

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 5112  
**COMPANY NAME** : TH PLANTATIONS BERHAD  
**FINANCIAL YEAR** : December 31, 2024

### **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 ("the Board") of TH Plantations Berhad ("THP" or "the Company") acknowledges its responsibilities for the overall governance and accountability towards the shareholders for the performance of the Company. The Board is committed to the pursuit of its objectives and goals with the assurance that the high standards of corporate governance are being practiced within the Company.</p> <p>Amongst others, outlined below are the key responsibilities of the Board:</p> <ol style="list-style-type: none"><li>1. Reviewing and adopting strategic plans for the Company, primarily the five (5) year rolling strategic plan for the THP Group;</li><li>2. Overseeing the conduct of the Company's business to ensure that it is being properly managed. Key operational matters are discussed during Board meetings and expert advice or independent advice is sought where necessary;</li><li>3. Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;</li><li>4. Implementing succession planning, including the appointment and recruitment of Senior Management team members;</li><li>5. Developing and implementing an investor relations policy or shareholders' communications policy for the Company;</li><li>6. Reviewing the adequacy and integrity of the Company's internal controls and management information systems, including compliance with applicable laws, regulations, rules, directives and guidelines; and</li></ol>

	<p>7. Developing and implementing a Sustainability Framework for the THP Group.</p> <p>For the effective oversight and monitoring function of the Board, Management presents the company's performance via the financial and operational status report at every quarter board meeting, including providing clarification to the queries raised by the Board.</p> <p>The Board had approved the Strategic Business Plan 2024 – 2028, known as Al-Falah 22/22. Al-Falah served as a roadmap for guiding the THP Group’s operations and decision-making processes while providing stakeholders with a clear understanding of the business and its potential for sustainable growth and profitability.</p>	
<p><b>Explanation for departure</b></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><b>Timeframe</b></p>		

### Intended Outcome

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

### Practice 1.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman of the Board carries out a leadership role in managing the Board, shareholders and other stakeholders. The roles and responsibilities of the Chairman are as follows:</p> <ol style="list-style-type: none"> <li>i. Provides leadership to the Board <ul style="list-style-type: none"> <li>- Plans Board meetings;</li> <li>- Ensures the Board receives proper information in a timely manner;</li> <li>- Chairs all Board/shareholders' meetings;</li> <li>- Ensures that all Directors contribute and participate at Board meetings; and</li> <li>- Drives discussion towards consensus and achieves closure on such discussions.</li> </ul> </li> <li>ii. Represents the Board to shareholders and be the spokesperson at the Annual General Meeting ("AGM"). Supports the role of the CEO in reporting operational and public relations matters;</li> <li>iii. Ensures the integrity and effectiveness of the governance process; and</li> <li>iv. Performs other responsibilities as assigned by the Board from time to time.</li> </ol>
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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>	:	<p>Two (2) individuals hold the positions of Chairman and CEO of THP, namely Datuk Dr. Ahmad Kushairi bin Din as Chairman and Mohamed Zainurin bin Mohamed Zain as CEO.</p> <p>Both positions have distinct roles and responsibilities. This is to ensure that there is a balance of power and authority between the Chairman and the CEO and thus, avoid any unfettered power of decision-making in any one individual.</p> <p>The CEO is responsible for the day-to-day management of the business and operation of the Company. He is supported by the senior management team and the management committees. At every quarterly Board meeting, the Board receives a financial and operational status report that tracks the management's performance under the CEO's direction.</p> <p>In turn, the Chairman leads the Board during the Q&amp;A session with the management, including challenging the justification given for every achievement.</p> <p>The Board Charter sets out the roles of the Chairman and CEO is available online at <a href="https://thplantations.my">https://thplantations.my</a>.</p>
<b>Explanation for departure</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 1.4

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> :	<p>The Chairman of THP is Datuk Dr. Ahmad Kushairi bin Din.</p> <p>Datuk Dr. Ahmad Kushairi was appointed to the THP Board on 18 March 2022 as an Independent Non-Executive Director and on 28 June 2022, he was redesignated as the Chairman of THP.</p> <p>Since being appointed as the Chairman of THP, Datuk Dr. Ahmad Kushairi has never been a member of any Board Committees.</p>
<b>Explanation for departure</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 1.5

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 Company Secretaries of THP are Aliatun binti Mahmud and Wan Nurul Hidayah binti Wan Yusoff. Both are qualified to act as Company Secretaries under Section 235(2) of the Companies Act, 2016 and have also obtained practicing certificates under Section 241 of the Companies Act 2016.</p> <p>Their roles and responsibilities during the year, amongst others, are as follows:</p> <ul style="list-style-type: none"><li>- Attended all meetings of the Board, Board Committees and Board of subsidiaries as well as the Annual General Meetings of the Company and its subsidiaries.</li><li>- Ensuring accurate records of all the meetings and that all decisions made are properly minuted and thereafter communicated to the relevant Management for appropriate actions.</li><li>- Advised the Board in relation to the Constitution of the Company, Board policies and procedures, corporate governance best practices and regulatory requirements.</li></ul> <p>Through continual education and professional training, Company Secretaries are kept informed of regulatory changes and developments in corporate governance and Main Market Listing Requirements ("MMLR").</p>
<b>Explanation for departure</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 1.6

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 meetings for the ensuing financial year are scheduled before the end of the current financial year to facilitate the directors' planning of Board meetings. Subsequently, a corporate calendar will be issued and circulated to all Directors and key senior management.</p> <p>Special Board Meetings are convened between the scheduled meetings to consider urgent proposals or matters that require the Board's immediate attention and decision.</p> <p>Except for special Board meetings, where a shorter time frame has been agreed upon by the Board, all meeting materials, including the minutes are provided on average five (5) days prior to meetings to ensure the Directors have sufficient time to review the proposals or reports/information.</p> <p>To ensure information between the Board and the management is disseminated efficiently and in a timely manner, the Company has adopted digital board papers instead of physical board papers. The Board is able to access the digital board papers on a real-time basis from the comfort of their home.</p> <p>In 2024, twelve (12) Board meetings and one (1) Board Retreat were held with full attendance of the Board. Occasionally, the Board meetings may be convened at short notice when critical board decisions need to be made.</p>
<b>Explanation for departure</b>	:	
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<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**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 formally adopts a Board Charter, which guides the Board in the fulfillment of its roles, duties and responsibilities.</p> <p>The Board Charter outlines the Board's roles and responsibilities, its balance and composition, its authorities, the schedule of matters reserved for the Board, the establishment of Board Committees, processes and procedures for convening Board meetings, compliance with ethical standards, the Board's access to information and the Director’s Training and Code of Ethics.</p> <p>The Board Charter is reviewed every three (3) years or earlier to ensure consistency with the Board’s objectives, the Company's needs, and applicable laws and practices.</p> <p>The Board Charter is available online at <a href="https://thplantations.my">https://thplantations.my</a>.</p>
<b>Explanation for departure</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 3.1

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>As ethical culture is set from the top, the Board upholds and adopts the highest standards of ethics and corporate behavior as guided by its Directors' Code of Conduct &amp; Ethics contained in the Board Charter, which is available online at <a href="https://thplantations.my">https://thplantations.my</a>.</p> <p>To strengthen its governance framework, THP Group adopted a Corruption Risk Assessment (CRA) Plan in October 2024. This plan systematically identifies, analyses, and mitigates potential corruption risks. It complements the THP Group's Anti-Corruption Policy Statement, which underscores its zero-tolerance approach to corruption.</p> <p>The Directors' Code of Conduct &amp; Ethics had been broadened, to include amongst others, the anti-corruption and whistleblowing principles. The Board had zero tolerance for any form of corruption, bribery or any other forms of offenses defined under the Malaysian Anti-Corruption Commission Act, 2009 ("MACC Act") among its members, senior management and employees within the Group.</p> <p>Accordingly, the Group adopted the <b>T.R.U.S.T Principles</b> under the Guidelines on Adequate Procedures under Section 17A(5) of the MACC Act, as summarized below:</p> <table border="1"><thead><tr><th colspan="2"><b>T.R.U.S.T Principles</b></th></tr></thead><tbody><tr><td>Principle I</td><td><b>Top Level Commitment</b></td></tr><tr><td>Principle II</td><td><b>Risk Assessment</b></td></tr><tr><td>Principle III</td><td><b>Undertake Control Measures</b></td></tr><tr><td>Principle IV</td><td><b>Systematic Review, Monitoring &amp; Enforcement</b></td></tr><tr><td>Principle V</td><td><b>Training &amp; Communication</b></td></tr></tbody></table>	<b>T.R.U.S.T Principles</b>		Principle I	<b>Top Level Commitment</b>	Principle II	<b>Risk Assessment</b>	Principle III	<b>Undertake Control Measures</b>	Principle IV	<b>Systematic Review, Monitoring &amp; Enforcement</b>	Principle V	<b>Training &amp; Communication</b>
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	<p>In addition, the Board had recognized the pivotal roles of the Integrity &amp; Governance Unit (“IGU”) by restructuring the reporting line of the IGU under the BARGC.</p> <p>Amongst others, the roles of the IGU include upholding the highest ethical standard, promoting compliance with laws and regulations and managing risks associated with integrity and governance within the Group. Reporting to the highest level puts the IGU in a better position to maintain independence and objectivity where all the IGU’s findings and recommendations are not influenced by the Management’s bias or conflict of interest.</p> <p>The responsibilities of the BARGC covering integrity and governance are outlined in detail in the TOR of the BARGC which is available online at <a href="https://thplantations.my">https://thplantations.my</a>.</p>	
<p><b>Explanation for departure</b></p>		
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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>	:	<p>THP has in place a Whistleblowing Policy (“the Policy”) intended to enable employees and other persons to make disclosures about wrongdoings at any time to a designated person in THP without fear of reprisal so that problems can be identified and resolved quickly within THP. This Policy also ensures people exercise their rights (to make a disclosure) responsibly and sensibly when suspecting something amiss.</p> <p>To further promote impartiality and build confidence in the whistleblowing process, the Group has engaged an external service provider, BDO Governance Advisory Sdn Bhd, to independently manage the whistleblowing channel. This partnership reflects THP's unwavering commitment to addressing disclosures with fairness and objectivity.</p> <p>In 2024, the Whistleblowing Policy was revised to strengthen the reporting mechanisms and to enhance protections for the whistleblowers. The updated policy had been disseminated through various channels, including the corporate website, internal communications, and physical displays across THP's headquarters, estates, and mills.</p> <p>The Policy is available online at <a href="https://thplantations.my">https://thplantations.my</a>.</p>
<b>Explanation for departure</b>	:	
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<b>Measure</b>	:	



<b>Timeframe</b>	:		
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### 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.

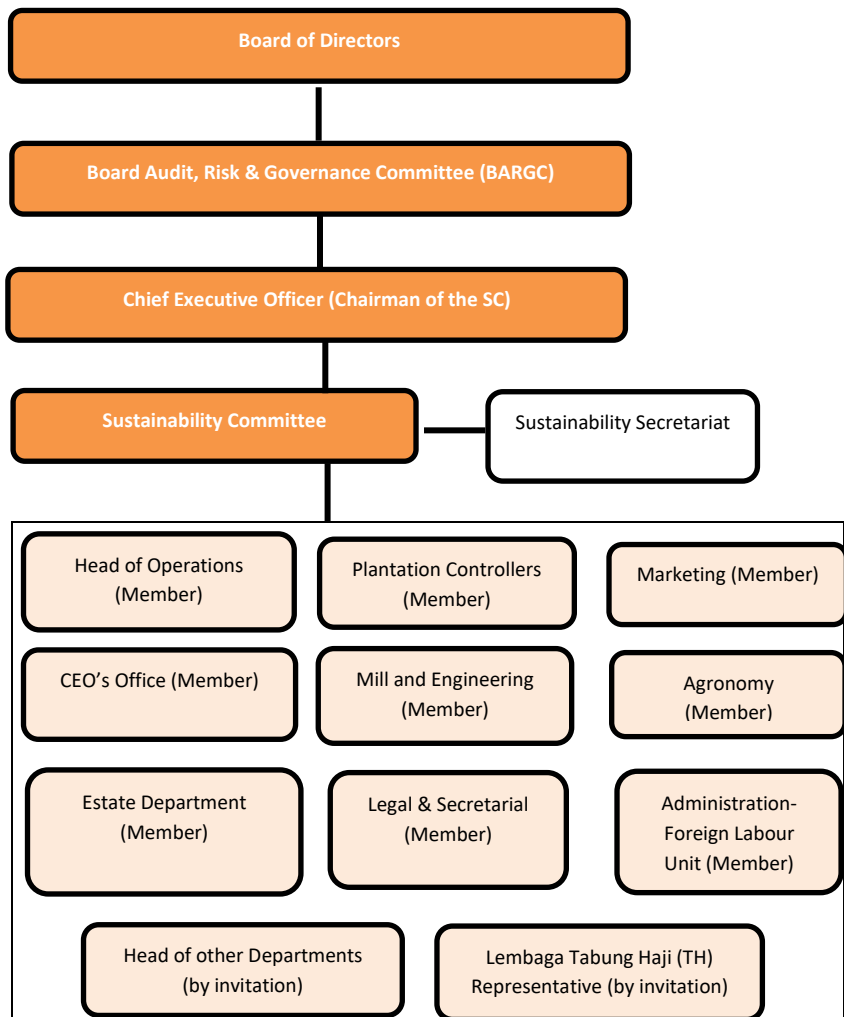
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors sets the tone for sustainability at the THP Group, guiding our strategic direction and diligently overseeing our wide-ranging initiatives.</p> <p>In leading our sustainability agenda, the Board is supported by the BARGC, the CEO and the Sustainability Committee ("SC"), thereby ensuring that sustainability strategies are translated into effective and impactful execution at all levels.</p> <p>BARGC's roles include:</p> <ol style="list-style-type: none"><li>1. To review sustainability matters to ensure that the Company's business operations are aligned and comply with the Environmental, Social, and Governance ("ESG") requirements set by the relevant stakeholders.</li><li>2. To review and provide directions on the status of any ESG issues in THP operations.</li><li>3. To review and provide directions on any changes in ESG compliance in line with market requirements.</li><li>4. To review the Sustainability Disclosures (reporting) as required by the Bursa Malaysia.</li><li>5. To assess climate change-related issues such as climate risks and opportunities and climate disclosures.</li><li>6. To delegate responsibility to the SC to supervise and manage the overall sustainability implementation across the organization.</li></ol> <p>Our CEO is responsible for:</p> <ol style="list-style-type: none"><li>1. Regularly updating the Board on our sustainability performance.</li></ol>

2. Reviewing updates from the SC and providing input to these updates, pertaining to our sustainability initiatives and the preparation of our annual sustainability statement.

The SC, which was established on 26 November 2020, is chaired by the CEO and comprises Heads of Departments from across the THP Group, bringing together a wealth of collective knowledge and expertise towards cohesively delivering our business and sustainability goals.

The SC's mandate includes:

1. Executing the Board's strategic sustainability direction by ensuring seamless integration and alignment with the Company's overall strategies.
2. To ensure and monitor the implementation and understanding of sustainability policy at all levels in THP.
3. To coordinate the action plan and decision related to sustainability among departments efficiently.
4. Deliberating on all sustainability-related matters during regular meetings, guided by the direction and recommendations of the Chairman.



<b>Explanation for departure</b> :		
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## 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>Our approach to sustainability is centred on creating holistic, shared value that benefits both our business and stakeholders, thereby building the foundation for sustainable and equitable advancement.</p> <p>Through regular engagements, we gain insight into our stakeholders’ specific expectations and needs, empowering the development of strategies and approaches that deliver mutual benefit.</p> <table border="1"> <thead> <tr> <th>Stakeholder Groups</th> <th>Stakeholder Concerns</th> </tr> </thead> <tbody> <tr> <td> <b>Shareholders</b>  Engagement Platforms: <ul style="list-style-type: none"> <li>Annual General Meetings (“AGMs”)</li> <li>Quarterly announcements</li> </ul> </td> <td> i. Management Discussion &amp; Analysis – pages 17 to 31 of the 2024 Annual Report.  ii. Product Quality &amp; Operational Efficiency – pages 44 to 47 of the 2024 Annual Report.  iii. Audited Financial Statements – pages 161 to 245 of the 2024 Annual Report. </td> </tr> <tr> <td> <b>Directors</b>  Engagement Platforms: <ul style="list-style-type: none"> <li>Quarterly and special Board meetings</li> <li>Quarterly and special Board Committee meetings</li> </ul> </td> <td> i. Governance &amp; Ethics – pages 49 to 51 of the 2024 Annual Report.  ii. Corporate Governance Overview Statement – pages 116 to 139 of the 2024 Annual Report.  iii. Statement of Risk Management &amp; Internal Control – pages 140 to 146 of the 2024 Annual Report. </td> </tr> <tr> <td> <b>Management</b>  Engagement Platforms: <ul style="list-style-type: none"> <li>Operational and ad-hoc meetings</li> </ul> </td> <td> i. Product Quality &amp; Operational Efficiency – pages 44 to 47 of the 2024 Annual Report.  ii. Traceability &amp; Supply Chain Management – page 48 of the 2024 Annual Report.  iii. Effluent &amp; Water Discharge – pages 66 to 67 of the 2024 Annual Report.  iv. Waste Management – pages 60 to 61 of the 2024 Annual Report.  v. Water Management – pages 68 to 69 of the 2024 Annual Report.  vi. Human Rights – pages 76 to 77 of the 2024 Annual Report.  vii. OSH – pages 70 to 75 of the 2024 Annual Report. </td> </tr> </tbody> </table>	Stakeholder Groups	Stakeholder Concerns	<b>Shareholders</b> Engagement Platforms: <ul style="list-style-type: none"> <li>Annual General Meetings (“AGMs”)</li> <li>Quarterly announcements</li> </ul>	i. Management Discussion & Analysis – pages 17 to 31 of the 2024 Annual Report. ii. Product Quality & Operational Efficiency – pages 44 to 47 of the 2024 Annual Report. iii. Audited Financial Statements – pages 161 to 245 of the 2024 Annual Report.	<b>Directors</b> Engagement Platforms: <ul style="list-style-type: none"> <li>Quarterly and special Board meetings</li> <li>Quarterly and special Board Committee meetings</li> </ul>	i. Governance & Ethics – pages 49 to 51 of the 2024 Annual Report. ii. Corporate Governance Overview Statement – pages 116 to 139 of the 2024 Annual Report. iii. Statement of Risk Management & Internal Control – pages 140 to 146 of the 2024 Annual Report.	<b>Management</b> Engagement Platforms: <ul style="list-style-type: none"> <li>Operational and ad-hoc meetings</li> </ul>	i. Product Quality & Operational Efficiency – pages 44 to 47 of the 2024 Annual Report. ii. Traceability & Supply Chain Management – page 48 of the 2024 Annual Report. iii. Effluent & Water Discharge – pages 66 to 67 of the 2024 Annual Report. iv. Waste Management – pages 60 to 61 of the 2024 Annual Report. v. Water Management – pages 68 to 69 of the 2024 Annual Report. vi. Human Rights – pages 76 to 77 of the 2024 Annual Report. vii. OSH – pages 70 to 75 of the 2024 Annual Report.
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		viii. Employee Welfare & Development – pages 78 to 82 of the 2024 Annual Report.
	<b>Employees</b> Engagement Platforms: <ul style="list-style-type: none"> <li>• Our ‘open-door’ policy</li> <li>• Our Company intranet</li> <li>• Special briefings</li> <li>• Employee bulletins</li> <li>• Training and development programmes</li> </ul>	i. Governance & Ethics – pages 49 to 51 of the 2024 Annual Report. ii. Human Rights – pages 76 to 77 of the 2024 Annual Report. iii. OSH – pages 70 to 75 of the 2024 Annual Report. iv. Employee Welfare & Development – pages 78 to 82 of the 2024 Annual Report.
	<b>Customers</b> Engagement Platforms: <ul style="list-style-type: none"> <li>• Regular emails and in-person correspondence</li> </ul>	i. Product Quality & Operational Efficiency – pages 44 to 47 of the 2024 Annual Report. ii. Traceability & Supply Chain Management – page 48 of the 2024 Annual Report. iii. Governance & Ethics – pages 49 to 51 of the 2024 Annual Report. iv. Biodiversity & Conservation – pages 52 to 58 of the 2024 Annual Report. v. NDPE Commitments – page 59 of the 2024 Annual Report. vi. Local Communities/Community Investment – pages 83 to 84 of the 2024 Annual Report.
	<b>Local Communities</b> Engagement Platforms: <ul style="list-style-type: none"> <li>• Informal grievance channels</li> <li>• Community-based programmes</li> <li>• Land management schemes</li> </ul>	i. Effluent & Water Discharge – pages 66 to 67 of the 2024 Annual Report. ii. Biodiversity & Conservation – pages 52 to 58 of the 2024 Annual Report. iii. Local Communities/Community Investment - pages 83 to 84 of the 2024 Annual Report. iv. Land Rights – page 85 of the 2024 Annual Report.
	<b>Local Authorities</b> Engagement Platforms: <ul style="list-style-type: none"> <li>• Monthly, annual and special reports</li> <li>• Meetings and dialogues</li> </ul>	i. Governance & Ethics – pages 49 to 51 of the 2024 Annual Report. ii. Effluent & Water Discharge – pages 66 to 67 of the 2024 Annual Report. iii. Waste Management – pages 60 to 61 of the 2024 Annual Report. iv. Water Management – pages 68 to 69 of the 2024 Annual Report. v. Human Rights – pages 76 to 77 of the 2024 Annual Report. vi. OSH – pages 70 to 75 of the 2024 Annual Report.

	<p>As our sustainability journey has progressed, we have identified gaps in the scope of our stakeholder engagement efforts. In response to these gaps, and to align with MSPO certification requirements, we have since introduced new engagement channels including stakeholder meetings at each of our operational complexes and launched dedicated grievance channels which allow stakeholders to formally raise concerns about our practices and any suspected incidents.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
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<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

### 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 has been at the forefront of the sustainability issues including climate-related risks by complying with Principal 5 in MSPO (Environment). This includes the monitoring of the Group’s Green House Gas (“GHG”) Emissions annually to ensure that the Group is in line with the goal of being an environmentally conscious company.</p> <p>The Board also attended conferences, seminars and training programmes related to sustainability matters such as:</p> <ol style="list-style-type: none"> <li>1. Sustainability Reporting Forum – The Next Wave in Corporate Disclosure</li> <li>2. International Sustainability Energy Summit</li> <li>3. Sustainability and Climate Risk Certificate Programme 2024</li> <li>4. ESG Certification for Internal Auditors</li> <li>5. <b>TH</b> Group Summit 2024: Business Transformation Towards Sustainability</li> <li>6. Knowledge Sharing Session on GHG Emission Project</li> <li>7. Directors Masterclass Series on “Latest Development in Climate-Aligned Executive Compensation”</li> <li>8. Knowledge Sharing Session on Climate Strategy &amp; Risk</li> <li>9. Mandatory Accreditation Programme Part II: Leading for Impact</li> </ol> <p>THP is also continuously exploring other viable efforts in order to further reduce GHG emissions and improve day-to-day operations. This includes the adoption of the No Deforestation, Peat and Exploitation (“NDPE”) policy which is crucial in the environmental effort at a global level.</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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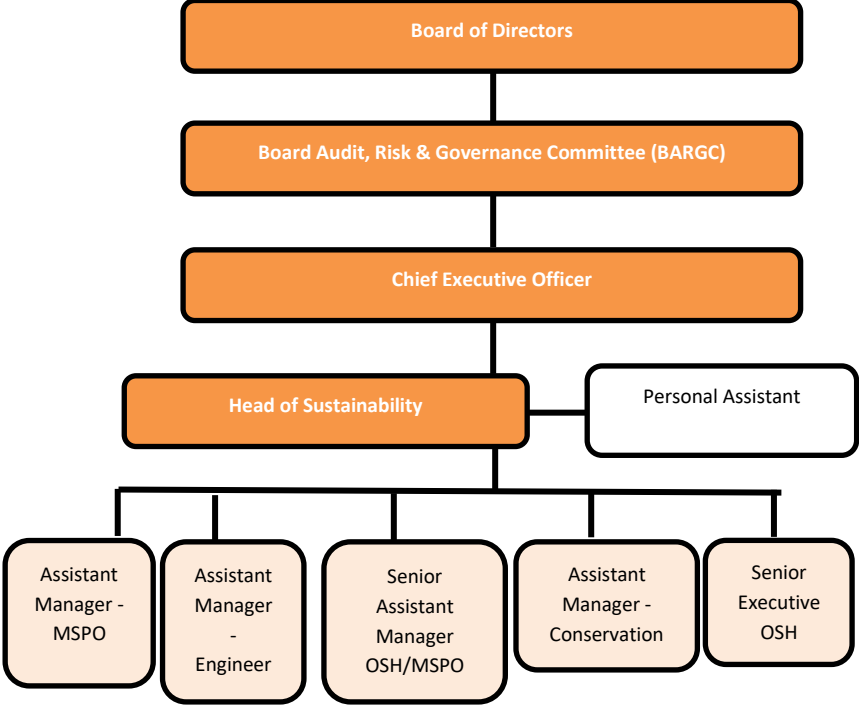
**Intended Outcome**

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.

<p><b>Application</b></p>	<p>: Applied</p>
<p><b>Explanation on application of the practice</b></p>	<p>: In recognition of the ever-changing Sustainability Agenda, we have made incremental improvements to strengthen our sustainability commitment. A dedicated Sustainability Department (“SD”) was formed in November 2020 which reports directly to the CEO.</p> <p>The Sustainability Department comprises three (3) units, the MSPO Unit, the OSH Unit and the Conservation &amp; Biodiversity Unit. The CEO oversees the overall implementation of the THP Group’s sustainability efforts, while the Head of Sustainability Department directs and monitors the implementation of sustainability initiatives within the THP Group.</p> <p>Meanwhile, the MSPO Unit ensures and monitors our operations comply with MSPO standards through the process of MSPO internal audit by the Sustainability Department and MSPO external audit by an accredited Certification Body annually. This MSPO audit process comprises of following Principles &amp; Criteria:</p> <ol style="list-style-type: none"> <li>1. Management Commitment &amp; Responsibility</li> <li>2. Transparency</li> <li>3. Compliance with Legal Requirements</li> <li>4. Social Responsibility, Health, Safety &amp; Employment Condition</li> <li>5. Environment, Natural Resources, Biodiversity &amp; Ecosystem Services</li> <li>6. Best Practices</li> <li>7. Development of New Plantings</li> </ol> <p>Besides the MSPO audit process, the MSPO Unit also monitors the implementation of sustainability initiatives through the ESG monitoring checklist report which is reported by Regional Plantation Controllers twice a year.</p> <p>The OSH Unit is responsible for the implementation of the OSH management system aligns with policies, acts and regulations through inspection visits annually.</p>

	<p>Whereas the Conservation &amp; Biodiversity Unit develops and implements comprehensive conservation and biodiversity management strategies to protect the environment, ensure compliance with environmental regulations, and achieve relevant certifications.</p> <p>The ESG risks are also deliberated in the Risk Management Committee. This exercise is coordinated by the Risk &amp; Compliance Department. The ESG risks are one of the components in 20 Company’s Risk Registers.</p> <p>SD also committed to GHG emissions and mitigation efforts such as:</p> <ol style="list-style-type: none"> <li>1. Avoiding deforestation by complying with NDPE commitment &amp; policy.</li> <li>2. Methane Capture (JVC with Cenergi RE Sdn. Bhd. at Kilang Sawit Bukit Lawiang).</li> <li>3. Enhancement of Renewable Energy Initiatives such as rooftop solar panel installation at estates and mill buildings.</li> </ol>  <pre> graph TD     Board[Board of Directors] --&gt; BARGC[Board Audit, Risk &amp; Governance Committee (BARGC)]     BARGC --&gt; CEO[Chief Executive Officer]     CEO --&gt; HS[Head of Sustainability]     CEO --&gt; PA[Personal Assistant]     HS --&gt; AM1[Assistant Manager - MSPO]     HS --&gt; AM2[Assistant Manager - Engineer]     HS --&gt; SAM[Senior Assistant Manager OSH/MSPO]     HS --&gt; AM3[Assistant Manager - Conservation]     HS --&gt; SE[Senior Executive OSH] </pre>
<p><b>Explanation for departure</b> :</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>	

<b>Timeframe</b>	:		
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**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>	:	The Head of Sustainability Department i.e. Samshul Bahri Muhammad, has been appointed to manage sustainability of THP's operations.

## Intended Outcome

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

## Practice 5.1

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

<b>Application</b>	:	Applied																
<b>Explanation on application of the practice</b>	:	<p>The Board Nomination &amp; Remuneration Committee ("BNRC") is mindful that, for the Board to be effective, the composition of the Board should have a mix of skills and experiences (including gender diversity) that are needed to meet the current and future needs of the Company. For a formal and transparent assessment of the candidate, the Company has adopted the Directors' Fit &amp; Proper Policy which tightens up the current process.</p> <p>For that purpose, the Board upon recommendation of the BNRC, had approved several appointments of directors. As a result, the current composition of the Board with the mix of skills and experience were as follows:</p> <table border="1"><thead><tr><th>Directors</th><th>Background</th></tr></thead><tbody><tr><td>Datuk Dr. Ahmad Kushairi bin Din</td><td>Plantation</td></tr><tr><td>Datuk Syed Hamadah bin Syed Othman</td><td>Actuarial Science</td></tr><tr><td>Tengku Dato' Seri Hasmuddin bin Tengku Othman</td><td>Legal</td></tr><tr><td>Dr. Nurmazilah binti Dato' Mahzan</td><td>Finance &amp; Accounting</td></tr><tr><td>Dr. Shahril bin Simon</td><td>Finance &amp; Asset Management</td></tr><tr><td>Kasmuri bin Sukardi</td><td>Plantation</td></tr><tr><td>Fahda Nur binti Ahmad Kamar</td><td>Legal</td></tr></tbody></table> <p>The profiles for each director are detailed on pages 102 to 108 of the 2024 Annual Report.</p> <p>In relation to the re-election of directors, the BNRC had reviewed the performance of the Board and Board Committees through the Board Evaluation Assessment ("BEA") 2024. Amongst others, the assessment focused on the following areas:</p> <ul style="list-style-type: none"><li>• The Director's performance and contribution to the Board and Board Committees meetings;</li><li>• The effectiveness of the Board and Board Committees meetings; and</li></ul>	Directors	Background	Datuk Dr. Ahmad Kushairi bin Din	Plantation	Datuk Syed Hamadah bin Syed Othman	Actuarial Science	Tengku Dato' Seri Hasmuddin bin Tengku Othman	Legal	Dr. Nurmazilah binti Dato' Mahzan	Finance & Accounting	Dr. Shahril bin Simon	Finance & Asset Management	Kasmuri bin Sukardi	Plantation	Fahda Nur binti Ahmad Kamar	Legal
Directors	Background																	
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Dr. Nurmazilah binti Dato' Mahzan	Finance & Accounting																	
Dr. Shahril bin Simon	Finance & Asset Management																	
Kasmuri bin Sukardi	Plantation																	
Fahda Nur binti Ahmad Kamar	Legal																	

	<ul style="list-style-type: none"> <li>The level of independence demonstrated by the Directors and their ability to act in the best interest of the Company.</li> </ul> <p>At the forthcoming 51<sup>st</sup> AGM of THP scheduled to be held on 6 May 2025, the following directors are due for retirement by rotation under Clause 89 of the Company's Constitution:</p> <ul style="list-style-type: none"> <li>Datuk Dr. Ahmad Kushairi bin Din; and</li> <li>YM Tengku Dato' Seri Hasmuddin bin Tengku Othman</li> </ul> <p>Being eligible, Datuk Dr. Ahmad Kushairi bin Din had offered himself to be re-elected as a Director of the Company whilst YM Tengku Dato' Seri Hasmuddin bin Tengku Othman has expressed his intention not to seek for re-election as a Director of the Company. Hence, YM Tengku Dato' Seri Hasmuddin bin Tengku Othman shall retire as a Non-Independent Non-Executive Director of the Company at the conclusion of the 51<sup>st</sup> AGM of the Company.</p> <p>The Board has endorsed the BNRC's recommendation to re-elect Datuk Dr. Ahmad Kushairi bin Din based on the satisfactory outcome of his Board Evaluation Assessment, which includes the evaluation of the directors' fit and proper criteria. He has demonstrated dedication, commitment and diligence as a Director and Chairman of the Company.</p> <p>Accordingly, the Board has endorsed the BNRC's recommendation to seek for the shareholders' approval on the re-election of the above director at the forthcoming 51<sup>st</sup> AGM 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 5.2

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>	:	As at 31 December 2024, there are seven (7) members of the Board, of whom three (3) are Non-Independent Non-Executive Directors and the remaining four (4) are Independent Non-Executive Directors detailed as follows:		
		<b>Designation</b>	<b>No. of Directors</b>	<b>%</b>
		Executive Director	Nil	Nil
		Independent Non-Executive Director	4	57
		Non-Independent Non-Executive Director	3	43
		<b>Total</b>	<b>7</b>	<b>100</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**

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>	:	Not applicable - Step Up 5.4 adopted	
<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**

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.

<i>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.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	: The tenure of the Independent Directors of THP is nine (9) years as set out in its Board Charter, which can be accessed on THP's website at <a href="https://thplantations.my">https://thplantations.my</a> .  As at 31 December 2024, THP has four (4) Independent Non-Executive Directors and none of them have exceeded the maximum nine (9) years.

### 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 remains focused on enhancing the diversity of Directors' perspectives. Directors are chosen for their corporate leadership skills, experience and expertise. Diversity of experience in business as well as academic backgrounds are also considered. The right blend of skills and experience is crucial in ensuring the attainment of long-term value for THP's Shareholders.</p> <p>The BNRC adopted a thorough appointment process for a director, including assessing the candidate's ability to provide an undivided commitment to the Company. The candidate's current directorship on the board of other public listed companies complies with Paragraph 15.06 of the MMLR is part of the selection criteria for appointing a director on the Board. In addition, the candidate must disclose directorships in non-listed companies, including the non-profit organization, which will also indicate the candidate's ability to provide commitment.</p> <p>Thereafter, upon satisfactory assessment results, the BNRC will recommend the successful candidate for approval of the Board.</p> <p>During the financial year 2024, no new Director had been appointed.</p> <p>As at 31 December 2024, the Company has two (2) woman directors, namely Dr. Nurmazilah binti Dato' Mahzan and Fahda Nur binti Ahmad Kamar. The Board shall endeavor to increase the number of women directors on the Board to be at least 30%.</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 5.6

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>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Although the THP Group does not utilize independent sources to identify suitably qualified candidates to the Board, it considers that its various networks within Lembaga Tabung Haji, existing Directors and Management of all related companies, provide a healthy pipeline of independently sourced candidates for consideration.	
		Once sourced, each candidate is thoroughly assessed for their independence and nominations are only made once the BNRC is comfortable with its selection, ensuring at all times that all criteria set are fulfilled and that the nominated Director is able to bring the right balance of experience, knowledge and value to the Board.	
<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 5.7

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The profiles of each Director of THP are set out on pages 102 to 108 of the 2024 Annual Report. Their profiles consist of their age, gender, directorships in other companies, qualifications, working experience, shareholdings in THP and any conflict of interest with THP, if any.	
<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>	:	<p>The Chairman of BNRC must be an Independent Non-Executive Director as required by the TOR of the BNRC and the TOR of BNRC is available online at <a href="https://thplantations.my">https://thplantations.my</a>.</p> <p>During the year 2024, the post of Chairman of BNRC has undergone several changes, detailed as follows:</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Changes</th> </tr> </thead> <tbody> <tr> <td>6 May 2024</td> <td>Haji Bakri bin Jamaluddin, an Independent Non-Executive Director had retired at the conclusion of the 50<sup>th</sup> AGM of THP held on 6 May 2024. Concurrently, he had relinquished his position as the Chairman of BNRC.</td> </tr> <tr> <td>20 June 2024</td> <td>Fahda Nur binti Ahmad Kamar, an Independent Non-Executive Director of THP had been appointed as Chairman of BNRC.</td> </tr> </tbody> </table>		Date	Changes	6 May 2024	Haji Bakri bin Jamaluddin, an Independent Non-Executive Director had retired at the conclusion of the 50 <sup>th</sup> AGM of THP held on 6 May 2024. Concurrently, he had relinquished his position as the Chairman of BNRC.	20 June 2024	Fahda Nur binti Ahmad Kamar, an Independent Non-Executive Director of THP had been appointed as Chairman of BNRC.
Date	Changes								
6 May 2024	Haji Bakri bin Jamaluddin, an Independent Non-Executive Director had retired at the conclusion of the 50 <sup>th</sup> AGM of THP held on 6 May 2024. Concurrently, he had relinquished his position as the Chairman of BNRC.								
20 June 2024	Fahda Nur binti Ahmad Kamar, an Independent Non-Executive Director of THP had been appointed as Chairman of BNRC.								
<b>Explanation for departure</b>	:								
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>									
<b>Measure</b>	:								
<b>Timeframe</b>	:								

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	As at 31 December 2024, there were two (2) women directors on the THP Board, which represents 29% women directors. However, the current composition complied with Paragraph 15.02(1)(b) of the MMLR.	
		Consistent with its Board Diversity Policy contained in the Board Charter, an individual women representation on the Board shall be increased when a suitable and qualified candidate is identified in the future.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	



### Intended Outcome

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

### Practice 5.10

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>THP has adopted the Board Diversity Policy as contained in the Board Charter which is available online at <a href="https://thplantations.my">https://thplantations.my</a>.</p> <p>In this regard, the BNRC is responsible for ensuring that the mix profiles of the Board members in terms of age, gender, knowledge and skills could provide the necessary range of perspective, experience and expertise required to achieve effective stewardship and management. Through this, the Board believes that a truly diverse and inclusive Board will ensure that THP retains its competitive advantage.</p> <p>Based on the board's current composition, THP has yet to achieve 30% women directors on its board. THP had two (2) women directors, namely, Dr. Nurmazilah binti Dato' Mahzan and Fahda Nur binti Ahmad Kamar, both are Independent Non-Executive Directors of THP.</p> <p>The profiles of the above women directors are on pages 106 and 108 of the 2024 Annual Report.</p> <p>For the management team, THP has three (3) women who hold the department head position. The management team profiles are set out on pages 110 to 115 of the 2024 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>	:	
<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>	: During the year 2024, all directors had completed their BEA 2024. The BEA 2024 was conducted internally through questionnaires. The questionnaires were based on the Corporate Governance Guide issued by the Bursa Malaysia.  The BNRC, upon the satisfactory result of the assessment, concluded that the current size and background of the board members are sufficient and reasonable to contribute to the effective decision-making process.  The appraisal process and actions are detailed on page 125 of the 2024 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

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>	:	<p>The Board is mindful of the need to ensure the remuneration package for Directors is reasonable and competitive to attract and retain Directors and Senior Management of good calibre and integrity with the appropriate qualifications, skills and experience needed to run the Group's operations effectively.</p> <p>The Remuneration Policy &amp; Procedures For the Directors and Senior Management of THP is available online at <a href="https://thplantations.my">https://thplantations.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 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 BNRC on an annual basis shall review the existing remuneration package of the Company prior to making recommendations for the approval of the Board.</p> <p>For this purpose, the BNRC had thoroughly reviewed the remuneration package of the directors, which takes into account the demands, complexities and performance of the Company as well as appropriately reflects the future needs of the Company.</p> <p>In compliance with Section 230 of the Companies Act, 2016 and Clause 97 of the Company's Constitution, the Company had at the last 50<sup>th</sup> AGM obtained the shareholders' approval on the directors' fees and benefits payable of up to RM1.2 million for the period from 7 May 2024 until the next 51<sup>st</sup> AGM of the Company to be held in 2025.</p> <p>Up to the 51<sup>st</sup> AGM to be held on 6 May 2025, the expected amount to be utilized is approximately RM890,738.00 or 74% of the approved amount.</p> <p>The TOR of the BNRC is available online at <a href="https://thplantations.my">https://thplantations.my</a>.</p> <p>The BNRC Report for 2024 is detailed on pages 130 to 132 of the 2024 Annual Report.</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>	:	THP has been disclosing in detail, on a named basis, the remuneration of THP's individual directors which includes fees at the Company and Group level, meeting allowances, salary, bonus, other emoluments and benefits-in-kind such as medical and insurance coverage.  Details of the remuneration (including benefits-in-kind) for each Director are disclosed on page 124 of the 2024 Annual Report.

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	Datuk Dr. Ahmad Kushairi bin Din	Independent Director	144,000	12,000	-	-	60,186	-	216,186	108,000	2,000	-	-	-	-	110,000
2	Datuk Syed Hamadah bin Syed Othman	Non-Executive Non-Independent Director	-	12,000	-	-	1,066	-	13,066	-	-	-	-	-	-	-
3	Tengku Dato' Seri Hasmuddin bin Tengku Othman	Non-Executive Non-Independent Director	72,000	36,000	-	-	9,899	-	117,899	189,419	13,750	-	-	-	-	203,169
4	Dr. Shahril bin Simon	Non-Executive Non-Independent Director	-	16,000	-	-	1,066	-	17,066	-	-	-	-	-	-	-
5	Dr. Nurmazilah binti Dato' Mahzan	Independent Director	78,367	36,000	-	-	6,186	-	120,553	115,250	10,000	-	-	-	-	125,250
6	Kasmuri bin Sukardi	Independent Director	66,367	31,000	-	-	55,587	-	152,954	142,601	11,250	-	-	-	-	153,851
7	Fahda Nur binti Ahmad Kamar	Independent Director	60,000	23,000	-	-	6,186	-	89,186	97,790	7,500	-	-	-	-	105,290
8	Haji Bakri bin Jamaluddin	Independent Director	25,162	13,000	-	-	5,548	-	43,710	71,290	3,500	-	-	-	-	74,790
9	Muhammad Ramizu bin Mustaffa	Independent Director	38,500	17,000	-	-	3,344	-	58,844	76,069	2,500	-	-	-	-	78,569





### Intended Outcome

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

### Practice 8.2

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Board is of the view that such disclosure would be detrimental to the Group given the highly competitive nature of the industry. Disclosure could result in the poaching of performing management staff and unnecessary increases in remuneration costs for underperforming staff.	
		As an alternative to the recommended practice, the Board has opted to disclose the Remuneration Policy & Procedures for the Directors and Senior Management which is available online at <a href="https://thplantations.my">https://thplantations.my</a> .  However, the Company had disclosed the remuneration of the CEO for the financial year ended 31 December 2024 on page 124 of the 2024 Annual Report.	
<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	Mohamed Zainurin bin Mohamed Zain	Chief Executive Officer	750,001-800,000	Choose an item.	100,001-150,000	0-50,000	50,001-100,000	1,000,000-1,050,000
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	Mohamed Zainurin bin Mohamed Zain	Chief Executive Officer	780,000	-	130,000	9,756	94,992	1,014,748
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>The Chairman of the BARGC is Dr. Nurmazilah binti Dato' Mahzan is an Independent Non-Executive Director.</p> <p>The Chairman of the BARGC is not the Chairman of the Board, so as not to impair the objectivity of the Board's views on the BARGC's findings and recommendations.</p> <p>The composition and activities of the BARGC are outlined in the BARGC Report as disclosed on pages 134 to 137 of the 2024 Annual Report.</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 BARGC's TOR states a provision requiring any former audit partner of the Company's external auditors to observe a cooling-off period of at least three (3) years before being appointed as a member of the BARGC.</p> <p>Currently, none of the members of the BARGC are former audit partners of the Company's external auditors.</p> <p>Profiles of the members of the BARGC are disclosed on pages 104, 106 and 107 of the 2024 Annual Report.</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>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The BARGC conducts assessment on the suitability, objectivity and independence of the Company's external auditors. The assessment is based on the BARGC's TOR under its functions and responsibilities, among others:-</p> <ul style="list-style-type: none"><li>i. To review and consider the appointment, resignation and dismissal of external auditor(s) and make appropriate recommendations to the Board including the audit fees;</li><li>ii. To review audit scope, plan, reports and management letters presented by the external auditors;</li><li>iii. To discuss issues arising from the interim and final audit and any other matters that external auditor may wish to discuss, in the absence of management, if necessary.</li></ul> <p>During the financial year 2024, the BARGC had, amongst others:</p> <ul style="list-style-type: none"><li>i. Reviewed the external auditor's scope of works and audit plan for the Group;</li><li>ii. Evaluated the sufficiency, proficiency and background of the external auditors appointed for the audit engagement as well as their effectiveness in conducting the audit. Additionally, reviewed the audit fees and potential re-appointment of the auditors to the Board for recommendation;</li><li>iii. Evaluated the performance of the external auditors as well as their suitability, impartiality and autonomy in performing the audit;</li><li>iv. Conducted a review with the external auditors regarding the conformity of the Group's yearly financial statements to the MMLR as well as the relevant accounting standards of the MFRS and other legal and regulatory mandates;</li><li>v. Examined and discussed the external auditor's management letter(s) and the corresponding management response(s); and</li></ul>

	<p>vi. Examined and discussed any noteworthy audit discoveries and concerns that surfaced during the interim and final audit, significant financial and accounting problems as well as any other topics that the external auditors wished to address in the presence of senior management.</p> <p>The external auditors provided assurance to the BARGC that they had maintained independence throughout the audit engagement for 2024, in full compliance with all relevant professional and regulatory requirements.</p>	
<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**

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 BARGC members collectively possess a wide range of necessary skills to discharge their duties and are financially literate, competent and able to understand matters under the purview of the BARGC.</p> <p>The Chairman of the BARGC possess relevant qualifications, skills and experience as follows:</p> <p>Qualifications :</p> <ul style="list-style-type: none"><li>• PhD in Accounting, University of Birmingham, United Kingdom</li><li>• Bachelor of Accounting, International Islamic University of Malaysia</li><li>• Certified ESG Analyst</li><li>• Certified Risk Management and Assurance</li><li>• Certified Internal Auditor</li><li>• Certified Public Accountant</li><li>• Chartered Global Management Accountant</li></ul> <p>Professional Affiliations :</p> <ul style="list-style-type: none"><li>• Member of the Malaysian Institute of Accountants (MIA)</li><li>• Member of the Institute of Corporate Directors Malaysia (ICDM)</li><li>• Member of the Institute of Internal Auditors (IIA)</li><li>• Member of the Malaysian Institute of Certified Public Accountants (MICPA)</li><li>• Member of ASEAN Chartered Professional Accountant (ASEAN CPA)</li><li>• Fellow of Chartered Global Management Accountant (CGMA)</li></ul>

**Working Experience and Occupation:**

A highly accomplished and results-oriented leader with over 30 years of experience in diverse organizations, Dr. Nurmazilah brings a wealth of expertise to the boardroom. Her deep understanding of governance, strategy and finance is complemented by a strong commitment to sustainability and stakeholder engagement.

As a former CEO of MIA, Dr. Nurmazilah spearheads transformative initiatives in risk management, governance, technology adoption and branding. She developed and executed strategic, operational and financial plans to enhance organizational effectiveness and efficiency.

She possesses extensive knowledge of auditing, accounting and regulatory functions including financial statement review, audit quality and professional ethics. She has actively engaged with diverse stakeholders across various sectors, both locally and globally.

Dr. Nurmazilah is a highly effective communicator and collaborator with a passion for driving positive change. Her expertise and experience make her a valuable asset to any board seeking to enhance its governance, strategy and sustainability performance.

A recognized thought leader in Integrated Reporting, ESG and the future of corporate reporting, Dr. Nurmazilah currently serves as a Member of the IFRS Foundation Integrated Reporting and Connectivity Council.

Currently, she is an Authority Member of the Sustainable Energy Development Authority (SEDA) Malaysia and a Director of CIMB Bank Berhad. She brings valuable boardroom experience and a proven track record of contributing to organizational success.

Meanwhile, the other two (2) members of the BARGC, have experience and knowledge in the plantation industry and corporate legal.

The details qualifications and experience of each member of the BARGC are disclosed on pages 104, 106 and 107 of the 2024 Annual Report.

The members of the BARGC have undertaken continuous professional development and during the financial year 2024, the members had attended trainings relevant to their roles as listed below:-

**Dr. Nurmazilah binti Dato' Mahzan, Chairman**

<b>Training Program Title</b>	<b>Organiser</b>	<b>Date</b>
Sustainability Reporting Forum – The Next Wave in Corporate Disclosure	MIA	23 Jan 2024

Corporate Innovation Through Venture Building: A Capital Efficient & Risk Mitigated Approach	ICDM	23 Feb 2024
Petronas 7 <sup>th</sup> Audit Committee Forum	Petronas	22 Apr 2024
<b>TH</b> Group Summit 2024: Business Transformation Towards Sustainability	<b>TH</b>	7 – 8 May 2024
Being Sued as an INED – A Personal Journey	ICDM	10 May 2024
Risk Landscape and Strategic Management	MARIM	17 May 2024
MIA International Accountants Conference 2024	MIA	11 Jun 2024
Corporate Board Leadership Symposium 2024	MIA	27 Jun 2024
Plantation Sector Internal Audit Seminar 2024	IIAM	4 Jul 2024
Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
MAP Part II: Leading For Impact	ICDM	12 – 13 Aug 2024
Impact Investing: What are Investors Looking For?	ASB – FIDE	19 Aug 2024
International Sustainable Energy Summit (ISES)	SEDA	20 – 21 Aug 2024
ESG Certificate for Internal Auditors	IIAM	3 – 4 Sept 2024
Audit Committee Conference	MIA/IIAM	5 Sept 2024
Sustainability and Climate Risk (SCR) Certificate Program 2024	GARP - ASB	Jul – Oct 2024
Islamic Finance for BOD	INCIEF	6 – 7 Nov 2024
Empowering Businesses Through Integrated Reporting: Incorporating IFRS S1 & S2	MIA	11 Dec 2024
Audit & Assurance Conference 2024	MIA	19 Dec 2024
<b>YM Tengku Dato' Seri Hasmuddin bin Tengku Othman, Member</b>		
<b>Training Program Title</b>	<b>Organiser</b>	<b>Date</b>
Shares and Capital Maintenance	SSM	16 Jan 2024
Loan to Directors and Other Parties	SSM	30 Jan 2024
<b>TH</b> Group Summit 2024: Business Transformation Towards Sustainability	<b>TH</b>	7 – 8 May 2024

	Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
	SSM National Conference 2024 on Enhancing Corporate Transparency, Building Resilience	SSM	27 – 28 Aug 2024
	19 <sup>th</sup> Kuala Lumpur Islamic Finance Forum 2024: Revitalizing the Economy via Islamic Finance	Centre for Research and Training	5 – 7 Nov 2024
	MAP Part II: Leading For Impact	ICDM	27 – 28 Nov 2024
	<b>Haji Kasmuri bin Sukardi, Member</b>		
	<b>Training Program Title</b>	<b>Organiser</b>	<b>Date</b>
	<i>TH</i> Group Summit 2024: Business Transformation Towards Sustainability	<i>TH</i>	7 – 8 May 2024
	Plantation Sector Internal Audit Seminar 2024	IIAM	4 Jul 2024
	16 <sup>th</sup> NATSEM 2024	ISP Management (M) Sdn Bhd	15 – 17 Jul 2024
	Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
MAP Part II: Leading For Impact	ICDM	21 – 22 Oct 2024	
<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 affirms its overall responsibility in maintaining a sound system of risk management and internal control of the Group to safeguard the interest of its shareholders and assets. The Board's focus on effective risk oversight by setting the tone and culture towards effective risk management and internal control system. The primary responsibilities of the Board for the governance of risks and controls include:</p> <ul style="list-style-type: none"><li>• Embedding risk management process and capability in all aspects of the Group's activities;</li><li>• Identify and manage risks within the acceptable level of risk appetite;</li><li>• Reviewing the effectiveness and adequacy of the risk management and internal control system; and</li><li>• Establishing reporting and monitoring mechanism.</li></ul> <p>The Board's committee that is assigned to perform the responsibility and oversight function of the Board in evaluating the performance of the Group's risk management and internal control effectiveness is the BARGC. The broader roles of the BARGC is clearly guided by its TOR and supported by the Risk Management Committee ("RMC").</p> <p>Risk &amp; Compliance Department ("RCD") assists the Management and Board in reviewing, monitoring, and reporting the THP Group's risk management and compliance and to oversee the process of risk management efforts and activities within the THP Group. In addition, the RCD is responsible for revising, updating, and implementing an improved Group's Enterprise Risk Management Policy ("ERMP"), Risk Management Framework ("RMF"), and Risk Management Report ("RMR") for the THP Group to enhance their adequacy and effectiveness.</p>

	<p>In view of the inherent limitations in risk management and internal control system, the Board recognises that such system is designed to manage, rather than eliminate, the risks identified to an acceptable level of risk appetite set and approved by the Board. As a result, the system by its nature, can only provide reasonable but not an absolute assurance against material misstatements, financial losses, operational failures, fraud, and breaches of laws or regulations.</p>	
<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

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>The risk management framework involves three (3) basic processes which are: -</p> <ol style="list-style-type: none"><li>1. Risk assessment process;</li><li>2. Risk communication;</li><li>3. Risk action plan and monitoring.</li></ol> <p>These processes allow the THP Group to identify, evaluate and track the status of the risk profile and changes in the risk context and ensure that the risk treatment and control measures are adequate in design and operations and effective in its implementation.</p> <p>The internal control system is designed to protect integrity of assets, promote accountability, and increase the efficiency of operations within the Group's risk management framework. The system has been developed and maintained based on industry's best practices and guidelines and relevant laws, rules, and regulations to control and mitigate risks according to risks appetite set and approved by the Board. The RMC and RCD would continuously review, monitor and update the existing risks, including identifying new emerging risks faced by the Group and report them to the BARGC accordingly.</p> <p>Thus, the THP Group has designed and implemented a sound system of internal control that enables the business to be operated effectively and efficiently to achieve the Group's business objectives and to safeguard its interests.</p> <p>The key elements of the THP Group's internal control system are as follows:-</p> <ol style="list-style-type: none"><li>1. Board oversight function;</li><li>2. Policies and procedures;</li><li>3. Structure and authority;</li><li>4. Human capital management;</li><li>5. Performance review and monitoring; and</li><li>6. Tender and procurement.</li></ol>



	More comprehensive features of the Group's risk management and internal controls, and its adequacy and effectiveness are elaborated further in the Statement on Risk Management and Internal Control on pages 140 to 146 of the 2024 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**

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>Since November 2017, the responsibility to oversee the THP Group's risk management and internal control framework and policies was placed under the purview of the Audit Committee.</p> <p>In November 2023, the Board renamed the Audit Committee as the BARGC to recognise the importance of the risk management framework and policies. The TOR of the BARGC was also revised and expanded to include additional responsibilities. Its main roles and functions are to oversee the Group's financial reporting and performance oversight, internal and external audit functions and risk management and internal control oversight.</p> <p>Currently, the BARGC three (3) members and majority of them are Independent Non-Executive Directors.</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>	:	<p>The existence of the internal audit function is to provide the Board, through the BARGC, with independent and objective assurance with regards to the performance and effectiveness of risk management, internal control and governance of the Group. Its primary function is to support and assist in discharging the duties and responsibilities of the BARGC. The internal audit function is independent from the operational and financial activities of the THP Group.</p> <p>The BARGC has the authority to review and approve the internal audit’s scope of work, plan, reports and budgets. The committee also has the authority in evaluating the performance of the internal audit function, appointment and removal of the internal audit personnel.</p> <p>The internal audit function is governed by the THP Group’s internal audit charter that enables them to have sufficient authority and access to the information and guided by the internal audit standards set out by the Institute of Internal Auditors to ensure the quality of their works.</p> <p>The BARGC is satisfied with the overall performance of the THP Group’s internal audit function and its resources to perform their functions effectively and independently.</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>The Internal Audit Department's functions is independent from the operational and financial activities of the Group and shall remain free from interference by any elements within the THP Group. It has no direct or indirect operational responsibility or authority over any of the activities operated by the THP Group.</p> <p>All internal audit personnel are free from any relationships or conflicts of interest, except one (1) personnel that have family ties with Plantation Controller (Peninsular Region). In maintaining the independence and objectivity of the internal audit function, this individual will be reassigned to audit areas that do not involve any related estate operations in the Peninsular Region.</p> <p>Internal Audit Department is led by Mohd Izray bin Ibrahim. He holds a Bachelor's Degree (Honours) in Plantation Technology &amp; Management and Diploma in Planting Industry Management both from MARA University of Technology (UiTM). He is currently an Associate Member of the Institute of Internal Auditors ("IIA") and Associate Member of the Association of Certified Fraud Examiner ("ACFE").</p> <p>There are 10 internal audit executives and 1 clerical staff, all of whom are qualified and possess the required skills, competencies, knowledge and experience to perform internal audit function. In addition, the internal audit personnel had also participated in several training sessions and conferences throughout 2024 to enhance their knowledge and competencies, thereby increasing their awareness of internal controls. All executives are associate member of the Institute of Internal Auditors Malaysia.</p> <p>The Internal Audit Department's activities are carried out according to the THP Group's internal audit charter, internal audit standards and annual internal audit planning that was approved by the BARGC.</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 acknowledges the importance of an effective communication channel between itself, stakeholders, institutional investors and the investing public at large to provide a clear picture of the THP Group's performance and position. THP is committed to maintaining high standards in the dissemination of relevant and material information on the THP Group in order to maintain an effective, comprehensive, timely and continuing disclosure of information.</p> <p>The timely release of financial results on a quarterly basis provides investors with an up-to-date view of the THP Group's performance and operations. The release of the quarterly financial results to Bursa Malaysia is accompanied by a media release.</p> <p>Shareholders are welcome to raise queries by contacting the Company at any time throughout the year and need not wait for the AGM for such an opportunity.</p> <p>The contact information is available online at <a href="https://thplantations.my">https://thplantations.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

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>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	This Practice is not applicable to THP as we are not considered a large company.	
		However, in reflecting its value creation process and principles, THP has committed itself to report on the Sustainability Statement as disclosed on pages 32 to 85 of the 2024 Annual Report.	
<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 13.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Notice of 50<sup>th</sup> AGM of THP was dispatched on 27 March 2024 to notify the shareholders that the 50<sup>th</sup> AGM shall be held on 6 May 2024. Thus, the notice was given to shareholders at least 28 days prior to the meeting consistent with the provision of the Company's Constitution that required the notice of AGM to be given at least 28 days before the AGM.</p> <p>The 50<sup>th</sup> AGM was held on a virtual basis through live streaming from the Broadcast Venue at Bunga Room, Level 3, Seri Pacific Hotel Kuala Lumpur, Jalan Putra, 50746 Kuala Lumpur and via <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a>. The shareholders had used the Remote Participation and Electronic Voting ("RPEV") facilities to attend, speak (in the form of real-time submission of typed texts) and vote (collectively, "participate") at the 50<sup>th</sup> AGM.</p> <p>Ample time was given to the shareholders to make necessary arrangements to participate at the 50<sup>th</sup> AGM, either in person or through corporate representatives or proxies. Detailed explanations on the proxy and entitlement of participation were provided in the Notice. In addition, the Administrative Guide was also dispatched together with the Notice of 50<sup>th</sup> AGM that provided detailed explanations on the procedure of RPEV and a link to download the Annual Report 2023, Circular to Shareholders, Corporate Governance Report 2023, Notice of 50<sup>th</sup> AGM, Proxy Form and Request Form.</p> <p>The Notice of 50<sup>th</sup> AGM provided details explanations for each resolution to allow the shareholders to make an informed decision making at the said AGM. For example, THP had provided ample explanation for resolution on the directors' fees and benefits payable such as remuneration structure/breakdown, the utilized directors' fees and benefits payable obtained at the last 49<sup>th</sup> AGM and justifications for the increase in directors' fees and benefits payable to be obtained at the 50<sup>th</sup> AGM as well as assessment made by the BNRC.</p>
<b>Explanation for departure</b>	:	



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

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

### Intended Outcome

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

### Practice 13.2

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>At the 50<sup>th</sup> AGM, save for Haji Bakri bin Jamaluddin, all Directors of THP, members of the Board Committees, the CEO, the Company Secretary, and external auditors were present at the Broadcast Venue of the 50<sup>th</sup> AGM whilst the Senior Management were present remotely via RPEV facilities at the said 50<sup>th</sup> AGM.</p> <p>During the 50<sup>th</sup> AGM, shareholders of THP were invited to submit question(s) (typed texts) to the messaging window via RPEV facilities at any time until the commencement of the e-polling voting session. Apart from the above, shareholders were allowed to submit their questions before the 50<sup>th</sup> AGM via email to <a href="mailto:info@thplantations.com">info@thplantations.com</a>.</p> <p>The Chairman and the CEO responded to all the relevant questions submitted by the shareholders of THP on every resolution tabled at the AGM before putting them for voting.</p> <p>The minutes of the 50<sup>th</sup> AGM together with the answered and unanswered questions raised during the AGM were available online at <a href="https://thplantations.my">https://thplantations.my</a>.</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>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The 50<sup>th</sup> AGM was held on 6 May 2024 on a virtual basis through live streaming from the Broadcast Venue at Bunga Room, Level 3, Seri Pacific Hotel Kuala Lumpur, Jalan Putra, 50746 Kuala Lumpur and via <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a>. The RPEV facilities allowed the shareholders of THP to participate at the 50<sup>th</sup> AGM remotely from the comfort of their homes.</p> <p>THP had also allowed the shareholders to submit their proxy forms electronically via Boardroom Smart Investor Portal at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> to encourage the shareholders' participation at the AGM via proxies.</p> <p>The Administrative Guide had provided detailed procedures on the registration of RPEV before the shareholders could attend and participate at the 50<sup>th</sup> AGM remotely. Ample time was given to shareholders for registration commencing from 27 March 2024 until 5 May 2024. Thereafter, within 24 hours and upon verification against the General Meeting ROD as of 29 April 2024, relevant shareholders were notified via email by Boardroom Share Registrars Sdn. Bhd. on their approved registration including Meeting ID, RPEV User ID and Password.</p> <p>The voting of all resolutions at the 50<sup>th</sup> AGM were conducted electronically by e-Polling through RPEV facilities. For that purpose, THP had appointed the Boardroom as the Poll Administrator and Mega Corporate Services Sdn. Bhd. as the Independent Scrutineers to verify the results of the e-Polling. The electronic voting had provided accurate outcomes of the results within shorter time.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

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

### Intended Outcome

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

### Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>Shareholders are provided with sufficient opportunities to pose questions. Prior to the 50<sup>th</sup> AGM, shareholders were invited to submit questions via email to <a href="mailto:info@thplantations.com">info@thplantations.com</a>. During the 50<sup>th</sup> AGM, shareholders may submit questions via the Messaging Window of the RPEV facilities that were open commencing from 10.00 a.m. until the commencement of e-polling voting.</p> <p>The Chairman of the Board chaired the 50<sup>th</sup> AGM whilst the Directors, Senior Management and External Auditors were present at the Broadcast Venue of the 50<sup>th</sup> AGM to respond to the questions/comments raised by the shareholders or proxies during the AGM.</p> <p>During the 50<sup>th</sup> AGM, the CEO had presented the Company's performance in 2023 which covered the following areas:</p> <ul style="list-style-type: none"><li>i. THP Overview;</li><li>ii. Financial Performance;</li><li>iii. Operational Statistic;</li><li>iv. Transformation Phase;</li><li>v. Challenges &amp; Outlook; and</li><li>vi. Conclusion &amp; Appreciation.</li></ul> <p>The above presentation was supported by visual and graphical presentation of key financial figures and key operational highlights to facilitate the shareholders' understanding and analyses of the Company's performance. The CEO's presentation slides were published on THP's corporate website after the meeting.</p>

	<p>The Chairman had invited the shareholders to pose questions/comments at the end of each Agenda item of the 50<sup>th</sup> AGM.</p> <p>The pertinent questions/comments raised by shareholders and proxies were displayed on the screen and the responses were read out by the CEO. The said pertinent questions and responses provided by the CEO including the unanswered questions raised during the AGM are available online at <a href="https://thplantations.my">https://thplantations.my</a>.</p>	
<p><b>Explanation for departure</b></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><b>Timeframe</b></p>		

## 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.

*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.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>For the 50<sup>th</sup> AGM, THP had engaged the Company's Share Registrars i.e. the Boardroom Share Registrars Sdn. Bhd. ("Boardroom") to broadcast the proceedings of the 50<sup>th</sup> AGM via live streaming and shareholders were allowed to participate via the RPEV facilities.</p> <p>At the 50<sup>th</sup> AGM, 440 shareholders and proxies representing 655,477,961 ordinary shares or equivalent to 74.16% of the total issued shares of THP have registered via the RPEV facilities to participate.</p> <p>With the RPEV facilities, shareholders were given sufficient time and opportunities to communicate via the Messaging Window in real-time at any time until the commencement of the e-polling voting. At the 50<sup>th</sup> AGM, THP had received a total of 59 questions/comments from the shareholders.</p> <p>The pertinent questions/comments raised by shareholders and proxies were displayed on the screen and the responses were read out by the CEO. The said pertinent questions and responses provided by the CEO including the unanswered questions raised during the meeting were published on THP's corporate website.</p> <p>In addition, shareholders were allowed to exercise their voting rights efficiently from the comfort of their homes. To facilitate smooth e-polling voting, shareholders were briefed via interactive video by the Poll Administrator on the procedure of voting.</p> <p>For this purpose, THP had appointed the Boardroom as the Poll Administrator and Mega Corporate Services Sdn. Bhd. as the Independent Scrutineers to verify the results of the e-Polling. Upon verification of Scrutineers, the results were displayed on the screen and read out by the Chairman prior to the conclusion of the 50<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**

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 50 <sup>th</sup> AGM duly confirmed and signed by the Chairman together with the CEO's slides presentation and responses to questions/comments raised during the meeting were published on THP's corporate website within 30 days after the 50 <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>	:

**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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