provided in the website. The Company places great importance on stakeholders' privacy and will not disclose information of stakeholders unless otherwise required by law.</p> <p>The Board will address any valid and appropriate issues raised by shareholders, via email address at: <a href="mailto:info@turbo-mech.com">info@turbo-mech.com</a>.</p> <p>The Board also perceives the general meetings as an ideal opportunity to communicate with its shareholders.</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**

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>	:	Not applicable as the Company is not a Large Company as defined by 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>			
<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 Board recognises the significance of the AGM as a platform for direct and meaningful communication between the Board and the Company's shareholders. As such, the Board strives to ensure that shareholders are accorded with sufficient time to consider the resolutions that will be discussed and decided upon at the AGM.</p> <p>In this regard, the Notice of 2022 AGM was issued to shareholders on 21 April 2022, i.e. 28 days prior to the AGM which was held on 23 May 2022. For the upcoming 2022 AGM, a 28-day's prior notice would also be given to shareholders in order to comply with the MCGG, Section 316(2) of Companies Act 2016 and Paragraph 7.15 of the MMLR of Bursa Securities. The additional time given to shareholders allows them to make the necessary arrangements to attend and participate in person or through corporate representatives, proxies or attorneys. In addition, the shareholders are accorded with sufficient time to consider the resolutions that will be discussed and decided upon at the AGM.</p> <p>The notice for the AGM outlines the resolutions to be tabled during the meeting and is accompanied with explanatory notes and background information where applicable to shed clarity on the matters to enable the shareholders to make informed decisions in exercising their voting rights at the AGM.</p> <p>In order to achieve the widest possible dissemination, the notice of AGM will be placed both in a nationally circulated newspaper and the Company's website at <a href="http://www.turbomech.com.my">www.turbomech.com.my</a> besides being despatched to shareholders.</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>	:		
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### 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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Annual General Meeting (“<b>AGM</b>”) is the principal forum for direct interaction and dialogue among shareholders, the Board and management. Shareholders are provided with an opportunity to participate in the question and answer session in which shareholders may raise questions pertaining to the business activities of the Company.</p> <p>Encik Omar Bin Mohamed Said, a Non-Independent Non-Executive Director, was not able to attend the Annual General Meeting in 2022 due to unanticipated circumstances.</p> <p>Barring any unforeseen circumstances, the Board ensures that the full complement of Directors attend every General Meeting and all Chairmen of Board Committees are required to be prepared to answer all questions addressed to them. The Board including the Chairmen of the Board Committees are pleased to address questions received from shareholders.</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

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>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Board regards general meetings as a key platform for shareholders to exercise their rights and have their “voices” heard through the votes cast by them. In accordance with paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions put to vote will be carried out by poll voting. The Board has given foremost consideration to the location of its general meetings to ensure it is easy to reach or easily accessible to shareholders. In order to ensure shareholders are able to conveniently travel to the Company’s upcoming AGM, the AGM will be held at the venue which is close proximity of public transportation locality.</p> <p>The shareholders whom are unable to attend and vote at the Annual General Meeting of the Company are encouraged to submit the proxy form of the Company to the Share Registrar. Hence, this allows them to vote in absence.</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

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 ensures that the general meetings cater an important opportunity for effective communication with, and constructive feedback from the shareholders.</p> <p>During the 13th AGM, shareholders were encouraged to participate in the meetings before the proposed resolution was put to a vote. The Chairman of the meeting also invited questions from the floor and all shareholders’ question were adequately addressed. Answers to questions raised by the shareholders were recorded in the Minutes of the 13th AGM and published on the Company’s corporate website.</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 13.5

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>	:	Not applicable – only physical general meetings were conducted in the financial year	
<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 13.6**

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>	:	Minutes of Thirteenth Annual General Meeting ("AGM") were prepared and published on the Company's corporate website no later than 30 business days upon approved by the Board after the AGM.
<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.*

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