

Statement on Corporate Governance

The Board of Directors of THP (“the Board”) continues to remain committed in its effort to implement the principles and best practices set out in the Malaysian Code on Corporate Governance 2012 (“the Code”), Bursa Malaysia Securities Berhad’s Main Market Listing Requirements (“Listing Requirements”) and the adoption of recommendations on corporate governance in “Green Book Enhancing Board Effectiveness” initiated by the Putrajaya Committee on GLC High Performance as part of the GLC Transformation Programme (“Green Book”) as well as the Corporate Governance Guide 2nd edition issued by Bursa Malaysia Securities Berhad.

The adoption of good corporate governance is a fundamental part of the Board’s responsibility to protect and enhance shareholders’ value and the performance of THP Group.

This statement provides a description of how THP Group has applied the above mentioned guidelines and the extent of its compliance with the best practices set out in the Code throughout the year ended 31 December 2015.

THE BOARD OF DIRECTORS

1. COMPOSITION AND SIZE OF THE BOARD

The Board comprises individuals who are well experienced in their respective fields of enterprise. Their knowledge, background and judgments are invaluable in ensuring that THP Group achieves the highest standards of performance, accountability and ethical behaviour, as is expected of the Company by its stakeholders.

As at the date of this Statement, there are twelve (12) members of the Board, comprising seven (7) Independent Non-Executive Directors, four (4) Non-Independent Non-Executive Directors and one (1) Executive Director/Chief Executive Officer. This composition is in compliance with the Listing Requirements, which require one-third (1/3) of the members of the Board to be independent.

Taking into consideration the Company’s present activities and size, the Board is of the view that the number and composition of the current Board are sufficient and well-balanced to ensure that its duties are carried out effectively and to provide assurance that no individual or small groups of individuals are allowed to dominate the Board’s decision-making.

The Chairman has never held the post of Chief Executive Officer of the Company. The division of responsibilities between the Chairman and the Chief Executive Officer is to ensure that there is a balance of power and authority between them, thus avoiding any unfettered power of decision-making in any one individual. Therefore, it is evident that the roles of the Chairman and the Chief Executive Officer are distinguishable and clearly defined.

The presence of seven (7) Independent Non-Executive Directors, who neither engage in the day-to-day management of the Company, nor participate in any business dealings, or are involved in any other form of relationship with the Company, ensures that they remain free from any conflict of interest situation and facilitates the effective discharge of their roles and responsibilities as Independent Directors. They have fulfilled the criteria of independence as defined in the Listing Requirements. The tenure of service of Independent Non-Executive Directors will be nine (9) years as advocated by the Code.

Statement on Corporate Governance

Although all Directors shoulder equal responsibilities for THP Group's operations, the roles of these Independent Non-Executive Directors have proven to be particularly important in ensuring that all business strategies proposed by the Management are fully discussed and scrutinised, taking into account the long-term interests, not only of THP's shareholders, but also of its employees, customers, suppliers and other THP Group stakeholders.

The profiles of each member of the Board are outlined in pages 26 to 37 of this Annual Report.

2. DUTIES AND RESPONSIBILITIES OF THE BOARD

In discharging its duties, the Board is constantly mindful that the interests of THP Group's customers, investors and all other stakeholders are to be safeguarded.

The six (6) principal responsibilities of the Board, among others, include the following:

- a. Reviewing and adopting strategic plans for the Company, primarily the five (5) year rolling strategic plan for THP Group.

On an on-going basis as the needs arise, the Board also assesses whether projects, acquisitions and disposals, as well as other strategic considerations proposed during Board meetings for the year in review, are in line with the objectives and broad outline of the adopted strategic plans.

- b. Overseeing the conduct of the Company's business to ensure that it is being properly managed. All operational matters are discussed during Board meetings, and expert advice or independent advice is sought where necessary.

The performance of the various operating units of THP Group represents the major element in the Board's agenda. When and where available, data is compared against national trends as well as the performance of similar operating companies.

THP Group uses Key Performance Indicators ("KPIs") as the primary driver and anchors them to its performance management system. They are continually refined and enhanced to reflect THP Group's changing business circumstances, where applicable.

- c. Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks.

THP Group has set up a Risk Committee comprising senior members of the Management team to assist the Board in overseeing and monitoring this area.

- d. Implementing succession planning, including the appointment and recruitment of Senior Management team members.

The Board's responsibility in this aspect is closely supported by the Human Resource Department. Due to the importance of succession planning, this area has now become an on-going agenda and periodically reviewed at various high-level management and operational meetings of THP Group.

Statement on Corporate Governance

- e. Developing and implementing an investor relations policy or shareholders' communications policy for the Company.

The Board has approved the Company's Investor Relations Policy ("IR Policy") on 9 August 2007. The IR Policy sets out to ensure that investors and shareholders are well-informed of THP Group's affairs and developments through selected spokespersons from the Senior Management, together with the Chairman and the Chief Executive Officer. These personnel are authorised to communicate with financial analysts, shareholders and investors regarding the industry overview and they act as points of reference for press interviews, investor analyst briefings as well as announcements of THP's yearly and quarterly results to the Bursa Securities Malaysia Berhad.

- f. 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.

In fulfilling this responsibility, the Board's functions are supported and reinforced through the various committees established at both the Board and the management levels. They are aided by the Internal Audit Department, which provides a strong check and balance as well as reasonable assurance on the adequacy of the Company's internal controls system, through regular meetings and discussions.

Details of the Internal Audit functions are further discussed in the Audit Committee Report as set out on page 85 of this Annual Report.

At the same time, the Board also diligently sustains a dynamic and robust corporate climate, focused on strong ethical values.

To this end, active participation and structured dialogues involving key people at all levels are encouraged and conducted. Meanwhile, accessibility to information and transparency in all executive actions are consistently maintained. The corporate climate is also continuously fortified with value-centred programmes for team-building and active subscription to core values.

3. BOARD MEETINGS AND SUPPLY OF INFORMATION TO THE BOARD

A total of six (6) board meetings were held in 2015 and all Directors have complied with the minimum fifty per centum (50%) attendance as required under Paragraph 15.05 (3) of the Listing Requirements.

Board meetings for the ensuing financial year are scheduled before the end of the current financial year to facilitate the planning of Board meetings by the Directors. Special Board meetings are convened between the scheduled meetings to consider urgent proposals or matters that require urgent decisions or deliberation by the Board.

The Board is supplied with and assured of full and timely access to all relevant information to discharge its duties effectively. A set of Board papers is provided to each Board member in advance, at least five (5) days, prior to every Board meeting. The Board papers contain, among other things, information on THP Group's performance and major operational, financial and corporate issues.

All Board decisions are properly minuted. Minutes of each Board meeting are circulated to all Directors for their review prior to their confirmation, which is normally done at the following Board meeting. The Directors may request for clarification or raise comments before the minutes are tabled for confirmation as being a correct record of the Board's proceedings. All conclusions of the Board meetings are duly recorded and the minutes are kept by the Company Secretary.

Statement on Corporate Governance

The Senior Management are also invited to attend the Board meetings to supply additional details or clarification on matters tabled for the Board's consideration and/or approval. Independent advisors and professionals appointed by the Company in relation to the various corporate exercises may also be invited to attend the meetings to provide explanation or clarification and advice for the benefit of the Directors.

The Chairman of the Audit Committee is to inform the Directors during Board meetings of any salient matters noted by the Audit Committee arising from audit findings that may require the Board's attention or direction.

In addition to matters relating to the Board's six (6) principal stewardship responsibilities, other specific topics tabled for the Board's deliberation include THP Group's key financial and operational results, THP Group's strategic and corporate initiatives, such as corporate plans and budget approvals, proposed acquisitions and disposals of material assets, major investments, as well as changes to THP Group's management and control structures, encompassing key policies, procedures and authority limits.

Apart from the scheduled meetings, on separate occasions the Board of Directors also makes visits to the Company's estates and mills to better assess the Company's operational progress, status of development and any important issues requiring their attention.

The Directors' attendance at Board meetings for the financial year ended 31 December 2015 is detailed below:

Directors	Number of Meetings Attended	Percentage
Tan Sri Ab. Aziz bin Kasim Chairman, Independent Non-Executive Director	5/6	83.33
Tan Sri Ismee bin Haji Ismail Deputy Chairman, Non-Independent Non-Executive Director	6/6	100
Dato' Zainal Azwar bin Zainal Aminuddin Chief Executive Officer/Executive Director	6/6	100
Datuk Seri Nurmala binti Abd Rahim Independent Non-Executive Director	6/6	100
Datuk Seri Mohamad Norza bin Zakaria Independent Non-Executive Director	6/6	100
Datuk Seri Othman bin Mahmood Non-Independent Non-Executive Director (Appointed w.e.f. 1 October 2015)	2/2	100
Datuk Azizan bin Abd Rahman Non-Independent Non-Executive Director	4/6	66.67
Dato' Johan bin Abdullah Non-Independent Non-Executive Director (Appointed w.e.f. 1 June 2015)	3/4	75

Statement on Corporate Governance

Directors	Number of Meetings Attended	Percentage
Dato' Noordin bin Md Noor Independent Non-Executive Director	5/6	83.33
Dato' Amran bin Mat Nor Independent Non-Executive Director	6/6	100
Dato' Shari bin Haji Osman Independent Non-Executive Director <i>(Appointed w.e.f. 1 June 2015)</i>	4/4	100
Dato' Dr. Md Yusop bin Omar Independent Non-Executive Director <i>(Appointed w.e.f. 1 June 2015)</i>	4/4	100
Dato' Haji Wan Zakaria bin Abd Rahman Independent Non-Executive Director <i>(Retired w.e.f. 20 May 2015)</i>	1/1	100
Mahbob bin Abdullah Independent Non-Executive Director <i>(Retired w.e.f. 20 May 2015)</i>	1/1	100

In carrying out their duties, each Director has unrestricted access to all information in the Company. In addition, they are also able to seek advice from the Company Secretary and whenever necessary, independent professional advice, all at the expense of THP Group.

The Board is not only provided with quantitative information but also those which are qualitative in nature as they are pertinent and are of substantial necessity to enable the Board to deal with matters that are tabled at the meetings effectively. These include current updates of the THP Group's performance as well as information on external factors that may influence its business.

4. APPOINTMENT OF NEW DIRECTORS

The number and composition of members of the Board are reviewed on a regular basis to ensure its effectiveness in safeguarding the Company's long term interests.

The Nomination Committee assesses the suitability of proposed new Directors and upon reaching a consensus, recommends candidates to the Board for appointment.

The Company Secretary ensures that all the appointments are properly made, necessary information obtained and all legal and regulatory requirements met.

All newly-appointed Directors will undergo specific briefings on THP Group with the objective of providing an overview of the Company's vision and mission, nature of business, current issues and the long-term target of the Group. In addition, visits to the Company's estates and mills are also conducted, whenever necessary.

Statement on Corporate Governance

5. RE-ELECTION/RE-APPOINTMENT OF DIRECTORS

The re-election of Directors ensures that shareholders have a regular opportunity to re-assess the composition of the Board.

In accordance with the Company's Articles of Association, at least one third (1/3) of the Directors shall retire from office every year provided always that all Directors shall retire from office at least once in every three (3) years and shall be eligible for re-election at the Annual General Meeting ("AGM").

At this forthcoming AGM, Tan Sri Ab. Aziz bin Kasim, Datuk Seri Nurmala binti Abd Rahim and Dato' Noordin bin Md Noor are subject to retirement by rotation under the Company's Articles of Association, and being eligible, have offered themselves for re-election.

The Company's Articles of Association also provide that newly-appointed directors shall hold office until the next AGM and shall then be eligible for re-election. Accordingly, Datuk Seri Othman bin Mahmood, Dato' Johan bin Abdullah, Dato' Shari bin Haji Osman and Dato' Dr. Md Yusop bin Omar, all newly appointed Directors of the Company, will be retiring and have offered themselves for re-election at this forthcoming AGM.

The Board has adopted a retirement age policy for its members, guided in general by the Companies Act, 1965 and the Green Book. Both of these set the age limit for Directors at seventy (70) years. Pursuant to Section 129 (6) of the Companies Act, 1965, Directors over seventy (70) years of age are to retire at every AGM and may offer themselves for re-appointment. However, no Director has attained the age of seventy (70) years as at the date of this Annual Report.

6. BOARD COMMITTEES

To assist the Board in discharging its duties effectively whilst enhancing business and operational efficacy, the Board has established several Committees, namely:

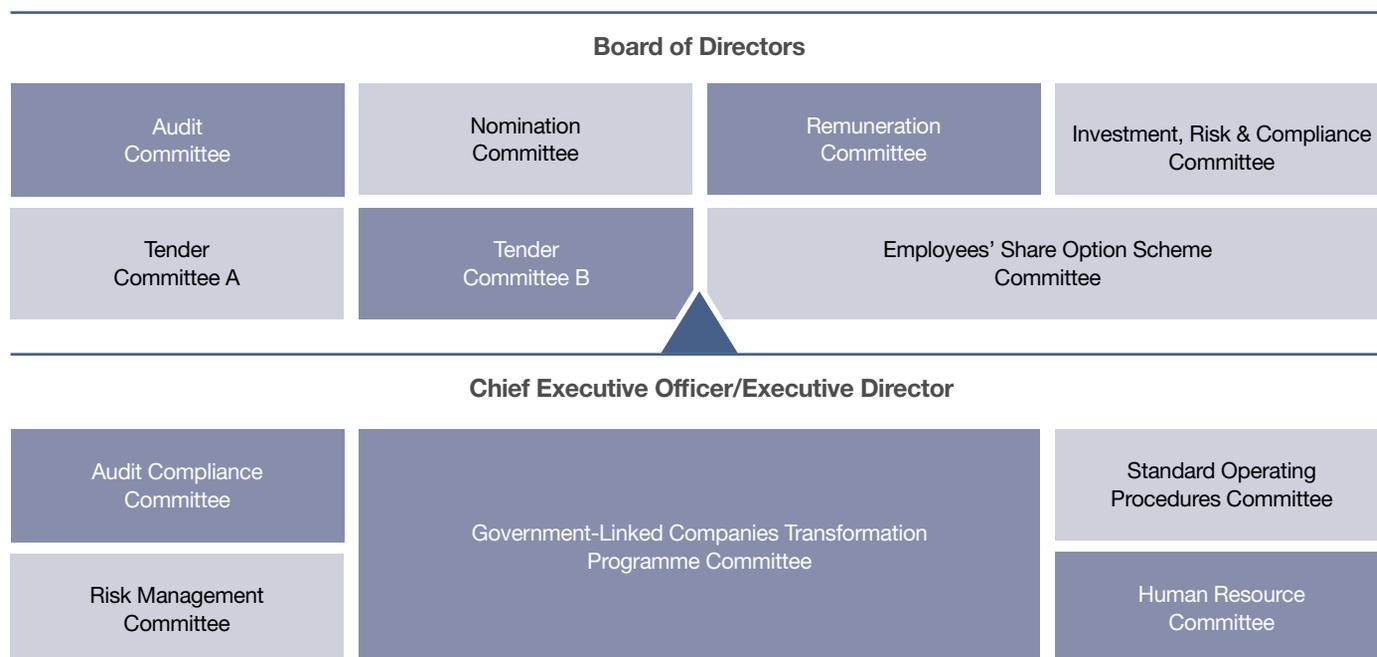
- Audit Committee;
- Nomination Committee;
- Remuneration Committee;
- Investment, Risk & Compliance Committee;
- Tender Committee A;
- Tender Committee B; and
- Employees' Share Option Scheme Committee.

To promote the smooth running of the Board Committees, each of the Board Committees shall adhere to clear terms of references which have been approved by the Board. These committees have the authority to examine particular issues within their respective terms of reference and to make recommendations to the Board.

Apart from the Board Committees, Management Committees have also been established by the Management to facilitate the functions of the Board. These include the GLC Transformation Programme Committee, Standard Operating Procedures Committee, Human Resource Committee, Risk Management Committee and the Audit Compliance Committee.

Statement on Corporate Governance

TH PLANTATIONS BERHAD AND MANAGEMENT COMMITTEES



Details of the main Board Committees for the financial year ended 31 December 2015 are outlined below:

a. Audit Committee

Pursuant to Paragraph 15.15 of the Listing Requirements, the Audit Committee Report for the financial year ended 31 December 2015 is presented on pages 79 to 85 of this Annual Report.

b. Nomination Committee

The Nomination Committee shall consist of at least three (3) members and shall be appointed by the Board from among the Directors of the Company, comprising exclusively Non-Executive Directors, a majority of whom are independent. The Committee shall meet at least once a year or at any other time deemed necessary by the Chairman of the Committee. The quorum for a meeting of the Committee is two (2) members.

The members of the Nomination Committee are as follows:

- i. Datuk Azizan bin Abd Rahman
Chairman, Non-Independent Non-Executive Director
- ii. Datuk Seri Mohamad Norza bin Zakaria
Member, Independent Non-Executive Director

Statement on Corporate Governance

iii. Datuk Seri Nurmala binti Abd Rahim
Member, Independent Non-Executive Director
(Appointed w.e.f. 1 June 2015)

iv. Mahbob bin Abdullah
Member, Independent Non- Executive Director
(Retired w.e.f. 20 May 2015)

The functions and responsibilities of the Nomination Committee are as follows:

- To regularly review the Board's structure, size and composition and make recommendations to the Board on any adjustments deemed necessary;
- To identify and propose to the Board suitable candidates as Directors of the Company;
- To assess the performance of the Directors on an on-going basis, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of individual Directors, including Independent Non-Executive Directors as well as the Chief Executive Officer, and to identify areas for improvement;
- To consider and recommend to the Board, candidates to fill directorship vacancies in the Company and THP Group;
- To evaluate and recommend to the Board, Directors to fill seats in the Board Committees;
- To consider, in making its recommendations, candidates proposed by the Chief Executive Officer for directorship and within the bounds of practicability, by any other senior executives or any Director or shareholder;
- To recommend to the Board, the continuation of service of the Executive Director(s) and Director(s) who are due for retirement by rotation;
- To review on an annual basis, the Board's mix of skills, experience and other qualities including core competencies;
- To orientate and educate new directors on the nature of the business, current issues within the Company, corporate strategies, expectations of the Company concerning inputs from directors and their general responsibilities;
- Such other functions as may be delegated by the Board from time to time; and
- To review and recommend promotions, extension of contracts, creation of new posts and all other human resource related matters in relation to key Management personnel of the Company and its Group i.e. the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, Head of Human Resource and Head of Marketing.

During the year, the Nomination Committee held three (3) meetings, details of which are as follows:

Members	Number of Meetings Attended
Datuk Azizan bin Abd Rahman	3/3
Datuk Seri Mohamad Norza bin Zakaria	2/3
Datuk Seri Nurmala binti Abd Rahim	2/2
Mahbob bin Abdullah	1/1

Statement on Corporate Governance

c. Remuneration Committee

The Remuneration Committee shall consist of at least three (3) members and shall be appointed by the Board from among the Directors of the Company, comprising wholly or mainly Non-Executive Directors. The Committee shall meet at least once a year or at any other time deemed necessary by the Chairman of the Committee. The quorum for a meeting of the Committee is two (2) members.

The members of the Remuneration Committee are as follows:

- i. Tan Sri Ab. Aziz bin Kasim
Chairman, Independent Non-Executive Director
- ii. Tan Sri Ismee bin Haji Ismail
Member, Non-Independent Non-Executive Director
- iii. Dato' Shari bin Haji Osman
Member, Independent Non-Executive Director
(Appointed w.e.f. 1 June 2015)
- iv. Dato' Haji Wan Zakaria bin Abd Rahman
Member, Independent Non-Executive Director
(Retired w.e.f. 20 May 2015)

The functions and responsibilities of the Remuneration Committee are as follows:

- To recommend to the Board the remuneration framework for Executive Directors as well as the remuneration package for each Executive Director (if applicable), based on the Company's Scheme of Service;
- To recommend to the Board the allowance and benefits of Non-Executive Directors;
- To recommend to the Board the seating allowance of Directors and Committee members;
- To recommend to the Board any review on the Company's Scheme of Service whenever deemed necessary and appropriate; and
- To recommend to the Board the remuneration framework and the remuneration package, allowances, bonus, etc. for Senior Management personnel based on the Company's Scheme of Service.

The structure and procedures of the Remuneration Committee are as follows:

- The remuneration of Directors shall be the ultimate responsibility of the Board after considering the recommendations made by the Committee.
- The Executive Director does not participate in discussions pertaining to his own remuneration.
- The determination of remuneration packages of Non-Executive Directors, including the Non-Executive Chairman shall be a matter to be considered by the Board unanimously.

Statement on Corporate Governance

- The level of remuneration should be sufficient to attract and retain the Directors needed to steer the Company successfully. In the case of Executive Directors, the components of the remuneration should be structured so as to link rewards to corporate and individual performance. The level of remuneration should reflect the experience and responsibilities undertaken by the Non-Executive Directors concerned.

During the year, the Remuneration Committee held three (3) meetings, the details of which are as follows:

Members	Number of Meetings Attended
Tan Sri Ab. Aziz bin Kasim	3/3
Tan Sri Ismee bin Haji Ismail	3/3
Dato' Shari bin Haji Osman	1/1
Dato' Haji Wan Zakaria bin Abd Rahman	2/2

d. Investment, Risk & Compliance Committee

The Investment, Risk & Compliance Committee shall consist of at least three (3) members, comprising exclusively Non-Executive Directors, a majority of whom are independent. Their term of office will be for a duration of two (2) years or as decided by the Board. The Committee will meet as required or at least once in three (3) months to review all activities and progress of the recommendations and shall provide a briefing at each Board meeting. The quorum for the Committee shall be at least two (2) members.

The members of the Investment, Risk & Compliance Committee are as follows:

- i. Datuk Azizan bin Abd Rahman
Chairman, Non-Independent Non-Executive Director
(Re-designated from member to Chairman w.e.f. 1 June 2015)
- ii. Datuk Seri Mohamad Norza bin Zakaria
Member, Independent Non-Executive Director
- iii. Dato' Shari bin Haji Osman
Member, Independent Non-Executive Director
(Appointed w.e.f. 1 June 2015)
- iv. Mahbob bin Abdullah
Chairman, Independent Non-Executive Director
(Retired w.e.f. 20 May 2015)

The functions and responsibilities of the Investment, Risk & Compliance Committee are as follows:

- To assist the Board of Directors on matters related to investments for the growth of the Company;
- To provide guidance for the Executive Director and his Management team to prepare and recommend a strategy for the business based on teamwork through the formal hierarchy of management;

Statement on Corporate Governance

- To consider proposals from line management regarding capital expenditure related to investments or disposals. The proposals will be placed on a shortlist based on considerations regarding financing through internally-generated funds, or fundraising;
- To provide guidance on the strategy of the business related to growth as well as investments related to human capital;
- To provide guidance to line management that will include upgrading of practices including process improvements and the use of new technology. Proposals may include recommendations for diversifying the Company's business including those for any downstream activities; and
- To ensure that all investment proposals are prepared by applying steps and processes to be specified by the Committee with timely presentations to the Board.

No Investment, Risk & Compliance Committee meetings were held in the year under review.

e. Tender Committee A

Tender Committee A shall consist of at least three (3) members and shall be appointed by the Board from among the Directors of the Company, comprising exclusively Non-Executive Directors, a majority of whom are independent. The Committee shall meet at least once a year or at any other time deemed necessary by the Chairman of the Committee.

The quorum for a meeting of the Committee shall consist of a majority of the committee members (excluding the Secretary) provided always that the Chairman and the Secretary of the meeting are present.

The members of Tender Committee A are as follows:

- i. Dato' Shari bin Haji Osman
Chairman, Independent Non-Executive Director
(Appointed w.e.f. 1 June 2015)
- ii. Tan Sri Ismee bin Haji Ismail
Member, Non-Independent Non-Executive Director
- iii. Datuk Seri Nurmala binti Abd Rahim
Member, Independent Non-Executive Director
(Appointed w.e.f. 1 June 2015)
- iv. Mahbob bin Abdullah
Chairman, Independent Non-Executive Director
(Retired w.e.f. 20 May 2015)
- v. Dato' Haji Wan Zakaria bin Abd Rahman
Member, Independent Non-Executive Director
(Retired w.e.f. 20 May 2015)

Statement on Corporate Governance

The primary duties and responsibilities of Tender Committee A shall include the following:

- To record all tenders called, including the nature of the procurement contract, budget provisions, number of tenders received, value of successful tenders, name of successful tenderers and, in the event that the successful tender was not the lowest, reasons for selection;
- To ensure that the procurement process complies with the relevant procurement ethics, policies and requirements;
- To consider, evaluate and approve or recommend awards which are beneficial to THP Group, taking into consideration various price factors, usage of products and services, quantity, duration of service and other relevant factors; and
- To waive the requirement for the calling of formal tender for particular acquisitions, at the discretion of the Committee.

The actual decision on successful tenders shall be the responsibility of the Board and the Audit Committee, which will review any related party transactions and conflict of interest situations that may arise within THP Group. This includes any transactions, procedures or course of conduct that may raise questions on management integrity after considering the recommendations made by the Committee.

During the year, Tender Committee A held one (1) meeting, the details of which are as follows:

Members	Number of Meetings Attended
Dato' Shari bin Haji Osman	1/1
Tan Sri Ismee bin Haji Ismail	1/1
Datuk Seri Nurmala binti Abd Rahim	1/1
Mahbob bin Abdullah	Not Applicable
Dato' Haji Wan Zakaria bin Abd Rahman	Not Applicable

7. DIRECTORS' REMUNERATION

The Board believes that the level of remuneration offered by THP Group is sufficient to attract and retain Directors of calibre and with sufficient experience and talent to contribute to the performance of the Company. Comparisons with similar positions within the industry and other major public listed companies are made in order to arrive at a fair remuneration rate.

The remuneration of the Executive Director includes salary and emoluments, bonus and benefits-in-kind. The Executive Director is also eligible to participate in the Company's Employees Share Option Scheme ("THP ESOS") that came into effect on 8 May 2009.

In the case of Non-Executive Directors, the remuneration structure reflects the level of responsibilities undertaken and contributions made by them. Currently, the Non-Executive Directors are paid Directors' fees and attendance allowance for each Board/Committee meeting that they attend. In addition, the Non-Executive Directors are entitled to certain benefits-in-kind such as, medical coverage in Malaysia and personal accident insurance coverage. The Chairman of the Board, who is a Non-Executive Director, is entitled to a company car. Non-Executive Directors, however, do not participate in THP's ESOS.

Statement on Corporate Governance

Details of remuneration (including benefits-in-kind) of each Director for the year ended 31 December 2015 are as follows:

Executive Director	RM'000					Total
	Salary	Fees*	Bonus	Other Emoluments	Benefits -in-kind	
Dato' Zainal Azwar bin Zainal Aminuddin	932	84	432	226	7	1,681
Non-Executive Directors						
Tan Sri Ab. Aziz bin Kasim	-	168	-	-	56	224
Tan Sri Ismee bin Haji Ismail	-	84	-	-	25	109
Datuk Seri Nurmala binti Abd Rahim	-	96	-	-	25	121
Datuk Seri Mohamad Norza bin Zakaria	-	108	-	-	25	133
Datuk Seri Othman bin Mahmood <i>(Appointed w.e.f. 1 October 2015)</i>	-	21	-	-	-	21
Datuk Azizan bin Abd Rahman	-	89	-	-	25	114
Dato' Johan bin Abdullah <i>(Appointed w.e.f. 1 June 2015)</i>	-	49	-	-	25	74
Dato' Noordin bin Md Noor	-	96	-	-	25	121
Dato' Amran bin Mat Nor	-	96	-	-	25	121
Dato' Shari bin Haji Osman <i>(Appointed w.e.f. 1 June 2015)</i>	-	56	-	-	25	81
Dato' Dr. Md Yusop bin Omar <i>(Appointed w.e.f. 1 June 2015)</i>	-	49	-	-	25	74
Dato' Haji Wan Zakaria bin Abd Rahman <i>(Retired on 20 May 2015)</i>	-	35	-	70	-	105
Mahbob bin Abdullah <i>(Retired on 20 May 2015)</i>	-	35	-	60	-	95
TOTAL	932	1,059	432	356	288	3,074

Note: * Fees include those disbursed for being a member of Board Committees.

Statement on Corporate Governance

Number of Directors whose remuneration falls within the following bands:

Ranges of Remuneration	Number of Directors	
	Executive Director	Non-Executive Directors
Less than RM50,000	-	1
RM50,001 to RM100,000	-	4
RM100,001 to RM150,000	-	7
RM200,000 to RM250,000	-	1
RM1,650,000 to RM1,700,000	1	-

8. DIRECTORS' TRAINING

In compliance with the Listing Requirements, the Company regularly assesses the training needs of its Directors to ensure that they are well-equipped with the requisite knowledge and competencies to contribute effectively to the role of the Board.

All Directors have successfully completed the Mandatory Accreditation Programme ("MAP") prescribed by Bursa Malaysia Securities Berhad. The Listing Requirements require newly appointed directors of public listed companies to attend the MAP within four (4) months after their appointment.

In addition, the Directors are also encouraged to continue attending various training programmes that are relevant to further enhance their knowledge and expertise in discharging their responsibilities.

For the financial year ended 31 December 2015, the Directors attended conferences, seminars and training programmes, including those listed below:

- Palm & Lauric Oils Conference 2015 organised by Bursa Malaysia Berhad
- ASEAN Capital Market CEO Summit 2015 organised by Bursa Malaysia Berhad
- Sustainability Symposium organised by Bursa Malaysia Berhad
- MIA Conference 2015 organised by Malaysian Institute of Accountants
- Mandatory Accreditation Programme organised by Bursatra Sdn. Bhd.
- Corporate Compliance: Focussing on Directors Duties, Liabilities and Expectations organised by Bursatra Sdn. Bhd.
- Khazanah Megatrends Forum 2015: Harnessing Creative Distruption organised by Khazanah Nasional Berhad
- Leadership Excellence For The Chair Takaful organised by Bank Negara Malaysia
- Integrity Workshop organised by Lembaga Tabung Haji
- Integrity Forum organised by Lembaga Tabung Haji
- Making A Great Leader Seminar organised by Lembaga Tabung Haji
- Breakfast Talk For Syarikat Takaful's Director organised by Syarikat Takaful Malaysia
- International Day For The Eradication Of Poverty 2015 organised by United Nation Development Programme Malaysia and Yayasan Sejahtera

Statement on Corporate Governance

9. COMMUNICATION AND RELATIONSHIP WITH INVESTORS AND SHAREHOLDERS

The Company continually ensures that it maintains a high level of disclosure and communication with its shareholders and stakeholders through various practicable and legitimate channels. The Company is duty-bound to keep shareholders and investors informed of any major developments and changes affecting the Group.

Apart from annual reports, media releases and analyst briefings, THP's website, www.thplantations.my, also houses all other public corporate and financial information, such as THP Group's quarterly announcements of its financial results, announcements and disclosures made pursuant to disclosures required by the Listing Requirements and other corporate information on THP Group.

Another key avenue of communication with its shareholders is THP's annual general meeting, which provides a useful forum for shareholders to engage directly with the Company's Directors and Senior Management. During the general meeting, shareholders are at liberty to raise questions or seek clarification from the Company's Directors and Senior Management team, on the items listed on the agenda of the general meeting. A comprehensive and concise review of THP Group's performance as well as the value created for shareholders is also presented by the Chief Executive Officer/Executive Director of THP during the general meeting. The presentation is supported by visual and graphical presentation of key financial figures and key operational highlights to facilitate shareholders' understanding and analyses of the Company's performance.

Meetings and briefings are held periodically with investors, research analysts, bankers and the media to explain THP Group's latest performance results, current developments and future direction. To seek clarification or explanation on any issues arising, participants are encouraged to pose questions to THP's Chief Executive Officer/Executive Director or members of the Senior Management team. While these forms of communications are important, the Company takes full cognisance of its responsibility not to disclose price-sensitive information.

As mentioned earlier, the Board has adopted the IR Policy to enable appropriate communication with all stakeholders. In the said IR Policy, the authorised spokespersons will guide and steer communications to be made by THP's Senior Management and employees. This is to avoid contradictions and differing views on certain issues and ensure that only clear and precise information is given to the media and the market.

10. ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board aims to present to shareholders, investors and regulatory authorities, a balanced and meaningful assessment of THP Group's financial performance and prospects. This assessment is primarily provided in the Annual Report under the Chairman's Statement and the accompanying financial statements.

The Audit Committee assists the Board in scrutinising the information for disclosure to ensure accuracy and completeness of information.

Statement on Corporate Governance

Internal Controls

The review of the system of internal controls is set out under the Statement on Risk Management and Internal Control from pages 73 to 78 of this Annual Report. In 2015, the Audit Committee met the External Auditors twice without the presence of the Management.

Related Party Transactions

All related party transactions are reviewed by the internal auditors on a quarterly basis and the reports are subsequently reviewed by the Audit Committee to ensure compliance with the Listing Requirements and the appropriateness of such transactions before being recommended to the Board for its approval.

The Board has to ensure such transactions are negotiated and agreed upon at arm's length distance and on normal commercial terms that are not more favourable to the related parties than those generally available to the public, and are not detrimental to the minority shareholders of the Company.

The Shareholders' mandate in respect of the recurrent related party transactions is obtained at the AGM of the Company on a yearly basis. Details of these transactions are set out from page 87 of this Annual Report.

Relationship with the Auditors

The role of the Audit Committee in relation to the external auditors is described in the Audit Committee Report from pages 79 to 85 of this Annual Report.

The Company has always maintained a close and transparent relationship with its external auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia.

Relationship with the Management

The Board maintains a close and transparent relationship with the Management. The Board is furnished with information relating to the running of THP Group's operations through various financial and operational monthly and quarterly reports prepared by the Management. This will allow them to understand the operations better and make decisions in steering the Company towards a profitable business.

Statement on Corporate Governance

11. DIRECTORS' RESPONSIBILITY STATEMENT IN THE PREPARATION OF AUDITED FINANCIAL STATEMENTS

The Board of Directors is required under Paragraph 15.26(a) of the Listing Requirements to issue a statement explaining its responsibilities in the preparation of the audited financial statements. The Directors are required by the Companies Act, 1965 to prepare audited financial statements for each financial year which provide a true and fair view of the state of affairs of THP Group at the end of the financial year and of the profit and loss of the Company and the Group for the financial year under review. In preparing these audited financial statements, the Directors have:

- Used appropriate accounting policies and consistently applied them;
- Made judgments and estimates that are reasonable and prudent; and
- Stated whether applicable approved accounting standards have been followed, subject to any material departures disclosed and explained in the audited financial statements.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of THP Group and to enable them to ensure that the financial statements comply with the Companies Act, 1965 alongside applicable approved accounting standards in Malaysia.

The Directors are also responsible for taking such steps that are necessary to safeguard the assets of THP Group and to prevent fraud and other irregularities.

This Statement on Corporate Governance is made in accordance with the Resolution of the Board of Directors dated 31 March 2016.