

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 0230  
**COMPANY NAME** : TELADAN GROUP BERHAD  
**FINANCIAL YEAR** : December 31, 2023

## OUTLINE:

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

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

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

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

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

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

### Intended Outcome

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

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<ul style="list-style-type: none"> <li>• Our Board of Directors ("<b>Board</b>") comprises eight (8) members with wide and varied background and experiences in different fields and industries.</li> <li>• The roles and responsibilities of our Board are clearly set out in the Board Charter and disclosed in the Corporate Governance Overview Statement in the Annual Report 2023.</li> <li>• Our Board takes full responsibilities for the overall performance of our Company and our subsidiaries ("<b>Group</b>"). The duty and responsibilities of our Board include determining our Group's overall business plan, performing periodic reviews of the business and financial performance and adopting and implementing risk management and internal control system within our Group.</li> <li>• It is the general policy of our Company that all major decisions be considered by our Board as a whole. To ensure the effective discharge of its function and duties, the primary responsibilities of our Board include (but are not limited to) the following: -             <ul style="list-style-type: none"> <li>➤ To review and approve the financial statements and annual reports</li> </ul> <p>During the financial year ended 31 December 2023 ("<b>FYE 2023</b>"), our Board has reviewed and approved the unaudited quarterly financial results for the quarters ended 31 December 2022, 31 March 2023, 30 June 2023 and 30 September 2023, Audited Financial Statements for the financial year ended 31 December 2022 ("<b>AFS 2022</b>"), upon the recommendation by our Audit Committee.</p> <li>➤ To supervise and assess management's performance</li> </li></ul> <p>During the FYE 2023, our Board monitored the performance of Management on a regular basis vide the Board Meetings and/or Board Committees Meetings.</p>

	<p>Relevant member(s) of the Management Team were invited to attend the Board and/or Board Committees Meetings to advise and update the Board and/or Board Committees with information, reports, clarifications on the relevant agenda items to be tabled to the Board and/or Board Committees, to keep our Board and/or Board Committees abreast of the latest business activities and development of our Group. Meanwhile, the Financial Controller has presented the reports on the financial performance and financial highlights of our Group on a quarterly basis.</p> <p>➤ To monitor the relationship between our Group and the Management, shareholders and stakeholders</p> <p>Our Board is aware of its commitment to enhancing long term shareholders' value through regular communications with all its stakeholders.</p> <p>In ensuring the effective communication with our Company's shareholders and stakeholders, our Board has an "Investor Relations" section in its website, to communicate the corporate vision and mission, strategies, development, financial plans and prospects to the investors, financial community and other stakeholders accurately and to obtain feedback from the stakeholders.</p> <p>Shareholders may address their concern / correspondence to Ms. Madeline Lee May Ming (Email: madeline.lee@teladan.my) as an independent receiving avenue for any concerns from the shareholders/stakeholders and/or whistleblowing purposes.</p> <p>➤ To ensure the integrity of our Company's financial and non-financial reporting</p> <p>During the FYE 2023, our Board ensures that shareholders are presented with clear, balanced, meaningful assessment of our Group's financial performance and prospects through the issuance of the AFS 2022, quarterly announcements of financial results and vide announcements on significant development of our Company in accordance with the ACE Market Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad ("<b>Bursa Securities</b>") on a timely basis and in compliance with the applicable financial reporting standards and corporate law.</p>
<p><b>Explanation for departure</b> :</p>	

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

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

## Intended Outcome

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

### Practice 1.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• Mr. Roy Thean Chong Yew is an Independent Non-Executive Chairman of our Company who is responsible for the overall leadership and efficient operation of our Board.</li><li>• The key roles of our Chairman as set out in the Board Charter include amongst others, the following:-<ul style="list-style-type: none"><li>- providing leadership for our Board so that our Board can perform its responsibilities effectively;</li><li>- setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;</li><li>- leading Board meetings and discussions;</li><li>- encouraging active participation and allowing dissenting views to be freely expressed;</li><li>- managing the interface between Board and Management;</li><li>- ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to our Board as a whole; and</li><li>- leading our Board in establishing and monitoring good corporate governance practices in our Company.</li></ul></li><li>• During the FYE 2023, our Chairman, in consultation with our Managing Director and our Company Secretaries, has set the agenda for Board meetings and ensured that all relevant issues are on the agenda.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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### Intended Outcome

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

### Practice 1.3

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The positions of our Chairman and our Managing Director of our Company are held by two (2) different individuals.</li><li>• Our Chairman of our Company, Mr. Roy Thean Chong Yew and our Managing Director of our Company, Mr. Teo Lay Ban, both holding separate positions and their respective roles and responsibilities clearly outlined in the Board Charter.</li><li>• The roles and responsibilities of our Chairman and our Managing Director are made clearly distinct to ensure the balance of power and authority between our Chairman and our Managing Director.</li><li>• Our Managing Director oversees the day-to-day management and running of our Group's businesses and the implementation of our Board's decisions and policies.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Independent Non-Executive Chairman, Mr. Roy Thean Chong Yew has formally stepped down from his roles as a member of the Audit Committee ("AC"), Nominating Committee ("NC") and Remuneration Committee ("RC") on 30 August 2023.
<b>Explanation for departure</b>	:	Please provide an explanation for the departure.
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.



## Intended Outcome

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

## Practice 1.5

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

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<ul style="list-style-type: none"><li>• Our Group engages Securities Services (Holdings) Sdn. Bhd., an external consultant in carrying out the responsibilities of the corporate secretarial matters and provides support to our Board and keep our Board's abreast of changes to Bursa Securities ACE LR and statutory requirements.</li><li>• The duties of our Company Secretaries are disclosed in the Corporate Governance Overview Statement in the Annual Report 2023.</li><li>• Both our Company Secretaries, Ms. Chua Siew Chuan and Mr. Cheng Chia Ping, have the requisite credentials and qualified to act as the Company Secretaries pursuant to Section 235(2) of the Companies Act 2016.</li><li>• The brief profiles of our Company Secretaries are as follows:-  <u>Ms. Chua Siew Chuan, FCIS</u>  Ms. Chua has been elected as a Fellow Member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") since 1997. She has more than 37 years of experience in handling corporate secretarial matters, with working knowledge of many industries and government services. She is the Immediate Past President of MAICSA and currently the Chairperson of the Technical &amp; Professional Practice Committee, Deputy Chairperson of the National Disciplinary Tribunal and Membership Committee and member of several Committees of MAICSA.  Ms. Chua is a Chartered Secretary by profession. She is the Managing Director of Securities Services (Holdings) Sdn. Bhd., a prominent corporate secretarial service provider in Malaysia. Ms. Chua is also the named company secretary for a number of public listed companies, public companies, private limited companies and societies.  Ms. Chua has been appointed as Company Secretary to our Company since our Company's incorporation on 14 February 2019.</li></ul>

	<p><u>Mr. Cheng Chia Ping, ACIS</u></p> <p>Mr. Cheng has been elected as an Associate Member of the MAICSA since 2012. He has more than 13 years of experience in handling corporate secretarial matters, with working knowledge of many industries and non-profit organisations.</p> <p>Mr. Cheng is a Chartered Secretary by profession. He is a Manager (Corporate Secretarial) of Securities Services (Holdings) Sdn. Bhd., a prominent corporate secretarial service provider in Malaysia. Mr. Cheng is also the named company secretary for a number of public listed companies, public companies, private limited companies and societies.</p> <p>Mr. Cheng has been appointed as Company Secretary to our Company since our Company's incorporation on 14 February 2019.</p> <ul style="list-style-type: none"> <li>• For the FYE 2023, our Board is satisfied with the performance of our Company Secretaries in providing sound governance advice, ensure adherence to rules and procedures, and advocate of corporate governance best practices.</li> </ul>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

### Intended Outcome

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

### Practice 1.6

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 Notice of the scheduled Board Meeting is served to all Directors at least 7 days prior to the Board Meeting, unless there is exceptional case for convening of Special Meeting of our Board to address emergency issue, shorter notice is allowed with the consent of all Directors.</p> <p>All Directors are furnished with a comprehensive Board meeting agenda, minutes of meeting and relevant information materials and documents at least 5 days in advance at each Board meeting. Documents are sent earlier through email/despach of the hardcopy of the meeting materials to allow our Board members to have sufficient time to review and to request for any further information or clarification prior to the Board meeting.</p> <p>Upon conclusion of the Board meeting, the draft minutes is circulated to our Board for comments and to ensure that the minutes of meeting is accurately reflected the deliberations and decisions of our Board. Thereafter, the final minutes is confirmed and approved by our Board and signed by our Chairman of the succeeding meeting as a correct record of the proceedings.</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

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

### Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The Board Charter sets out the roles, duties and responsibilities of our Board, outlines the membership guidelines, procedures for Board meeting, matters reserved for our Board, Directors' remuneration, investor relations and shareholders communication.</li><li>• The Board Charter was adopted by our Board on 23 December 2019 and subsequently revised on 28 February 2022.</li><li>• The Board Charter would be periodically reviewed and updated in accordance with the needs of our Company and any new regulations that may have an impact on the discharge of our Board's responsibilities. Any subsequent amendments to the Board Charter can only be approved by our Board.</li><li>• Ms. Madeline Lee May Ming is the Senior Independent Non-Executive Director of our Company. The roles of the Senior Independent Non-Executive Director include but not limited to the following:-<ul style="list-style-type: none"><li>– A sounding board for our Chairman;</li><li>– An intermediary for other Directors when necessary; and</li><li>– The point of contact for shareholders and other stakeholders.</li></ul></li><li>• The Board Charter is available on our Company's corporate website at <a href="https://teladan.my/investor-relations/corporate-governance/">https://teladan.my/investor-relations/corporate-governance/</a></li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

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

### Intended Outcome

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

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

### Practice 3.1

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The Code of Conduct and Ethics (“<b>the Code</b>”) of our Company was adopted on 17 August 2021 and applies to all Directors, Management, employees and stakeholders during the conduct of businesses of our Group.</li><li>• In addition, all Executive Directors of our Group are required to observe and comply with the Code of Conduct for workplace which is issued by the Human Resources department.</li><li>• All Directors shall be accountable for full compliance of the Code. In the event of any violation of the Code, our Board shall take necessary actions to deter wrongdoings and to promote accountability for adherence to the Code.</li><li>• The Code will be reviewed as and when required.</li><li>• The Code is available on our Company's corporate website at <a href="https://teladan.my/investor-relations/corporate-governance/">https://teladan.my/investor-relations/corporate-governance/</a>.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b> :		
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**Intended Outcome**

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

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

### Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The Whistleblowing Policy was established and approved by our Board on 12 May 2021 and subsequently revised on 16 November 2021 to uphold our Group’s effort and commitment in doing business with ethics of honesty and integrity, henceforth, providing a transparent and confidential process in handling the whistleblowing reports.</li> <li>• The Whistleblowing Policy aims to provide a structured mechanism for its employees, Directors and associates to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of our Group and to provide reassurance that they shall be protected from reprisals or victimisation for whistleblowing in good faith.</li> <li>• Additionally, our Board has in accordance with the requirements of Bursa Securities adopted the Anti-Bribery and Anti-Corruption Policy on 7 September 2020 and subsequently revised on 12 May 2021 to prevent corrupt practices, and to provide a measure of assurance and a defence against corporate liability for corruption under section 17A of the Malaysian Anti-Corruption Commission Act 2009.</li> <li>• The Whistleblowing Policy and Anti-Bribery and Corruption Policy are available on our Company’s corporate website at <a href="https://teladan.my/investor-relations/corporate-governance/">https://teladan.my/investor-relations/corporate-governance/</a>.</li> <li>• As at 9 April 2024, our Company has not received any complaint under this procedure.</li> </ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

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

### Practice 4.1

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

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has taken responsibility over the governance of sustainability in the Company by first formalising a policy on sustainability.</p> <p>The Board has on 17 August 2021 established a Sustainability Policy to support long-term sustainable value creation and returns for the Company. The said Policy defines, among others, the Company's principles and approach, sustainability focus areas, as well as the scope and governance for its implementation and monitoring.</p> <p>With the said Policy in place, the Board will be able to monitor Management's effectiveness in integrating sustainability considerations in the day-to-day operations of the Group by setting the Company's sustainability strategies, priorities and targets.</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 4.2

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>The Company had reported in its 2023 Annual Report on sustainability governance structure, where the Company has identified the following three (3) sustainability areas: -</p> <ol style="list-style-type: none"> <li>1) Economic Sustainability;</li> <li>2) Environmental Sustainability; and</li> <li>3) Social and Workplace Responsibility and Sustainability.</li> </ol> <p>Furtherance, in compliance with integration of sustainability considerations in corporate strategy, governance and decision-making, as well as the impact of the ESG issues, the Board and the key management are fully involved in achieving its target to continue delivering positive change of our shareholders, our people, our customers and for society.</p> <p>The Company has set up a Sustainability Management Team and more engagement with the stakeholders on the Company’s sustainability strategies, priorities and targets have been put in place. Particulars in respect of the engagement with the stakeholders were outlined in the Sustainability Report in the 2023 Annual Report.</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>	:	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 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 Board through the NC assesses the training programmes attended by each Director during the financial year to ensure they are kept abreast with the latest development in industry as well as the sustainability issues relevant to the Group.</p> <p>For the FYE 2023, the Board noted the independent directors of the Company have attended the following sustainability-related trainings in order to keep abreast with the development in the sustainability issues as well as the Environmental, Social and Governance (“ESG”)-related issues:-</p> <ul style="list-style-type: none"><li>• ESG Briefing – Sustainability Reporting Awareness &amp; Development 2023</li><li>• Why ESG? A Governance Perspective</li><li>• ESG matters @ ACCA: Integrating sustainability into financial planning &amp; decision making</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.4**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board, vide the Nomination Committee, has reviewed the evaluation forms for Board and Board Committees which included the assessment on the Board and senior management’s performance in addressing the Company’s material sustainability risks and opportunities.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.5- Step Up**

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

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

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

## Intended Outcome

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

### Practice 5.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC oversees the overall composition of the Board in terms of size, mix of skills, experience and core competencies, as well as the balance between Executive Directors and Independent Non-Executive Directors.</p> <p>The effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board and the contribution of the Board's various committees will be assessed on an annual basis.</p> <p>Pursuant to Clause 21.7 of the Constitution of the Company, the following Directors are to retire at the forthcoming 5<sup>th</sup> AGM (hereinafter referred to as "<b>the Retiring Directors</b>"):-</p> <ul style="list-style-type: none"><li>• Mr. Teo Lay Ban;</li><li>• Ms. Teo Siew May; and</li><li>• Ms. Foo Yit Lan.</li></ul> <p>The NC has conducted the following assessment based on the criteria as prescribed by the ACE LR of Bursa Securities ("<b>Prescribed Criteria</b>") for the Retiring Directors:-</p> <ul style="list-style-type: none"><li>• Mix of skills;</li><li>• Character;</li><li>• Experience;</li><li>• Integrity;</li><li>• Competence; and</li><li>• Time commitment to discharge their roles.</li></ul> <p>The NC, as guided by the Directors' Assessment Policy and Directors' Fit and Proper Policy, has undertaken a formal assessment of the Retiring Directors using the Prescribed Criteria as well as non-Prescribed Criteria such as the following:-</p> <ul style="list-style-type: none"><li>• State of participation at the Board Committee(s)/ Board Meeting(s); and</li></ul>

	<ul style="list-style-type: none"> <li>Advice/ Guidance rendered to the Board Committee(s) and/or Board based on individual experience and background.</li> </ul> <p>The annual re-election of retiring Directors has been contingent on satisfactory evaluation of the Retiring Directors' performance and contribution to the Board.</p> <p>Being satisfied with the performance of the Retiring Directors, the NC and in turn, the Board has recommended to shareholders, their re-election at the forthcoming 5<sup>th</sup> AGM.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

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

**Practice 5.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Our Board presently comprises eight (8) Board members, four (4) of whom or 50% are Independent Non-Executive Directors, and while the remaining are Executive Directors and Non-Independent Non-Executive Directors.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

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

**Practice 5.3**

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	No independent director(s) serving beyond nine (9) years. The Board Charter has clearly stated that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to his/her redesignation as a Non-Independent Director. Otherwise, the Board must justify and seek shareholders' approval at the Annual General Meeting in the event the Board retains such Director as an Independent Director through two-tier voting.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

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

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

## Intended Outcome

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

## Practice 5.5

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

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

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

### Intended Outcome

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

### Practice 5.6

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• Our Company does not solely rely on the recommendations from the existing Board members or Management in the process of appointing new Directors of our Company but adopted an approach to utilise independent sources throughout the recruitment process.</li><li>• A formal and transparent procedures will be conducted by our NC in assessing the candidate before he/she be recommended to our Board for assessment and approval.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The performance of retiring Directors who are recommended for re-election at the forthcoming AGM would be assessed through the Board annual evaluation (including the independence of Independent Non-Executive Directors). A statement by the Board and NC satisfying the performance and effectiveness of the retiring Directors who offer themselves for re-election at the AGM will be stated in the Notice of AGM.</p> <p>The profile of the Directors who are due for retirement and eligible for re-election, which includes the nature of interest with the Company, if any, are set out in the 2023 Annual Report of the Company.</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 5.8

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• Our NC comprises exclusively Independent Non-Executive Directors and chaired by Ms. Madeline Lee May Ming, the Senior Independent Non-Executive Director of our Company.</li><li>• The Chairperson of our NC was tasked to:-<ul style="list-style-type: none"><li>(i) lead the succession planning and appointment of Board members; and</li><li>(ii) lead the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed.</li></ul></li><li>• The terms of reference of our NC is available on our Company's corporate website at <a href="https://teladan.my/investor-relations/corporate-governance/">https://teladan.my/investor-relations/corporate-governance/</a>.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Currently, our Board comprises three (3) females Directors out of eight (8) Directors, equivalent to 37.5% of the women representation on our Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.10**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board is committed to Board diversity, which includes the representation of women in the composition of the Board and Senior Management through the adoption of the Boardroom Diversity Policy. The Boardroom Diversity Policy is set out in the Corporate Governance Overview Statement in the 2023 Annual Report.	
<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 form an opinion on the overall effectiveness of the board and individual directors.

### Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <ul style="list-style-type: none"> <li>• A formal evaluation process is in place to assess the effectiveness of our Board as a whole. Our Board through our NC would undertake the following annual assessments: - <ul style="list-style-type: none"> <li>- The Board and Board Committee performance evaluation;</li> <li>- Self-performance evaluation;</li> <li>- AC performance assessment questionnaires; and</li> <li>- Independence of the Independent Non-Executive Directors.</li> </ul> </li> <li>• The independency of the Independent Non-Executive Directors of our Company had been fulfilled in accordance with ACE LR and would not impede their independency in carrying out their duties in the respective Board and Board Committees.</li> </ul>
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### Intended Outcome

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

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

### Practice 7.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>The remuneration of the Directors and Key Senior Management is reviewed by our RC annually. The determination of the remuneration of Directors and Senior Management is guided by the Remuneration Policy and Procedures for Directors and Senior Management of our Company.</li> <li>It is the existing practice of our Company that all the Directors to abstain from deliberation and voting on fixing their remuneration package or Directors' fee at the RC Meeting (where relevant) and the Board Meeting.</li> <li>The Remuneration Policy and Procedures for Directors and Senior Management is available on our Company's website at <a href="https://teladan.my/investor-relations/corporate-governance/">https://teladan.my/investor-relations/corporate-governance/</a>.</li> </ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 7.2

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• Our RC comprises exclusively of three (3) Independent Non-Executive Directors.</li><li>• The duties and responsibilities of our RC as stated in its terms of reference, includes but not limited to the followings:-<ul style="list-style-type: none"><li>– To formulate and recommend a framework of remuneration for our Managing Director, Executive Directors and Key Senior Management for our Board's approval. There should be a balance in determining the remuneration package, which should be sufficient to attract and retain the Directors of calibre, and yet not excessive. The framework should cover all aspects of remuneration including Director's fee, salaries, allowance, bonuses, options and benefit-in-kind.</li><li>– To formulate and recommend specific remuneration packages for our Managing Director, Executive Directors and Key Senior Management. The remuneration package should be structured such that it is competitive. Salary scales drawn up should be within the scope of the general business policy and not be dependent on short-term performance to avoid incentives for excessive risk-taking.</li><li>– To ensure the establishment of a formal and transparent procedure for developing policies, strategies and framework for the remuneration of our Managing Director and Executive Directors and Key Senior Management;</li><li>– To implement the policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of our Board and Key Senior Management; and</li><li>– To ensure the levels of remuneration be sufficiently attractive and be able to retain Directors needed to run our Company successfully.</li></ul></li></ul>

	<ul style="list-style-type: none"> <li>– To structure the component parts of remuneration so as to align with the business strategy and long-term objectives of our Company and to link rewards to our Company’s strategy and performance.</li> <li>– To ensure that the remuneration and incentives for Independent Non-Executive Directors do not conflict with their obligations to bring objective and independent judgement to our Board.</li> <li>– To act in line with the directions of our Board.</li> <li>– To consider and examine such other matters as our RC considers appropriate.</li> <li>– To consider any other relevant matters as delegated by our Board.</li> </ul> <ul style="list-style-type: none"> <li>• The terms of reference of our RC is available on our Company’s corporate website at <a href="https://teladan.my/investor-relations/corporate-governance/">https://teladan.my/investor-relations/corporate-governance/</a>.</li> </ul>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**Intended Outcome**

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

**Practice 8.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The details of the Directors' remuneration for the FYE 2023 for each individual Director with a breakdown into fees, salaries and bonus, benefits-in-kind and other emoluments are set out in the table 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	Teo Lay Ban	Executive Director	-	-	-	-	-	-	-	-	-	840.0	980.0	81.9	219.6	2,121.5
2	Sia Ah Piew	Executive Director	-	-	-	-	-	-	-	-	-	384.0	768.0	44.0	145.9	1,341.9
3	Roy Thean Chong Yew	Independent Director	84.0	8.5	-	-	-	-	92.5	84.0	8.5	-	-	-	-	92.5
4	Annandan A/L Chandran	Independent Director	48.0	10.0	-	-	-	-	58.0	48.0	10.0	-	-	-	-	58.0
5	Madeline Lee May Ming	Independent Director	48.0	10.0	-	-	-	-	58.0	48.0	10.0	-	-	-	-	58.0
6	Foo Yit Lan	Independent Director	48.0	17.0	-	-	-	-	65.0	48.0	17.0	-	-	-	-	65.0
7	Teo Lay Lee	Non-Executive Non-Independent Director	48.0	3.5	-	-	-	-	51.5	120.0	3.5	-	-	-	-	123.5
8	Teo Siew May	Non-Executive Non-Independent Director	48.0	3.5	-	-	-	-	51.5	120.0	3.5	-	-	-	-	123.5
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
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### 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>	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
<b>Explanation on application of the practice</b>	:	The details of the top five (5) senior managements' remuneration for the FYE 2023 with a breakdown into salaries, allowance, bonus, benefits and other emoluments are set out in the table below.	
<b>Explanation for departure</b>	:	Please provide an explanation for the departure.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	



No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Ng Mih Fern	Financial Controller	100,001-150,000	0-50,000	50,001-100,000	0-50,000	0-50,000	250,001-300,000
2	Tong Siok Meng	Head of Marketing	100,001-150,000	0-50,000	300,001-350,000	0-50,000	50,001-100,000	550,001-600,000
3	Goh Fong Kim	Accounts Manager	100,001-150,000	0-50,000	100,001-150,000	0-50,000	0-50,000	300,001-350,000
4	Input info here	Input info here						
5	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 8.3 - Step Up**

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

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

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

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairperson of our AC, Ms. Foo Yit Lan, is not the Chairman of our Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• None of our AC members was a former key audit partner of our Company.</li> <li>• The terms of reference of our AC required a former key audit partner of our Company to observe a cooling-off period of at least three (3) years before being eligible to be appointed as a member of our AC.</li> </ul>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.3

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

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

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The AC of our Company comprise solely of the following Independent Non-Executive Directors:-  (a) Ms. Foo Yit Lan - <b>Chairperson</b> (b) Mr. Annandan A/L Chandran - <b>Member</b> (c) Ms. Madeline Lee May Ming - <b>Member</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>	:	<ul style="list-style-type: none"><li>• Our AC Chairperson, Ms. Foo Yit Lan, is a registered Chartered Accountant with the Malaysian Institute of Accountants and fellow member of the Association of Chartered Certified Accountants.</li><li>• All members of our AC are able to understand matters and issues within the capacity of our AC. The committee members possess vast experience, knowledge and understanding on the business and the industry in which our Group operates in i.e. trading, property development, construction etc. Thus, enabling our AC to discharge its duties effectively.</li><li>• The qualification and experience of the individual AC members are disclosed in the Directors' Profile segment in the Annual Report 2023.</li><li>• The trainings and courses attended by the members of our AC are disclosed in the Annual Report 2023.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	



<b>Timeframe</b>	:		
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**Intended Outcome**

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

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

**Practice 10.1**

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

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

**Intended Outcome**

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

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

**Practice 10.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Detailed information on Risk Management and Internal Control framework can be obtained from the Statement of Risk Management and Internal Control segment in the Annual Report 2023.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 10.3 - Step Up**

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

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The RMC was formed by the Board and comprises four (4) members, of whom three (3) members are Independent Directors and remaining member is Managing Director.</p> <p>The principal objective of the formation of the RMC is to assist the Board of Directors in their responsibilities in reviewing and recommending the risk management policies and strategies for the Company. In addition, the RMC shall assist the Board to fulfil its corporate governance, risk management, and statutory responsibilities in order to manage the overall risk exposure.</p>

### Intended Outcome

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

### Practice 11.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• The internal audit function is outsourced to NeedsBridge Advisory Sdn. Bhd., an independent professional service firm to conduct regular reviews in accordance with the internal audit plan or other ad-hoc assignments which are approved by our AC, and to assess on the adequacy, efficiency and effectiveness of our Group's internal control system.</li><li>• The internal auditors report directly to our AC and meet our AC on a half yearly basis to review the internal audit findings and to discuss on the corrective action plans in order to ensure that the control weaknesses highlighted in the internal audit reports are appropriately addressed by Management.</li><li>• Detailed information related to the internal audit function can be obtained from the Audit Committee Report and Statement of Risk Management and Internal Control segments in the Annual Report 2023.</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 have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

## Practice 11.2

The board should disclose–

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The internal audit function is outsourced to NeedsBridge Advisory Sdn. Bhd., an external professional firm and the personnel handling our Group’s audit are free from any relationship or conflict of interest, which could impair their objectivity and independence.</li> <li>• Mr. Andrew Lau Min Wei is the engagement director responsible for the internal audits of our Company. He is a member of CPA (Certified Practising Accountant) Australia, a Chartered Accountant of the Malaysian Institute of Accountants and a professional member of The Institute of Internal Auditors Malaysia.</li> <li>• The internal audit is conducted using a risk-based approach in accordance with the Standards for the Practice of Internal Auditing issued by the Institute of Internal Auditors.</li> <li>• The outsourced internal auditor assigned four (4) personnel to perform internal audits for our Group.</li> <li>• More information on the internal audit function can be obtained from the Statement of Risk Management and Internal Control segment in the Annual Report 2023.</li> </ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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## Intended Outcome

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

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

## Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"><li>• Our Board ensures that there is effective, transparent and regular communication with its stakeholders through a variety of communication channels as follow: -<ul style="list-style-type: none"><li>➤ <b>Primary Spokesperson</b><p>Our Board has designated Ms. Ng Mih Fern, our Financial Controller to be responsible for communication with investment community, regulators and media.</p></li><li>➤ <b>Announcements to Bursa Securities</b><p>Material information, updates and periodic financial reports are published on a timely basis through announcements to Bursa Securities. Shareholders and Investors can obtain our Company's latest announcements such as quarterly financial results in the dedicated website of Bursa Securities at <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a>.</p></li><li>➤ <b>Annual Reports</b><p>Our Company's Annual Reports to the shareholders remain the central means of communicating to the shareholders, amongst others, our Company's operations, activities and performance for the past financial year end as well as the status of compliance with applicable rules and regulations.</p></li><li>➤ <b>Annual General Meeting/General Meetings</b><p>The Annual General Meeting/General Meetings which are used as the main forum of dialogue for shareholders to raise any issues pertaining to our Company.</p><p>Our Board will also ensure that the stakeholders are given the opportunity to speak and seek clarifications during our Company's Annual General Meeting/General Meetings for effective and transparent communications with its stakeholders.</p></li></ul></li></ul>



	<p>➤ <b>Corporate Website</b></p> <p>Our Company’s corporate website provides a myriad of relevant information on our Company and is accessible by the public.</p> <p>Our Company regularly updates our Group’s corporate website for the stakeholders and general public to access information on amongst others, our Group’s corporate profile, products, financial performance, announcements published on Bursa Securities’ website, Board Charter, Board Committees’ terms of reference and corporate information.</p> <p>Our Company’s corporate website is accessible at <a href="https://teladan.my/">https://teladan.my/</a>.</p> <p>➤ <b>Senior Independent Non-Executive Director</b></p> <p>Our Board has elected Ms. Madeline Lee May Ming, the Senior Independent Non-Executive Director as an independent receiving avenue for any concerns from the shareholders/stakeholders and/or whistleblowing purposes.</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**

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

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

**Practice 12.2**

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

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

**Intended Outcome**

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

**Practice 13.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<ul style="list-style-type: none"> <li>• The Notice of Fourth Annual General Meeting (“<b>4<sup>th</sup> AGM</b>”), together with the Annual Report 2022, was sent to the shareholders on 28 April 2023, at least 28 days prior to the date of the 4<sup>th</sup> AGM held on 9 June 2023.</li> <li>• The Notice of 4<sup>th</sup> AGM included the details of the proposed resolutions and the explanatory notes to enable shareholders to make an informed decision in exercising their voting rights.</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**

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

**Practice 13.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Our Board would ensure that all the Directors of our Company, including the Chair of our AC, NC, RC and RMC attend the 5 <sup>th</sup> AGM of our Company and to provide response if there are any questions addressed to them.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>Shareholders who wish to attend Annual General Meeting (“AGM”)/general meetings are given at least twenty-eight (28) days, to ensure that shareholders are able to make the necessary arrangements to attend general meetings, review agenda items, and formulate questions, if any. Where they are not able to attend, they may appoint proxies to attend on their behalf to vote and represent them.</p> <p>In line with the Bursa Malaysia Securities Berhad ACE Market Listing Requirements on the requirement for poll voting for any resolution set out in the notice of general meetings, during the 4<sup>th</sup> AGM held on 9 June 2023, the resolutions tabled at the 4<sup>th</sup> AGM were all voted by poll.</p> <p>Depending on the cost effectiveness, the Board will consider and explore the suitability and feasibility of adopting electronic poll voting in coming years to facilitate greater shareholders participation at general meeting.</p> <p>Prior to implementing the voting in absentia and remote shareholders' participation at general meeting(s), the Board noted several factors/ conditions need to be fulfilled prior to making such consideration:-</p> <ul style="list-style-type: none"><li>• Availability of technology and infrastructure;</li><li>• Affordability of the technology and infrastructure;</li><li>• Sufficient number of shareholders residing/locating at particular remote location(s); and</li><li>• Age profile of the shareholders.</li></ul> <p>In view thereof, the Board will not be recommending the adoption of such voting/participation at the forthcoming AGM of the Company.</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 Company shall be conducting its 2024 AGM on a virtual basis by leveraging on the technology provided for remoting participation and remote voting facility offered by identified Poll Administrator.
<b>Timeframe</b>	: 2024   AGM

### 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>	: The Chairman of the 4 <sup>th</sup> AGM had ensured that sufficient opportunities were given to shareholders to raise issues relating to the affairs of the Company by providing ample time for the Question-and-Answer session during the 4 <sup>th</sup> 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>	:  

### 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>	: The Minutes of the 4 <sup>th</sup> AGM, which includes the questions raised by shareholders together with the responses by the Company and outcome of the voting results, was made available to the shareholders within thirty (30) business days after the 4 <sup>th</sup> AGM at the Company's website at <a href="https://teladan.my/investor-relations/investor-centre-reports/">https://teladan.my/investor-relations/investor-centre-reports/</a> .
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

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

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

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