

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7094
COMPANY NAME : Eurospan Holdings Berhad
FINANCIAL YEAR : May 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The responsibilities of the Board of Directors of Eurospan Holdings Berhad (“the Company”) (“Board”) are set out in the Board Charter which is available on the Company's website at http://www.eurospan.com.my.</p> <p>The Board is responsible for guiding and monitoring the Company on behalf of its shareholders. In fulfilling its function, the Board assumes, among others, the following responsibilities:</p> <ul style="list-style-type: none">• Providing leadership, reviewing and adopting strategic plans and directions for the Group;• Overseeing the conduct of the Group's business;• Ensuring prudent and effective controls and risk management systems;• Reviewing the adequacy and the integrity of the Group's internal control systems and management information systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines;• Reviewing the performance of management; and• Overseeing the overall sustainability strategies and performance of the Group. <p>The Board has adopted a Board Charter that sets out the division of responsibilities between the Executive Directors, the Non-Executive Directors and the management team. The Board delegates the day-to-day management of the business to the Executive Directors and the management team. However, certain functions are specifically reserved for the Board which include the following:</p> <ul style="list-style-type: none">• In conjunction with management, establishing a vision and strategies for the Group;• Approving the Group's annual business plan and budget;• Approving specific items of material capital expenditure and

	<p>investments and disinvestments;</p> <ul style="list-style-type: none"> • Appointing Directors to the Board; • Appointing and approving the terms and conditions of appointment of the Managing Director; • Approving any significant changes to accounting policies; • Approving the quarterly financial statements; • Approving the annual financial statements; • Approving any interim dividends and recommending any final dividends to shareholders; • Approving all circulars, statements and corresponding documents sent to shareholders; • Approving the terms of reference and membership of Board Committees; • Approving Company policies which may be developed from time to time; and • Approving major acquisition and disposal of investments, businesses, mergers and acquisitions.
<p>Explanation for departure</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>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has appointed Mr. Guan Kok Beng as Executive Chairman. The Chairman is responsible for the conduct of Board meetings and ensures that Board discussions are conducted in a manner that all views are taken into consideration before a decision is made. The Chairman's role includes :-</p> <ul style="list-style-type: none">• Providing strategic direction and leadership to executive management;• Leading the Board effectively on all aspects of its role;• Ensuring that appropriate procedures are in place to govern the Board's operations;• Setting the agenda, style and tone of Board deliberations, facilitating effective review, analysis, discussions and contributions by each director with sufficient time allocated for discussion of complex and contentious issues, encouraging constructive debate so as to enable a sound decision making process;• Ensuring accurate and timely information, in particular about the performance of the Company, is furnished to Board members;• Promoting good corporate governance standards within the Group;• Leading efforts to address the Board's developmental needs; and• Chairing of board meetings and general meetings, and ensuring a smooth, open and constructive dialogue between the Board and the shareholders.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Malaysian Code on Corporate Governance ("MCCG") recommends that the positions of the Chairman and the Chief Executive Officer should be held by different individuals and the Chairman shall not be the Chairman of Board Committees.</p> <p>The position of Chairman and Managing Director are held by different Directors.</p> <p>The Chairman is responsible for the leadership of the Board and controls the orderly and effective functioning of the Board. He ensures that all Directors receive sufficient relevant information on financial and non-financial matters to enable them to participate actively in Board discussions.</p> <p>The Managing Director holds the primary executive responsibility for the Group's business performance and manages the daily conduct of the business to ensure its smooth operations in accordance with the strategies and policies approved by the Board.</p> <p>The Board may appoint a Deputy Managing Director to assist the Managing Director in all his roles and responsibilities and to assume all the authority of the Managing Director during his absence. The Deputy Managing Director may be delegated any responsibility and authority by the Managing Director in the performance of his duties.</p> <p>The roles and responsibilities of the Executive Chairman and the Managing Director are set out in the Board Charter which is available on the Company's websites, http://www.eurospan.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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>	
Application :	Applied
Explanation on application of the practice :	The Executive Chairman of the Board, Mr. Guan Kok Beng, is not a member of the Audit Committee, Nominating Committee and Remuneration Committee in incompliance with Practice 1.4 of the MCGG.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 1.5

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretary, who reports to the Board of Directors, advises and assists the Board of Directors and Board Committees in ensuring that the Company complies with the statutory requirements, rules and regulations including Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirement"), the Companies Act 2016, and strives to achieve good corporate governance practices advocated in MCCG. The Company Secretary updates the Board periodically when new statutes and requirement are issued by the regulatory authorities to ensure that the Board are aware of regulatory development that affected them in carrying out their responsibilities.</p> <p>The Company Secretary convenes all Board meetings and attends all Board meetings to ensure that Board procedures are followed and accurate records of the proceedings and resolutions passed are maintained. The Company Secretary also ensures that the statutory registers are properly maintained at the registered office of the Company. The Board believes that the current Company Secretary who is qualified and experienced is capable of carrying out his duties to assist the Board in ensuring adherence to Board policies and procedures.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.6

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.

Application	:	Applied	
Explanation on application of the practice	:	<p>All Directors have full and timely access to information with Board papers distributed in advance of meetings. Agenda and discussion papers, including quarterly and annual financial statements, minutes of meetings and board papers which include reports relevant to the issues of the meetings covering the areas of strategic, financial and operational matters are usually circulated one week prior to Board Meetings to allow the Directors to study and evaluate the matters to be discussed.</p> <p>If required, the Directors may take independent professional advice in the furtherance of their duties at the Company's expense. Before incurring the professional fee, the Director concerned must seek the approval of the Board. The Directors may access all information within the Group in furtherance of their duties.</p> <p>The minutes of meeting are prepared and circulated to all the Directors for review in a timely manner.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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.

Application	:	Applied
Explanation on application of the practice	:	The Board has formally adopted a Board Charter which provides guidance to the Board in the fulfilment of its roles, duties and responsibilities which are in line with relevant legislations, regulations and the principles of good corporate governance. The Board Charter outlines the composition and structure of the Board, the appointment of new Directors to the Board, the Board's powers, duties and responsibilities including the division of responsibilities between Executive and Independent Non-Executive Directors and management, establishment of Board Committees, remuneration of Directors and processes and procedures for convening Board meetings. Certain functions specifically reserved for the Board are identified in the Board Charter. The Board Charter also underlines the Board's commitment to compliance with laws, regulations and its internal Code of Ethics. The Board Charter is subject to periodic review and will be updated from time to time to reflect changes to the Company's policies, procedures and processes as well as changes to legislations and regulations. The Board Charter is available on the Company's website at http://www.eurospan.com.my .
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to uphold compliance with relevant requirements of laws, its Constitution and the Listing Requirements in the conduct of the business of the Company. In addition, the Directors observe a Code of Ethics, which was developed by the Board based substantially on the Company Directors' Code of Ethics established by the Companies Commission of Malaysia.</p> <p>The Directors' Code of Ethics is available on the Company's website at http://www.eurospan.com.my.</p> <p>The Group has adopted an Anti-Corruption Policy which sets out parameters to prevent the occurrence of bribery and corrupt practices in the conduct of the Group's business. This policy is to provide information and guidelines to all Directors and employees of the Group on the standard of behaviour which they must adhere to and how to recognise and deal with bribery and corruption.</p> <p>The Anti-Corruption Policy of the Group is available on the Company's website at http://www.eurospan.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has set up a framework for employees and associates to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Group. The Whistleblowing Policy adopted by the Group provides and facilitates a mechanism for any employee and associate to report concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse in good faith without fear of adverse consequences.</p> <p>The Whistleblowing Policy is available on the Company's website at http://www.eurospan.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges its responsibility in overseeing the sustainability strategies of the Group. It ensures that the Group’s business strategies give due considerations to material aspects of sustainability. The Board has established a Risk Management Committee (“RMC”) which comprises the Managing Director and senior management team to assist in the implementation of sustainability strategies.</p> <p>The RMC identifies and evaluates overall sustainability risks and opportunities and manages sustainability matters of the Group. The RMC also oversees the sustainability management at each subsidiaries or business unit.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The 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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises the importance of embedding sustainability considerations into the Group’s operations when developing business strategies in achieving its short-term and long-term objectives. The Group continued to initiate efforts to enhance its sustainability practices focusing on areas of economic, environmental and social.</p> <p>Details of the sustainability practices and stakeholder engagement process are set out in the Sustainability Statement of the Group’s 2023 Annual Report. The Sustainability Statement, which is the primary source of communicating with stakeholders the sustainability targets and performance, including the action plans taken.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The 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.

Application	:	Applied	
Explanation on application of the practice	:	Certain Board members attended external trainings to understand and learn the concept, benefits and methodology of incorporating economic, environmental, social and governance considerations into the strategies, business and operations of the Group to create a more sustainable economic growth model which brings long-term value for the Group and future generations.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board acknowledges its responsibility to oversee the governance of sustainability of the Company and the Group, including setting the sustainability strategies, priorities and targets, together with Management.	
		A detailed study is required to develop the criteria for performance evaluation of the Board and senior management in addressing the company’s material sustainability and opportunities.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The 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.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nominating Committee oversees the overall composition of the Board in terms of size of the Board and the balance between Executive Directors and Independent Non-Executive Directors as well as the mix skills, experience and core competencies of the Board members.</p> <p>The effectiveness and contribution of each Board member as well as the effectiveness of the Board or a whole are assessed on an annual basis.</p> <p>The recommendation to shareholders for re-election of Directors retiring by rotation annually has been contingent on satisfactory evaluation of the performance of the retiring Directors.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board presently has six (6) members which comprises of one (1) Executive Chairman, two (2) Executive Directors and three (3) Independent Non-Executive Directors. The current composition of the Board ensures that there are a sufficient number of Independent Non-Executive members on the Board such that no individual or group of individuals dominates the Board's decision making.</p> <p>Given the nature and scope of the Group's operations, the Board considers that the current composition of the Board is of the appropriate size and with the right mix of skills and experience in meeting the Group's current needs and requirements.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 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.

Application	:	Applied
Explanation on application of the practice	:	<p>The MCCG recommends that the tenure of an Independent Director should not exceed a cumulative term of nine years. Upon completion of the nine years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine years, it should justify and seek annual shareholders' approval.</p> <p>Mr. Sim Yee Fuan has served on the Board as an Independent Director for a tenure of more than nine (9) years. During the financial year, the Board had assessed the independence of Mr. Sim Yee Fuan and regarded him to be independent based on the following justifications :-</p> <ul style="list-style-type: none">• He has fulfilled the criteria under the definition of an Independent Director pursuant to the Listing Requirements;• He is able to exercise independent judgement and act in the best interest of the Company;• There is no potential conflict of interest that Mr. Sim Yee Fuan could have with the Company as he has not entered into any contract or transaction with the group;• There are significant advantages to be gained from the long-serving Independent Director as he has many years of experience with incumbent knowledge of the Company and the Group's activities and history, and has provided invaluable contributions to the Board in his role as Independent Director• Notwithstanding eleven (11) years on the Board, he remains impartial and actively voices out his opinion and provides sound advices to the Board/Management where relevant. <p>The Board recommends that Mr. Sim Yee Fuan seek shareholders' approval through a two-tier voting process at the forthcoming Annual General Meeting to allow him to continue to be designated as an Independent Director.</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.4- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The candidate for appointment to the Board as a Director is selected after taking into consideration the mix of skills, experience and independence that would be relevant for the effective discharge of the Board's responsibilities with due regard for diversity in age, gender and cultural background knowledge.</p> <p>The Board meets at least five times a year to review and approve the quarterly and year end financial results. Additional meetings are convened as necessary, when there are urgent and important matters that require the Board's deliberation. Board members may also be nominated to serve on Board Committees which hold their own meetings. Directors and Board Committee members are furnished with papers, reports and material relevant to the issues to be discussed prior to the meetings and are expected to review such material beforehand so that meaningful discussion can take place during meetings. This expectation of time commitment is communicated to new Board members before they are appointed. Directors should also notify the Chairman before accepting any new directorship in other listed companies to assess whether they will be able to devote sufficient time to the Company.</p> <p>The Nominating Committees' responsibilities include the development and review of the criteria to be used in the recruitment of Board members and the annual assessment of Directors. The criteria used in considering potential Board candidates are set out in the Directors' Fit and Proper Policy which is available on the Company's website at http://www.eurospan.com.my.</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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.

Application	:	Applied	
Explanation on application of the practice	:	The Nominating Committee would consider suitable candidates proposed by the existing board member, management or major shareholders. The Board may consider using independent sources as well to identify suitability qualified candidates.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>Key information in respect of the Directors can be obtained from the Board of Directors included in the Company's 2023 Annual Report. Disclosure of such information of the Directors serves to assist shareholders to make informed decisions on the appointment or re-appointment of a Director.</p> <p>In 2023, the Nominating Committee undertook an evaluation to assess the Board, Board Committees and each individual Director. The evaluation was conducted using the Board and Board Committee Evaluation Form, Directors' Evaluation Form and Independent Director Self-Assessment Checklist. Thereafter, the results of the evaluation and recommendations were tabled to the Board.</p> <p>The Directors who will be retiring by rotation at the forthcoming AGM were evaluated by the Nominating Committee and the Board. Based on the evaluation outcome, the Nominating Committee and the Board were of the view that their performance were satisfactory and recommended their re-election for shareholders' approval.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The Nominating Committee is chaired by Ms. Ch'ng Lay Hoon, an Independent Non-Executive Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board is supportive of gender diversity in its Board composition and senior management team. At present, there is one female Director on the Board out of six Directors. The Board via its Nominating Committee may recommend more women participation as and when it deems necessary.	
		The Board Charter of the Company specifies that the Board comprise at least one female Director on the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	The Company strives to adhere to a practice of non-discrimination and selection based on merit in recruitment. It is also mindful of encouraging gender diversity at all levels including the selection of senior management personnel and Board members. Although Company has not set fixed targets for gender diversity, the Board is pleased to note that women are represented at senior management level and also at Board level in Company. The Board Charter specifies that the Board comprise at least one woman Director which complies with the requirement set out in the Listing Requirements. There is currently one female Director on the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 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>	
Application	: Applied
Explanation on application of the practice	: In 2023, the Nominating Committee undertook an evaluation to assess the Board, Board Committees and each individual Director. The evaluation was conducted using the Board and Board Committee Evaluation Form, Directors' Evaluation Form and Independent Director Self-Assessment Checklist. Thereafter, the results of the evaluation and recommendations were tabled to the Board. The processes are disclosed in the Corporate Government Overview Statement in the Annual Report 2023.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

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

Practice 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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a formal and transparent process for approving the remuneration of the Board and Board Committees and senior management.</p> <p>The remuneration is reviewed by the Remuneration Committee on an annual basis, to ensure that rewards commensurate with their experience and individual performance.</p> <p>The Non-Executive Directors are paid an annual fixed fee for serving on the Board which is recommended by the Board of Directors as a whole and approved by the shareholders at the Annual General Meeting.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has set up a Remuneration Committee which recommends the remuneration for the Executive Directors. The determination of the remuneration of the Non-Executive Directors is a matter for the Board as a whole. Individual Directors abstain from deliberations and voting on the decision in respect of their own remuneration.</p> <p>The Board recognizes that the remuneration package should be sufficient to attract, retain and motivate Directors of calibre needed to run the Group successfully. The remuneration of Executive Directors is generally based on their experience, responsibilities held, market conditions and the Group's overall financial performance. The remuneration of Non-Executive Directors is by way of fixed annual fees. Decisions and recommendations of the Committee are reported back to the Board for approval and where required by the rules and regulations governing the Company, for approval of shareholders at the Annual General Meeting.</p> <p>The key duties and responsibilities of the Remuneration Committee include the following:</p> <ul style="list-style-type: none">• To recommend to the Board of Directors the policy framework and remuneration structure of the Executive and Non-Executive Directors;• To review and present recommendations to the Board of Directors regarding the remuneration and conditions of service of the Executive Directors in all its forms including the grant of entitlements under any share schemes;• To review superannuation benefits for the Executive Directors of the Company;

	<ul style="list-style-type: none"> • To review the retirement and termination systems. • To consider other fringe benefits issues that may arise from time to time; • To review indemnity and liability insurance policies for the Directors and Officers of the Company; • To seek external advice in drawing up its recommendations where necessary; and • To ensure that Directors play no part in decisions on their own remuneration. <p>The Remuneration Committee has written Terms of Reference which is available on the Company's website at http://www.eurospan.com.my.</p>
Explanation for departure :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
Measure :	
Timeframe :	

Intended Outcome

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.

Application	:	Applied
Explanation on application of the practice	:	The details of the Director's remuneration for the financial year ended 31 May 2023 are as follows.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Guan Kok Beng	Executive Director	42	-	-	-	-	8	50	72	48	1,080	150	31	264	1,645
2	Guan Shaw Kee	Executive Director	32	-	-	-	-	6	38	62	42	576	80	77	150	987
3	Guan Shaw Yin	Executive Director	32	-	-	-	-	6	38	62	42	624	87	81	160	1,056
4	Sim Yee Fuan	Independent Director	38	-	-	-	-	4	42	38	-	-	-	-	4	42
5	Lim Chun Thang	Independent Director	37	-	-	-	-	4	41	37	-	-	-	-	4	41
6	Ch'ng Lay Hoon	Independent Director	37	-	-	-	-	3	40	37	-	-	-	-	3	40
7	Lee Beng Tek	Executive Director	-	-	-	-	-	-	-	15	-	155	16	7	37	230
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

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.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board considered the information of the remuneration of the other Senior Management personnel to be sensitive and proprietary in view of the competitive nature of the human resource market and to support the Company's efforts in maintaining a stable work environment and retaining executive talents.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Audit Committee of the Company comprises 3 Independent Non-Executive Directors and is chaired by Mr. Sim Yee Fuan while the Chairman of the Board is Mr. Guan Kok Beng.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 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.

Application	:	Applied
Explanation on application of the practice	:	<p>All Audit Committee members are financially literate and the Audit Committee's composition and performance are reviewed by the Nominating Committee annually and recommended to the Board for its approval.</p> <p>In order to maintain an independent and effective Audit Committee, the Nominating Committee ensures that all Audit Committee members appointed are Independent Non-Executive Directors who are financially literate with an appropriate level of expertise and experience and a strong understanding of the Company and Group's business.</p> <p>The Board has adopted a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before he/she may be considered to be appointed as a member of the Audit Committee and it is reflected in the Terms of Reference of the Audit Committee.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 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.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Audit Committee has always maintained a transparent relationship with the external auditors in seeking professional advice and ensuring that the financial statements of the Group are prepared in accordance with the applicable approved accounting standards in Malaysia.</p> <p>The Audit Committee has set the criteria to assess the suitability and independence of external auditors. The Audit Committee has reviewed and assessed the external auditors in terms of independence, performance, competency and integrity, and recommended their re-appointment to the Board, upon which the shareholders' approval will be sought at the Annual General Meeting.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	The Audit Committee comprises solely of three (3) Independent Directors.

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The members of the Audit Committee possess the necessary skills to discharge their duties and are financially literate. The profiles of the members of the Audit Committee are provided in the Annual Report 2023.</p> <p>The Directors recognize the need for all Board members including Audit Committee members to continue to undergo relevant training programmes to update their knowledge and enhance their skills where relevant to enable them to sustain their active participation in the Board and Board Committees.</p> <p>The training programs that the Audit Committee members have attended during the financial year ended 31 May 2023 are disclosed in the Annual Report 2023</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Group has in place an effective risk management and internal control framework to identify and assess the risks faced by the Group and thereafter, to implement and monitor appropriate internal controls to manage and mitigate those risks.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	The key features of the Risk Management Framework are set out in the Statement on Risk Management and Internal Control as presented in the Annual Report 2023.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 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.

Application :	Not Adopted
Explanation on adoption of the practice :	

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.

Application	:	Applied	
Explanation on application of the practice	:	The Board has outsourced its internal audit activities to a professional service firm (“ Internal Auditors ”) to serve as the internal audit function. The Internal Auditors report directly to the Audit Committee. The outsourcing of the internal audit function with a direct reporting line to the Audit Committee helps to ensure that internal audit is carried out objectively and is independent from the management of the Company and the functions which it audits.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 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.

Application	:	Applied
Explanation on application of the practice	:	<p>The personnel who carry out internal audit work are free from any relationships or conflict of interest which could impair their objectivity and independence.</p> <p>In appointing the Internal Auditors, the Board and the Audit Committee has taken into consideration that the firm has experience in providing internal audit services to listed companies and is adequately staffed with a team of qualified, competent and experienced personnel to carry out the internal audit assignments.</p> <p>The internal audit work has been carried out in line with guidelines of the International Professional Practice framework. The scope of work in internal audit is carried out in accordance with an internal audit plan approved by the Audit Committee. The audit plan is focused on high risk areas identified through the Group’s risk evaluation process.</p> <p>The information on the Internal Audit function is available in the Statement on Risk Management and Internal Control in the Annual Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of effective communication with its shareholders, investors and all other stakeholders. As such, the Board shall maintain a high level of disclosure by providing timely, clear and comprehensive information through readily accessible channels to explain the Group's strategy, performance and major developments. All shareholders have an opportunity to participate in discussion with the Board on matters relating to the Company's operation and performance at the Company's General Meetings.</p> <p>The Company's announcements may be obtained via the Bursa Securities' website at www.bursamalaysia.com. In addition, the Company has also established a website at www.eurospan.com.my to provide information on the Group's business activities.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Group does not fall within the definition of large companies.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	At least 28 days' notice period is given in respect of the Company's forthcoming Annual General Meeting ("AGM") to be held on 07 November 2023.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 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.

Application	:	Applied	
Explanation on application of the practice	:	<p>All the Directors of the Company attended the previous AGM that was held on 19 October 2022 and all the Directors have confirmed their attendance for the forthcoming AGM to be held on 07 November 2023, barring unforeseen circumstances.</p> <p>The Board members who are also Chairman of the Board Committees are present at the AGM to respond to questions raised by the shareholders if addressed to them.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company’s 27th AGM was held on 19 October 2022 at a physical meeting location that is easily accessible to shareholders. The AGM was held at a physical location to afford shareholders the opportunity to meet the Directors face to face while also balancing the cost-efficiency of the AGM.</p> <p>During the AGM, shareholders are given opportunities to enquire and comment on matters relating to the Group’s business. The shareholders are encouraged to participate in the open question and answer session in the AGM pertaining to the resolutions being proposed at the meeting and the financial performance and business operation in general. The Directors are available to provide responses to questions from the shareholders during the meeting.</p> <p>In addition, general meetings are held as and when needed to obtain shareholders’ approval on certain business or corporate proposals. Adequate notice of general meetings, in compliance with regulatory requirements, are sent to shareholders together with comprehensive Circulars/Statements setting out details and explaining the rationale with regards to the matters for which shareholders’ approval are being sought.</p> <p>Shareholders who are unable to attend general meetings are allowed to appoint proxies to attend, speak and vote on their behalf at all general meetings of the Company.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 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>	
Application :	Applied
Explanation on application of the practice :	<p>The Annual General Meeting, being the principal forum for shareholder engagement, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification or a better understanding of the strategies adopted by the Group for the financial year under review. Shareholders were given the opportunity to submit their questions to the Board before and during the last AGM.</p> <p>All questions received prior to the day of the AGM were addressed during the last AGM, with the questions and answers thereto flashed on the screen. The Board also responded to relevant questions posed during the AGM.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Not applicable – only physical general meetings were conducted in the financial year
Explanation on application of the practice :	
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 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>			
Application	: Applied		
Explanation on application of the practice	: Minutes of the general meeting will be made available to shareholders within 30 business days after the general meeting on the Company's website, https://www.eurospan.com.my .		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	: <table border="1" style="width: 100%; height: 30px;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>		

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.

Not Applicable
