

COMMITTED

CONNECTED

CREATIVE



2024

ANNUAL REPORT



TRANSFORM

2025

Create Better

Connections



NYK GROUP COMPANY

TASCO Berhad 197401003124 (20218-T)

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OVERVIEW

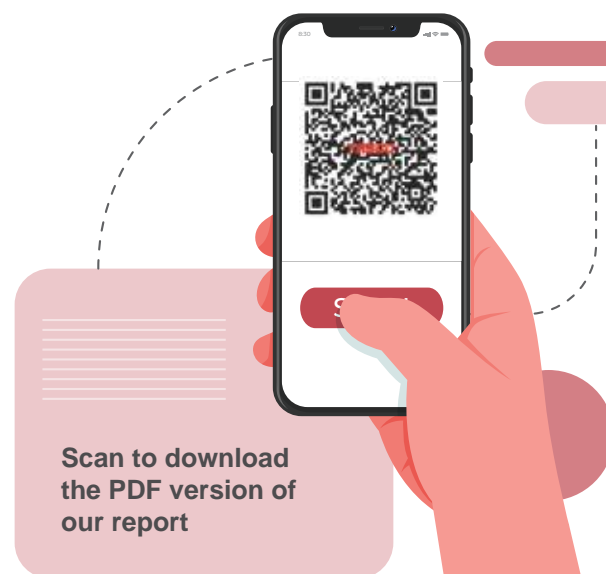
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Cautionary Statement With Regard To Forward - Looking Statements

Certain of the statements made in the Annual Report are forward-looking statements, which involve certain risks and uncertainties that could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements, which are valid only as of the date thereof. TASCO Berhad undertakes no obligation to republish revised forward-looking statements to reflect events or circumstances after the date thereof or to reflect the occurrence of unanticipated events.

OUR VISION, MISSION AND VALUES



VISION

Our new vision describes our ultimate ambition for the future

Connecting people, businesses & communities to a better future - through logistics



MISSION

This describes the business we need to become - and tells us what we must do to achieve our vision

To become the world's preferred supply chain logistics company - applying insight, service quality and innovation to create sustainable growth for business and society



VALUE

We also have three values that inform our personality and behaviours. A rational one, an emotional one, and a more aspirational one designed to stretch us.

**Connected
Committed
Creative**

BRAND PROMISE

This is our brand promise. It describes what we aim to deliver time and time again

LET'S LIVE THE VALUES

BE CONNECTED

Be open and transparent in the way you work - and make sure you truly understand your customers' challenges.

LET'S LIVE THE VALUES

BE COMMITTED

Build relationship, show your dedication to quality - and get every detail right.

LET'S LIVE THE VALUES

BE CREATIVE

Strive to develop better ways of working - then act on them and share them with colleagues.

LET'S KEEP OUR PROMISE

CREATE BETTER CONNECTIONS

Get close to customers, work closely with colleagues - and help secure the future of our business.

OUR COMPANY PROFILE

About TASCO Berhad (“TASCO”)

TASCO was incorporated on 10 September 1974 and listed on the Main Market of Bursa Malaysia Securities Berhad on 28 December 2007. TASCO is a subsidiary of Yusen Logistics Co., Ltd., which in turn is a subsidiary of Nippon Yusen Kabushiki Kaisha.

TASCO has 25 logistics centres and 2,300 employees in Malaysia. It is a part of the global network of Yusen Logistics Co., Ltd. having 650 locations and 25,358 employees worldwide as at 31 March 2024.



CONTRACT LOGISTICS DIVISION

- Customs Clearance
- Haulage Transportation
- Warehousing Services
- Warehouse In-plant Services
- E-Commerce

SUPPLY CHAIN SOLUTIONS DIVISION

- Origin Management
- Lead Logistics
- Trading



COLD SUPPLY CHAIN DIVISION

- Cold Supply Chain
- Convenience Retail



TRUCKING DIVISION

- Domestic Trucking
- Cross Border Trucking

TASCO offers logistics solutions covering air, sea and land transportation. It serves as a one stop logistics centre to handle domestic and international shipments for the customers.

TASCO has categorised its services into International Logistics Solutions and Domestic Logistics Solutions.

About Nippon Yusen Kabushiki Kaisha (“NYK”)

NYK is listed on the Tokyo Stock Exchange;

NYK has 60,601 employees globally; and

NYK’s major businesses consist of global logistics based on international marine transportation business, cruises, terminal and harbour transport, shipping-related services and real estate.

In October 2016, NYK, Kawasaki Kisen Kaisha (“K Line”) and Mitsui O.S.K. Line (“MOL”) have announced a joint venture agreement to form Ocean Network Express Pte Ltd (“ONE”) with the shareholding of 38%, 31% and 31% respectively, to integrate their container shipping businesses.

ONE has commenced services on 1 April 2018.

About Yusen Logistics Co., Ltd. (“YLK”)

YLK is a wholly-owned subsidiary of NYK;

YLK has 650 locations in 46 countries and 25,358 employees worldwide as at 31 March 2024;

YLK’s major business consists of services such as international freight forwarding, contract logistics, and transportation in Japan; and

Pursuant to a corporate exercise within the NYK Group, YLK became the immediate holding company of TASCO on 2 April 2012. NYK remains the ultimate holding company of TASCO.



**OCEAN FREIGHT
FORWARDING
DIVISION**

• Sea Freight Services

**AIR FREIGHT
FORWARDING
DIVISION**

• Air Freight Services



DOMESTIC NETWORK



25
Logistics
Centres



**CORPORATE
HEAD OFFICE**

Lot No. 1A, Persiaran Jubli Perak,
Jalan 22/1, Seksyen 22,
40300 Shah Alam, Selangor
Darul Ehsan, Malaysia.

Tel: 603-5101 8888
Fax: 603-5548 8288

www.tasco.com.my



LOGISTICS CENTRES

PENINSULAR MALAYSIA

NORTHERN REGION

01. Penang Prai Logistics Centre
02. Penang Air Logistics Centre

CENTRAL REGION

3. Shah Alam Logistics Centre I
4. Shah Alam Logistics Centre II
5. Shah Alam Logistics Centre III
6. Berjaya Industrial Logistics Centre
7. KLIA Air Logistics Centre
8. KLIA Distribution Centre
9. Ipoh Logistics Centre
10. Melaka Logistics Centre

PORT KLANG REGION

11. Port Klang Logistics Centre I
12. Port Klang Logistics Centre II
13. Port Klang Logistics Centre III
14. West Port Logistics Centre I
15. West Port Logistics Centre II

BANGI REGION

16. Bangi Logistics Centre I
17. Bangi Logistics Centre II
18. Bangi Logistics Centre III
19. Bangi Container Depot

SOUTHERN REGION

20. Pasir Gudang Logistics Centre
21. Tanjung Pelepas Logistics Centre
22. Senai Seelong Logistics Centre

EAST COAST REGION

23. Kuantan Port Logistics Centre

EAST MALAYSIA

24. Kuching Logistics Centre
25. Kota Kinabalu Logistics Centre

2,300

Employees in
Malaysia





YUSEN LOGISTICS GROUP

AS AT 31 MARCH 2024



JAPAN
85 Locations
0.11 mil. m²

650

LOCATIONS

25,358

EMPLOYEES

3.40 million m²

WAREHOUSE SPACE

CONSOLIDATED FINANCIAL HIGHLIGHTS

Year/Period Ended **31 Mar' 24** **31 Mar' 23** **31 Mar '22** **31 Mar '21**

Results of operation (RM'000)

Revenue	1,072,730	1,606,834	1,481,413	946,612
PBTAMI	70,804	119,097	85,675	58,294
PATAMI	61,744	90,816	65,250	41,274
Capital expenditures	208,270	99,371	48,128	40,970

Financial position at year end (RM'000)

Share capital (ordinary shares)	100,801	100,801	100,801	100,801
Total assets	1,673,587	1,535,229	1,373,066	961,026
Cash and cash equivalents	167,116	241,142	87,462	110,938
Total liabilities	974,611	871,359	788,123	424,455
Total borrowings	390,156	282,925	252,894	271,250
Shareholder equity	629,410	595,666	516,850	469,600

Amount per share (sen)

Earnings per share ¹	7.72	11.35	8.16	5.16
Dividend per share (Annual) ¹	2.35	3.50	2.50	1.50

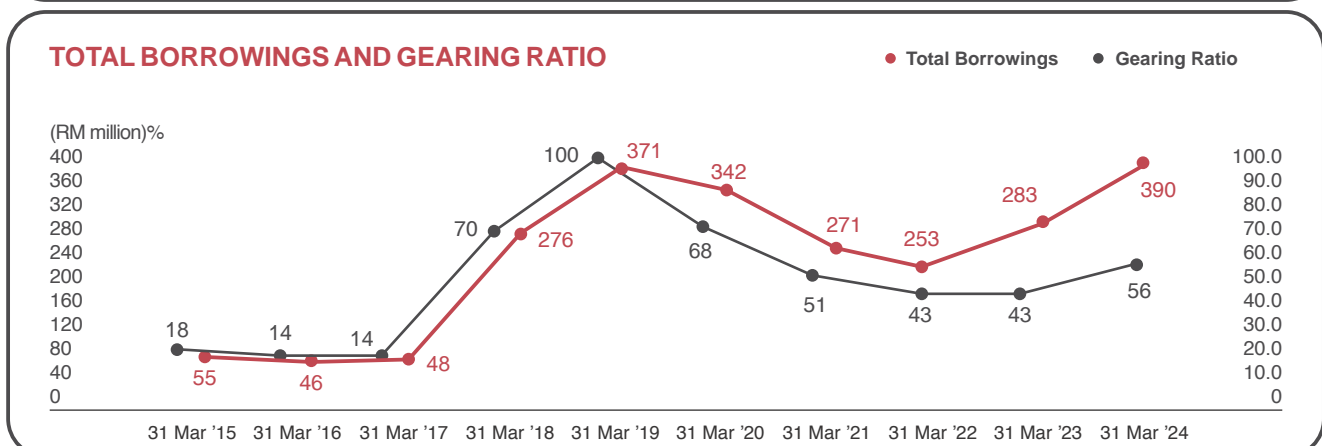
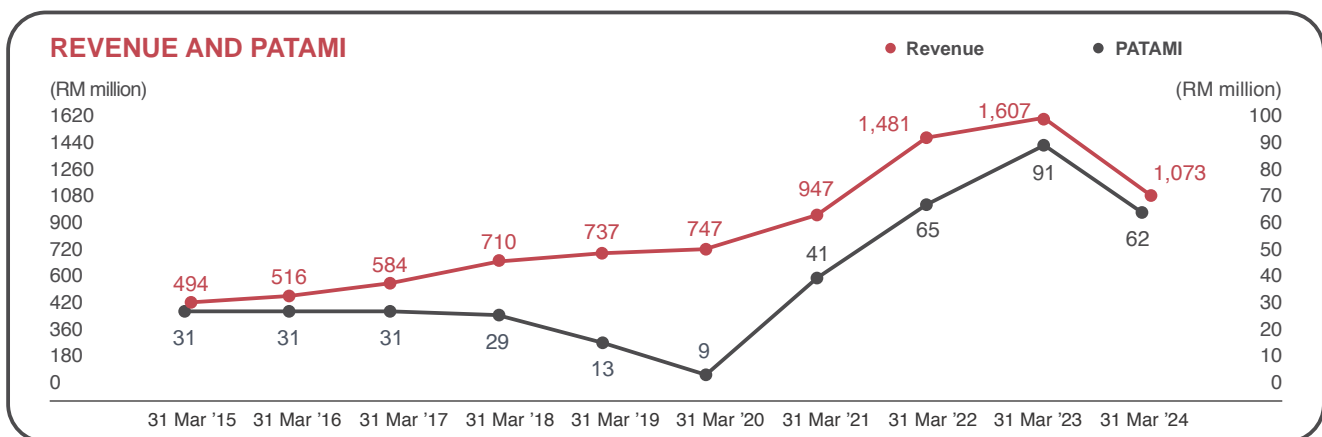
Ratios (%)

Shareholder equity ratio	37.6	38.8	37.6	48.9
Return on equity	9.8	15.2	12.6	8.8
Return on assets	3.7	5.9	4.8	4.3
Current ratio	114.0	127.7	121.1	198.4
Gearing ratio ²	55.8	42.6	43.2	50.5
Dividend payout ratio	30.4	30.8	30.7	33.9

Note:

¹ Calculated based on 800,000,000 shares

² Calculated based on total debt divided by total equity (including non-controlling interest)



CONSOLIDATED FINANCIAL HIGHLIGHTS

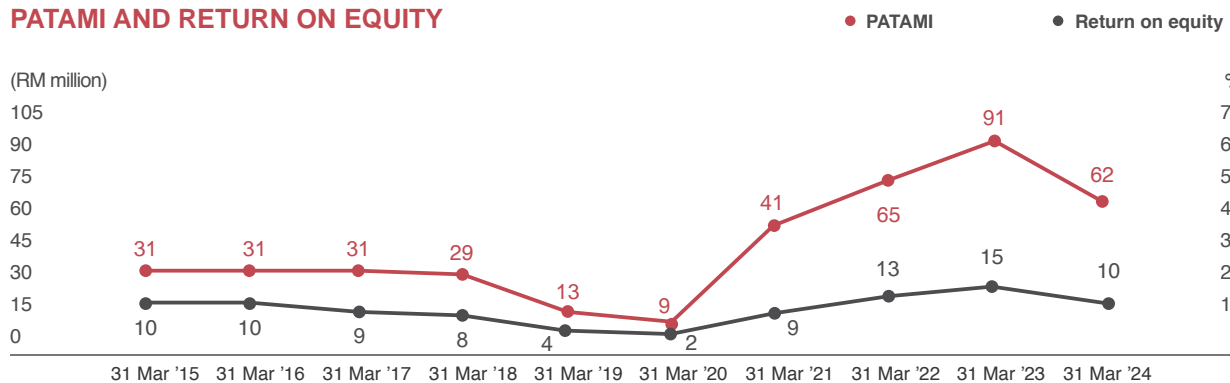
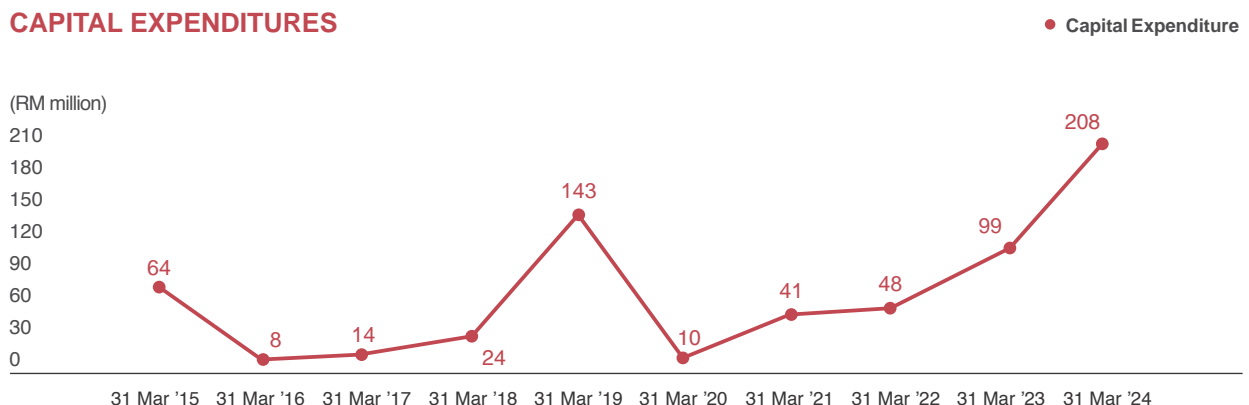
31 Mar '20 31 Mar '19 31 Mar '18 31 Mar '17 31 Mar '16 31 Mar '15

747,438	736,801	710,209	584,402	515,666	494,305
19,583	18,342	41,744	43,342	43,979	41,336
8,891	13,063	29,399	30,669	30,606	30,681
9,672	143,301	24,137	14,024	8,393	64,205

100,801	100,801	100,801	100,000	100,000	100,000
949,409	859,206	748,396	514,191	450,435	431,700
191,781	77,179	78,415	81,700	92,586	57,081
449,151	486,312	384,687	172,466	129,679	131,834
342,332	371,115	275,947	48,407	46,027	54,795
435,682	371,257	362,391	340,665	319,884	299,097

1.11	1.63	3.67	3.83	3.83	3.84
0.25	0.31	0.56	0.56	0.56	1.13

45.9	43.2	48.4	66.3	71.0	69.3
2.0	3.5	8.1	9.0	9.6	10.3
0.9	1.5	3.9	6.0	6.8	7.1
201.3	143.2	174.5	212.2	227.0	200.4
68.4	99.5	69.6	14.2	14.4	18.3
45.0	38.3	30.6	29.3	29.4	29.3

PATAMI AND RETURN ON EQUITY**CAPITAL EXPENDITURES**

CHAIRMAN'S STATEMENT

In FY2024, TASCO's financial performance normalised as freight rates returned to pre-pandemic levels. Despite this, we surpassed RM1 billion in revenue for the third consecutive year, driven by our resilient business model and strategic diversification. Our expansion of warehouse infrastructure and enhanced operational efficiencies have already yielded positive returns and are expected to significantly boost our revenue in FY2025.



LEE CHECK POH
Non-Independent Executive Chairman

DEAR VALUED STAKEHOLDERS,

On behalf of the Board of Directors of TASCO Berhad ("TASCO" or "the Group"), it is my honour and privilege to present to you the Annual Report and Audited Financial Statements of TASCO for the financial year ended 31 March 2024 ("FY2024").

EXHIBITING RESILIENT PROGRESS AMID ECONOMIC SHIFTS

I am pleased to report that TASCO demonstrated a resilient performance in FY2024, even as the logistics industry transitioned to more normalised economic conditions in the post-pandemic era.

CHAIRMAN'S STATEMENT

The year in review saw the logistics industry facing macroeconomic challenges such as an economic slowdown, global inflation and supply chain disruptions from the ongoing conflicts in Ukraine and Gaza as well as US-China geopolitical tensions. As the operating landscape shifted, the high freight rates experienced during the COVID-19 pandemic receded, impacting the revenue of logistics companies. Domestically, industry players had to contend with challenges such as worker shortages, increased labour costs, bigger overheads as well as a higher sales and service tax rate.

Following the extraordinary surge in revenue for TASCO between FY2021 to FY2023, our financial performance normalised in FY2024 as air and sea freight rates returned to pre-pandemic levels. Nevertheless, despite a revenue decline, we successfully navigated the complexities of the operating environment to deliver over RM1 billion in revenue. Our resilient business model, coupled with ongoing strategic diversification and risk management mitigated the impact of fluctuating market conditions

Operationally, we maintained strong momentum by expanding our warehouse infrastructure and enhancing operational efficiencies. These efforts began yielding positive returns in the last quarter of FY2024 and are expected to contribute more significantly to FY2025's revenue stream and beyond. Our commitment to providing innovative logistics solutions to our clientele and to expanding our capacity remains unwavering and integral to our long-term strategy.

All in all, for FY2024, TASCO posted revenue of RM1.07 billion in comparison to RM1.61 billion previously. Despite the RM534.1 million or 33.2 per cent year-on-year ("y-o-y") decline, I am pleased to highlight that we managed to surpass the RM1.0 billion mark for the third year in a row.

Revenue for the International Business Solutions ("IBS") segment dropped by RM418.3 million or 52.0 per cent, from RM804.0 million to RM385.7 million y-o-y. The Domestic Business Solutions ("DBS") segment saw a decline of RM115.8 million or 14.4 per cent, from RM802.8 million to RM687.0 million y-o-y.

The IBS segment's lower revenue stemmed from reduced air and sea cargo demand and shifts in customer booking preferences. Conversely, the DBS segment faced declines primarily in its Contract Logistics division but showed growth in its Cold Supply Chain ("CSC") and Trucking divisions, driven by new customer acquisitions and increased activity in specific sectors. We continued to reap benefits from strategic investments in the CSC business and strategically located logistics hubs, backed by ongoing market demand. Additionally, the incentives accorded by the Malaysian Investment Development Authority or MIDA's Integrated Logistics Services ("ILS") incentive programme helped contribute positively to our bottom line.

Meanwhile, the Group's profit before taxation ("PBT") decreased by RM46.8 million or 38.8 per cent, from RM120.6 million to RM73.8 million, while profit after tax ("PAT") dropped by RM27.5 million or 29.8 per cent, from RM92.3 million to RM64.8 million. Nevertheless, our profit was more than triple that of pre-pandemic profit levels in FY2019. The reduction in IBS segment revenue led to a PBT decline of RM45.1 million or 73.6 per cent, from RM61.3 million to RM16.2 million y-o-y. Similarly, PBT for the DBS segment fell by RM5.3 million or 8.6 per cent, from RM61.6 million to RM56.3 million.

For more details on the Group's FY2024 financial and operational performance, turn to the Management Discussion and Analysis ("MD&A") section within this Annual Report.

ONGOING VALUE-CREATION EFFORTS

Throughout FY2024, we continued to deliver value on several fronts.

Rewarding Our Shareholders

Our Board of Directors is dedicated to strengthening TASCO's financial position and ensuring the sustainable growth of our businesses. While prioritising the preservation of the Group's capital for future expansion, the Board maintains its commitment to providing value to the Group's shareholders by rewarding them for their unwavering support and confidence in TASCO.

CHAIRMAN'S STATEMENT

In respect of the financial year ended 31 March 2024, the Board rewarded shareholders via the payment of a single-tier final dividend of 2.35 sen per ordinary share amounting to RM18.8 million on 31 May 2024. This represents approximately 30 per cent of the Group's profit after tax and minority interest.

Moving forward, the Board aims to uphold this quantum of dividend at a fairly stable level, ensuring we balance out our desire to reward our shareholders with our aim of bolstering TASCO's cash position to support future growth initiatives.

Laying the Foundations for Future Value Creation

As a subsidiary of Yusen Logistics Co., Ltd. ("Yusen"), TASCO is steadfast in aligning its long-term strategies with Yusen's shared vision for the future ("Transform 2025") and its mission to become "the world's preferred supply chain logistics company." This entails developing and delivering better ways to connect to our customers and improving the quality and delivery of our services, across our product lines.

Having completed the first two phases of Transform 2025, we are currently in Phase 3, which focuses on customer-centric strategic pillars connecting our key assets, customers, and employees. These pillars are supported by two essential components – Corporate Transformation ("CX") and Digital Transformation ("DX") – both of which are crucial for achieving our mission. Complementing our CX and DX initiatives is our commitment to Environmental, Social, and Governance ("ESG") principles, which underpin our corporate operations and uphold the values that we share with Yusen (i.e., Vision, Mission, Values, Customer Value Proposition, and Employee Value Proposition).

Amid Transform 2025, the Group has been embarking on geographical expansion and investment strategies by diversifying into East Malaysia and the cold chain services business. As the third phase emphasises investment efficiency, we are focused on maximising our infrastructure, particularly our warehouse capacity, and enhancing our IT, human resource, as well as digital capital capacity and capabilities.

In FY2024, we shifted from aggressive market expansion to strengthening our infrastructure and enhancing operational efficiencies. These were among the year's key infrastructure developments:

- The first two phases of the Shah Alam Logistics Centre ("SALC") were completed with the launch of our new headquarters and a four-storey ultramodern warehouse that has become operational. Construction of the third phase of the SALC is underway and will add 400,000 sq. ft. of leasable space to meet high demand upon its completion by June 2026;
- The capacity of the Westport Logistics Centre or WPLC was enhanced and it now offers 52 loading bays and 620,000 sq. ft. of warehousing space as well as multiple temperature storage options and certifications such as Halal, ISO22000, ISO9001, and Good Distribution Practice for Medical Devices. The WPLC also supports various cargo types and value-added services;
- The cold chain warehouse of our joint venture company, Hypercold Logistics in Sabah was expanded to boost our cold chain logistics capabilities; and
- Our Port Klang cold-chain property was leased out again after the tenant contract ended, boosting revenue and enhancing margins by providing cold chain warehousing and logistics services to customers.

This strategic pivot aimed at optimising operations and building a robust foundation for future value creation opportunities saw us leveraging a good part of the RM520 million investment budget over five years set aside to strengthen our logistics infrastructure. We also focused on streamlining workflows, upgrading systems, and improving service delivery standards.

Our investments to date have also enabled us to capitalise on MIDA's ILS incentive programme (effective August 2021). Not only is the incentive programme effectively providing us with a lower payable corporate tax rate for five years (with any unabsorbed tax incentives carried forward beyond five years), it is also enabling us to fully reap the benefits of our strategic roadmap for diversification, advance into our next growth phase, and maintain a strong cash position. Once the warehouses are all completed and space expanded, we will have multiple additional revenue streams.

CHAIRMAN'S STATEMENT

In fact, following the substantial completion and operational start of our key new warehouses in the last quarter of FY2024 and the addition of some 1.25 million square feet of warehouse space, our top and bottom lines for FY2024 were positively impacted. We anticipate bigger contributions from our warehousing operations from FY2025 onwards. This strategic focus on infrastructure development, operational efficiency, and sustainability positions TASCO for future growth and value creation, ensuring we remain a leading logistics provider in the region.

Delivering Continuous Customer and Market Support

Being one of the nation's leading logistics companies, TASCO remains committed to consistently delivering quality and value to our customers and the markets that we serve – no matter what the operating conditions may be.

In upholding this commitment to our customers and markets, we are leveraging Yusen's Customer Value Proposition or CVP (i.e. "a seamlessly connected suite of supply chain solutions that deliver superior efficiency, reliability, and expertise"), to present our own CVP with its three core benefits: "high-quality, reliable service; access to insight and expertise; and superior value creation". These benefits enable us to function as a seamless extension of our customers' businesses, tailor solutions to their needs, and optimise their supply chain operations.

In line with our own CVP, we continue to support our customers in diverse ways:

Cold chain expansion: Via our Cold Supply Chain or CSC business and our position as one of the largest cold chain providers in the country, we can offer our customers a sizeable retail distribution capacity and extensive cold storage capabilities in both Peninsular Malaysia and East Malaysia. The near future will see us expand our cold chain operations geographically to Penang, Kuching, and Johor Bahru by redesigning existing warehouses to incorporate cold chain facilities that will meet increasing market demand for cold storage solutions.

Heavily digitalised operations: We have been strategically embedding digitalisation into our operations to enhance operational efficiency, especially within the Supply Chain Solutions or SCS division of the Group's IBS segment. Our efforts include enhancing origin cargo management and implementing fourth-party logistics ("4PL") tracking systems which provide businesses with efficient cargo tracking capabilities. By tapping the Yusen Group's global network and advanced software, we offer comprehensive supply chain management to key clients, fostering loyalty and growth in our SCS business. Our technology also facilitates seamless communication with retailers for timely fulfilment. These initiatives have made the SCS division a significant contributor, accounting for approximately 3 per cent of our revenue.

Remaining relevant to our markets: We have always been mindful of remaining relevant to our markets. As market dynamics shift, we are streamlining efforts and targeting specific market players to build a sustainable model for our Convenience Retail Logistics ("CRL") business. In FY2024, we discontinued a central region contract with a major convenience store chain but carried on serving their operations in the southern region. CRL operations were also relocated to TASCO's warehouses for better control and flexibility. By investing in automation technologies, we aim to enhance CRL operations and explore opportunities beyond convenience retail stores, focusing on the broader food retail market. By assessing evolving market conditions and demand, we are able to better strategize and focus on future prospects.

First-mover advantage: As more and more competition enters the logistics arena, particularly in the area of warehouse construction, our tailored facilities and end-to-end logistics solutions give us a competitive edge over these new market entrants who simply focus on warehouse building construction. Our first-mover advantage, strong customer relationships, and proactive market trend analysis align our strategies with industry dynamics. Our investments in warehousing infrastructure continue to lead to high occupancy rates and a robust customer pipeline, positioning us for growth and ensuring we remain a preferred partner, delivering sustainable value to our stakeholders.

Well positioned for future growth: While our strategic infrastructure developments and strengthened internal efficiencies will undoubtedly underpin our next phase of growth, we will also focus on strategic diversification. The latter will see us exploring opportunities in the EV and semiconductor, as well as aerospace, automotive, healthcare, chemical, and energy sectors. This aligns with our goal of becoming a reliable logistics provider across a variety of sectors. We also plan to add another 1.1 million square feet of warehouse space, both ambient and cold chain, by 2026.

CHAIRMAN'S STATEMENT

In summary, TASCO remains committed to delivering an extensive range of high-quality logistics solutions and reliable services, providing access to insight and expertise, as well as creating superior value for our customers. These efforts, supported by our ongoing transformation initiatives and strong CVP, will enable us to maintain our position as a leading logistics service provider and help our customers thrive in the evolving market landscape.

For more insights into our strategies and prospects, please refer to the MD&A section within this Annual Report.

CHAMPIONING RESPONSIBLE CORPORATE PRACTICES

Upholding Robust Governance and Risk Management Practices

Recognising our responsibility to safeguard the Group's future and ensure sustainable value creation for our shareholders, the Board remains steadfastly committed to upholding high standards of corporate governance, robust risk management and stringent internal control measures across our organisation. By harnessing these foundational practices, the Board is committed to delivering consistent value to our shareholders, protecting our corporate reputation, and bolstering investor confidence. Today, our board governance policies continue to align with the Malaysian Code on Corporate Governance ("MCCG") 2021 and other current regulations.

On 7 September 2023, we successfully conducted TASCO's 48th Annual General Meeting on a fully virtual basis demonstrating the Group's ability to adapt to online platforms and uphold effective corporate governance.

For more information on our governance practices and risk management measures, please refer to the Corporate Governance Overview Statement and Statement on Risk Management and Internal Control within this Annual Report.

Integrating the Agenda of Sustainability in Greater Measure

Sustainability remains deeply integrated in TASCO's daily operations, reflecting our commitment to long-term sustainable progress and operational efficiency. We are also dedicated to upholding Yusen's commitment to good environmental stewardship. To this end, we have set an ambitious target to achieve net-zero carbon emissions by 2050 globally, acknowledging the urgent need to combat climate change and transition to a low-carbon economy.

To achieve this goal, TASCO has developed a comprehensive sustainability strategy aimed at reducing greenhouse gas ("GHG") emissions across our operations. This strategy includes collaborating with stakeholders across our supply chain to optimise energy efficiency, transition to renewable energy sources, and implement innovative technologies to minimise carbon emissions. By setting ambitious targets, we aim to lead the transition to a more sustainable and resilient future for the logistics industry while continuing to deliver value to our customers, shareholders, and the communities we serve.

In line with the global transition to more sustainable practices, ESG criteria have become increasingly important in investment and risk management decisions. As such, I am pleased to announce that TASCO has remained a constituent of both the FTSE4GOOD Bursa Malaysia Index ("F4GBM") and the FTSE4GOOD Bursa Malaysia Shariah Index ("F4GBMS"). This recognition validates TASCO's commitment to robust ESG practices and reinforces our position in international markets as a progressive and ethical company with a sustainability-based (and thereby safer) business model.

These efforts and our broader sustainability strategy are documented in detail within the Sustainability Statement in this Annual Report.

CHAIRMAN'S STATEMENT

In Recognition of Our Commitment to Excellence

TASCO's dedication to upholding excellence continued to garner recognition through the many awards and accolades that the Group and its subsidiaries attained in FY2024.

In May 2024, Korean Air Cargo, affirmed our outstanding performance and status as a preferred logistics provider by awarding us the Top Agent Award. Similarly, our contribution to the growth of MasKargo was recognised by our being awarded their Mega Tonners Award 2022 in December 2023, reflecting our outstanding sales achievement and strategic relationship with the company in 2022.

In July 2024, TASCO was also awarded the Good Payment Master status by Tenaga Nasional Berhad. This was followed by the Group being recognised as having the Highest Growth in Profit After Tax Over Three Years (Transportation & Logistics Category) by The Edge Centurion Club in the same month.

Additionally, our wholly-owned subsidiary, Maya Kekal Sdn Bhd, received the Best Solution Structured Trade Finance Malaysia award at the Asset Triple-A Awards 2024 in May 2024. This award reflects TASCO's commitment to excellence across various areas including trade, treasury, technology, supply chain management, risk management, and ESG practices.

Altogether, these awards underscore the Group's relentless pursuit of excellence and innovation across multiple facets of our operations, reinforcing our position as a leader in the logistics industry. We are both humbled and elated by these awards and remain committed to upholding excellence in every aspect of our operations.

MOVING FORWARD INTO FY2025

As we advance into FY2025, the Board remains cautiously optimistic about TASCO's prospects amid ongoing global economic challenges such as high inflation and geopolitical tensions. Domestically, Malaysia's economy is projected to grow between 4 to 5 per cent, driven by resilient demand and a recovery in tourism, despite potential risks from external pressures and domestic policy changes, including reduced diesel subsidies.

We are grateful for TASCO's resilient business model which has enabled us to successfully navigate these challenges. The completion of significant infrastructure projects, with more to come, positions us to capitalise on emerging opportunities. With 90 per cent of our operational warehouse space leased, we expect to fully realise the benefits of these facilities by mid-2024. Our strategic expansion in cold-chain logistics too is already yielding positive results. The newly freed-up cold-chain property in Port Klang is already generating better revenue through new leases and enhanced internal logistics utilisation.

In an increasingly competitive logistics sector, we have been able to differentiate ourselves by building facilities tailored to market needs and offering comprehensive end-to-end services. This strategic approach, combined with our established relationships and early market entry, provides TASCO with a competitive edge. Moving forward, TASCO will continue enhancing operational efficiencies, optimising costs, and diversifying into new areas to become a leading logistics provider across multiple industries.

While we remain vigilant of macroeconomic challenges, we are committed to adapting to the evolving economic landscape, leveraging our strategic initiatives to drive growth, and delivering sustained value to our shareholders. For more insights into our outlook and strategies, please refer to the MD&A section within this Annual Report.

CHAIRMAN'S STATEMENT

IN APPRECIATION

On behalf of TASCO's Board of Directors, I wish to convey our sincere gratitude to all those who have supported TASCO and had a hand in our success.

To our esteemed shareholders, regulatory authorities, customers, vendors, business partners, and all other stakeholders, your unwavering confidence in TASCO is deeply appreciated – all the more so amidst the challenges of our marketplace. We look forward to your unstinting support as we focus our efforts on delivering sustainable, long-term value.

I would like to express my heartfelt appreciation to our loyal management team and all TASCO employees. Your dedication, diligence, and resilience in the face of adversity and unwavering commitment to excellence have been instrumental to our progress and growth. I also wish to convey my deep gratitude to my colleagues on the Board for their wise counsel and astute insights which have helped us navigate stormy waters to reach safe shore.

In the past year, we have focused on consolidating our efforts, enhancing our internal efficiencies, and strengthening our infrastructure to meet our commitments and long-term strategies. These initiatives have already resulted in positive outcomes, as seen in the robust demand for our warehouse spaces and other offerings. Moving forward, we plan to further expand our internal capacities over the next two years to set the stage for continued growth.

As we set our sights on reinforcing TASCO's standing as an innovative and dynamic total logistics solutions specialist and a leading industry player, I sincerely call upon all our stakeholders to lend us their steadfast support. By skilfully navigating all challenges and prudently capitalising on all opportunities that may arise, I am quietly confident that TASCO will reach new levels of success. Thank you.



Lee Check Poh
Executive Chairman
30 July 2024



TASCO demonstrated remarkable resilience in FY2024 amidst a challenging economic landscape. Although our financial results normalised as air and sea freight rates returned to pre-pandemic levels, our FY2024 revenue still surpassed the RM1 billion mark for the third year in a row, while our profitability was triple our pre-pandemic performance in 2019.

ANDY LEE WAN KAI
Non-Independent
Group Chief Executive Officer

DEAR VALUED STAKEHOLDERS,

The financial year ended 31 March 2024 (“FY2024”) saw TASCO Berhad (“TASCO” or “the Group”) demonstrating remarkable resilience amidst a challenging economic landscape. Following an exceptional surge in our financial performance between FY2021 to FY2023, our financial results in FY2024 normalised as air and sea freight rates returned to pre-pandemic levels. Despite this, our FY2024 revenue still surpassed the RM1 billion mark for the third consecutive year while our profitability was triple our pre-pandemic performance in 2019. We also maintained a strong momentum on the operational front by strategically focusing our efforts on expanding the Group’s warehouse infrastructure and enhancing operational efficiencies. These endeavours have proven fruitful and our extended warehouse offerings are expected to yield positive returns from FY2025 onwards. On behalf of TASCO, I am pleased to present the details of these developments, our FY2024 financial and operational performance, along with our strategies for future value creation.

MANAGEMENT DISCUSSION AND ANALYSIS

THE YEAR IN REVIEW

According to the World Bank's Global Economic Prospects (January 2024) publication, global GDP growth moderated to 3.4 per cent in 2023, reflecting a marked deceleration compared to GDP growth of 6.2 per cent in 2022. This moderation was attributed to various factors such as the conflicts in Ukraine and Gaza which contributed to heightened inflation rates and declining consumer spending patterns. This geopolitical instability, coupled with supply chain disruptions, impacted global trade flows and consumer sentiments. Additionally, tensions between China and the US affected trade routes, leading to a decrease in shipments and altering supply-demand dynamics.

In tandem with global trends, the Malaysian economy navigated challenges and opportunities during this period. The country's GDP declined to 3.7 per cent in 2023, after an unusually strong performance of 8.7 per cent in the preceding year. Growth in 2023 fell short of the government's projected rate of around 4.0 per cent, primarily due to sluggish external demand. Malaysia's moderate GDP growth mirrored the trends observed in many other regional economies, with several also falling short of their official growth targets. The slower growth rate was also influenced by a weakening Ringgit, rising inflation, and political uncertainty.

Amidst these macroeconomic dynamics, the logistics industry played a pivotal role in facilitating trade and commerce. By leveraging technology and operational efficiencies to mitigate disruptions and enhance service delivery, the logistics industry was able to adapt to the evolving market conditions.

Within this context, TASCO navigated the complexities of the operating environment, achieving some RM1 billion in revenue despite an over 33.0 per cent decline from the previous financial year. This decline can be attributed to the industry-wide normalisation of freight trends post-pandemic, which impacted both air and sea freight rates. On the domestic side, TASCO's Cold Supply Chain ("CSC") division in particular faced difficulties due to geopolitical tensions and boycotts affecting Israeli products. However, despite the impact of these developments, the segment's revenue increased by 10 per cent as compared to the preceding year. Overall, TASCO's performance remained better than pre-pandemic levels, with significant growth in profitability since 2019.

Challenges notwithstanding, the Group continued to make good progress by way of infrastructure development and geographical expansion. These and other details are spelt out in subsequent sections of this Management Discussion and Analysis section. Despite the ebb and flow of market dynamics, we remain optimistic about TASCO's future prospects and will continue to leverage our resilience and adaptability to navigate evolving economic landscapes and capitalise on emerging opportunities.

OUR BUSINESS

Established in 1974, the TASCO Group has become a cornerstone of the logistics industry in Malaysia, renowned for its comprehensive suite of services that include warehousing, storage, and multifaceted transportation options across air, sea, and land. Operating 25 key logistics centres and employing a dedicated team of more than 2,000 personnel, the Group ensures the provision of seamless logistics solutions, both domestically and internationally.

As a vital subsidiary of Yusen Logistics Co. Ltd. ("Yusen"), and an integral part of the esteemed Nippon Yusen Kabushiki Kaisha ("NYK") group, TASCO benefits significantly from its association with one of Japan's leading logistics conglomerates. This strategic positioning provides TASCO with unparalleled access to a global network that spans over 680 locations worldwide and includes more than 25,000 employees.

In recent years, TASCO has strategically expanded its service offerings to include trading, convenience retail logistics, and operations in the cold supply chain segment, broadening its capabilities within the industry. The Group's expansion from the Peninsula into East Malaysia further exemplifies our commitment to growth and our efforts to reinforce our market presence.

MANAGEMENT DISCUSSION AND ANALYSIS

TASCO's operational framework is structured into two main segments, namely the International Business Solutions ("IBS") segment and Domestic Business Solutions ("DBS") segment. The IBS segment, encompassing our Air Freight Forwarding and Ocean Freight Forwarding divisions, was recently enhanced with the addition of a Supply Chain Solutions arm, designed to manage origin cargo, lead logistics, and trading services. Meanwhile, the DBS segment includes our Cold Supply Chain division, Contract Logistics division, and Trucking division, covering an extensive range of services from customs clearance to cross-border trucking.

Committed to excellence, we continue to leverage our extensive network and diverse capabilities to adapt and respond to the evolving demands of our clients, ensuring robust growth and sustained leadership in the logistics industry.

OUR STRATEGIES FOR SUSTAINABLE GROWTH

At TASCO, our strategies are meticulously crafted to support resilience and long-term growth, ensuring sustained value creation for our stakeholders. We are steadfast in our commitment to employing a blend of established methodologies and innovative approaches to consolidate our position as a premier provider of dynamic logistics solutions in our markets.

Our Short and Medium Term Strategies

In the short and medium term, our focus remains on expanding the scope of our solutions portfolio, equipping our workforce with the necessary skills, and harnessing technology to elevate our operational capabilities. By broadening our offerings and enhancing operational efficiency through digitalisation, we are positioning our businesses to meet the evolving needs of our clients while maintaining cost-effectiveness.

Concurrently, we are committed to prudently managing our resources, optimising costs, and enhancing operational efficiencies to ensure the sustainability and resilience of our organisation amidst fluctuating market dynamics. This approach allows us to navigate uncertainties while safeguarding our profitability and market position.

Toward Long-Term Growth

Looking towards long-term growth, we continue to pursue a strategy of business diversification, building upon the success of our ventures into the Cold Supply Chain and Convenience Retail Logistics segments. These strategic expansions have yielded positive growth, and we remain steadfast in our commitment to strengthening our presence in these segments where it makes sense to do so. As we venture forth, we will ensure we prudently assess market dynamics and modify our position if necessary.

Furthermore, as we explore new avenues of opportunity, we do so with caution and foresight, mindful of the uncertainties within the current economic climate. Our focus is on identifying opportunities that align with our core competencies and complement our existing businesses, ensuring that each new venture contributes meaningfully to our long-term strategic objectives. By striking a balance between continuity and innovation, we are poised to chart a course of sustainable growth and enduring success for TASCO and its stakeholders.

Bolstering the Cold Supply Chain Logistics Business

FY2024 saw the Group's Cold Supply Chain or CSC business continuing to make good inroads. Our CSC business is helmed by subsidiary, TASCO Yusen Gold Cold Sdn Bhd ("TYGC"), a 70:30 joint venture between TASCO and the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development ("JOIN"). Following several strategic acquisitions, TYGC has expanded its footprint to become one of the leading cold chain providers in the country. Our partnership with JOIN and the support from Yusen have facilitated TYGC's growth in new markets and plans are underway to further expand our geographical footprint. The CSC business is also reaping the benefits of Yusen's plans to expand its activities globally.

MANAGEMENT DISCUSSION AND ANALYSIS

Today, TYGC's capabilities include more than 500 employees, some 150 trucks, over 205,000 sq. ft. of retail distribution capacity, and state-of-the-art cold storage facilities with more than 56,000 pallets. Its capacity growth is underscored by the increase in the uptake of tenancy at its cold storage facilities.

In November 2023, TYGC's flagship operation, Hypercold Logistics Sdn Bhd ("Hypercold"), a 50:50 joint venture with Swift Haulage Berhad expanded its warehouse capacity from 3,000 pallets to 6,400 pallets, making it the largest in the state of Sabah and ensuring uninterrupted service to clients. Located within the Kota Kinabalu Industrial Park, this facility enhances cold chain logistics across Sabah, serving key areas such as Sandakan, Lahad Datu, Tawau, Labuan, Beaufort, Sipitang, Tenom, Keningau, and Kudat.

The hub's operations are complemented by a fleet of temperature-controlled trucks equipped with GPS and temperature tracking systems, capable of cross-border services. This venture, which positions Sabah as a leading cold chain logistics hub within the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area ("BIMP-EAGA"), reinforces Hypercold's competitive edge in logistics solutions.

With a keen eye on geographical expansion, TYGC is planning to extend its reach to Penang, Kuching, and Johor Bahru. By leveraging the Group's existing infrastructure, TYGC plans to integrate cold chain facilities into our current warehouses, thereby enhancing TASCO's overall operational capabilities and market penetration.

TYGC continues to play a vital role in serving its customer base, catering to over 38,000 retailers nationwide. With a focus on maintaining and growing its customer relationships, TYGC remains optimistic about future prospects, particularly within the fast-moving consumer goods ("FMCG") segment. Additionally, TYGC has expanded its services to include kimchi traders, amongst others, further diversifying its client portfolio.

In line with its commitment to quality and innovation, TYGC continues to renew its Halal certification status, reaffirming its dedication to providing halal-certified storage and transportation services as per the Department of Islamic Development Malaysia or JAKIM requirements. Furthermore, TYGC's achievement of the Japanese Standards Association (JSAS1004:2020) certification from Japan's ClassNK underscores the quality and competency of TYGC's cold chain logistics offerings as well as its position as a key player in ASEAN for third-party cold chain logistics services.

As our CSC segment continues to adapt to evolving market dynamics, its focus remains on retaining its loyal workforce and exploring growth opportunities in both existing and emerging markets. With a strategic approach and a commitment to excellence, we are optimistic that this segment will continue to thrive in the years ahead.

Reassessing Our Convenience Retail Logistics Business Approach

During the year in review, TASCO's Convenience Retail Logistics ("CRL") business underwent strategic reassessment and realignment to adapt to evolving market conditions. Originally established in 2018 to cater to urban consumers' increasing demand for convenience food retail, the CRL division initially served a diverse customer base, including petrol kiosks, convenience stores, supermarkets, and pharmacies.

However, following a comprehensive review, we have made significant changes to our CRL strategy. In FY2024, we ended a contract with one of the largest convenience store chains in Malaysia for its central region operations, while continuing to serve its network in the southern region. Furthermore, the CRL operations were relocated to TASCO's own warehouses, enabling greater control and flexibility.

Recognising the need for innovation and efficiency, we are investing in automation technologies to enhance our CRL operations. Despite challenges within the industry and the trend towards in-house operations among CRL businesses, we remain committed to exploring opportunities for expansion beyond convenience retail stores. We are focused on shifting towards serving the broader food retail market by leveraging our expertise and extensive logistics network.

By streamlining our efforts and targeting specific players in the market, we aim to build a sustainable model for the Group's CRL business. With a renewed strategic direction and a focus on niche opportunities, we remain optimistic about the future prospects of our CRL division.

MANAGEMENT DISCUSSION AND ANALYSIS

In Pursuit of Future Value Creation Opportunities

We are constantly assessing our existing operations to ensure better operational efficiencies and always exploring opportunities to grow TASCO's overall business. Unlike previous years where our primary objective was to aggressively expand our market reach, FY2024 was a period reflected by measured growth in our customer base and diversification efforts. The financial year in review saw us firmly redirecting our focus and resources towards strengthening our infrastructure and enhancing operational efficiencies in preparation for future value-creation opportunities. We also worked on expanding our geographical footprint in specific markets.

In FY2024, we made the strategic decision to deliberately shift our focus from vigorous market expansion to reinforcing our infrastructure and internal processes. This was driven by the need to optimise our existing operations and build a more robust foundation for the future. To this end, we purposefully concentrated our efforts on strengthening our logistics infrastructure, streamlining workflows, upgrading systems, and improving service delivery standards. This strategic pivot was aimed at yielding long-term benefits, positioning us to capitalise on forthcoming market opportunities more effectively.

Making the Most of Our Newly Extended Warehouse Space Offering

To bolster TASCO's capacity as a comprehensive logistics service provider, we embarked on an ambitious expansion project encompassing various warehouses and our headquarters at our Shah Alam Logistics Centre ("SALC"). This RM520.0 million investment spanning five years aims to enhance the Group's logistical infrastructure through the rollout of state-of-the-art facilities and automated systems as well as the expansion of our IT logistics capabilities.

A significant portion of FY2024 was dedicated to the completion and operational readiness of the Group's new headquarters and warehouse at the SALC. Our efforts culminated in the rollout of our four-storey ultramodern warehouse in February 2024 and our new headquarters in April 2024 which were both launched in June 2024. Meanwhile, the construction of Phase 3 of the SALC i.e. 400,000 sq. ft. of leasable space is underway. This will meet the high demand for warehouse space in the area when it is completed by June 2026. Out of the RM520.0 million budget, we have to date allocated approximately RM300.0 million.

The SALC, which is poised to become the central hub for the Group's logistics operations, not only enhances our capacity but also introduces advanced logistics solutions and operational efficiencies that will create more value for our clients. The launch of this centre marks a pivotal milestone in our growth trajectory, opening up numerous avenues for innovation and value creation in our service offerings.

Over the past year, TASCO has been expanding and optimising its warehouse space offerings significantly. The rollout of the new SALC facilities, together with the launch of Hypercold's new cold chain warehouse in Sabah and the expansion of our Westport Logistics Centre ("WPLC") warehouse facility in Port Klang marks a pivotal phase in our growth strategy. We expect to fully benefit from these facilities by the second half of 2024, with 90 per cent of the space leased out.

Today, the WPLC, located at Westport, Malaysia's main seaport for international freight, features 93 loading bays and 620,000 sq. ft. of warehousing space. It offers multiple temperature storage options, from ambient to frozen (at -18°C) options, and boasts Halal, ISO 22000, ISO 9001, and Good Distribution Practice for Medical Devices certifications. Capable of handling various cargo types, including temperature-sensitive and general cargo like food and medical devices, it also supports cross docking, local and regional distribution, pick-and-pack, and other value-added services.

In another development, our cold-chain property in Port Klang which we acquired from Haisan previously, became available in November 2023 year after a three-year tenancy contract ended. The warehouse is currently fully utilised at 100% occupancy, a development which has positively impacted our margins.

TASCO's offer of over 4 million sq. ft. of warehouse infrastructure is set to make waves in the logistics industry in both Peninsular and East Malaysia. Moving forward, we expect to reap significant benefits from our warehouse-related activities.

MANAGEMENT DISCUSSION AND ANALYSIS

Leveraging Our First Mover Advantage

In the past few years, the warehouse segment has become rather competitive, with many new players, including developers and REITs (Real estate investment trusts), entering the fray. However, unlike many developers and REITs that just construct or own the buildings, TASCO builds facilities tailored to specific customer logistics needs while providing end-to-end logistics solutions. As such, our first-mover advantage in warehouse development along with our strong customer relationships give us a competitive edge over other players. Moreover, by proactively monitoring market trends, we are able to align our strategies with industry dynamics and ensure we remain relevant.

TASCO's investments in warehousing infrastructure undoubtedly position the Group for further growth. We are reaping the benefits of this and it is being reflected in our financials. Given the scale of our offerings, our high occupancy rates and robust customer pipeline, we are set to capitalise on emerging opportunities. Our focus on tailored logistics solutions also ensures we remain a preferred partner for reliable and efficient warehousing services, delivering sustained value for our stakeholders.

Aligning with the Yusen Group's Goals

TASCO is also committed to carrying out and achieving the Yusen Group's Environmental, Social, and Governance ("ESG") target of achieving net-zero emissions by 2050.

Additionally, as an interim target, Yusen has committed to providing net-zero Greenhouse Gas ("GHG") emissions services by 2030. In pursuit of this target, we have ventured into exploring green technology as part of our green initiatives. These include our adoption of measures such as integrating electric vehicles ("EVs") into our fleet and collaborating with transportation partners to reduce fuel consumption and GHG emissions.

Our sustainability initiatives extend to strategic collaborations with industry partners that enable us to implement carbon reduction solutions, explore renewable energy options, and leverage fuel-saving technologies, further reducing our carbon footprint.

These collaborations encompass diverse solutions, including carbon offset projects, waste management strategies, and the adoption of innovative technologies such as EV battery swap systems and hydrogen-powered engines. By actively pursuing these initiatives, TASCO is demonstrating its commitment to sustainability and environmental responsibility while also fostering innovation and driving positive change within the logistics industry.

Reaping the Benefits of MIDA's ILS Incentive Programme

Our investments in the SALC since August 2021 have also enabled us to leverage the Malaysian Investment Development Authority's ("MIDA") Integrated Logistics Services ("ILS") incentive programme. This programme, which provides significant income tax exemptions and other incentives over five years, is aimed at encouraging Malaysian logistics companies to establish themselves as regional logistics hubs.

Through the ILS scheme, TASCO benefits from a reduced corporate tax rate over five years, enabling us to execute our strategic diversification roadmap and propel our growth into the next phase. As the expansion of our warehouse space progresses, TASCO is already reaping the rewards of the ILS initiative. Our newly expanded facilities are not only enhancing our operational capabilities but are also providing us with additional revenue streams, further solidifying TASCO's position as a key player in the regional logistics landscape.

Strategically Digitalising the Group's Operations

The Group also continue to strategically integrate digitalisation into various aspects of our operations, particularly within the SCS division under the IBS segment to further enhance efficiency and adaptability in operations. Our focus includes enhancements in origin cargo management and the implementation of fourth-party logistics ("4PL") tracking systems which provide businesses with efficient cargo tracking capabilities.

MANAGEMENT DISCUSSION AND ANALYSIS

Leveraging the Yusen Group's extensive global network, we are offering our key clients 4PL activities which enables us to manage their entire supply chains. By tapping Yusen's advanced software solutions and network, we are committed to growing our SCS business and fostering client loyalty by encouraging more clients to utilise our 4PL services.

Additionally, we continue to utilise technology to facilitate seamless communication with retailers, promptly alerting them to potential purchasing needs and ensuring timely fulfilment of their requirements. As a result of these initiatives, the SCS division, has become a significant contributor, accounting for approximately 3 per cent of our revenue since the commencement of our revamp efforts.

OUR FINANCIAL PERFORMANCE**Group and Segmental Revenue**

For the financial year ended 31 March 2024 or FY2024, the Group posted revenue of RM1.07 billion reflecting a RM534.1 million (33.2 per cent) year-on-year ("y-o-y") decrease against revenue of RM1.61 billion in the preceding year. Although our revenue decreased, we are pleased that we still managed to surpass the RM1 billion mark for the third consecutive year.

Revenue from the International Business Solutions ("IBS") segment dropped by RM418.3 million (52.0 per cent) from RM804.0 million to RM385.7 million y-o-y, while revenue from Domestic Business Solutions ("DBS") segment decreased by RM115.8 million (14.4 per cent), from RM802.8 million to RM687.0 million y-o-y.

Within the IBS segment, the Air Freight Forwarding ("AFF") division experienced a significant decline, posting a RM240.1 million (49.4 per cent) drop in revenue from RM485.8 million to RM245.7 million y-o-y. This decline was due to a decrease in air cargo demand, aligning with the International Air Transport Association's projection of a 4 per cent reduction in global air cargo volumes in 2023. The market cooled after robust growth during the pandemic, and there was a notable 40 per cent decline in global airfreight spot rates compared to the previous year. Additionally, reduced support from customers in electronic capacitors, aerospace, and telecommunications, along with decreased shipments for electronic and electrical ("E&E"), colour pigment, and printing customers, further impacted AFF revenue.

Meanwhile, the Ocean Freight Forwarding ("OFF") division under IBS recorded a RM177.7 million (61.8 per cent) drop in revenue, from RM287.4 million to RM109.7 million y-o-y. The significant drop in the OFF business was the result of the normalisation of freight rates and a slowing global economy.

Previously, the OFF division's revenue included the contributions of the SCS division, consisting of origin order management ("OM"), lead logistics provision ("LLP") and e-commerce activities. However, with the SCS division having come into its own directly under the ambit of the IBS segment, its financial performance is being reported separately from the OFF division. For FY2024, the SCS division registered a slight drop of RM0.5 million (1.6 per cent), from RM30.8 million to RM30.3 million y-o-y. Its OM business contributed an increase of RM4.2 million but the increase was offset by a RM4.7 million y-o-y revenue drop in the LLP business.

In the DBS segment, the Contract Logistics ("CL") division posted a RM132.2 million (24.2 per cent) decrease in revenue from RM545.7 million to RM413.5 million y-o-y. Within the CL division, the Customs Clearance business saw a RM88.7 million (32.9 per cent) decline from RM269.6 million to RM180.9 million y-o-y. Meanwhile, the Haulage business registered a marginal RM1.3 million (2.0 per cent) drop from RM64.3 million to RM63.0 million, the Warehouse business posted a RM39.5 million (21.7 per cent) drop from RM181.7 million to RM142.2 million, and the in-plant business recorded a RM4.1 million (13.6 per cent) decline from RM30.1 million to RM26.0 million. The E-Commerce business contributed maiden revenue of RM1.3 million to the CL division in FY2024 as a result of reclassification from the SCS segment to the CL division.

The performance of the Cold Supply Chain or CSC division under the DBS segment remained robust even as revenue rose by RM13.0 million (8.4 per cent) from RM155.3 million to RM168.3 million y-o-y. The increase was largely attributable to a newly secured convenience retail and cold chain logistics customer as well as higher selling rates due to passing on Imbalance Cost Pass-Through ("ICPT") electricity costs.

MANAGEMENT DISCUSSION AND ANALYSIS

In FY2024, the Trucking division's revenue increased by RM3.4 million (3.3 per cent) from RM101.9 million to RM105.3 million y-o-y. This growth was driven by shipments from solar panel, food manufacturing, and telecommunications product customers, newly secured automotive parts manufacturers, a furniture retail customer, and an increase in cross-border trucking activities.

Group and Segmental Profits

In FY2024, the Group's profit from operations dropped by RM45.9 million (34.4 per cent) from RM133.2 million to RM87.3 million y-o-y. Meanwhile, profit before taxation ("PBT") decreased by RM46.8 million (38.8 per cent), from RM120.6 million to RM73.8 million, while profit after tax ("PAT") for the year went down by RM27.5 million (29.8 per cent) from RM92.3 million to RM64.8 million.

Following a reduction in the IBS segment's revenue, its PBT too declined by RM45.2 million (73.7 per cent) from RM61.3 million to RM16.1 million y-o-y. Within the IBS segment, the AFF division's PBT decreased by RM32.3 million (78.2 per cent) from RM41.3 million to RM9.0 million. Meanwhile, the OFF division's PBT dropped by RM14.4 million (92.3 per cent) from RM15.6 million to RM1.2 million. However, the reductions in PBT for both the AFF and OFF businesses were partially offset by a RM1.6 million (37.2 per cent) increase in profit by the SCS division, which rose from RM4.3 million to RM5.9 million in FY2024 y-o-y.

PBT for the DBS segment was curtailed by a RM5.3 million (8.6 per cent) drop from RM61.6 million to RM56.3 million. Within the DBS segment, the CL division recorded a RM14.4 million (30.2 per cent) drop in PBT, from RM47.6 million to RM33.2 million. However, the PBT drop in the CL division was partially offset by the PBT increases from the CSC and Trucking divisions. The CSC division's RM6.7 million (91.0 per cent) increase raised its PBT from RM7.4 million to RM14.1 million, while the Trucking division's RM2.4 million (36.4 per cent) increase, saw its PBT rise from RM6.6 million to RM9.0 million.

Within the CL division, the Customs Clearance business registered a RM0.4 million (13.7 per cent) decline which led to its PBT dropping from RM2.9 million to RM2.5 million. The Haulage business posted a decrease in PBT by RM5.0 million (61.0 per cent), from RM8.2 million to RM3.2 million while the Warehouse business registered a RM8.8 million (26.7 per cent) decline in PBT from RM33.0 million to RM24.2 million. Meanwhile, both the In-Plant and E-Commerce businesses saw their respective PBT results decline by RM0.1 million (3.1 per cent) each.

The year in review saw the Support division contributing a RM3.7 million increase to the Group's overall PBT, mainly on the back of higher interest income and realised forex gains.

Gearing and Liquidity

As at 31 March 2024, TASCO's total borrowings amounted to RM390.2 million, compared to RM282.9 million as at 31 March 2023. Consequently, the Group's gross gearing ratio increased to 0.62 times from 0.47 times previously. Despite this rise, TASCO's financial position remains robust, supported by a strong balance sheet. As of 31 March 2024, we held substantial cash and cash equivalents totalling RM167.1 million (31 March 2023: RM241.1 million).

While we are well-positioned to increase our gearing and capitalise on investment opportunities, TASCO's Board intends to maintain a prudent approach towards further bank borrowings. Our immediate focus will be on stabilising and growing the Group's cold chain and contract logistics businesses before pursuing new ventures.

BUSINESS RISKS AND MITIGATION MEASURES

As the Group propels forward in the ever-evolving logistics landscape, we acknowledge the diverse risks that could significantly impact our operations, performance, financial standing, and liquidity. To address these potential challenges, we have implemented robust risk mitigation strategies on various fronts.

MANAGEMENT DISCUSSION AND ANALYSIS

Operational Risk remains a focal point, with meticulous measures in place to safeguard against potential hazards. Fire safety protocols are rigorously enforced across all warehouses, including regular inspections, strict smoking bans, and dedicated storage areas for highly flammable materials. Additionally, comprehensive fire safety training ensures that all team members are equipped to handle emergencies effectively. To further mitigate risk, standard trading terms absolve TASCO of liability for loss or damage to customer cargoes in the event of a fire.

Market and business risks are proactively managed through strategic customer partnerships and diversification efforts. TASCO prioritises customer satisfaction, leveraging progress reports to exceed expectations and foster loyalty. Diversification strategies ensure a balanced customer portfolio, reducing reliance on any single customer, sector or industry. Close monitoring of accounts at risk enables timely intervention and mitigation efforts.

Financial stability is paramount, underpinned by proactive measures to mitigate liquidity and cash flow risks. Rigorous centralised cash management and prudent working capital management practices ensure optimal liquidity levels across all business units. Adequate credit lines are maintained to support ongoing operations and financial commitments, safeguarding against potential disruptions.

Information and system risks are addressed through stringent IT security measures. Data backup protocols, including offsite storage and RAID 5 hard disks, mitigate the risk of data loss or server crashes. Continuous assessment and updates to operating systems, coupled with robust antivirus solutions and secure network configurations, fortify TASCO's IT infrastructure against external threats.

Although the threat of the COVID-19 pandemic has diminished, TASCO continues to prioritise employee safety and wellbeing, implementing comprehensive measures to minimise pandemic-related risks. Despite the transition to the endemic phase, internal safety SOPs remain in place, supported by dedicated committees overseeing business continuity and risk mitigation efforts.

In navigating the dynamic business environment, TASCO remains steadfast in its commitment to mitigating risks and ensuring the sustained success of its operations.

OUTLOOK AND PROSPECTS

As we look ahead, the global economic outlook remains stable. According to the July 2024 "World Economic Outlook" forecast by the International Monetary Fund, economic growth is projected at 3.2 per cent in 2024 and 3.3 per cent in 2025. Despite high borrowing costs and geopolitical tensions, the global economy has shown resilience, with balanced risks.

Domestically, Malaysia's economy is expected to grow between 4 to 5 per cent in 2024, driven by robust domestic expenditure and a recovery in external demand. While risks from geopolitical conflicts and commodity production shocks persist, government assistance and ongoing investment projects offer potential upside. However, the government's move to decrease national diesel subsidies will impact all industry players. Nevertheless, continuing subsidies for the logistics sector acknowledges its vital role in the economy.

The rise in electricity rates too has increased our overall costs by approximately 25 per cent. We anticipate offsetting these costs through our solar panel installations at Westport and our unit in Kota Kinabalu, which are expected to contribute 30 per cent energy savings. Additionally, the increase in the sales and services tax ("SST") from 6 per cent to 8 per cent has impacted our costs, necessitating a rate increase to manage inflationary pressures. Despite these adjustments, we have not observed a significant effect on our volume.

In the logistics industry, closely tied to economic activity and international trade, TASCO has navigated the post-pandemic economic environment's challenges. Despite global inflationary pressures and a slowdown in the global economy, we delivered credible financial results for FY2024. Looking ahead to FY2025, we remain cautiously optimistic and anticipate to maintain our levels of economic activity as we focus on innovative logistics solutions for our customers.

MANAGEMENT DISCUSSION AND ANALYSIS

Our strategic infrastructure developments and strengthened internal efficiencies will underpin our next growth phase. The opening of the SALC and other expanded warehouse offerings demonstrates our commitment to long-term success and value creation. We are now better positioned to meet the evolving needs of our customers and stakeholders, ensuring sustained growth and operational excellence in the years to come.

These additions will enhance our logistics capacity and bolster our market position, contributing tangibly to our revenue and bottom line. Additionally, our diversification into segments such as EVs and semiconductors, as well as aerospace, automotive, healthcare, chemical, and energy sectors, aligns with our goal of becoming a reliable logistics provider across diverse sectors.

As we move forward, we acknowledge potential downside risks such as weaker-than-expected economic activity and geopolitical tensions. However, with strategic investments in infrastructure and our commitment to customer service, we aim to navigate these challenges and continue to deliver value to our shareholders.

Our alignment with the Yusen Group's "Transform 2025" Roadmap underscores our resilience and proactive stance in the face of evolving challenges. Amidst the logistics industry's uncertainties, we remain dedicated to prudent resource allocation and forward-thinking strategies, laying the groundwork for continued success. We also remain committed to understanding our customers' expectations and meeting their needs for safe, timely, and efficient delivery. As we elevate the customer experience and build our logistics capacity, we are confident of reinforcing our position as a leading total logistics player while delivering shareholder value responsibly and sustainably.

To maintain our competitive advantage, we will remain agile and adaptable to the fast-evolving global landscape and new market realities. By offering one seamless window to our customers, we will ensure they have access to the Group's network and all our services. As we stay relevant to our markets and target audiences, we are confident of solidifying our game plan.

Thank you for your unwavering support.

Andy Lee Wan Kai
Group Chief Executive Officer
30 July 2024

SUSTAINABILITY STATEMENT

ABOUT THIS SUSTAINABILITY STATEMENTS

TASCO Berhad, a leading logistics and supply chain solutions provider, places a significant emphasis on sustainability. Our sustainability statements provide a comprehensive overview of the company's efforts to integrate Environmental, Social, and Governance (ESG) considerations into our operations. TASCO's sustainability initiatives are designed to create long-term value for stakeholders while minimising environmental impact and promoting social responsibility.

The sustainability report outlines several key areas of focus:

Environmental Stewardship: TASCO is committed to reducing its carbon footprint through energy-efficient practices, waste reduction, and sustainable resource management. The report details specific measures aimed at enhancing environmental performance, including the adoption of green technologies and optimizing of transportation routes to minimise emissions and etc.

Social Responsibility: TASCO emphasizes fair treatment and equal opportunities for its employees. The report highlights the company's efforts to foster a diverse and inclusive workplace, provide professional development opportunities, and ensure the well-being and safety of its workforce.

Governance and Ethics: Strong corporate governance is a cornerstone of TASCO's sustainability strategy. The report details the company's governance framework, emphasizing transparent reporting, ethical business practices, and compliance with regulatory requirements. TASCO's commitment to stakeholder engagement and responsible corporate behavior is also highlighted.

TASCO's sustainability statements serves as a transparent communication tool, showcasing progress and ongoing efforts in ESG areas. By adhering to these principles, TASCO aims to make a positive contribution to the communities it serves and the environment, while maintaining robust and ethical business operations.

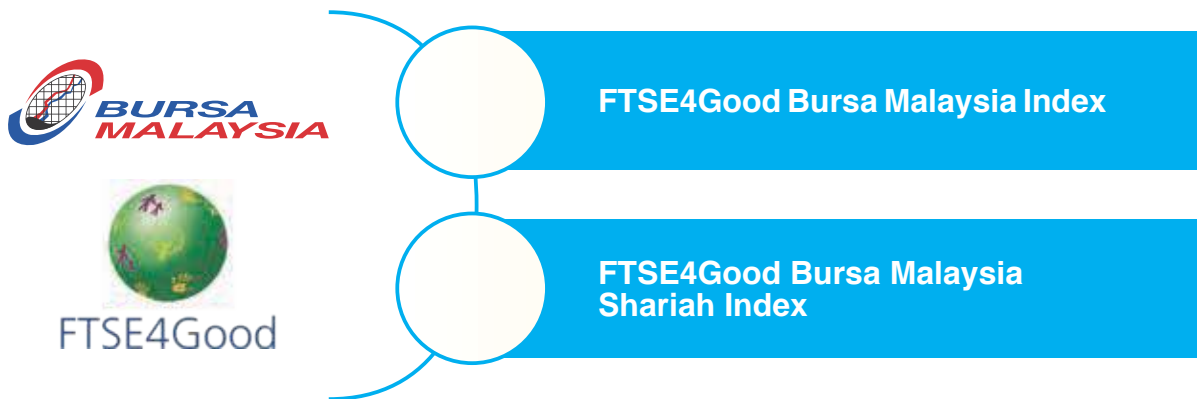
ABOUT TASCO BERHAD

TASCO ("the Company") was established on 10 September 1974, and subsequently listed on the Main Market of Bursa Malaysia Securities Berhad on 28 December 2007. As a subsidiary of Yusen Logistics Co. Ltd., which in turn operates under Nippon Yusen Kabushiki Kaisha, TASCO holds a significant position in the logistics industry. TASCO Group ("the Group") has 27 logistics centers strategically positioned across Malaysia and a workforce exceeding 2,300 employees nationwide. The Group plays a pivotal role in facilitating supply chain operations within the country as part of the expansive global network of Yusen Logistics Co. Ltd. comprising 681 locations and boasting over 25,000 employees worldwide as of 31 March 2024.

TASCO offers total logistics solutions encompassing air, sea, and land transportation services. As a one-stop logistics center, we cater to the needs of our customers by facilitating both domestic and international shipments. Our services are categorized into international and domestic logistics solutions, ensuring that we meet the diverse requirements of our clients efficiently and effectively across various transportation modes and geographical regions.

SUSTAINABILITY STATEMENT

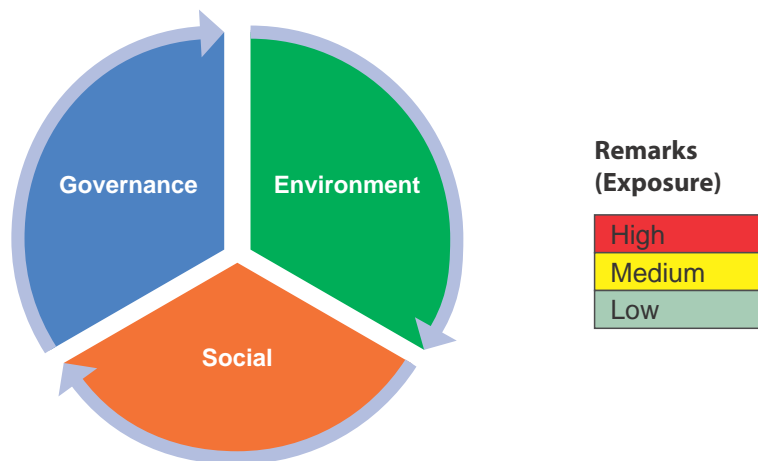
SUSTAINABILITY PERFORMANCE HIGHLIGHTS



Our steadfast commitment to responsible and sustainable practices has resulted in TASCO’s inclusion in the FTSE4Good Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index since June 2023. FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) has confirmed that TASCO Berhad underwent independent assessment against the FTSE4Good criteria, and has successfully met the requirements to become a constituent of the FTSE4Good Index Series. Developed by the renowned global index provider FTSE Russell, the FTSE4Good Index Series is designed to evaluate the performance of companies that exhibit strong Environmental, Social and Governance (ESG) practices. These indices are widely utilized by various of market participants for the creation and evaluation of responsible investment funds and other related products.

OUR ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) STRATEGIES

Our company’s daily operations and decision makings are guided by three (3) pillars (Environment, Social and Governance) and sub-categories into seven (7) themes as outlined below:



Environmental	Social	Governance
1. Climate Change: Taking steps to fight against climate change.	3. Labor Standards: Ensuring fair treatment of workers.	6. Corporate Governance: Practicing good management within the company.
2. Pollution & Resources: Working to reduce pollution and manage resources responsibly.	4. Human Rights & Community: Respecting human rights and supporting communities	7. Anti-Corruption: Fighting against corruption in all its forms.
	5. Health & Safety: Prioritizing the health and safety of everyone involved.	

SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE

TASCO Berhad is a leading provider of logistics solutions in Malaysia. We are committed to integrating sustainability governance into its operations to align with global standards and meet stakeholder expectations.

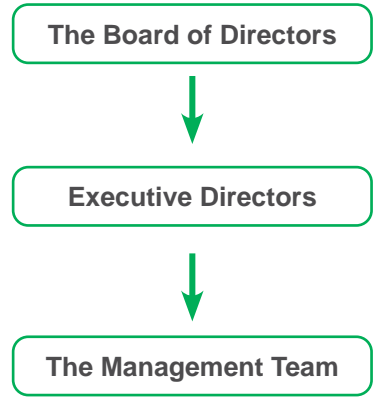
LEADERSHIP AND COMMITMENT

Board oversight

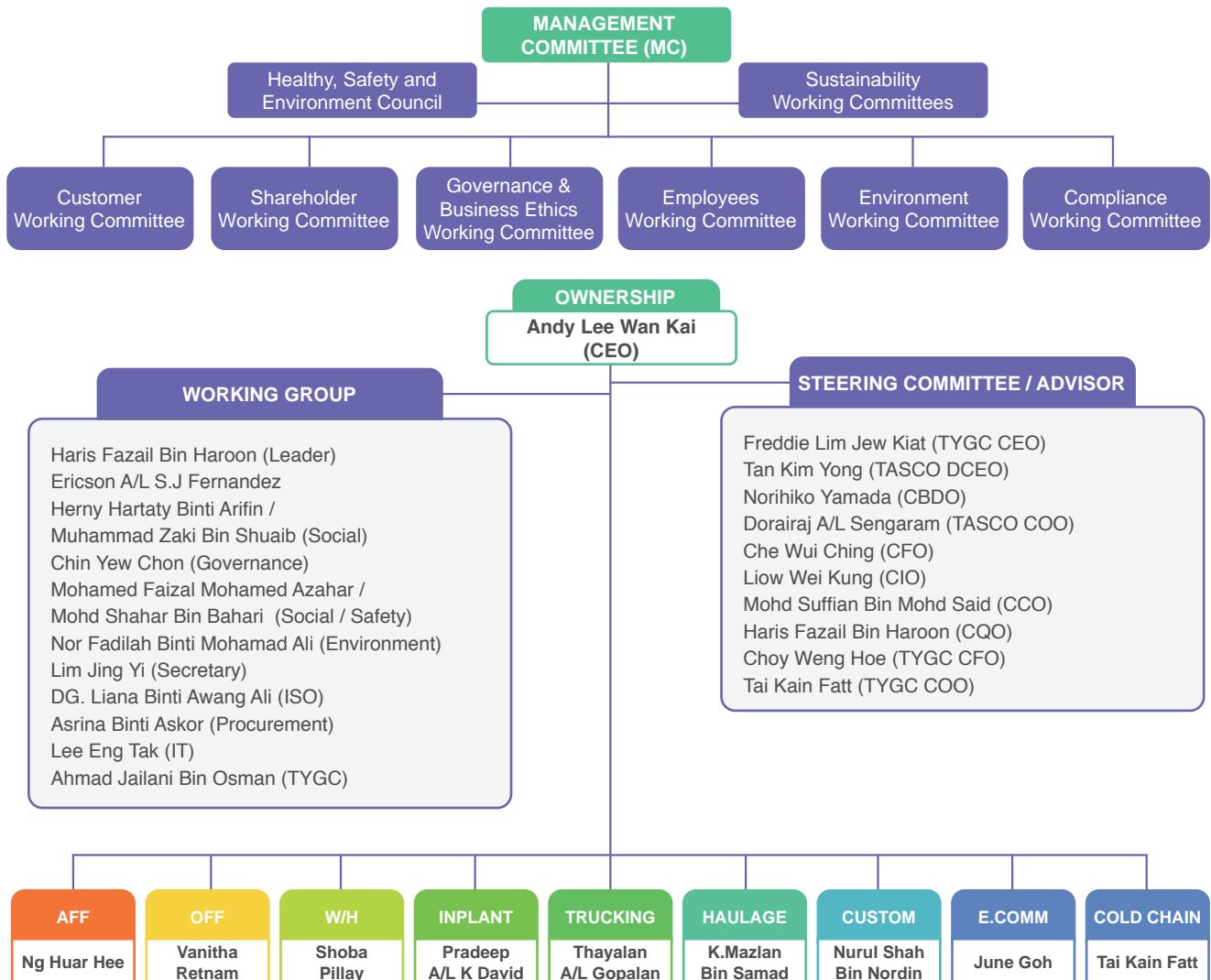
- The Board of Directors plays an active role in overseeing the company’s sustainability initiatives. This includes setting strategic directions and ensuring that sustainability is integrating sustainability into the company’s overall business strategy, with a focus on addressing climate-related risks.

Board oversight

- TASCO Berhad has established committees and designated roles focused on sustainability issues. These include a dedicated sustainability committee and a Chief Compliance Officer (CCO) tasked with leading and coordinating sustainability efforts.









SUSTAINABILITY GOVERNANCE STRUCTURE



SUSTAINABILITY STATEMENT

MATERIALITY AND STAKEHOLDER ENGAGEMENT

The management team has identified key stakeholders, who are impacted by, or have the ability to influence the company’s operations, and business. Engagement with the stakeholders will assist in better understanding of the sustainability expectations that allows the company to make business decisions that promote a sustainable society in the future and to become a responsible corporate citizen. The stakeholder’s engagement matrix below highlights the stakeholder’s engagement activities that we implemented during the financial year:

Stakeholders	Area of Focus	Platforms and Tools Utilised
Shareholders / Investors Bankers / Media and Analyst 	<ul style="list-style-type: none"> • Business directions • Business performance • Corporate development • Prospect and Strategies • Business risks • Return on Investment 	<ul style="list-style-type: none"> • Bursa announcements • Corporate website • Press conferences and media releases • Annual General Meeting / Extraordinary General Meeting • Quarterly Results • Periodic engagements with equity analysts and fund managers
Government / Regulators 	<ul style="list-style-type: none"> • Regulation and compliance • Accuracy, transparency and disclosure 	<ul style="list-style-type: none"> • Reports and policies • Corporate website • Site visits
Business Partners 	<ul style="list-style-type: none"> • Business direction • Knowledge sharing • Safety procedures 	<ul style="list-style-type: none"> • Meetings, briefings and workshops • Participation in exhibitions
Customers 	<ul style="list-style-type: none"> • Business direction • Knowledge sharing • Service culture 	<ul style="list-style-type: none"> • Meetings • Customer support centre • Customers surveys
Employees 	<ul style="list-style-type: none"> • Career development • Welfare and benefits • Working environment • Training • Job performance evaluation • Employment equality 	<ul style="list-style-type: none"> • Regular communications via email blasts, newsletter and memo • Performance management system • Training programme and briefings • Employee activities and events • Internal surveys • Written policies and procedures
Local Communities 	<ul style="list-style-type: none"> • Business opportunity • Employment support • Education and social assistance • Social responsibility 	<ul style="list-style-type: none"> • Engagement events and activities • Education and development programmes

The company places great importance on the feedback from stakeholders. As such, all departments are empowered to actively engage with stakeholders and take the necessary steps to address any issues raised. The company believes that, through active engagement with stakeholders, stakeholders will be able to stay updated on the issues and concerns.

SUSTAINABILITY STATEMENT

MATERIAL MATTERS

The objective of the Group is to deliver advanced and high-quality logistics services, thereby maximising corporate value by earning the trust of our clients and ultimately, contributing to the advancement of the economy as a world-class global corporation. To achieve these goals, strict adherence to all local and international laws and regulations is paramount. We also prioritise fairness and strive to align with societal expectations. Additionally, we recognize the significance of our employees and believe that investing in their skills and growth is essential to becoming a global leader in our industry. We are steadfast in our commitment to providing quality services, while simultaneously prioritising environment protection, upholding occupational safety and health standards, and making positive contributions to society. This entails strict adherence to environmental protection rules and practices aimed at minimising our carbon footprint, reducing scheduled waste, and responsibly managing water usage. By integrating these practices into our operations, we strive to create a sustainable and socially responsible business model that benefits both our stakeholders and the wider community.

SUSTAINABILITY AT TASCO GROUP

TASCO Berhad's sustainability strategy is designed to support the company's long-term goals by addressing environmental, social, and governance (ESG) aspects. This strategy includes reducing carbon footprint, enhancing energy efficiency, and promoting social responsibility. Sustainability is embedded into TASCO Berhad's core operations, encompassing logistics and supply chain management. The company emphasizes green logistics, efficient resource utilization, and minimizing environmental impact.

ENVIRONMENTAL

Environmental Policy

We will strive to conserve the global environment, biodiversity, water resources, forests, oceans, and other natural resources by considering the impact of our business activities on the environment, setting necessary objectives and targets, periodically reviewing them, and continuously improving our measures, based on the clear commitment of top management following the resolution at the board of directors.

In addition to complying with laws and regulations related to safety and the environment, we will strive to improve our environmental performance through the establishment and operation of our unique Environmental Management System, based on dialogue with diverse stakeholders both inside and outside the Group.

We will strive to ensure the safety of all modes of transportation, including inland and inland waters and air transportation, as well as services that spread across the sea, land, and air, such as terminals and warehouses and other places, including the safety of the operating fleet.

We will strive to collaborate with diverse stakeholders throughout our value chain and work towards resource conservation, energy conservation, waste reduction, recycling, greenhouse gas reduction, reduction of environmentally hazardous substances discharge, water resource management, and forest conservation, and address all environmental challenges, such as climate change countermeasures, marine environment and biodiversity conservation, and prevention of air pollution.

We will strive to minimize the environmental impact resulting from the procurement, operation, and disposal of transportation equipment such as ships, aircraft, vehicles, and other sources and decisively implement new technologies and fuels into society through co-creation with diverse stakeholders.

SUSTAINABILITY STATEMENT

We will practice a circular economy approach by promoting responsibility and considering safety, environment impact, human rights, and other pertinent factors.

We will provide appropriate and sufficient education and training to internal and external parties and ensure a “just transition” when adopting new technologies to address environmental issues.

Through internal public relations activities and environmental seminars, we will tirelessly raise the environmental awareness of each employee and instill these environmental policies.

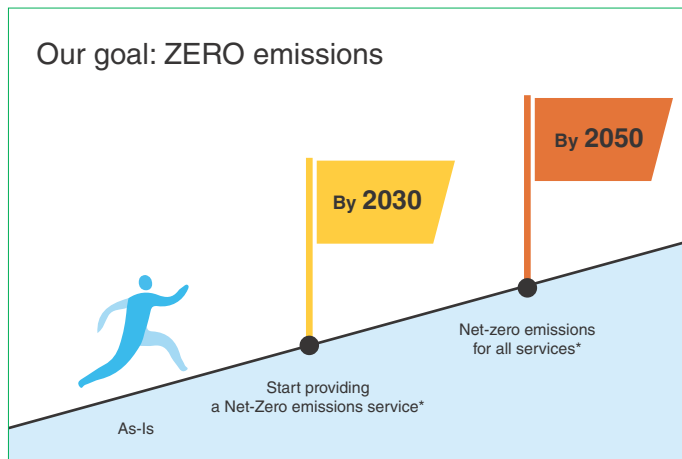
We will promote co-creation with diverse stakeholders by maintaining close dialogue with society, proactively disclosing environmental information, including environmental risks and opportunities, throughout the entire value chain, proactively engaging in and communicating effective initiatives, and providing grants and support for environmental conservation activities. Through collaboration with diverse stakeholders, we will respond to environmental issues inside and outside the Group and strive to enhance corporate value.

ENVIRONMENTAL TARGET

Aiming at net-zero Greenhouse Gas (“GHG”) emissions by 2050

The Group is committed to achieving net-zero GHG emissions for all services by 2050, with an interim target of providing net-zero GHG emission services by 2030, and a medium-term goal of reducing GHG emissions by 45% by 2030 compared to the baseline in 2022.

2022 (Baseline year)	2026	2030	2050
Baseline year operations at peak capacity without pandemic-related restrictions	Comprehensive 3-year reduction plan. Minimum 15% reduction compared to 2022 by end of 2026.	Interim Target Net-zero GHG emission services achieved by 2030. 45% GHG emissions Reduction by 2030 compared to 2022	Long-term Goal Net-zero GHG emission for all services by 2050.



In alignment with our environmental policies, we have established specific targets and successfully delivered corresponding performances.

Achieving virtually zero emission of various substances that have a negative impact on the environment.

SUSTAINABILITY STATEMENT

OUR COMMITMENT ON ENVIRONMENT

We are dedicated to establishing an environmental management system in accordance with ISO 14001:2015 standards. Acknowledging our responsibility to prevent pollution, conserve natural resources, and safeguard the environment, we commit to integrating ISO 14001:2015 into our services and operations. We will pursue these objectives by upholding the following principles:

The Goals of ESG Management



ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM (EMS) TARGETS

Accreditation Achievement

Company	Accreditation Date	Scope
Gold Cold Transport Sdn Bhd	January 2012	Provision of Transportation and Storage Activities for Multi-Temperature Controlled Products
Gold Cold Integrated Logistic Sdn Bhd (GCIL)	February 2020	Provision of Transportation and Storage Activities for Multi-Temperature Controlled Products

** Accreditation by AGM Certification Sdn. Bhd.

As of the latest update, 11.8% of TASCO Group’s branches have achieved compliance with the ISO 14001 standards, which outlined the criteria for our environmental management system. These standards encompass policies, processes, plans, practices, and records that govern our interactions with the environment. We are committed to pursuing continuous improvement initiatives to extend ISO 14001 accreditation to more branches in the future.

Continuous Improvement



SUSTAINABILITY STATEMENT



ISO 14001:2015 (Environmental Management System) Certificate

TASCO GROUP ISO 14001 ENVIRONMENTAL TARGETS AND PERFORMANCE

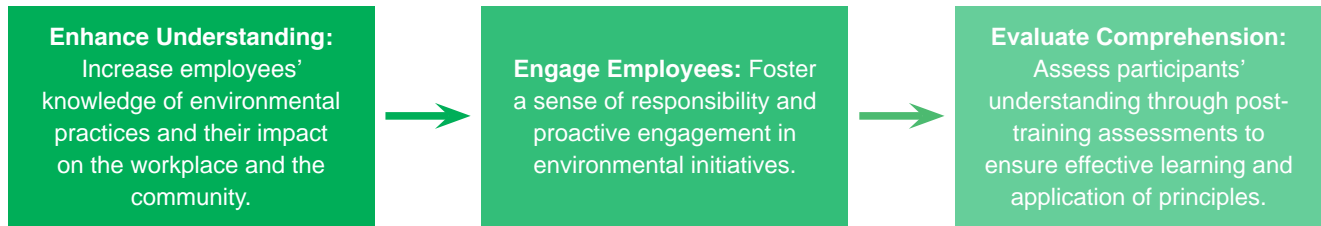
Objectives	Target	2021	2022	2023
Adopt environmentally friendly solutions and reduce waste	Maintain ISO 14001 status	Maintained ISO 14001 status	Maintained ISO 14001 status	Maintained ISO 14001 status
Environmental awareness campaigns	Conduct awareness training	No participation due to pandemic	Awareness training conducted	Environmental awareness conducted
Monitor environmental impacts with trained personnel	Certified in Schedule Waste Management (CePSWaM)	Maintained competency	Maintained competency	Maintained competency
Raise awareness of environmental issues at worksites	Environment walks to identify issues	No issues identified	No issues identified	No issues identified
Raise environmental awareness at offices	Complete two awareness training sessions	No participation due to pandemic	Completed	Completed
Prevent scheduled waste leakage	No cases of leakage	No cases recorded	No cases recorded	No cases recorded
Maintain secondary containment at Schedule Waste Storage	No cases of leakage	No cases recorded	No cases recorded	No cases recorded

ENVIRONMENTAL AWARENESS TRAINING

Our employees participate in environmental awareness training sessions to foster their engagement and contribution to the effectiveness of the Environmental Management System (EMS). These training sessions, organized quarterly by the Compliance Department, aim to enhance employees’ understanding of environmental practices in their workplace. Following each training session, participants undergo an assessment test to gauge their comprehension and application of environmental principles.

SUSTAINABILITY STATEMENT

Objectives



EXTERNAL SCHEDULED WASTE TRAINING

The environmental supervisor participated in a hands-on training session focused on record-keeping and reporting utilising the electronic scheduled waste information system (eSwis system) in September 2023 conducted by the Department of Environment (DOE) at IDCC Selangor.

Objectives



SUSTAINABILITY STATEMENT

POLLUTION PREVENTION AND CONTROL

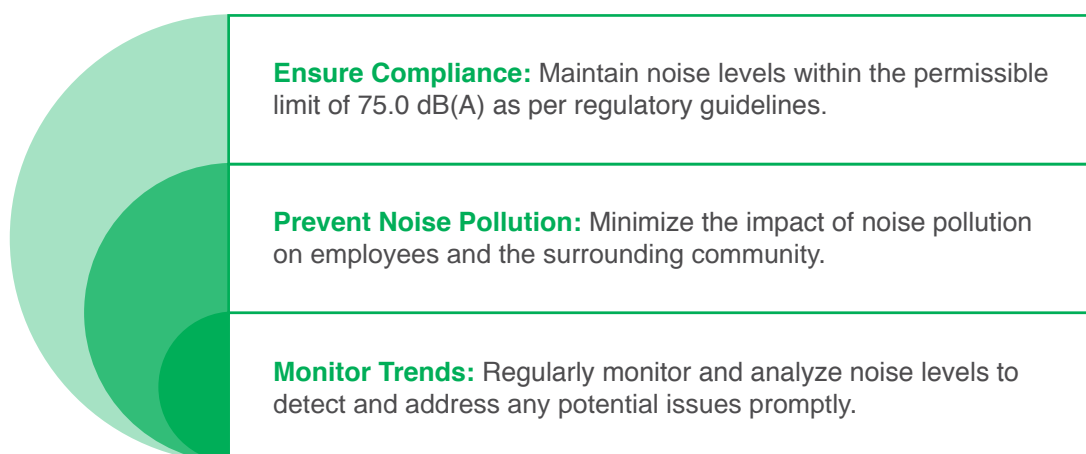
Environmental Monitoring

Monitoring Type	Objective	Frequency	Last Monitoring Date	Next Monitoring	Accredited Laboratory
Noise	Ensure compliance with noise regulations and minimize impact on surrounding communities.	Every three years or when requirements change	26-27 September 2023	2026	Conducted by an accredited laboratory registered with 'Skim Akreditasi Makmal Malaysia (SAMM)' with a valid registration number.
Water	Assess and ensure wastewater discharges meet environmental quality standards to protect ecosystems.	Every three years or when requirements change	26-27 September 2023	2026	

Environmental Noise Monitoring

Environmental noise pollution encompasses any undesired sound including noise from industrial activities, transportation, and residential areas. It can lead to public annoyance and may contribute to hearing impairment due to prolonged exposure to high noise levels. In accordance to the guidelines by Receiving Land Use for Existing Built-Up Areas, 2nd Schedule (Schedule of Permissible Sound Levels; Guidelines for Environmental Noise Limit & Control, 3rd Edition, 2019) from Department of Environment, the noise level shall not exceed the limit of 75.0 dB(A).

The samples of noise level were taken from several locations within our Cold Chain facilities. All data collected during the monitoring period from 2020 to 2023 have consistently complied with regulations, with noise levels consistently remaining below 75.0 dB(A).



SUSTAINABILITY STATEMENT

Water Quality Monitoring

The objective of water quality monitoring is to obtain quantitative data on various aspects of water, including:

Physical characteristics	Temperature, color, light penetration and suspended sediment.
Chemical characteristics	Dissolved oxygen, pH level, salinity, nutrient content, and presence of contaminants.
Biological characteristics	Bacteria and algae populations.

This comprehensive assessment helps evaluate the overall health and suitability of water for various uses and identifies potential environmental concerns or risks. Water quality results must conform to the standards established by the Environmental Quality (Industrial Effluents) Regulations 2009, Fifth Schedule, Parameter Limits of Effluents (Standard B).

A water quality monitoring was conducted on 20 December 2023, at multiple locations within our Cold Chain facilities. Based on the test results, which indicated the absence of physical, chemical, or biological factors impacting the water quality within our cold chain facilities, our Group has concluded that we are in compliance with the regulation.

Industrial Effluent Discharged

We uphold a proactive approach to industrial effluent discharged by sampling the effluent at points of discharged into public drains. Our commitment ensures that all sampling results consistently meet the standard parameters established by the local authority.

Throughout the current reporting year and the preceding three (3) years, no incidents of non-compliance with the local government regulations and standards have been reported. Furthermore, no penalties have been imposed regarding water supply and discharge activities during this period.

Drinking Water

The objective of drinking water testing is to gather quantitative data on the physical, chemical, and biological characteristics of water through statistical sampling methods. This testing is conducted periodically to ensure the safety and quality of drinking water. The most recent testing was carried out on 1 November 2023.

We are in compliance with the regulations as the results of the testing did not detect any physical, chemical, or biological factors that affected the drinking water quality of GCT. We are in compliance with the regulations as the results of the testing did not detect any physical, chemical, or biological factors that affected the drinking water quality of GCT.



Waste and Material Management

We are committed to a sustainable approach that emphasizes material reuse, waste reduction, and minimising landfill contributions. By embracing these practices, we aim to conserve natural resources and mitigate environmental pollution through these practices.

SUSTAINABILITY STATEMENT

Our Compliance Department plays a crucial role in this effort by:

- Evaluating the environmental impacts of our activities.
- Identifying aspects that could affect the environment.
- Seeking opportunities to enhance or implement optimization techniques.
- Pinpointing areas of significant inefficiencies to maximize material utilisation.



The Inverted Pyramid of Waste Management Hierarchy

Waste Management Practices

Principle	Description
Reduce	Minimizing the consumption of natural resources and waste generation.
Reuse	Reusing materials whenever possible to extend their lifecycle.
Recycle	Actively recycling materials such as aluminum, plastic bottles, carton boxes and paper, with plans to include more.
Recover	Recovering materials to extract valuable resources before disposal.
Disposal	Implementing proper disposal methods only after all other options are exhausted.

RESOURCE USE MANAGEMENT

Group Commitment to Resource Conservation

Strategy	Actions taken
Reducing Use of Virgin Materials	Implementing strategies centered around reusing, recycling, and recovering materials.
Enhancing Recycling Program	Focusing on recycle aluminum can, plastic bottle, carton boxes, plastic wrap and paper.
Proper Disposal Methods	Prioritising proper disposal methods for all end-of-life materials.

Initiatives and Actions for Reducing Single-Use Plastics

Initiative	Description
Reducing Single-Use Plastics	Encouraging the reduction of single-use plastics like bottles, straws, cups, polystyrene, and cutlery.
Water Refilling Stations	Installing water refilling stations to eliminate the need for single-use plastic bottles.
Awareness and Inspiration	Raising awareness about the impacts of plastic waste and inspiring employees to minimize its usage.

SUSTAINABILITY STATEMENT**Waste and Material Management Practices**

Initiative	Description
Material Reuse	Emphasizing reuse of materials in various processes.
Waste Reduction	Implementing strategies to reduce waste generation.
Minimising Landfill Contributions	Reducing the amount of waste sent to landfills.
Conservation of Natural Resources	Optimising resource use to avoid depletion
Mitigating Environmental Pollution	Reducing pollutants through effective waste management

NON-SCHEDULED WASTE MANAGEMENT

Non-scheduled (or non-hazardous) waste encompasses materials generated from our offices and warehouses, including plastic, paper, paper boxes, and aluminium, which do not demonstrate significant toxic characteristics. These materials are not classified as scheduled waste according to the First Schedule of the Environmental Quality (Schedule Wastes) Regulation 2005. Employees are encouraged to actively contribute to minimising our material consumption as while also enhancing our recycling efforts and adopting other responsible disposal methods.

Waste and Material Management Practices

Category	Description
Types of waste	Plastic, paper, paper boxes, aluminium
Waste characteristic	Non-hazardous, no significant toxic characteristics
Our commitment	Active participation in waste reduction, enhancing recycling efforts, and identifying responsible vendors for disposal methods.
Initiatives	Minimise material consumption Enhance recycling efforts Find responsible vendors for disposal

By following these practices, we aim to ensure effective and environmentally friendly management of non-scheduled waste.

Scheduled Waste Management

Scheduled waste generation and its characteristics are key factors in determining environmental sustainability. Therefore, adhering to proper disposal procedures through a certified waste contractor is imperative. Our scheduled waste management practices strictly adhere to the guidelines outlined in the Environmental Quality Act 1974 (Scheduled Waste) Regulation 2005. This ensures effective management of scheduled waste generation until its collection by a certified waste contractor sanctioned by the Department of Environment (DOE).

Category	Description
Regulation	Environmental Quality Act 1974 (Scheduled Waste) Regulation 2005
Certified contractors	TM Recycle IT Sdn Bhd – SW110 Malik Family Resources – SW305, SW410
Competent Person (CP)	Mrs. Nurfatin Amira Binti Hazir, appointed since December 2019, registered and recognized by DOE.
CPD Requirements	CP has to collect Continuing Professional Development (CPD) points and submit to the Environment Institute of Malaysia (EiMAS) on a yearly basis

SUSTAINABILITY STATEMENT



DOE Website	Facility and Transporter License																						
<p>https://eswis.doe.gov.my/facilityList.aspx</p>  <table border="1"> <caption>Table of Licensed Scheduled Waste Facilities/Transporter</caption> <thead> <tr> <th>No.</th> <th>Name of Facility/Transporter</th> <th>License No.</th> <th>Type of License</th> <th>Waste Stream/Vehicle Registration No.</th> <th>Fac No.</th> <th>Reg No.</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>PT. TITAN BINA BANGSA (M) SDN BHD</td> <td>00001</td> <td>Transporter</td> <td>94112</td> <td>001</td> <td>001101</td> </tr> <tr> <td>2</td> <td>PT. TITAN BINA BANGSA (M) SDN BHD</td> <td>00002</td> <td>Facility</td> <td>94112</td> <td>002</td> <td>001102</td> </tr> </tbody> </table>	No.	Name of Facility/Transporter	License No.	Type of License	Waste Stream/Vehicle Registration No.	Fac No.	Reg No.	1	PT. TITAN BINA BANGSA (M) SDN BHD	00001	Transporter	94112	001	001101	2	PT. TITAN BINA BANGSA (M) SDN BHD	00002	Facility	94112	002	001102		
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2	PT. TITAN BINA BANGSA (M) SDN BHD	00002	Facility	94112	002	001102																	



Mrs. Nurfatm Amira Binti Hazir, our competent person, is registered and recognized by the DOE, with her name listed in the National Registry of Certified Environmental Professionals.



The Flow Chart Above Illustrated the Waste Management Activities at TASCO Group

Environmental Sustainability Efforts and Scheduled Waste Management

Category	Details
Increased Recycled Data	Cause : Heightened employee awareness of recycling benefits. Effect : Significant boost in environmental sustainability efforts.
Decline in Scheduled Waste (2023 vs. 2022)	Cause : Enhanced employee training and awareness programs. Effect : Reduced scheduled waste generation at the operational level.
Compliance	Regulation : Environmental Quality Act (1974) Regulation 2005. Obligation : Proper storage, handling, and delivery of scheduled waste to prescribed premises for treatment, disposal, or material recovery. Promotion : 4Rs – Reduce, Reuse, Recycle, Recover.
Scheduled Waste Management	SW305 & SW410 : Sent to Malik Family Resources Sdn Bhd for material recovery. SW110 : Sent to TM Recycle IT Sdn Bhd for recycling.
Monitoring and Compliance	Monitoring : Rigorous oversight to ensure proper handling by licensed waste contractors. Objective : Foster reuse and ensure regulatory compliance.

Climate Change

Climate change refers to long-term shifts in temperatures and weather patterns primarily due to human activities such as burning fossil fuels like coal, oil, and gas. Burning fossil fuels generates greenhouse gas emissions that act like a blanket wrapped around the Earth, trapping the sun’s heat and raising the temperature.

Examples of greenhouse gas emissions (“GHGs”) contributing to climate change include carbon dioxide, nitrous oxide and methane. Our primary sources of emissions stem from diesel and gasoline usage in truck driving and haulage, as well as electricity consumption for daily business operations. Recognizing the environmental impact, we are actively working on reducing waste sent to landfills by implementing source separation, as this waste contribute significantly to methane emissions.

We confront and adapt to climate change by setting targets, improving energy efficiency, reducing waste generation, and minimising fossil fuel use and emissions. This proactive approach is crucial for preserving our planet and fostering sustainable economic development. As a responsible corporate citizen, the Group aligns its trajectory with Malaysia’s objectives and pledges made at the United Nations Climate Change Conference 2021 (COP26). We actively embrace emerging trends and initiatives aimed at combating climate change, demonstrating our dedication to environmental stewardship and sustainability.

To address the concerns of our investors, customers, regulators, and other stakeholders, we reaffirm our steadfast commitment to transparently disclose climate-related risks and opportunities. We have proactively identified and adopted the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, aligning them with our business strategies to ensure accountability and sustainability.

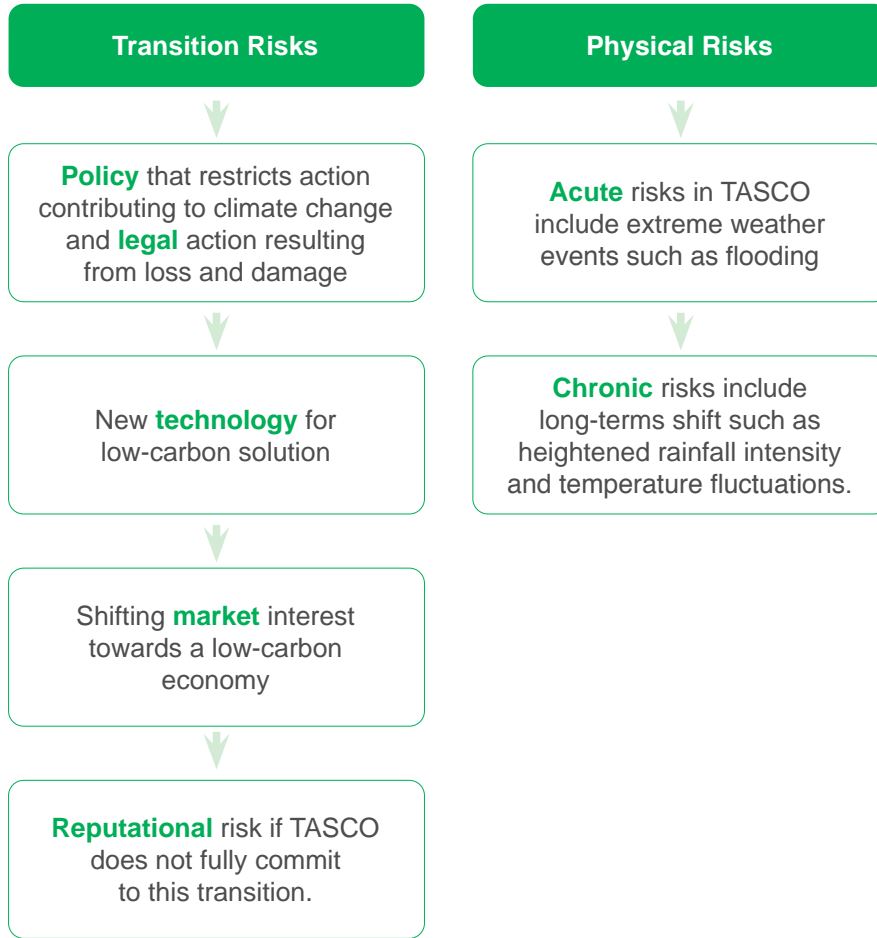


Climate-related Risks, Opportunities, and Financial Impact

SUSTAINABILITY STATEMENT

Climate-Related Risks

The TCFD categorizes climate-related risks into two main categories:



The followings are explained details for TASCO Group: -

Transition risks: risk related to the transition to a lower-carbon economy	Potential Financial Impacts of TASCO Group
<p>Policy and Legal Risks Increasing environmental policy and legislation</p> <p>Time Horizon: Short-term</p>	<ul style="list-style-type: none"> • Policy Risk: Our Environmental Policy aims to mitigate the adverse effects of climate change by promoting actions such as shifting to lower emission energy sources and adopting energy-efficient solutions. This carries the risk of potential financial impact due to policy changes. • Legal Risk: The expense incurred in adhering to regulatory requirements.
<p>Technology Risk Development of new technologies for low-carbon solutions.</p> <p>Training Training for the expertise and skills required to manage new environmentally logistic truck and forklift.</p> <p>Time Horizon: Short-term</p>	<ul style="list-style-type: none"> • Increased investment in research and development is necessary to facilitate the transition to lower-carbon alternatives, such as solar energy, hydrogen cells, and electric trucks. • Implementation of new practices and processes incurs higher costs. • There is a rise in expenses associated with retraining existing employees to meet the skill requirements of emerging technologies.

SUSTAINABILITY STATEMENT

Transition risks: risk related to the transition to a lower-carbon economy	Potential Financial Impacts of TASCO Group
Market Risk Shifts in customer interest Time Horizon: Short-term	<ul style="list-style-type: none"> The shifting market interest towards a low-carbon economy presents both risks and opportunities for our company.
Reputation Risk Change of customer preferences and employee attraction. Time Horizon: Short-term	<ul style="list-style-type: none"> Positive customer preferences are observed when TASCO Group actively contributes to the transition to a lower-carbon economy. However, there is a risk of revenue reduction due to decreased demand for services if TASCO does not fully commit to this transition. There is potential for revenue reduction due to negative impacts on workforce management and planning, such as challenges in attracting and retaining employees, resulting from not aligning with the transition to a lower-carbon economy.

Note: The horizons used are short-term (2025 or earlier), medium-term (2030) and long-term (2050 or above).

Physical Risk: risks related to the physical impacts of climate change	Potential Financial Impacts of TASCO Group
Acute risks Increased in extreme weather events such as floods. Time Horizon: Medium-term	<ul style="list-style-type: none"> TASCO Group faces the risk of extreme weather events across its operational areas, including heightened rainfall intensity and temperature fluctuations. In late 2021, TASCO HQ in Shah Alam, Malaysia, was affected by severe flooding due to extreme rainfall.
Chronic Risks Temperature rises Time Horizon: Long-term	<ul style="list-style-type: none"> Potential revenue decreases due to decreased production capacity caused by these risks, such as transportation challenges and interruptions in the supply chain. Potential revenue decreases and higher costs stemming from adverse effects on the workforce, including health and safety concerns leading to increased absenteeism. Capital costs may rise due to damage to facilities and assets caused by extreme weather events. Operating costs may increase when there's a need for higher electricity consumption, such as maintaining specific temperatures for frozen storage in refrigerated control systems. Potential increased insurance premiums and reduced availability of insurance coverage for assets located in "high-risk" areas prone to extreme weather events.

Note: The horizons used are short-term (2025 or earlier), medium-term (2030) and long-term (2050 or above).

Climate-related Opportunities

Opportunities	Climate-related Opportunities of TASCO Group
Resources efficiency such as lighting, air-conditioner and transport	TASCO can reduce operational costs and contribute to global efforts to decarbonise and transition to a net zero economy by improving the efficiency in lighting, air-conditioning and transportation.
Low-emission energy sources including solar	As renewable energy costs continue to decline, TASCO could potentially reduce its operating costs.
Services	TASCO's customers increasingly prefer low emission services.
Markets	Markets will change due to the shift towards a low-carbon economy.
Resilience	Resilience refers to an organisation's capacity to respond to climate-related transition risks and physical risks.

SUSTAINABILITY STATEMENT

Climate-related opportunities associated to the Group’s endeavours to address and adapt to climate change. These include resource efficiencies and cost savings, adoption of low-emission energy sources, introduction of low-emission services, and strengthening supply chain resilience.

GHG Emission

In 2022, the Group began reporting on Scope 1 and 2 GHG emissions, aiming to enhance transparency and accountability regarding the Group’s carbon footprint. Our GHG emissions primarily stem from fuel and electricity consumption in alignment with our energy usage pattern. Currently, we are in the initial phases of measuring, monitoring, and reporting our emissions. The data collected for 2022 serves as the baseline year, given that operations were at peak capacity without pandemic-related restrictions compared to 2020 and 2021. We are committed to refining the accuracy of our data as we progress forward.

Our emission calculations adhere to the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories, incorporating the 2019 refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Additionally, we incorporate Malaysia’s Fourth Biennial Update Report (BUR 4) on Electricity Grid Emission Factors in our calculations.

In response to the challenges posed by climate change, we have initiated a series of technical measures aimed at mitigating GHG emissions within our logistics operations.

Initiatives to Lower the Impact of GHG Emissions

Initiative	Details
Turbo Diesel EURO 5 Engines	Utilizing trucks with turbo diesel EURO 5 engines to reduce GHG emissions, with plans to transition to electric trucks in 2025.
Battery-Operated Handling Equipment	Employing battery-operated (Lithium) handling equipment such as Material Handling Equipment (MHE) to minimize noise pollution and carbon emission at warehouses. Currently, we have 51 unit of Forklift under Lithium Battery.
Monitoring Vehicle Fuel Consumption	Meticulously monitoring vehicle fuel consumption to ensure sustainable performance and reduce GHG emissions.
Biannual Driver Training Programs	Conducting biannual training programs to promote effective journey planning, safe driving practices, and eco-friendly driving habits among drivers.
Fleet Replacement Program	Implemented since 2012 to improve fuel efficiency and reduce emission levels.
Eco-Friendly Prime Movers	Procuring 67 units of eco-friendly prime movers equipped with Euro 5 engines, resulting in reduced fuel consumption and lower carbon dioxide emissions.
Transitioning Existing Fleet	Actively transitioning the existing fleet in a sustainable manner, preparing for future sustainable transport.
Greener Warehouse Management Systems	Designing new warehouse management systems to create greener warehouses and align with customers’ low-carbon supply chain requirements.
Energy-saving Practices	TASCO Group is committed to energy-saving practices, actively promoting awareness among all employees to conserve electricity and reduce water consumption.
Rainwater Harvesting Systems	Implementing rainwater harvesting for cooling and chiller systems, supporting office air conditioning needs while conserving water resources.

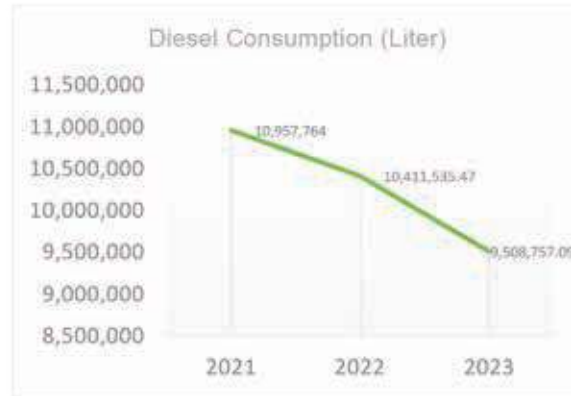
Initiative	Details
<p>Use of Anhydrous Ammonia</p>	<p>Utilizing Anhydrous Ammonia or Ammonia Gas in plant room refrigerator systems for pollution control, addressing ozone depletion and global warming potential.</p> <div data-bbox="502 443 1412 967"> </div> <p style="text-align: center;">Plant Room Refrigeration System</p> <div data-bbox="502 1064 1412 1624"> <p>Carbon Dioxide (CO₂)</p> <ul style="list-style-type: none"> • A colorless, odorless gas produced by burning carbon and organic compounds and by respiration. It is naturally present in air (about 0.03 per cent) and is absorbed by plants in photosynthesis. • Example: R-744 • Non-flammable, very low toxicity. • Low efficiency & high operating pressure. • Ozone depletion potential (ODP) ** is 1 • Global warming potential (GWP) ** is 0 <p>Hydrofluorocarbons (HFC)</p> <ul style="list-style-type: none"> • The toxicity of the refrigerant is not identified at concentrations below 400 ppm by volume. • Lower flammability but the toxicity is the largest hazard. • Example : R32, R125, R134a, R245ea, R245fa, R404A, R407C, R410A, R507A, R508B <p>Hydrocarbon (HC)</p> <ul style="list-style-type: none"> • An organic compound consisting entirely of hydrogen and carbon. • Example : R600a • Substitutes for CFCs. • Less chlorine than CFCs. • European banned HCFCs 2004 at the latest. <p>Hydrochlorofluorocarbons (HCFC)</p> <ul style="list-style-type: none"> • Substitutes for CFCs. • Less chlorine than CFCs. • European banned HCFCs 2004 at the latest. <p>Chlorofluorocarbon (CFC)</p> <ul style="list-style-type: none"> • Contain chlorine. • Banned since the beginning of the 90's because their negative environmental impacts. • Environmental Quality Act 1974 (Prohibition on the use of CFC and other gases as propellant and blowing agent) order 1993 </div>

SUSTAINABILITY STATEMENT

Initiative	Details
<p>R-404A HFC Blend Truck Refrigeration Systems</p>	<p>Employing R-404A HFC blend truck refrigeration systems to mitigate GHG emissions, thereby preventing ozone depletion potential.</p>  <p>HFC Blend refrigerant R-404A</p> <ul style="list-style-type: none"> Is a blend refrigerant developed as a substitute for R-502 (HCFC/CFC blend refrigerant) which has been widely used for commercial-use refrigeration equipment. Is mainly used as a refrigerant for mid-to-low temperature refrigeration system. <p>Why R-404A?</p> <ul style="list-style-type: none"> Colourless odourless mixture of three HFC compounds Global warming potential (GWP)¹ of 3970 compared to R-502 which is 1650 Ozone depletion potential (ODP)² is 0 The discharge gas temperature can be kept as low as or even lower than that of R-502. <p>Truck Refrigerator System</p> <p>Environmental Quality Act 1974, Part III Smoke Emission Control Of Motor Vehicle</p> <p>Maximum concentration of smoke shall not exceed Ringelmann No. 2</p> <p>Regulation 10. (1) The maximum concentration of smoke at or near the final point of emission from the exhaust pipe into the atmosphere shall not exceed Ringelmann No. 2 of the Ringelmann Smoke Chart for the continuous period of more than 30 seconds when observed in accordance with the procedure as specified in the Fourth Schedule.</p> <p>Maximum density of smoke permitted.</p> <p>Regulation 11. (1) The maximum density smoke at or near the final point of emission from the exhaust pipe of any motor vehicle when test under the free acceleration test with a smoke meter shall not exceed 50 HOU or other equivalent smoke units or in percentage (%) or other units.</p> <p>Environmental Quality (Control of Emission from Diesel Engine) Regulations 2006</p> <p>Diesel Euro 5</p> <ul style="list-style-type: none"> Turbo Diesel Euro 5 is a technologically advanced diesel engineered with a premium additive system to provide improved engine performance for superior acceleration, better fuel economy, and reduced harmful exhaust emissions. Rollout in Malaysia since September 2015. <p>Benefits of Diesel Euro 5</p> <ul style="list-style-type: none"> Reduced ignition delay Cleaner fuel injectors Improved cold start performance Better protection against engine corrosion Complete combustion for maximum power <p>PETRON TURBO DIESEL EURO 5 Shell FuelSave Diesel Euro 5 PETRONAS DYNAMIC DIESEL EURO 5</p>

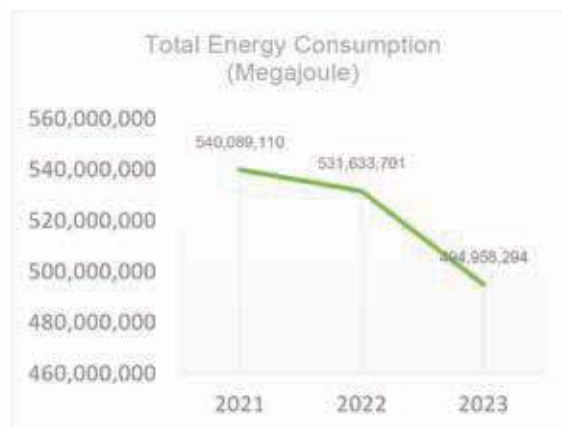
Energy Management Initiatives at TASCO Group

Various initiatives have been implemented to curb the reliance on fossil fuels and minimize energy consumption in operations. Optimise truck load utilisation and truck frequency consolidation have been implemented to reduce fuel consumption.



Environmental awareness campaign with the title “Save Electricity” was held to create awareness within the Group with the aim to promote responsible and sustainable energy consumption practices, thereby mitigating the risks associated with climate change. Lighting systems in offices and warehouse facilities have been upgraded to energy-efficient LEDs to reduce energy consumption and minimise heat and chemical emissions.

As a commitment to enhancing our energy conservation efforts, we actively encourage our employees to cultivate habits conducive to minimising energy consumption. Specifically, we advocate for the conscientious practice of switching off lights, air-conditioners, and other electrical appliances when not in use, particularly during designated period such as lunch hours. This proactive approach underscores our dedication to reducing unnecessary energy expenditure and aligning with our sustainability objectives. By instilling these behaviours within the Group, we aim to make tangible contributions towards environmental stewardship and operational efficiency.



Total Energy Consumption (Megajoule)

Electricity Consumption

In the realm of global supply chains, warehouses often serve as significant contributors to environmental pollution, primarily through the operation of cooling and lighting systems. Recognising the substantial carbon footprint associated with larger warehouse facilities, we are committed to mitigating the environment impact. To this end, we have embarked on a strategic initiative aimed at reducing our carbon footprint within the warehouse operations by actively exploring the utilising of natural light through skylights and windows, as well as installation of automatic lighting systems to optimise energy usage.

SUSTAINABILITY STATEMENT

The Group also committed to harnessing renewable energy sources to power our warehouse facilities. By integrating solar power systems into our infrastructure, we aim to reduce dependency on traditional energy sources and transition towards a more sustainable energy model.

In 2020, the Management has made a strategic investment in sustainability by installing a solar energy system at the Cold Chain facility. The primary objective of this initiative was to decrease electricity consumption and minimise our environment footprint. Since its activation in May 2023, we have diligently monitored the performance of the solar system to gauge its effectiveness in electricity generation. The actual electricity generated by the solar system, as recorded from May 2023 onwards, is as follows:

Energy	Units	2021	2022	2023
Electricity				
Total Electricity Consumption	kWh	31,284,303.32	32,719,886.40	32,561,350.31
Rooftop Solar PV Generation	kWh	NA	NA	1,139,026.00
Rooftop Solar PV Energy Consumption	kWh	NA	NA	NA
Green Electricity Purchased via Green Electricity Tariff	kWh	NA	NA	NA
Percentage of Solar Rooftop Energy Consumption in TASCO	%	NA	NA	5
Percentage of Renewable Energy Consumption in TASCO	%	NA	NA	NA
CO2 Reduction from Solar PV Energy Harvest in	Tonne CO2	NA	NA	796

* Note: All data included in the TYGC Group



Total Electricity Consumption (kWh)

Moving forward, the Group will continue to prioritise initiatives aimed at reducing electricity consumption wherever feasible. Through the adoption of best practices, implementation of innovative technologies, and fostering a culture of energy consciousness among our workforce, we aim to further improve energy efficiency throughout our organisation. This strategic focus underscores our dedication to sustainability and our commitment to making positive environmental contributions.

SUSTAINABILITY STATEMENT**TASCO Group Environmental Performance Data**

PARAMETER	Units	2021	2022	2023
ENERGY				
LPG consumption	kg	32,192.60	29,226.00	35,888.00
	Joule	1,770,593,000,000	1,607,430,000,000	1,973,840,000,000
Diesel Consumption	Liter	10,957,764	10,411,535.47	9,508,757.09
	Joule	416,395,032,000,000	395,638,347,900,000	361,332,769,400,000
Petrol / Gasoline Consumption	Liter	244,736.66	436,745.59	379,758.51
	Joule	9,299,993,080,000	16,596,332,420,000	14,430,823,380,000
Total Electricity Consumption	kWh	31,284,303.32	32,719,886.40	32,561,350.31
	Joule	112,623,492,000,000	117,791,591,040,000	117,220,861,120,000
Total Energy Consumption	Joule	540,089,110,080,000	531,633,701,360,000	494,958,293,900,000
	Megajoule	540,089,110.08	531,633,701.36	494,958,293.90
	Terajoule	540.0	531.6	495.0

*Conversion from LPG, Petrol, Electricity to Joules is derived from the Malaysia Energy Commission 2016 Report

PARAMETER	Units	2021	2022	2023
EMISSION				
GREENHOUSE GASES EMISSION AND CLIMATE CHANGE				
Carbon Dioxide, CO2	tonne	28,212.10	29,332.55	28,998.84
Methane, CH4	tonne	129.27	130.78	125.83
Nitrous Oxide, N2O	tonne	0.36	0.37	0.36
Total GHG emissions data	tonne	28,341.73	29,463.70	29,125.03
Scope 1 (CO2e)	tonne	2,402.66	2,334.34	2,127.11
Scope 2 (CO2e)	tonne	25,939.07	27,129.37	26,997.92
WATER				
Total water withdrawal from municipal supplies	m3	213,806.25	237,562.47	187,717.30
Total water withdrawal from fresh groundwater	m3	0	0	0
Harvested rainwater	m3	0	0	0
Surface water from rivers, lakes, natural ponds	m3	0	0	0
Used quarry water collected in the quarry	m3	0	0	0
External wastewater	m3	0	0	0
Sea water, water extracted from the sea or the ocean	m3	0	0	0
Total water withdrawal	m3	213,806.25	237,562.47	187,717.30

SUSTAINABILITY STATEMENT

PARAMETER	Units	2021	2022	2023
Wastewater / Effluent Discharge				
Discharge to Off-site Water Treatment Plant	m3	0	0	0
Discharge to Ocean	m3	0	0	0
Discharge as Subsurface Water	m3	0	0	0
Discharge to Subsurface / Well Others	m3	0	0	0
Total Wastewater / effluent discharge	m3	0	0	0

*Conversion from LPG, Petrol, Electricity to Joules is derived from the Malaysia Energy Commission 2016 Report

Percentage of TASCO sites located in water stressed area	%	0	0	0
Water Consumed in water stressed area	Litres	0	0	0
Cost associated with water-related risk	MYR	0	0	0
Investment in water saving initiative	MYR	0	0	0
Waste Generation				
Waste				
Scheduled Waste	tonne	4.53	10.25	6.40
Non-recycled	tonne	251.40	265.46	200.57
Recycled	tonne	26.40	35.57	41.80
Total waste diverted from disposal	tonne	30.93	45.82	48.20
Total waste directed to disposal	tonne	251.40	265.46	200.57
Total Waste	tonne	282.33	311.28	248.77

*All data inclusive of the TYGC Group

Environmental Management & Compliances				
Environmental Fines / Penalties	MYR	0	0	0
Percentage of TASCO Group covered with Environmental Management System (ISO14001)	%	11.80	11.80	11.80
Percentage of TASCO Group covered with Building Management System	%	23.53	23.53	23.53
Total cost of environmental fines and penalties during financial year	MYR	0	0	0

SUSTAINABILITY STATEMENT**Quality**

The Group is dedicated to delivering high-quality and effective services that cater to the diverse needs and demands of our customers and society. This commitment is driven by our corporate mission to become the world's preferred supply chain logistics company. It is also guided by our values and behaviors which are integral to our management initiatives.

Certification and Appreciation Awards

To ensure the provision and maintenance of high-quality service to our customers, the Group is fully committed in maintaining the following certified standards: -

Standards	Certified Sites
ISO 9001: 2015 Quality Management System	Major branches in the Group, <ul style="list-style-type: none"> • Shah Alam Logistics Centre • KLIA Air Logistics Centre • Port Klang Logistics Centre I • Penang Air Logistics Centre • Penang Prai Logistics Centre • Berjaya Industrial Logistics Centre
ISO 14001:2015 Environmental Management System	<ul style="list-style-type: none"> • Berjaya Industrial Logistics Centre • Gold Cold Integrated Logistics Sdn Bhd
ISO 22000 Food Safety Management System.	<ul style="list-style-type: none"> • Berjaya Industrial Logistics Centre • West Port Logistics Centre
TAPA FSR (Facility Security Requirements) by the Transported Asset Protection Association ("TAPA").	<ul style="list-style-type: none"> • KLIA Air Logistics Centre • Batu Maung Warehouse
SEDEX (Supplier Ethical Data Exchange)	<ul style="list-style-type: none"> • Berjaya Industrial Logistics Centre • Tanjung Pelepas Logistic Centre

Appreciation Awards	Awarded Sites
Awarded by JAKIM HALAL certification by Department of Islamic Development Malaysia – has complied with Islamic Law & Malaysia Halal Standard for Transportation & Warehousing.	<ul style="list-style-type: none"> • Penang Prai Logistics Centre • Berjaya Industrial Logistics Centre • West Port Logistics Centre.
Awarded with Good Distribution Practice in Medical Device (GDPMD) by TUV Nord Malaysia	<ul style="list-style-type: none"> • Shah Alam Logistics Centre • Port Klang Logistics Centre I.
Awarded with Good Distribution Practice by AGM Certification Sdn. Bhd.	<ul style="list-style-type: none"> • Berjaya Industrial Logistics Centre.

SOCIAL

Our ambition is to create an engaging, safe, and inclusive workplace where every employee feels valued and respected. We are committed to ensuring that all workers enjoy decent working conditions and that we continuously strive to enhance the working environment for our entire workforce.

Safety, Health and Security

Ensuring the safety of our employees is paramount. We are committed to working towards eliminating fatalities and life-altering injuries, while striving to minimise lost-time injuries associated with our operations.

SUSTAINABILITY STATEMENT

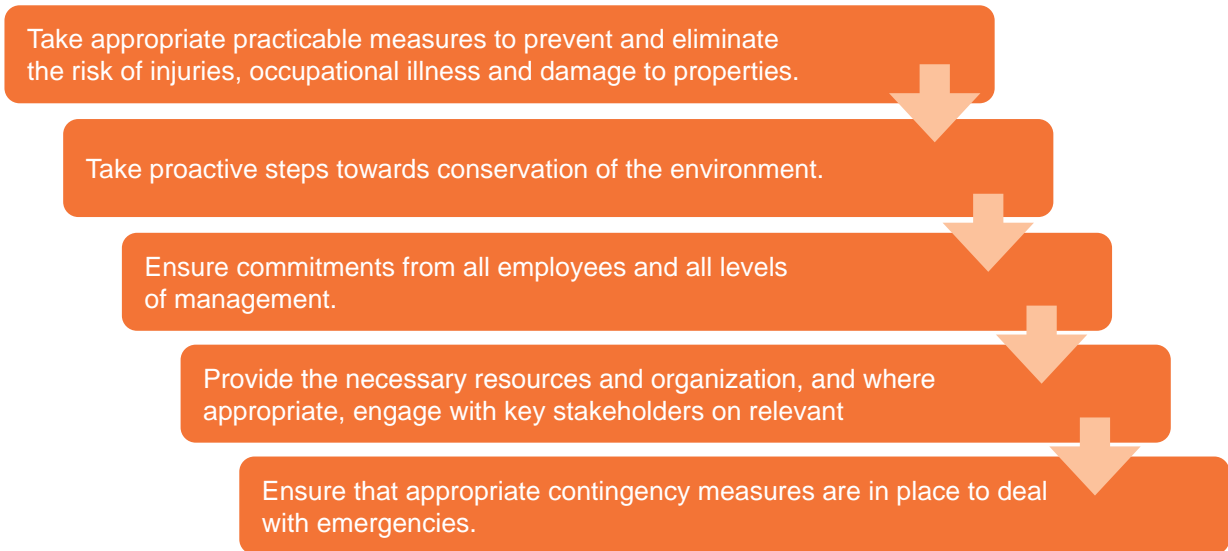
TASCO Group had established a Health and Safety Committee to formulate policies, action plans, and budgets for the implementation of road and workplace safety programmes. Our commitment extends to providing excellence in safety, health, and the environment standards to all stakeholders, including employees, customers, contractors, and the public across all our business operations worldwide.

Leading the drive to improve safety

Achieving these objectives requires investing in and dedicating resources to enhancing leadership capabilities and cultivating a robust culture within our organisation.

Through comprehensive training in TASCO Safety and Security principles, leaders are equipped to champion and effectively shoulder the critical responsibility of ensuring that we prioritise safety and security in all aspect of our work, making safe practices more accessible and ingrained within our organization.

Health and Safety Policy



Statement of Commitment

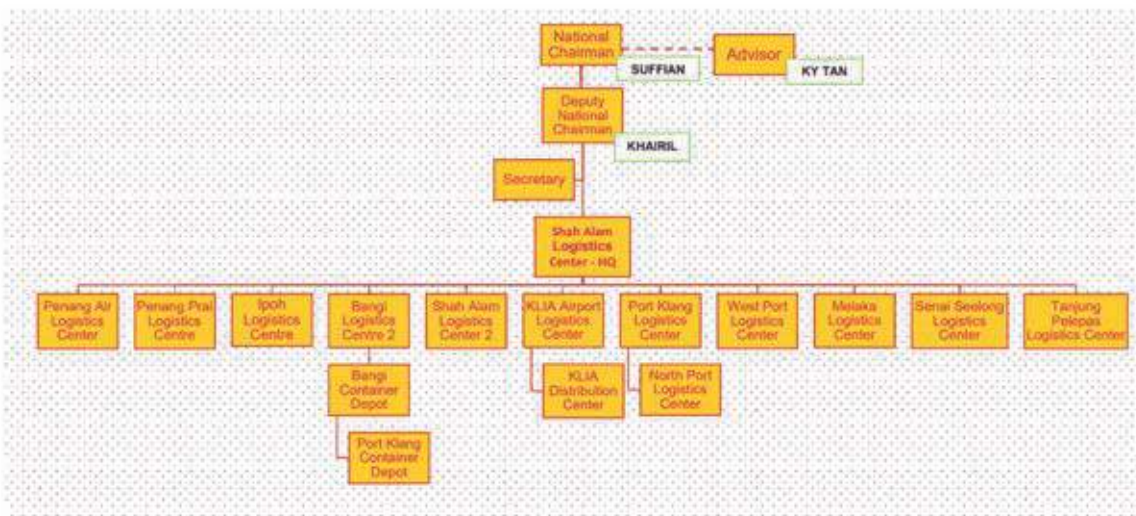
- We are committed to ensure a safe & healthy working environment to all employees and others involved in or affected by our operations. This commitment includes adherence to statutory requirements, relevant national & international standard and code practices.
- We are committed to achieving zero work-related fatality among employees.
- We will ensure that adequate resources, education, training and time are made available to implement this policy effectively.
- Safety and health training shall be given equal priority with other essential trainings required for the smooth running of our operation and major business objectives.
- Humanistic initiatives will be adopted to promote a safe & healthy work culture where employer and employees share the common responsibility of inculcating an occupational safety & health-focused working environmental for all
- We integrate this safety & health commitment into our management & operational activities with a perspective of accident prevention and protection of person at place of work.
- All persons at place of work shall take reasonable care for their own safety & health, co-operate with the requirements imposed, use personal protective equipment and comply with any occupational safety & health measures instituted by the management.
- This commitment shall form the guiding principle to establish and practice a safe & healthy working culture and will be periodically monitored & reviewed to ensure continuous improvement and achievement of our objectives.

SUSTAINABILITY STATEMENT

During the financial year under review, the Safety Committee convened regular safety meetings to address pertinent safety concerns in the workplace. Additionally, audits were conducted to ensure adherence to safety policies and guidelines, ensuring a proactive approach to maintaining a safe work environment.

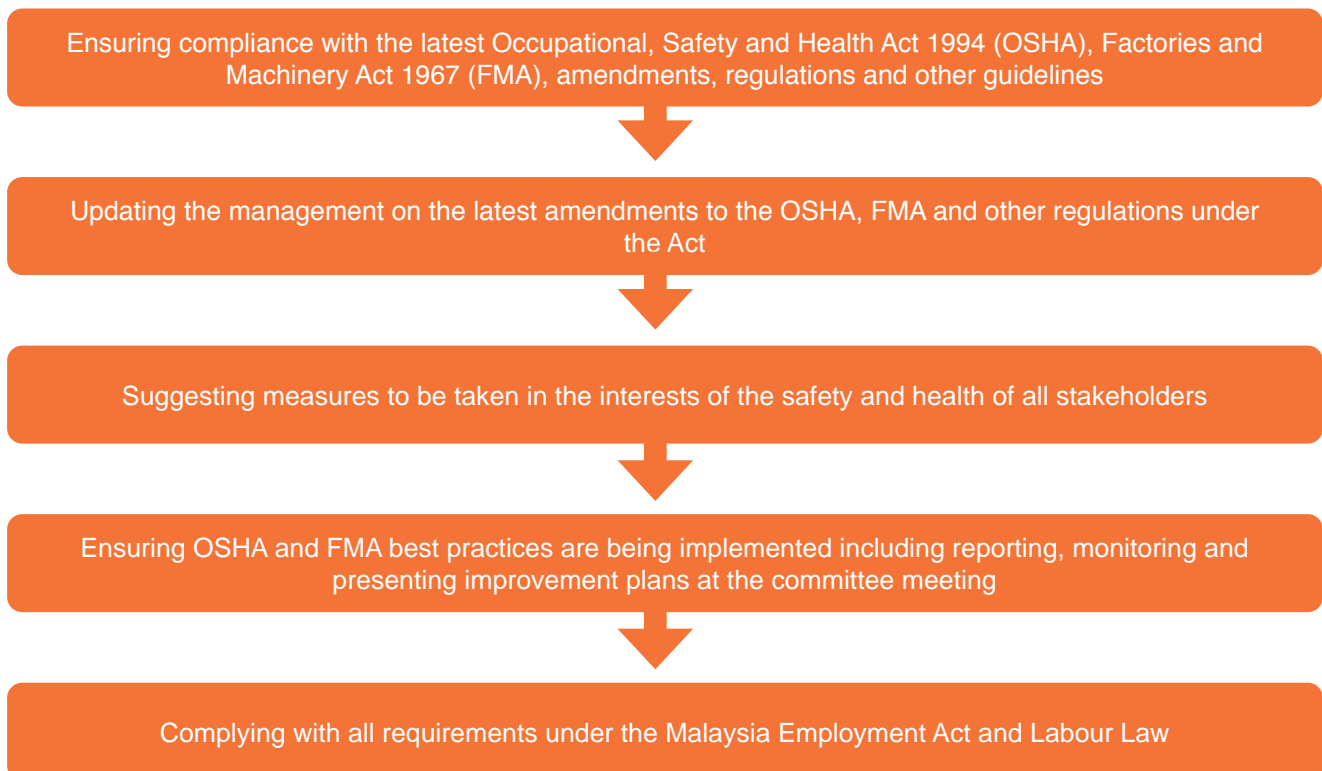
Safety and Health Committee

The Group has established a Safety and Health Committee is tasked with assisting the Board in reviewing safety and health-related policies and practices in accordance with the applicable law. The National Chairman will provide direction, oversight, and guidance across the Group operations to implement safety-related projects. The committee ensures that all members receive timely updates to fulfill their duties and responsibilities effectively.



Safety and Health Committee Chart 2023.

Roles of Safety & Health Committee



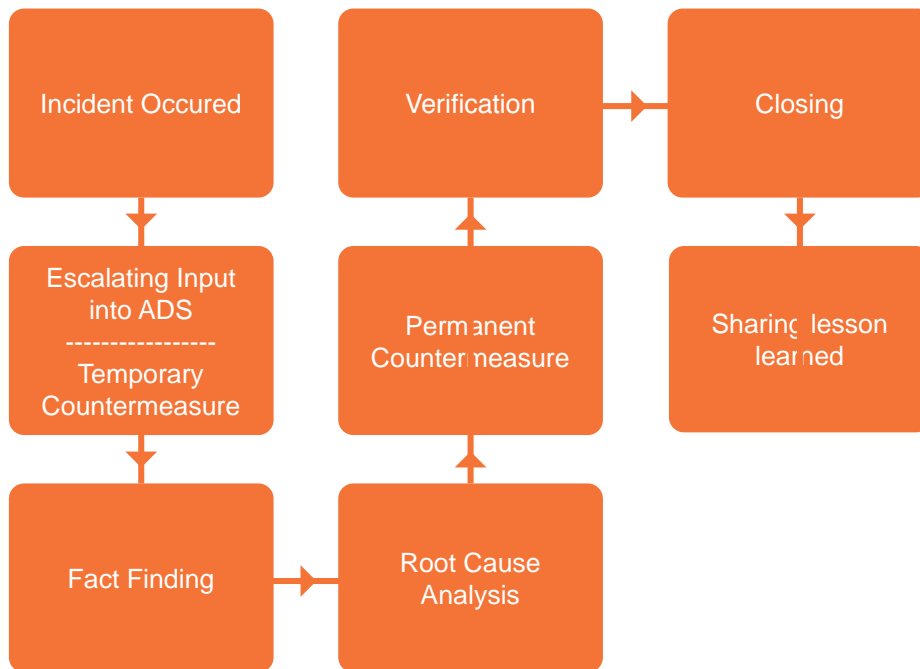
SUSTAINABILITY STATEMENT

Safety Measures

Safety and Health issues are vital to our business operations. We have implemented comprehensive health and safety risk assessments for the Group, encompassing both existing and prospective projects. Mandatory training programs are in place for new workers, while senior staff members undergo regular refresher training to ensure their continued competence in safety protocols.

Incident Management System (“I.M.S”)

- We are working to prevent similar incidents from happening again by using our proprietary I.M.S to deal with incidents that have already occurred.
- I.M.S is implemented at all TASCO Group’s operating sites and offices to ensure zero recurrence of incidents. I.M.S. includes its own IT system named ADS, through which it quickly identifies, manages and oversees incidents.
- When incidents occur, we follow the standard incident control process defined in I.M.S.



Incident Management System (I.M.S)

With I.M.S, we are committed to delivering the most effective system for controlling and mitigating the risk of incidents recurring.

Training

To sustain agility and competitiveness, we have organised training and upskilling initiatives throughout the year. Our training programs are designed not only to enhance career advancement but also to foster comprehensive learning encompassing Environmental, Social and Governance dimensions.

SUSTAINABILITY STATEMENT**Safety and Health Training**

Safety and Health training covers a diverse array of topics designed to educate employees on methods to prevent workplace accidents, injuries, and illnesses. Some common types of training related to safety and health standards conducted in the period under review include:

Safety and Health Training	2024
Percentage of TASCO Group with Safety Management System	0%

Safety and Health Training			
Number of staff trained on safety and Health	Months & Year	No. of Employees	Training Hours
BOMBA Training	Oct 2023	28	21
• Southern		28	14
• Shah Alam		26	14
• Port Klang			
First Aid & CPR Training	Dec 2023	18	14
• Southern	Mar 2024	22	14
• KLIA			
Kursus Penyelaras Keselamatan & Kesihatan Pekerjaan Bagi Sektor Pekerjaan Berkaitan Jalan Raya	Dec 2023	2	21
The Road Transport Safety: Awareness & Responsibilities	Aug 2023	22	14
Occupational Safety & Health Coordinator Trained Person	Jun 2023	2	21
Compliance Internal Awareness (ISO QMS&EMS, FSSC, Halal, BRC, SEDEX, SWA, Safety & Health):			
• Group 1	Jan 2023	12	8
• Group 2 (Drivers)	Jan 2023	14	8
• Group 3 (IT)	Jan 2023	5	8
• Group 4 (Warehouse)	Jan 2023	6	8
First Aid Box PIC Training	Aug 2023	25	4
FSSC (1) ISO/TS 22000: 5 Transport & Storage	Sep 2023	1	16
Fire Safety Organization Training (BOMBA)	Oct 2023	1	16
FSSC (3&4) Food Safety Culture and Food Allergen Management	Nov 2023	30	16
FSSC (5): Food Defence & Food Fraud Prevention	Jan 2024	26	8
FSSC (6): FSSC 22000 Internal Auditor Training	Mar 2024	24	16
Dangerous Goods Regulations – Refresher	Jun 2023	1	14
	Sep 2023	2	14
	Oct 2023	2	14
Hamzat Transport Driver Permit (HTDP) Course	Nov 2023	1	7
Lorry Driver Defensive & Safety Training	May 2023	23	7
• Northern	Feb 2024	34	7
• Central			

SUSTAINABILITY STATEMENT

Safety and Health Training				
Number of staff trained on safety and Health	Months & Year	No. of Employees	Training Hours	
HINO: Driver Familiarization / Safety & Eco Training	May 2023	14	14	
	Jul 2023	12	14	
	Sep 2023	15	14	
	Nov 2023	15	14	
	Mar 2024	14	14	
Lorry Driver Defensive Driving Training (Behaviors Based Safe Driving Techniques for Truck Drivers (2023):				
	• Group 5	Jun 2023	11	8
	• Group 6	Jun 2023	11	8
	• Group 7	Jul 2023	13	8
	• Group 8	Aug 2023	10	8
	• Group 9	Aug 2023	10	8
• Group 10	Oct 2023	10	8	
Driver Defensive, Safety & Eco Training (Tasco):				
	• Group 2	May 2023	2	8
• Group 3	Feb 2024	2	8	
Work-Related Road Safety (WRRS) Occupational Safety & Health Coordinator	Aug 2023	2	24	
Emergency Response Plan (ERP) for Truck drivers (Group 1)	Jan 2024	20	8	
Emergency Response Plan (ERP) for Truck drivers (Group 2)	Mar 2024	20	8	
Latihan Pengendalian dan Keselamatan Jenangkut (Forklift):				
	• Group 4 (2023)	Jun 2023	16	8
	• Group 5 (2023)	Jul 2023	15	8
	• Group 1 (2024)	Jan 2024	10	8
	• Group 2 (2024)	Mar 2024	10	12
Total Number of Staffs Attend Training on Safety and Health		587		

BOMBA Training

Periodic inspections of the firefighting systems and backup generators of our major warehouses were conducted by external fire contractors to verify their operational integrity. Additionally, hazardous areas within our warehouses and offices were identified, updated, mapped and visibly displayed throughout the buildings to enhance safety measures and ensure compliance with regulations.

Driver Defensive and Safety Training

Defensive driving entails employing safe driving strategies to effectively address identified hazards in a predictable manner. Training sessions aim to enhance drivers' skills, reducing driving risks through anticipation of situations, making informed decisions and gaining knowledge on fuel-efficient driving techniques.

SUSTAINABILITY STATEMENT**Certification of Forklift Operators**

A forklift serves as a powerful tool for the efficient and safe movement and storage of products and materials, contingent upon the provision of appropriate equipment and thorough training for its operators. Unfortunately, globally each year, forklift accidents lead to loss of lives, severe injuries and damages to products and property. It's crucial to note that majority of forklift accidents stem from driver error. Consequently, management underscores the importance of training and certifying all forklift drivers to mitigate risks and ensure workplace safety.

First Aid & CPR Training

First Aid in the workplace includes the provision of first aid facilities, services and personnel necessary for the initial treatment of individuals experiencing injury or illness while at work. It involves the immediate care or treatment administered to a victim of an accident or sudden illness before qualified health personnel can provide further treatment.

The First Aid program includes placing First Aid Kits at multiple locations, clearly identified, well-illuminated, and easily accessible to employees in the event of minor injuries requiring immediate treatment. These kits should be securely locked, with the key held by a designated responsible person available during all working hours. Employees must be informed of the location of all first aid boxes for prompt access during emergencies.

The provision of a single First Aid Box at a designated location is in accordance with the "Guidelines on First Aid Facilities in The Workplace" established by the Department of Occupational Safety and Health (DOSH).

We have a competent first aider capable of providing first aid treatment for any injury resulting from workplace accidents. A competent first aider has successfully completed a first aid course and has been awarded a certificate of proficiency in first aid by an institution recognized by the Department of Occupational Safety and Health for providing workplace first aid training.

At KLIA Branch, from 1 March 2024 to 2 March 2024, we conducted first aid training to enhance workplace safety and promote social responsibility. By providing comprehensive first aid training to all employees, we aim to cultivate a culture of care, preparedness, and mutual support. This training ensures that everyone is equipped to respond to emergencies, fostering a safe and inclusive work environment. It empowers employees with valuable skills, boosting their confidence and ability to assist colleagues in need. This collective approach demonstrates our commitment to social equity and well-being, ensuring that every team member can contribute to a safe and supportive workplace.



First Aid and CPR Training

SUSTAINABILITY STATEMENT

Fire Drill

The fire drill was conducted to allow staff to practice emergency procedure in a simulated but safe environment, assess the effectiveness of evacuation procedures, and identify any necessary changes or adjustments to procedures to improve performance in the subsequent drill. This annual practice helps ensure preparedness and enhance overall safety in the event of a real emergency.

An Emergency Response Team (ERT) comprises employees from relevant departments tasked with planning and executing the fire drill exercise.

The placement of evacuation layout plan at various locations serves the purpose of guiding employees on the safest routes to evacuate from their respective locations to designated assembly points. The assembly point located at the guard post of every phase and the pictures below shows the fire drill conducted during the financial year under review.



Fire Drill

SUSTAINABILITY STATEMENT**MHE Operator Competency**

We have two types of Material Handling Equipment (“MHE”) operated by competent operators and powered by rechargeable batteries.



Material Handling Equipment (MHE)

MHE operators are required compulsory to undergo training, either internally or externally, to attain competency before being authorized authorising to use MHE. This measure is implemented to ensure the application of safe good practices during equipment handling.

For internal training, the training was conducted by the competent personnel appointed by TASCO, the competency is valid only for one year. For external training, trainers from external providers conduct the sessions, and personnel meeting the pass mark receive a with certificate of competency valid for two (2) years. Each MHE operator must display their personal competency card while handling the equipment.

List of competent MHE Operator is placed on every safety information board.



A list of competent MHE Operators is placed on at every safety information board at the workplace.

SUSTAINABILITY STATEMENT

Safety Signage

Safety signage is displayed at strategic locations to ensure visibility to all employee at the workplace. Below are examples of signage in the warehouse cold room.



Cold Room Safety Guideline

Safety and Health Campaign

A safety and health campaign with the title - “Safety First; Utamakan Keselamatan” was conducted from May to August 2023. This campaign included a series of safety training programs programmes held at branches and warehouses. The Objective was to create awareness, promote safety among the employees, understand workplace safety and health conditions, and initiate activities to remove risks and dangers in the workplace. For the financial year under review, our company placed additional focus on safety in warehouse and transport operations.

A Safety Gemba Walk was conducted on 7 August 2023 at Bangi Logistic Center 2 (BLC2) by our CEO, Mr. Andy Lee and Head of Compliance Department.

Objectives of the Safety and Health Campaign

- Reduce safety risks by clarifying hidden issues and implementing improvements.
- Ensure adherence to COVID-19 preventive measures in every working environment.



Safety Campaign Gemba with our CEO, Mr. Andy Lee at BLC2

SUSTAINABILITY STATEMENT

Gemba is derived from the Japanese word “Gemba” or “Gembutsu” which means “the real place”, so it is often literally defined as the act of seeing where the actual work happens. Gemba is a simple yet powerful lean method used by employers to promote continuous improvement.

Safety Gemba Walk: Emphasize the continuous improvement of safety by watching the actions required to complete daily tasks and determining ways to make the workplace is safer. While a typical site safety walkthrough aims to maintain compliance with safety standards, a safety Gemba Walk focuses on looking for opportunities to continuously improve workplace safety.

Report on Hazard Identification, Risk Assessment and Risk Control (“HIRARC”) at the Workplace

Safety hazards are unsafe working conditions that pose risks of injury, illness, and even death, making them the most common workplace risks. To regulate Occupational Safety and Health (“OSH”) in the workplace, our country has implemented self-regulations via the Occupational Safety and Health Act 1994. Section 15(1) of the Act mandates employers to ensure the safety of workers, Section 24(1) requires employees to take reasonable care for their own safety and adhere strictly to the safety guidelines set out by the employer.

Accidents, illnesses, and incidents are often unpredictable and can result from failures in safety control, typically with multiple causes. Every activity involves some level of risk, but by implementing an effective management system can create a safer working environment and reduce the incidence of injuries and work-related diseases. Identifying hazards and assessing risks are crucial steps in reducing the probability of accidents.

It is essential to identify the potential hazards at the workplace and take precautionary measures to minimise the risk of accidents. Many workplace hazards require immediate attention. HIRARC comprise three (3) consecutive activities aimed at addressing these issues effectively.

Hazard identification involves recognising factors that may cause injury or harm to a person. Risk assessment evaluates the likelihood of injury or harm occurring if a person exposed to a hazard. Risk control refers to implementing measures to eliminate or reduce the risk of a person being exposed to a hazard. HIRARC are a crucial process to protect workers and ensure their safety in the workplace.

The purpose of HIRARC is to identify all the factors that may cause harm to employees and others, evaluate the likelihood and severity of harm occurring in specific circumstances, and enable employers to plan, introduce and monitor preventive measures to ensure that the risks are adequately controlled at all times (DOSH, 2008, p.6).

Objectives

General Objective

- To identify safety hazards at the workplace and provide a measurable way to control the risks.

Specific Objective

- To identify types of safety hazards that may cause harm to people around the area at the workplace.
- To conduct risk assessments by calculating or estimating the likelihood of occurrence and severity of the hazard.
- To suggest, implement and review risk control in order to control the potential risk in the workplace.

Method of Risk Assessment

Risk assessment is a concept used to identify hazards and risk factors that may pose danger, evaluate the associated risk, and determine effective measures to control or monitor the hazard. Risk is calculated using the equation $\text{Risk} = \text{Likelihood} \times \text{Severity}$ (DOSH, 2008, p. 5). There are two methods of risk assessment: risk estimation and risk evaluation.

Risk Estimation

Risk estimation is the process used to quantify or produce a measure of the level of risk being analyzed. It involves assessing the likelihood and severity of potential harm from a hazard, often using qualitative or quantitative methods to determine the probability and consequences of adverse events occurring. This helps organization understand the magnitude of risks and prioritise risk management actions accordingly.

SUSTAINABILITY STATEMENT

The table below shows the likelihood of the risk by referring to the value.

Likelihood of the risk (L)	Example	Value
Very high	Hazard or accident that are most likely to happen	5
High	The accident can happen	4
Can be predicted	The accident might happen in the future	3
Low	There is no accident happen	2
Very low	There is no accident happened and it is impossible for accident to occur	1

Table 1: Examples and rating for likelihood

Risk Evaluation

Risk Evaluation is the process used to compare the estimated risk against the given risk criteria to determine the significance of the risk. It assists in making decisions regarding risk treatment. Risk Evaluation is a fundamental part of the ISO 31000 Risk Management Framework. The table below shows the severity of the hazard by referring to the value.

Severity of the Hazard (S)	Example	Value
Severity	Many deaths, damage to property, damage cannot be fixed	5
Catastrophic	Approximately one death, damage to property If hazard occur.	4
Critical	Accident is not fatal, losing ability to move like normal human	3
Marginal	Accident causes loss of ability but not a permanent injury.	2
Negligible	A bit of blistered, bruises cuts, and injury that need first aid	1

Table 2: Examples and rating for severity

The risk rated by using the risk matrix table

Likelihood	Severity				
	1	2	3	4	5
5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5

Table 3: Risk matrix table

Indicators	Actions
HIGH (15-25)	Requires immediate action to control the hazard using hierarchy of control. Actions taken must be documented (risk assessment form), including date for completion
MEDIUM (5-14)	Requires a proper risk control plan to control the hazard and to apply temporary measures if required. Actions taken must be documented (risk assessment form), including date for completion
LOW (1-4)	Further reduction may not be necessary. However, if the risk can be resolved quickly and efficiently, control measures should be implemented and recorded

Table 4: Risk assessment indicator and suggested actions

SUSTAINABILITY STATEMENT

No	WORK ACTIVITY	HAZARDS	WHICH CAN CAUSE/ EFFECT	EXISTING RISK CONTROL (IF ANY)	SEVERITY	LIKELIHOOD	RISK LEVEL
1.	Truck/ container movement from Main Entrance to Loading Bay	Speeding	Hit the pedestrian which may cause physical injury	1) Speed limit of 5km/h signage 2) Signage of 'beware of pedestrian' 3) Gangways and aisles of sufficient space to enable lifting truck to load and unload	2	3	6
2.	Truck/ container parking at the loading bay	Driver blind spot	Hit the pedestrian which may cause physical injury		2	2	4
		Truck without tire choke	Truck may move without control and hit receiver staff or property	1) Signage of reminding for choking tyre 2) Provide tyre choke	2	2	4
3.	Staff pulling in and out stock to and from truck / container	Repetitive motion of pulling out of stock	Pain and discomfort to the muscle of back, neck, shoulder and knee	Advise to take rest in between the process.	1	1	3
		Moving hand jack or power pallet truck	May cause hitting to the staff working or hit the stock that temporary placed near the area	1) Signage of 'beware of moving machinery' 2) SOP of electric pallet truck	2	3	6
		Heavy load and unsecure stocks	- Muscle strain - May cause overturn of moving MHE	1) SOP of Forklift & Reach truck Handling 2) SOP of electric pallet truck	2	2	4
		Slippery floor of container/ truck	Fall or trip due to slippery floor may cause physical injury such as fracture or sprain.	Proper PPE; safety shoes have been provided to all warehouse staff	1	4	4
4.	Staff checking stocks condition at staging area	Long standing and repetitive motion	Pain and discomfort for the muscle of back, neck, shoulder and knee	Advise to take rest in between the process	1	4	4
		Unsecure stacking stocks on pallet	Fall of stacking stocks to the receiver staff	Safe work practice by wrapping the stocks	1	2	2
		Extreme cold temperature	May cause hypothermia; the excessive loss of body heat due to expose to the extreme cold temperature.	1) Proper PPE such as coverall cold room jacket, gloves, safety shoes and ear warmer have been provided to all warehouse staff 2) Advise to take rest and be outside of the area in between the process to gain body heat.	2	1	2
5.	Move the pallet of stocks into cold room	Untrained operators in handling forklift	Mishandling of MHE	1) Arrangement by MHE training coordinator based on the schedule 2) SOP MHE Competency	1	2	2
		Moving MHE	May cause hitting to the staff working or hit the stock that temporary placed near the area	1) SOP Forklift & Reach truck Handling	2	3	6
		Heavy load and unsecure stocks	- Muscle strain - May cause overturn of moving MHE	1) SOP Forklift & Reach truck 2) SOP of electric pallet truck	2	2	4
		Slippery floor of cold room	- Fall or trip due to slippery floor may cause physical injury such as fracture or sprain - May cause overturn of moving MHE	1) Proper PPE; safety shoes have been provided to all warehouse staff 2) Signage of 'beware of slippery floor' at loading area.	1	4	4

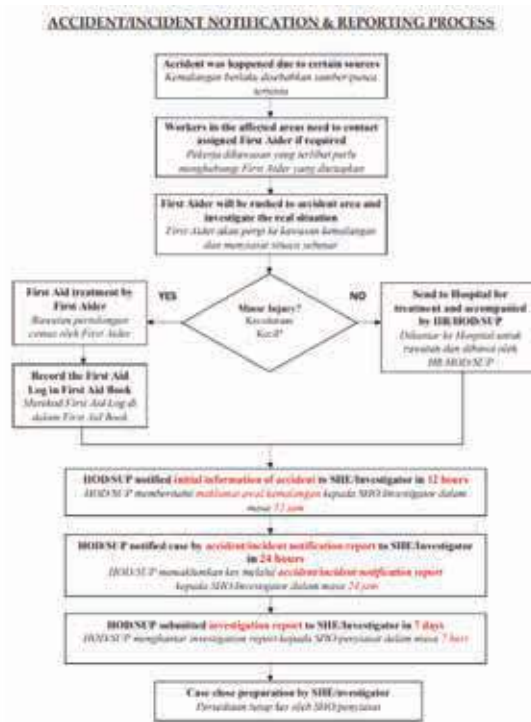
SUSTAINABILITY STATEMENT

No	WORK ACTIVITY	HAZARDS	WHICH CAN CAUSE/ EFFECT	EXISTING RISK CONTROL (IF ANY)	SEVERITY	LIKELIHOOD	RISK LEVEL
6.	Arranging or picking the pallet of stocks at rack	Fall of stocks (Carton) due to improper wrapping	May resulting in physical injury (e.g.: fracture)	Supervision and training programme on proper wrapping method of stacks in order to prevent falls of goods to warehouse staff	1	2	2
		Extreme cold temperature	May cause hypothermia; the excessive loss of body heat due to expose to the extreme cold temperature	1) Proper PPE such as coverall cold room jacket, gloves, safety shoes and ear warmer have been provided to all warehouse staff 2) Advise to take rest and be outside of the area in between the process to gain body heat. 3) Reach truck with heater inside the cabin	2	1	2
		Slippery floor due to ice condensation	May cause overturn of moving MHE	1) Daily pre-inspection of MHE by using checklist 2) safe work procedure is practiced 3) Daily housekeeping inside cold room is practiced	1	4	4
7.	Picking of stocks by loose carton at racking in the cold room	Awkward posture while picking cartons one by one	May cause immediate body fatigue and stress to the upper body	Advise to take rest in between the process	1	3	3
		Repetitive motion while picking cartons one by one	Muscle fatigue which resulting in limits of body capacity to	Advise to take rest in between the process	1	3	3
		Slippery floor due to ice condensation	Fall or trip due to slippery floor may cause physical injury such as fracture or sprain.	1) Proper PPE; safety shoes have been provided to all warehouse staff 2) Signage of 'beware of slippery floor' at loading area. 3) Daily housekeeping inside cold room is practiced.	1	4	4
8.	Moving the pallet of stocks in or out from cold room	Untrained operators in handling MHE	Mishandling of MHE	1) Arrangement by MHE training coordinator based on the schedule 2) SOP MHE Competency	1	2	2
		Moving MHE	Moving MHE may collide to each other which resulting in physical injury to the MHE operator or property damage	1) SOP Forklift & Reach truck Handling	2	3	6
		Speeding of MHE	May cause collision between workers and goods which resulting in serious physical injury and property damage	1) Speed limit of 5km/h signage 2) Signage of 'beware of pedestrian' at warehouse area 3) Gangways and aisles of sufficient space to enable lifting truck to load and unload.	2	3	6

Hazard Identification, Risk Assessment & Risk Control Table

Accident/ Incident Process Flow

We have established an Accidents/ Incidents process flow to ensure swift and effective action is taken during incidents at sites and offices. The reporting process is as follows: -



Our incident reporting framework in action:

On 11 November 2022, a general worker was tasked with arranging boxes from the pallet onto the Hand Pallet Jack, experienced an unfortunate incident. While performing his duties, a reach truck passed in close proximity to him. Unfortunately, he was unaware of the presence of the Reach truck and inadvertently stepped to the left, resulting in contact between the truck’s tires and his leg, causing injury.

Despite wearing safety shoes, the general worker experienced pain in his leg following the collision. Management promptly arranged transportation to a nearby hospital for medical evaluation and treatment. Subsequently, a sick leave certificate was issued, indicating a mandated 14 days recuperative period.

Action Taken: The management remains steadfast in prioritising the well-being and safety of all employees. To prevent similar incidents in the future, we are committed to implementing enhanced training and awareness programs.

The safety and well-being of our employees are paramount. Our trained professionals conduct thorough investigations of incidents, allowing us to implement preventive actions and continuously improve our health and safety standards.

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The following data was submitted to the Department of Occupational Safety and Health on an annual basis to monitor the incidence of workplace incidents within the Group.

Health and Safety	2021	2022	2023
Lost Time Incident Rate (“LTIR”)	0.92	0.46	0
Number of Lost Time Injuries cases	3	2	0
Total Working Day Lost	18	15	0
Number of fatalities	0	0	0

*Note: The calculation of: Lost Total Incident Rate = $([Total\ Number\ of\ Lost\ Time\ Injuries] / [Total\ Number\ Man\ Worked\ Hours]) \times 200,000$

Lost time refers to the duration of work missed by an employee due to a work-related injury, illness, or accident. It is typically measured in terms of hours, days, or shifts during which the employee is unable to perform their regular job duties due to their injury or illness.

Our LTIR saw a significantly decrease from 0.92 to 0.46 between 2021 and 2022. Moreover, there was zero lost time injury cases in 2023. This underscores our commitment to continuously improve our Health, Safety, and Environment (“HSE”) programs, fostering a stronger HSE culture and achieve HSE excellence.

Chemical Health Risk Assessment (CHRA)

A Chemical Health Risk Assessment (“CHRA”) was conducted to evaluate the risk to health posed by exposure to hazardous chemicals among the Group’s employees.

The assessment was conducted on site, by identifying the workers exposed to hazardous chemicals. It involved evaluating the adequacy of ventilation system, assessing personal protective equipment, determining monitoring requirements, and conducting staff interviews. The assessment was performing once every five years.

The summary results of the Chemical Health Risk Assessment in year 2017 and 2022 are appended in the table below: -

Work Unit	Chemical Hazardous to Health	2017		2022	
		Risk Rating (RR)	Conclusion	Risk Rating (RR)	Conclusion
Plant Room/ Chemical Storage Operator	Anhydrous Ammonia	2	C1	2	C1
	P-235	2	C1	2	C1
	H-510	2	C1	2	C1
	H-800	2	C1	2	C1
	Shell Tellus S2 M32	2	C1	2	C1
	Mobil Delvac MX15W40	1	C1	1	C1
	Gargoyle Arctic Oil 300	1	C1	1	C1
Maintenance Workshop Operator	Anti-Freeze Coolant	2	C1	2	C1
	Compressed Oxygen	2	C1	2	C1
	Compressed Dissolved Acetylene	2	C1	2	C1
	LGMT 3TH	2	C1	2	C1
	Shell Tellus S2 MX 46	3	C2	3	C2

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Work Unit	Chemical Hazardous to Health	2017		2022	
		Risk Rating (RR)	Conclusion	Risk Rating (RR)	Conclusion
HR/Cleaner	CH 611 Chemin Multipurpose Cleaner	3	C2	3	C2
	CH627 Chemin Liquid Power Pine	3	C2	3	C2
	CH627 Chemin Disinfectant Deodorizer	3	C2	3	C2
	CH Chimin Hand Soap Antibacterial Apple	3	C2	3	C2
	Suprega Plus	3	C2	3	C2
	DEB Universal Protect P/W Cream	3	C2	3	C2
	DEB Pure Restore Afterwork Cream	3	C2	3	C2
	<i>Kuat Harimau Powder Detergent</i>	3	C2	3	C2
	<i>Zip Dishwashing Liquid (Triple Action) – Lime</i>	2	C1	2	C1
Scheduled Waste Storage Operator	<i>Compressed Oil</i>	2	C1	2	C1
	<i>Grease</i>	2	C1	2	C1
	<i>Hydraulic Oil</i>	2	C1	2	C1
	<i>Used Oil</i>	2	C1	2	C1

Note: C1: Risk not significant now and not likely to increase in future)

C2: Risk were found significant but already adequately controlled, could increase in the future

Risk Rating (RR): Likelihood of injury or illness

RR1-RR4= Low Risk

Based on the data provided, all chemicals used at the work units met criteria C1 and C2. However, it's crucial to maintain continuous adherence to of good practices and proper maintenance. Further improvement is necessary to reduce further hazardous chemical exposure to the workers in the future.

Labour Standard

All policies and practices within the group are aligned with the Employment Act of 1955 and government guidelines. Work-life balance has been enhanced through comprehensive schedules that enables the operational department to avoid excessive working hours, which could adversely affect employee's health, family time, and productivity.

Company Policy on Labour Standards

We have adopted the Code of Conduct established by Yusen Logistic Group, which promotes Respect for Human Rights as detailed in the Equal Opportunity and Non-discrimination section. The Code of Conduct undergoes regular reviews and updated as needed. Presently, the Code and Conduct is available only in the English language.

We provide regular communications and training sessions to ensure awareness, understanding, and adherence to our Code of Conduct, Policies, and Terms and Conditions. The training sessions expose participants to practical business dilemmas, enhancing their ability to navigate ethical challenges effectively.

TASCO Group upholds labor standards by adopting the Code of Conduct established by Yusen Logistic Group. The Code of Conduct can be accessed at the link https://www.yusen-logistics.com/my_en/about-us/sustainability/governance

SUSTAINABILITY STATEMENT

Employment Policy (Children and Young People)

The Group strictly adheres to a policy prohibiting the hiring of children and young people. We comply with the Children and Young Persons (Employment) Act 1966 and any other relevant laws. The minimum age for employment in our Group is 18 years of age.

Grievance procedure

Grievance procedures are in place, allowing any dissatisfaction or complaint to be addressed by the immediate superior. These procedures ensure grievances are resolved promptly, maintaining a harmonious work environment. Additionally, employees are encouraged to raise concerns or make a complaint directly to the Human Resource department.

Incidents of human rights violations

We strictly adhere to our human rights policy and act in accordance to with the UN International Covenants and local human rights law. There were no human right violations incident reported during the financial year under review.

Participation on human rights initiative

The Group is actively engaged with government authorities such as Jabatan Tenaga Kerja (JTK) and Jabatan Kesihatan dan Keselamatan Pekerja (JKKP). We strictly adhere to the rules and regulation of local authorities on human rights, including issues related to foreign workers, accommodations and welfare.

Contribution of TASCO Group to the Community

In this particularly challenging year, the organization also supported project directly linked to the social and health interests to of the community while also providing employees with opportunity to get involved. We uphold a stance of non-discriminatory and oppose any discrimination hiring polies.

It is also a fundamental part of our Group’s initiative to prioritise local talent and local hiring practices, which contribute to sustaining the economy of our local community. This approach has a positive impact on our efforts to develop our nation.

EMPLOYEE ENGAGEMENT ON CHARITABLE ACTIVITIES

Corporate Social Responsibility (CSR) at Sekolah Kebangsaan Shah Alam.

In 2023, we spread joy among students at Sekolah Kebangsaan Shah Alam through a heartwarming donation drive on 30 March 2023. In collaborated with Guardian Malaysia, we provided liquid baths and shampoos, aiming to enhance the bathing experience for underprivileged children with gentle cleansing products. Our collaborative effort reflects our commitment to making a positive impact in the community, ensuring that every child has the opportunity for a refreshing and uplifting bath time experience.



CSR at Sekolah Kebangsaan Shah Alam

SUSTAINABILITY STATEMENT**KASIH RAMADHAN PROJECT FOR STUDENTS IN NEED AT SEKOLAH KEBANGSAAN PUCHONG UTAMA 1****Empowering Students Through Generosity and Support**

At TASCO, we believe in the power of community and the importance of supporting those in need. As part of our Corporate Social Responsibility (CSR) initiatives, we are dedicated to making a positive impact in the lives of young peoples. This Ramadan, on 27 March 2024, we are excited to announce our special initiative: Kasih Ramadhan Project for students in need at Sekolah Kebangsaan Puchong Utama 1. Ramadan is a month of reflection, compassion, and generosity - a time when we extend our hands to help others, especially those less fortunate. Through our CSR initiative, TASCO aims to support students in need, ensuring they have the necessary resources to enjoy a meaningful and joyful on Eid al-Fitr.



CSR at Sekolah Kebangsaan Puchong Utama 1

CREATING A SUPPORTIVE WORK ENVIRONMENT**Nursing Room Facilities at Our Company**

Establishing a nursing room at the company premises demonstrates our commitment to supporting working parents and fostering a family-friendly workplace environment. This dedicated space provides a comfortable and private area for nursing mothers to express milk during their workday. By offering this accommodation, we aim to promote the well-being, health, and productivity of our employees who are balancing their professional responsibilities with the demands of parenthood. This initiative reflects our values of inclusivity, support for work-life balance, and respect for the needs of all employee.

Supporting Bereaved Families

During the financial year, TASCO Group provided assistance to the families of deceased staff members, amounting to RM 9,000. This benevolent act underscores our shared commitment to easing the burden faced by grieving families and reflects our core values of unity, compassion, and support within our workplace community.

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Gotong Royong

At the KLIA branch, we conducted a *Gotong Royong* on 22 April 2024 as part of our ESG objectives to enhance our social responsibility and environmental stewardship. By encouraging the active participation of all employees, we aim to foster a sense of community and shared responsibility, promoting inclusivity and cohesion.

We manage waste responsibly through segregation and recycling to reduce our environmental footprint. This collaborative approach ensures a healthy, sustainable work environment while providing employees with opportunities for skill development and social engagement. Our commitment to integrating these practices demonstrates our commitment to social equity, inclusivity, and the well-being of our workforce.



Gotong Royong at KLIA Tasco Warehouse.

Human capital

A key priority in our ESG strategy is to create an engaging environment for our employees. We recognize that people are the foundation of a company's success. Therefore, we are committed to fostering talent development by capitalizing on the strengths and abilities of our employees, helping them to become stronger and grow within the group.

Training and Development

Recognizing that human resources are an important asset and in line with our quality policy, which includes the development of all our employees and maximizing their potential to the greatest extent, we conduct yearly training needs analysis covering all levels of employees. Appropriate training programs are then provided on a continuous basis to increase their skills and knowledge.

SUSTAINABILITY STATEMENT

During the financial year, the following training courses were attended by our employees:

Type of Training	Month & Year	No. of Employee	Training Hours
Risk Management	Apr 2023	1	4
Trade Facilitations 2023 (Import/ Export Procedure & LMW Facility)	Apr 2023	1	14
Constitution vs The Memorandum & Articles of Association	Nov 2023	1	7
Minutes Writing: How to Write Effectively	Dec 2023	1	7
Trade Facilitation: Learn & expand	Dec 2023	1	7
Harmonized System Overview, Classification & Code Applications Procedures	Jan 2024	5	7
Latest Guide for Customs Agents 2.0	Feb 2024	2	7
CSP for Beginners	Mar 2024	1	4
Modern Meetings	Mar 2024	1	7
Role Of the Company Secretary in Corporate ESG Strategy	Mar 2024	1	4
Service Tax 2024	Mar 2024	2	7
Service Tax Transition Issues & Service Tax	Mar 2024	1	5
How to Conduct an Effective Performance Appraisal Training <ul style="list-style-type: none"> Shah Alam Southern Northern 	May 2023	120	91
High Impact Presentation Skills	Jul 2023	37	7
Navigating SST Landscape: The Key to Legal Duty & Tax Facilitation	Jul 2023	14	14
Microsoft Excel (Basic/Intermediate) Training <ul style="list-style-type: none"> Shah Alam 	May 2023 Jan 2024 Feb 2024	22 19 20	7 7 7
Microsoft Excel (Advance) Training <ul style="list-style-type: none"> Shah Alam 	Nov 2023	26	14
Big Data, AI & Future Technology World Summary 2023	Aug 2023	1	14
Halal Competency Training <ul style="list-style-type: none"> Northern 	Sep 2023	18	14
Good Distribution Practice for Medical Device <ul style="list-style-type: none"> Understanding the requirement Internal Auditing 	Sep 2023 Sep 2023	29 30	7 14
BOMBA Training <ul style="list-style-type: none"> Southern Shah Alam Port Klang 	Oct 2023	82	49
Reading, Understanding & Analyzing of Financial Statements for Better Decision Making	Oct 2023	1	7
Fundamentals of Board Governance	Oct 2023	1	7
First Aid & CPR Training <ul style="list-style-type: none"> Southern KLIA 	Dec 2023 Mar 2024	18 22	14 14
Sales & Service Tax (SST) with Amendments to Service Tax 2024	Nov 2023	2	7
Practical Guidelines to Managing Workplace Misconduct & Domestic Inquiry Procedures	Dec 2023	2	14
Kursus Penyelaras Keselamatan & Kesihatan Pekerjaan Bagi Sektor Pekerjaan Berkaitan Jalan Raya	Dec 2023	2	21

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Type of Training	Month & Year	No. of Employee	Training Hours
The Road Transport Safety: Awareness & Responsibilities	Aug 2023	22	14
Custom Procedure Training	Nov 2023	25	7
Pindaan Seksyen 90 Akta Kastam	Aug 2023	1	7
Strategic Trade Act (STA) Training	Aug 2023	3	7
Strategic Trade Management for Forwarding Agent	Sep 2023	2	14
Technical Talk on Free Industrial Zone (FIZ) Procedure & Implementation	Dec 2023	2	7
Occupational Safety & Health Coordinator Trained Person	Jun 2023	2	21
Seminar			
• Perintah Duti Kastam	Apr 2023	1	7
• Ejen Kastam	Jun 2023	3	5
• Organisasi Keselamatan Kebakaran (OKK)	Dec 2023	5	7
Fundamental of Environment Social Governance (ESG)	Jun 2023	1	14
Claim Management, IJOU & ADS System Implementation			
• Northern	Jun 2023	25	7
• Shah Alam	Jul 2023	40	7
Kursus Ejen Kastam (KEK)			
	Oct 2023	8	183
	Nov 2023	1	61
Comprehensive Guide to APAD ICOP	Dec 2023	20	14
ISO 9001:2015 Quality Management System Interpretation	Jan 2024	33	14
Mandatory Accreditation Programme (BURSA)			
	Jun 2023	1	14
	Sep 2023	1	14
STTC & Contract Training	Jul 2023	20	7
Kursus Ejen Perkapalan (KEP)	Dec 2023	2	14
Dangerous Goods Regulations – Refresher			
	Jun 2023	1	14
	Sep 2023	2	14
	Oct 2023	2	14
International Maritime Dangerous Goods	Jun 2023	1	21
Email Etiquette	Feb 2024	20	7
HR Recruitment & Hiring Skills			
• Northern	Feb 2024	19	7
• Southern	Mar 2024	17	7
HR Induction (Anti-Trust & Anti Bribery)			
• Group 1	Aug 2023	20	4
• Group 2	Sep 2023	30	4
• Group 3	Oct 2023	25	4
• Group 4	Dec 2023	24	4
Compliance Internal Awareness (ISO QMS&EMS, FSSC, Halal, BRC, SEDEX, SWA, Safety & Health):			
• Group 1	Jan 2023	12	8
• Group 2 (Drivers)	Jan 2023	14	8
• Group 3 (IT)	Jan 2023	5	8
• Group 4 (Warehouse)	Jan 2023	6	8
Business English; Email & Communications Training	Feb 2023	2	16
Service Tax Training (Recognize & Diversify Business)	Feb 2023	1	8
HRDC Workshop 1	Mar 2023	1	16
HRDC Workshop 2	Jun 2023	2	16

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Type of Training	Month & Year	No. of Employee	Training Hours
Developing Essential HR Letters, Forms, Policies & Procedures	Mar 2023	1	8
International Documentations & Shipping Procedures	May 2023	1	16
Fundamental of Environmental Social Governance (ESG)	Jun 2023	2	16
Employment Law & Industrial Relations Masterclass (1)	Aug 2023	2	16
Employment Law & Industrial Relations Masterclass (2)	Oct 2023	1	16
Training Procedure & Process	Apr 2023	30	4
Internal Auditor (Refreshing)	Apr 2023	28	4
HALAL Competency Training	Apr 2023	22	8
Schedule Waste Training	Aug 2023	25	4
First Aid Box PIC Training	Aug 2023	12	4
MEF National Conference 2023	Aug 2023	1	16
Pest Awareness Training	Sep 2023	27	4
FSSC (1) ISO/TS 22000: 5 Transport & Storage	Sep 2023	28	8
Penggunaan Sistem ESWIS (Jabatan Alam Sekitar)	Sep 2023	2	16
Forum Khas Akta Tenaga Kerja, KWSP & PERKESO	Sep 2023	2	16
FSSC (2) 22000 Awareness	Oct 2023	28	8
Better Decision Making Through Critical & Creative Thinking Skills	Oct 2023	1	16
Fire Safety Organization Training (BOMBA)	Oct 2023	30	16
FSSC (3&4) Food Safety Culture and Food Allergen Management	Nov 2023	30	8
Commercial Contracts for Non-Lawyers	Nov 2023	1	16
Operational Excellence & Business Transformation Summit	Nov 2023	1	24
FSSC (5): Food Defence & Food Fraud Prevention	Nov 2023	26	8
FSSC (6): FSSC 22000 Internal Auditor Training	Jan 2024	24	16
Hearing Conservation Program (for Maintenance)	Mar 2024	19	8
Team Building (Management)	Jan 2024	29	16
DIXELL Setting Training (Maintenance)	Jan 2024 Feb 2024	29 14	16 8

Training for warehouse employee

Type of Training	Month & Year	No. of Employee	Training Hours
Dangerous Goods Regulations – Refresher	Jun 2023	1	14
	Sep 2023	2	14
	Oct 2023	2	14
International Maritime Dangerous Goods	Jun 2023	1	21
Good Ice-Cream & Cold Chain Practices	July 2023	25	4
SOP Training – Warehouse A & D	Nov 2023	15	8
SOP Training – Warehouse C	July 2023	21	4
Managing Warehouse & Inventory Integration	Sep 2023	3	16

SUSTAINABILITY STATEMENT

Training for lorry drivers (APAD/JPJ requirement)

Type of Training	Month & Year	No. of Employee	Training Hours
Hamzat Transport Driver Permit (HTDP) Course	Nov 2023	1	7
Lorry Driver Defensive & Safety Training			
• Northern	May 2023	23	7
• Central	Feb 2024	34	7
HINO: Driver Familiarization / Safety & Eco Training			
	May 2023	14	14
	Jul 2023	12	14
	Sep 023	15	14
	Nov 2023	15	14
	Mar 2024	14	14
Mercedez Actross Driving Training			
• Bangi	May 2023	19	7
• Southern	Jun 2023	19	7
• Northern	Aug 2023	19	7
	Dec 2023	11	7
• Shah Alam	Oct 2023	28	7
Lorry Driver Defensive Driving Training (Behaviors Based Safe Driving Techniques for Truck Drivers (2023):			
• Group 5	Jun 2023	11	8
• Group 6	Jun 2023	11	8
• Group 7	Jul 2023	13	8
• Group 8	Aug 2023	10	8
• Group 9	Aug 2023	10	8
• Group 10	Oct 2023	10	8
Techniques For Truck Drivers (2024):			
• Group 1	Feb 2024	10	8
• Group 2	Feb 2024	10	8
Driver Defensive, Safety & Eco Training (Tasco):			
• Group 2	May 2023	2	8
• Group 3	Feb 2024	2	8
HINO Driver Familiarization Training:			
Year 2023:			
• Group 3	May 2023	2	16
• Group 4	Jul 2023	2	16
• Group 5	Sep 2023	2	16
Year 2024:			
• Group 1	Mar 2024	2	16
Actross Mercedez Training (Northern):			
• Group 2	May 2023	3	4
• Group 3	Oct 2023	4	44
Work-Related Road Safety (WRRS) Occupational Safety & Health Coordinator	Aug 2023	2	24
Com & Ben Refreshing Briefing for Drivers	Aug 2023	11	4
Emergency Response Plan (ERP) for Truck drivers (Group 1)	Jan 2024	20	8
Emergency Response Plan (ERP) for Truck drivers (Group 2)	Mar 2024	20	8
HR SOP (Training & Recruitment)	Jan 2024	7	2
Code of Conduct Briefing	Mar 2024	29	2

SUSTAINABILITY STATEMENT

Training for warehouse general workers

Type of Training	Month & Year	No. of Employee	Training Hours
Forklift Training and New Certification Licensing: <ul style="list-style-type: none"> Inplant Central Northern Southern 	May 2023	12	7
	Jun 2023	10	7
	Mar 2024	34	14
	Jun 2023	25	7
	Jul 2023	30	7
	Sept 2023	21	7
	Oct 2023	13	7
	Nov 2023	23	7
	Jan 2024	58	21
	Feb 2024	34	14
Mar 2024	19	7	
Latihan Pengendalian dan Keselamatan Jenangkut (Forklift): <ul style="list-style-type: none"> Group 4 (2023) Group 5 (2023) Group 1 (2024) Group 2 (2024) 	Jun 2023	16	8
	Jul 2023	15	8
	Jan 2024	10	8
	Mar 2024	10	12
Improvement for RTD	Oct 2023	4	4

In 2024, a total of 2,190 employees were involved in our training including safety training for the financial year under review and total number of training hours were 1,973 hours. Each of employee managed to have at least 0.90 hours training.

The following shows the employee attended training by employee category:

PARAMETER	Units	2024
Training		
Total hours of training by employee category		
Management	Hours	3,761
Executive	Hours	4,077
Non-executive/ Technical Staff	Hours	10,159
General Worker	Hours	5,946
The Percentage of employees attended training sessions varied by category		
Management	%	20.20
Executive	%	15.54
Non-executive/ Technical Staff	%	27.42
General Worker	%	36.84

SUSTAINABILITY STATEMENT

Human Rights Policies






TASCO Group are currently aligning with the Principles of the United Nation (“UN”) Global Compact relating to the respect of Human Rights, which includes supporting and respecting the protection of internationally proclaimed human rights and ensuring we are not complicit in human right abuses. We are committing to taking strategic actions to advance broader societal goals and implement sustainability strategy.

The Group upholds international norms on human rights and refrains from engaging in acts that violate human rights or undermine the dignity of individual in any of our business activities. We also respect the rights of all persons and do not engage in discrimination actions or make discriminatory remarks based on gender, age, nationality, ethnicity, creed, religion, occupation, social status, appearance, illness or disability, in accordance with the UN Guiding Principles on Business and Human Right.

TASCO GROUP’S COMMITMENT TO HUMAN RIGHTS

In all our endeavours, TASCO adheres to the United Nations Guiding Principles on Business and Human Rights. Our commitment to human rights is reflected in our Code of Conduct, which emphasizes our responsibilities to respect and uphold these principles. TASCO Group’s responsibilities include:

Responsibilities and Actions

Responsibility	Action
Respect for International Norms on Human Rights 	Adhering to global standards and practices to ensure the dignity and rights of all individuals; Committing to a workplace and community free from discrimination.
Eradicating All Forms of Discrimination 	Implementing policies and practices to prevent discrimination in all forms.
Prohibiting Harassment 	Ensuring a safe environment by strictly prohibiting any form of harassment.
Prohibiting Forced Labour or Child Labour 	Upholding ethical labour practices by prohibiting forced labor and child labour.
Construction and Operation of Fair Personnel Treatment 	Ensuring fair treatment and equitable opportunities for all employees.

TASCO Group promotes Respect for Human Rights through its adoption of the Code of Conduct established by Yusen Logistic Group Code of Conduct can be found here (link to https://www.yusen-logistics.com/my_en/about-us/sustainability/governance).

SUSTAINABILITY STATEMENT

Respect for International Norms on Human Rights

TASCO respect international norms on human rights and will not engage in acts that violate human rights and dignity of the private individual in any of our business activities.

Employment Act Relating to Overtime

The Employment Act (Amendment) 2022 (“EA 2022”) came into effect on 1 January 2023. To comply with the EA 2022, the Management has developed new standard operating procedures. The Group is committed to strictly complying with the EA 2022. Under this new amendment act, employees of a certain grade (earning less than RM4,000 a month) who are required to work beyond their normal working hours are entitled to overtime pay.

Assuring Balance between Work and Private Living

TASCO supports a healthy work-life balance and pays close attention to the creating a work environment where every employee can work with a satisfaction and fulfilment.

Assuring a Safe and Healthy Work Environment

Maintaining a safe and healthy work environment is the top priority for the TASCO Group. We priorities accidents, and occupational injury prevention daily, ensuring the workplace remains comfortable for our employees. We actively implement measures to support and promote the physical and mental well-being of our workers.

We strictly prohibit the use and possession of illegal drugs as defined by the laws and regulations of our country. In addition, we do not permit alcohol consumption that could impair work performance or compromise the safety of third parties.

Right to Freedom of Association

We encourage right of freedom of association as long it is in accordance to Malaysian by law.

Fair and Equal Wage

Our values and commitments to international labour standards obligate us to pay fair and equal wages to all employees. We adhere to the provision of the Malaysian Employment Act 1955 (“Employment Act”), including complying with the statutory minimum wage. We are fully compliant with the minimum wage requirement, which has been set by the Government at RM1,500 per month.

Employees will be compensated above the minimum wage in alignment with their experience, skills and performance and working attitude.

TASCO Group is dedicated to supporting a living wage for our employees through the promotion of fair and equitable employment practices. We demonstrated this commitment by adhering to a minimum wage that aligns with local living wage standards. Additionally, we provide comprehensive benefits and perks, including medical coverage and paid time off for maternity, sick, paternity, and compassionate leave. Furthermore, we offer robust education and training programs aimed at empowering our employees to develop new skills and qualifications, fostering opportunities for career advancement and higher-paying roles within our organization.

We promotes fair and equal wage through its adoption of the Code of Conduct established by Yusen Logistic Group Code of Conduct can be found here (link to https://www.yusen-logistics.com/my_en/aboutus/sustainability/governance).

SUSTAINABILITY STATEMENT

LISTENING TO EMPLOYEES

Grievance Procedure

We have established grievance procedures whereby any dissatisfaction or complaint by an employee can be brought to the attention of the immediate superior. These procedures enable grievances to be resolved in a timely manner, ensuring a harmonious work environment is maintained. Alternatively, all employees have the right to raise concerns or make a complaint directly to the Human Resource department of our Group.

Whistle-blowing Procedure

We have implemented whistle-blowing procedures whereby any dissatisfaction or complaint by an employee can be brought to the attention of our Compliance Officer.

Employees are encouraged to report any instances of non-compliance, business fraud, or irregularities to the Management, either through e-mail or Compliance Hotline. The company has established the whistleblowing system that serves as a deterrent to malpractice, encourages openness, promotes transparency, underpins the risks management systems of the Company.

All channels of whistle blowing including anti-corruption are handled by Compliance Office, and acknowledgement of receipt of the report will be provided to the complainant within 48 hours (with the exception of the anonymous complaints). The investigations of most complaints will be handled internally and typically conducted by the Compliance Officer or their designated body. On a case-by-case basis, it may be determined that outside resources are required to assist in such investigation.

Confidentiality

Ensuring the security of employees when participating in the Company’s compliance system is essential. Therefore, confidentiality is a priority, and every effort will be made to protect the employee’s identity when they interact with any element of the compliance system. In some instances, however, it may be impossible to keep an identity confidential due to the need for a thorough investigation or certain legal requirements. In such cases, employees may consider placing an anonymous call to the Compliance Hotline.

Compliance Hotline

The Compliance Hotline is available within office living s (Monday to Friday, excluding public holiday, 8.30am to 6.00pm).

Whistleblower

Compliance Hotline

The Compliance Hotline is available within office working hours (Monday to Friday, excluding public holiday, 8.30am to 6.00pm). One of the following channels listed below can be contacted, either on confidential or anonymous basis.

COMPLIANCE HOTLINE: +603-51018820 (Mr. KY Tan)

COMPLIANCE EMAIL:

- checkpoh.lee@tasco.com.my (Mr. Lee Check Poh)
- andy.lee@tasco.com.my (Mr. Andy Lee)
- ky.tan@tasco.com.my (Mr. KY Tan)

SUSTAINABILITY STATEMENT**Eradicating All Forms of Discrimination****Importance of Diversity**

We embrace diversity among our employees, recognising individual traits, perspectives, values and more. By leveraging a wide range of human resources, we aim to achieve sustainable growth and foster organisation vitality.

Diversity, Equity and Inclusion (DEI)

TASCO is committed to create an inclusive work environment by embracing the diversity of its employees. We aim to continuously promote and respect the differences that make our employees who they are and bring unique new perspectives to continue to innovate and improve the way we do business. We protect our employees from harassment and discrimination.

Prohibiting Harassment

We strictly prohibit any form of libelous or slanderous, abusive acts that violate human dignity, including harassment in any form. There are no exception to this policy.

Sexual Harassment

We are committed to fostering a work environment that is free from sexual harassment and ensuring the dignity and respect of every employee, vendor, and visitor. We acknowledge that sexual harassment is a serious issue that can significantly affect individuals' well-being and work performance. Therefore, we are dedicated to creating a safe, and respectful workplace for all.



SUSTAINABILITY STATEMENT

Prohibiting Forced Labour or Child Labour

Upholding Ethical Labor Practices by Prohibiting Forced Labor and Child Labour.

We strongly oppose to all forms of modern slavery and human trafficking, including forced labour and child labour. TASCO will not engage in or conduct business with any organization involved in such inhumane practices.

We will uphold labour contracts and other agreements, ensuring the protection of workers established in international treaties and in laws and regulations of our country's laws and regulations.

Construction and Operation of Fair Personnel Treatment

We promote equal opportunity in employment, assignment, wages, training, promotion, and more. We uphold labour contracts and other agreements, ensuring the protection of workers' rights established in international treaties and in laws and regulations of our country.

Our dedication to fair personnel treatment is fundamental to our human rights practices, guiding our day-to-day operations and long-term strategic planning. We believe in treating every employee with dignity and respect, and we are committed to maintaining a workplace free from discrimination, harassment, and unethical labour practices.

Involvement in Labour Standard Initiatives

We initiated a discussion with Ministry of Transport (Malaysia) on shortage of foreign man-power due to Covid-19.

Incidents of Labour Standard Violations

There have been no reported cases of labour standard violations or incident in our Group. We take these matters seriously, as stated in our labour rights policy, and in according with the UN International Covenants and local human rights law.

Internship Program

We continuously welcome students from higher institutes of education into our internship training program as part of our commitment to the community. The objective of our internship program is to provide students with exposure to real work experiences that will provide them with opportunities to explore their interests and develop professional skills and competencies.

Below is a table listing the educational institutions from which TASCO Berhad has selected students for its internship program during the financial year:

Institution Name	
Universiti Tenaga Nasional (UNITEN)	Universiti Kuala Lumpur
Tunku Abdul Rahman University of Management and Technology (TARUMT)	Management & Science University (MSU)
University Tunku Abdul Rahman (UTAR)	Peninsular College
Universiti Pertahanan Nasional Malaysia (UPNM)	Sunway University
Politeknik METRO	Universiti Selangor
Universiti Teknologi MARA (UiTM)	Universiti Islam Selangor
Asia Metropolitan University	Taylor's University
Kolej Poli -Tech Mara	Politeknik Port Dickson
Politeknik Banting	Politeknik Nilai
Tech Terrain College	Kolej Komuniti Sepang
Universiti Malaysia Kelantan	

SUSTAINABILITY STATEMENT

During the fiscal year, TASCO Berhad successfully integrated nine (9) students from its internship program into full-time positions within the company. This initiative underscores TASCO's commitment to nurturing young talent and also highlights its role in supporting the professional development of students from various esteemed institutions. By offering these students permanent roles, TASCO demonstrates its dedication to fostering a skilled and capable workforce, essential for the company's ongoing success and innovation.

TALENT RECRUITMENT AND RETENTION**Human Resource Status**

We adhere strictly to principles of fairness and diversity in employment. Employees of different ages, genders, races, religions, political views, marital statuses and backgrounds are treated equitably in recruitment and promotion processes. As of 2022, TASCO Group employed 2,007 individuals, increasing to 2,074 in 2023, and 2,012 in 2024. The logistic industry is labour-intensive resulting in a higher proportion of male employees compared to female employees. In line with our commitment to equity and fairness, we employ one (1) disabled individual who holds an *Orang Kelainan Upaya* ("OKU") card.

TASCO Group Social Performance Data

PARAMETER	Units	2022	2023	2024
DIVERSITY				
Gender				
Men	Number	1,414	1,444	1,393
Female	Number	593	630	619
Gender Group by Employee Category				
Management (Male)	%	4.19	4.73	5.07
Management (Female)	%	3.14	3.38	3.68
Executive (Male)	%	7.32	7.04	6.96
Executive (Female)	%	9.02	8.34	9.05
Non-executive/Technical staffs (Male)	%	29.75	30.38	29.72
Non-executive/Technical staffs (Female)	%	17.14	18.51	17.84
General worker (Male)	%	29.20	27.48	27.49
General worker (Female)	%	0.25	0.14	0.20
Age				
< 30	Number	474	572	479
30 – 50	Number	1,206	1,193	1,227
50 >	Number	327	309	306
Age Group by Employee Category				
Management (<30)	%	0	0	0
Management (30-50)	%	3.49	4.24	4.67
Management (>50)	%	3.84	3.86	4.08
Executive (<30)	%	0.90	1.74	1.14
Executive (30-50)	%	12.16	11	11.88
Executive (>50)	%	3.29	3.18	2.98
Non-executive/ Technical staffs (<30)	%	13.75	17.26	16.5
Non-executive/Technical staffs (30-50)	%	29.15	26.47	26.39
Non-executive/ Technical staffs (>50)	%	5.63	5.45	4.67
General worker (<30)	%	5.33	5.59	6.16
General worker (30-50)	%	18.83	17.69	18.04
General Worker (>50)	%	3.64	3.52	3.48

SUSTAINABILITY STATEMENT

PARAMETER	Units	2022	2023	2024
Race				
Malay	Number	1,363	1,444	1,419
Chinese	Number	140	145	128
Indian	Number	281	288	276
Others	Number	223	197	189
Total number of Employees	Number	2,007	2,074	2,012
Type				
Permanent	Number	1,466	1,529	1,508
Contract	Number	541	545	504
Percentage of employees that are contract	%	27.0	25.3	25.0
Disabilities staffs				
People with disabilities*	Number	1	1	1
<i>*Disabled staffs with an OKU card.</i>				
Employee Turnover				
Total Number of Employee Turnover by Employee Category	Number	190	285	234
Management	%	11.58	11.93	14.10
Executive	%	41.58	32.98	25.64
Non-executive/ technical staffs	%	14.21	25.61	26.07
General workers	%	32.63	29.47	34.19
Foreigner				
Total number of Foreigner	Number	143	118	112
Training				
Average hours of training per employee	hour	0.68	0.81	0.90
Total training hours	hour	432	1042	1973
Total number employee involved training	Number	634	1,285	2,190
Safety and Health				
Percentage of TASCO Group covered with OHSAS 18001/ISO 45001 certification	%	0	0	0
Lost Time Incident Rate (LTIR)*	Hour	0.92	0.46	0
Number of Lost Time Injuries cases	Number	3	2	0
Total Working Day Lost	Day	18	15	0
Number of work-related employee fatalities	Number	0	0	0
Staff trained in safety and health training	Number	149	356	587
Human Right				
Number of substantiated complaints concerning human rights violations	Number	0	0	0

GOVERNANCE

TASCO as a public listed company listed at the Main Market of Bursa Malaysia Securities Berhad, apart from the Listing Requirements of Bursa Malaysia, Malaysian Code on Corporate Governance 2021, the Companies Act 2016 and other rules and regulations from Malaysia regulatory bodies, the group has set forth the Code of Conduct for all directors and employees belonging to the Group to observe and refer to for proper and ethical behaviour.

SUSTAINABILITY STATEMENT

Our employee Code of Conduct clearly mandates compliance with various international laws governing our business and also mandates that we do not use corrupt or prohibited methods, such as entertainment and gifts to public officials domestically or internationally, and the Group's strong practice is to vigorously enforce that policy. To ensure our employees are aware of the Code of Conduct, our Group organises trainings on a periodic basis

Full Compliance with the Antitrust Law

We commit to comply with the Competition Act 2010 of Malaysia, and any other laws and regulations to maintain fair trade and competition in all countries where the Group operates. We will not engage in cartel behavior, acts that impede free and fair competition nor any other act that may invite suspicion of such behavior. We assure that we do not promote nor participate in any meetings to discuss matters that could lead to the restriction of fair competition in the market.

There were no cases reported on violation of anti-trust law happen in our group.

Upon dealing with business partners, we assure that we will not use our dominant bargaining position to delay or refuse payments, unjustly return or refuse acceptance of products or services of subcontractors.

Training for employee on the anti-corruption has been conducted periodically, including mandatory e-learning programs via the Yusen Advance Platform. It covers the elements of corruption which includes bribery. The training covers all aspect of corruption from individual to responsibility towards company and obeying the prohibition of corruption. During the training, we provided the material and quiz through e-learning. Here is a table summarizing the training activities

Mandatory e-learning attended by employee in Yusen Advance Platform.

Training	Years	Management	Executive
Code of Conduct _SAOR2	2022	12	12
Code of Conduct _2022		50	335
Recurrence prevention training for antitrust / competition laws _SAOR2			7
Total number of employees attended e-learning		62	354
Code of Conduct _SAOR2	2023		9
Code of Conduct _2022			10
Code of Conduct _2023		50	60
Recurrence prevention training for antitrust / competition laws _2023		50	52
Recurrence prevention training for antitrust / competition laws _SAOR2			6
Total number of employees attended e-learning		100	137
Code of Conduct _2023	2024		7
Recurrence prevention training for antitrust / competition laws _2023			4
Total number of employees attended e-learning		0	11

During the financial year under review, 110 employees participated in anti-corruption training. 11 employees completed e-learning sessions via the Yusen Advance Platform while 99 employees attended physical training sessions.

SUSTAINABILITY STATEMENT

Business Ethics

We integrate the principles on business and human rights; to protect, to respect and access to remedy as fundamental in our business ethics which is in line with the United Nations guidelines. A broad perspective on business ethics, looking at both responsibility, opportunity and risk related to our goal of promoting sustainable trade and a better society.

To mitigate key risks, we focus on all compliance topics including anti-corruption and sanctions as well as data ethics.

Prohibition of Bribery

The Group requires that our employees and our Group agents who carry out our operations and our business partners observe the Malaysian Anti-Corruption Commission Act, the US Foreign Corrupt Practice Act, the UK Bribery Act, the Chinese Criminal Law and Anti-Injustice Law, Japan Unfair Competition Prevention Law and any other law which prohibits corrupt practices and bribery.

Domestically or internationally, against any public or private individuals, direct or indirectly, we will not provide, offer or promise to pay, nor will we accept, request or agree to receive any sort of bribe or similar transaction in order to gain unlawful benefit.

There is no reported case on bribery either through violations or incident happened in our Group.

Gift-giving and Entertainment

The Group will not engage in gift-giving and business entertainment exceeding the norms of social etiquette in our relationship with our customers and business partners. Also, we shall not accept gifts, entertainment and etc., that may lead to personal gain.

Prohibiting Conflict of Interest

Except with the approval of the Company, individuals belonging to the Group will not serve as director, advisor, employee, agent, etc., for other business enterprises or organisations that is in conflict of interest with the Group. We engage vendors in trade with fairness and impartiality and will not compromise the interests of the Company by promoting the interests of one individual, relatives, friends or acquaintances or designated organisations.

Focus on Third-Party Labour

We continue to work on ensuring that people working on our premises and performing tasks for us, but not hired by us directly, are offered working conditions that meet the standards in our Supplier Code of Conduct.

Supplier Code of Conduct

In recent years, with the global issues such as violation of human rights, bribery, and acts of environmental destruction having emerged with the globalization of supply chains, it is required to address compliance activities for not only individual companies but also all associated entities in the supply chains.

For this reason, we expect our suppliers, who is assigned to provide service for our customers on our behalf, to have a common understanding of business ethics standard. In line with this concept, we would like to request all suppliers to be committed to practicing the code as set forth below.

a) Services of Outstanding Quality and Safety

Supplier ensures the services of outstanding quality and safety with careful attention to fairness and integrity.

SUSTAINABILITY STATEMENT**b) Compliance with Laws and International Rules**

Supplier is committed to complying with all laws and regulations, both domestically and internationally. With respect to the business operations, Supplier engages in ethical business practices such as obtaining permits and approvals required by regulatory requirements.

c) Full Compliance with the Antitrust Law

Supplier is committed to complying with antitrust / anti-competition laws and regulations to maintain fair trade and competition.

d) Prohibition of Bribery

Supplier is committed to complying with all applicable laws and regulations that prohibit corrupt practices and bribery. Domestically or internationally, directly or indirectly, against any public or private individual, Supplier will not give, offer, promise to pay anything of value for the purpose of improperly obtaining or maintaining business advantage.

e) Prohibiting Conflict of Interest

In order to avoid conflict of interest in the business transaction, if supplier employee has a personal relationship with any Yusen Logistics Group's employee (such as family member, relative, or friend), the supplier must not take any action that effects YL Group's purchasing judgement.

f) Respect for Human Rights

- Supplier respects international norms on human rights and will not engage in acts that violate human rights and the dignity of the private individual in any of its business activities.
- Supplier respects the rights of all persons and will not engage in discriminatory action based on gender, age, nationality, ethnicity, creed, religion, occupation, social status, appearance, illness or disability.
- Supplier is strongly opposed to all kinds of modern slavery and human trafficking, and shall not engage in inhumane acts such as forced labour, and child labour. Furthermore, Supplier will not conduct business with any organization that engages in such inhumane acts.

g) Assuring a Safe and Healthy Work Environment

- Supplier is requested to maintain a safe and healthy work environment and will also engage in the prevention of accidents and occupational injury.
- Supplier will strive to keep the work environment comfortable for the workers by actively conducting measures that maintain and promote the sound physical and mental health of workers.

h) Rejecting Transactions with Antisocial Forces

Supplier will not be involved in terrorism, money laundering or any other form of organized crime and will furthermore conduct careful study into the processes for transactions to ensure they are not used in such crimes.

i) Environmental Protection and Compliance

Supplier observe and comply with treaties, laws, regulations, and rules related to environmental protection and make efforts for environmental preservation.

SUSTAINABILITY STATEMENT

j) Information Management and Administration

- Supplier shall comply with all laws and regulations concerning information security, and implement strict information management.
- Supplier shall pay attention to the handling of personal information and confidential information, and establish appropriate organizational system to prevent from information leakage. If a confidentiality agreement is concluded, Supplier will comply with the terms of the agreement.

k) Supply Chain

Supplier encourages its suppliers and subcontractors to comply with this Supplier Code of Conduct.

Data ethics

We recognize the need for the proper management of personal information as we aim for high ethical standards in their use, and we handle such information in our possession in accordance with the following principles:

a) Collection of Personal Information

We will collect and process your personal information (regardless of electronic or non-electronic information) lawfully, fairly and in a transparent manner only to the extent necessary for providing our services or performing our contractual obligations.

b) Data minimization

We will keep personal information adequate, relevant and limited to what is necessary in relation to the purpose for which it was provided. We will not collect personal information in advance or store personal information for future purposes, unless required or permitted by laws or regulations.

c) Intended Use of Personal Information

We will only use the personal information for one or more specified and legitimate purposes. Personal information will not be used or processed in any manner incompatible with those purposes. When we need to use your personal information beyond the scope of such purposes, we shall obtain your consent, except when extended use would be permitted by laws or regulations.

d) Accuracy

We will keep personal information accurate and up-to-date and shall take all reasonable steps to ensure that personal information that is inaccurate will be removed or rectified without delay.

e) Limited retention

We will keep personal information no longer than is necessary for the purposes for which the personal information was provided. Unless otherwise permitted by laws and regulations, personal information that is no longer needed or relevant will be purged or deleted.

f) Management of Personal Information

Your personal information is subject to data secrecy. In managing personal information, we assign an officer in charge of handling personal information, and take appropriate and adequate protective measures on a technical and organizational level against unauthorized or unlawful use and processing.

g) Provision to Third Parties

Unless otherwise permitted by laws and regulations, we will not provide your personal information to any third party without your consent. In addition, your personal information will not be transferred to another country or territory unless that country or territory will ensure an adequate level of data protection.

Board has Oversight of Anti-Corruption and Anti-Bribery issue

Yusen Logistics Group has established Non-Bribery Basic Policy to lead the way in handling corruption and bribery issue in the organisation. We also based on Malaysia Act; Malaysian Anti-corruption Commission Act 2009 in handling corruption and bribery issue. Yusen Logistics Group Non-Bribery Basic Policy can be found here (link to https://www.yusen-logistics.com/my_en/about-us/sustainability/governance).”

The review and enforcement of this policy at TASCO Group is overseen by the Board, where Board is tasked to deliberate the reported cases.

The Directors have overall responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

Whistle-blowing Mechanism for Staff

TASCO Group has established a whistleblowing mechanism that encourages employees or any person or entity to report dishonest behavior, including giving or accepting bribes or inappropriate gifts, double-dealing, or defrauding investors. All complaints or grievances will be investigated, and appropriate action will be taken to stop such conduct and prevent future occurrences. This also covers concerns of public interest, and we may perform an initial investigation so that appropriate remedial action can be taken.

The Whistleblowing Mechanism acts as a medium for supporting and facilitating transparency and integrity within the company; it encourages the stakeholders to disclose any corruption, bribery, or improper conduct within the company.

Any complaints or reports can be directed to the Chief Human Resource Officer (CHRO), Group Chief Executive Officer (“CEO”), Chief Executive Officer CEO, Deputy Group CEO, or Chairman by compliance email or the compliance hotline.

Compliance Hotline: +603-51018820 (Mr. KY Tan)

Compliance Email:

checkpoh.lee@tasco.com.my (Mr. Lee Check Poh)

andy.lee@tasco.com.my (Mr. Andy Lee)

ky.tan@tasco.com.my (Mr. KY Tan)

SUSTAINABILITY STATEMENT

PARAMETER	Units	Apr 21 – Mar 22	Apr 22 – Mar 23	Apr 23 – Mar 24
Corporate Governance				
Number of Directors	Number	9	9	8
Number of Independent Directors on the board	Number	4	4	3
Number of women on the board	Number	1	1	1
Percentage of women on the Executive committee or equivalent	%	13.3	6.25	5.88
Percentage of directors by gender				
Male	%	88.9	88.9	87.5
Female	%	11.1	11.1	12.5
Percentage of directors by age group				
<30	%	0	0	0
30-50	%	11.1	11.1	12.5
>50	%	88.9	88.9	87.5
Anti-Corruption				
Cost of fines, penalties or settlements in relation to corruption	RM			
Reported breaches of Code of Conduct	Number	0	0	0
Total number of substantiated corruption & bribery cases	Number	0	0	0
Total staff disciplines or dismissed due to non-compliance with anti-corruption	Number	0	0	0
Total employees receiving training on Anti-Corruption	Number	617	237	110
Percentage of operations assessed for corruption-related risks	%	-	-	-
Percentage of employees who have received training on anti-corruption by employee category				
Management	%	4.77	36.6	6.54
Executive	%	29.8	44.3	7.85
Non-executive/ technical staffs	%	0	0	0
General workers	%	0	0	0

MOVING FORWARD

As a conscientious corporate citizen, the Group is genuinely committed to balancing out our good economic performance with responsible Environment, Social and Governance consideration. Even as we focus our efforts on delivering a sustainable performance on the Economic, Environmental, Social and Governance fronts, we will work hard to ensure that the notion of sustainability becomes embedded within our working culture in a more ingrained manner.


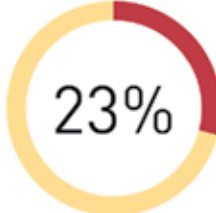


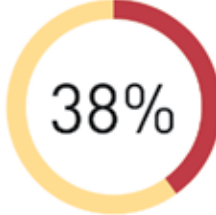



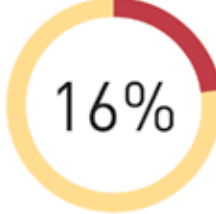
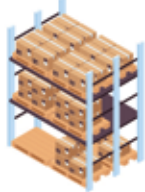
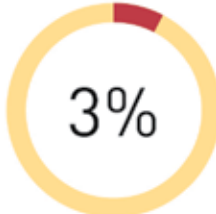
THE SECRETS TO OUR SUCCESS

“...are to focus on the 10 Basic Core Fundamentals that we have built and developed throughout the years. We realised the importance of these fundamentals and we will continue to leverage on these core fundamentals to strengthen our market position and to enhance our shareholders’ values...”

10 BASIC CORE FUNDAMENTALS



BUSINESS AT A GLANCE

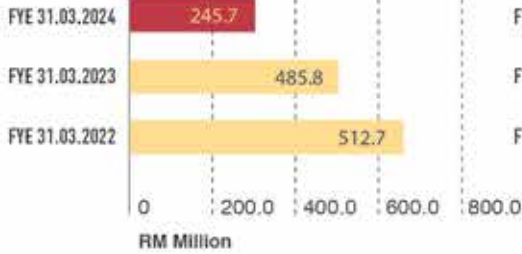
		REVENUE RATIO FYE 31.03.2024	REVENUE FYE 31.03.2024
 <p>AIR FREIGHT FORWARDING ✓ Air Freight Services</p>	 <p>23%</p>	RM245.7 million	
 <p>OCEAN FREIGHT FORWARDING DIVISION ✓ Sea Freight Services</p>	 <p>10%</p>	RM109.7 million	
 <p>CONTRACT LOGISTICS DIVISION ✓ Customs Clearance ✓ Haulage Transportation ✓ Warehousing Services ✓ Warehouse In-plant Services ✓ E-Commerce</p>	 <p>38%</p>	RM413.5 million	
 <p>TRUCKING DIVISION ✓ Domestic Trucking ✓ Cross Border Trucking</p>	 <p>10%</p>	RM105.3 million	
 <p>COLD SUPPLY CHAIN DIVISION ✓ Cold Supply Chain ✓ Convenience Retail</p>	 <p>16%</p>	RM168.2 million	
 <p>SUPPLY CHAIN SOLUTIONS DIVISION ✓ Origin Management ✓ Lead Logistics ✓ Trading</p>	 <p>3%</p>	RM30.3 million	

BUSINESS AT A GLANCE

**REVENUE
(MILLION RM)**

**PROFITS FROM OPERATIONS
(MILLION RM)**

**RESOURCE
FACILITIES**



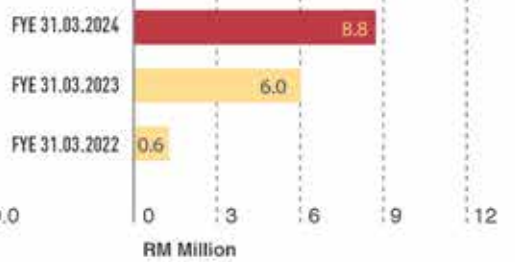
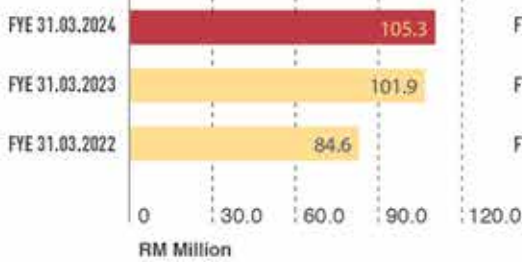
>500 Units
Prime Movers & Trucks



>450,000 m²
Warehouse Space



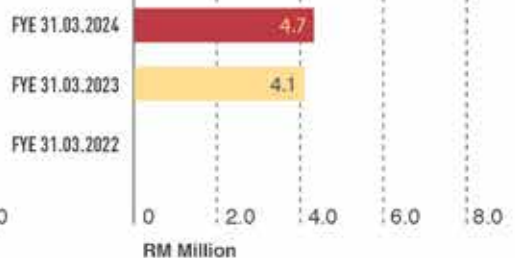
Domestic: >2,000
Worldwide: >60,000*
Employees



25 Logistics Centres
Domestic Network



650 Locations
under the
Global Network of YLK



* Under the global network of NYK Group



BOARD OF DIRECTORS

LEE CHECK POH

Non-Independent Executive Chairman

ANDY LEE WAN KAI

Non-Independent Group
Chief Executive Officer

TAN KIM YONG

Non-Independent Deputy Group
Chief Executive Officer

FREDDIE LIM JEW KIAT

Non-Independent Executive Director

NORHIKO YAMADA

Non-Independent Executive Director

DATUK DR WONG LAI SUM

Independent Non-Executive Director

ONG HENG KAH

Independent Non-Executive Director

DAVID DEV PETER

Independent Non-Executive Director

COMPANY SECRETARIES

KANG SHEW MENG

MAICSA 0778565
CCM Practising Certificate
201908002065

SEOW FEI SAN

MAICSA 7009732
CCM Practising Certificate
201908002299

REGISTERED OFFICE

802, 8th Floor, Block C
Kelana Square
17 Jalan SS7/26
47301 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-78031126
Fax : 03-78061387
E-mail : eadvisory@epsilonas.com

REGISTRARS

SECURITIES SERVICES (HOLDINGS) SDN BHD

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel : 03-20849000
Fax : 03-20949940
E-mail : info@sshshb.com.my

AUDITORS

RSM MALAYSIA PLT

Chartered Accountants
5th Floor, Penthouse
Wisma RKT, Block A
No. 2, Jalan Raja Abdullah
Off Jalan Sultan Ismail
50300 Kuala Lumpur
Tel : 03-26102888
Fax : 03-26986600

PRINCIPAL BANKERS

MALAYAN BANKING BERHAD

HONG LEONG ISLAMIC BANK BERHAD

MUFG BANK (MALAYSIA) BERHAD

MIZUHO BANK (MALAYSIA) BERHAD

STOCK EXCHANGE

MAIN MARKET BURSA MALAYSIA SECURITIES BERHAD

Sector : Transportation &
Logistics
Stock Name : TASCO
Stock Code : 5140

WEBSITE

www.tasco.com.my

AUDIT COMMITTEE

ONG HENG KAH

Independent Non-Executive Director
Chairman

DATUK DR WONG LAI SUM

Independent Non-Executive Director
Member

DAVID DEV PETER

Independent Non-Executive Director
Member

NOMINATING COMMITTEE

DATUK DR WONG LAI SUM

Independent Non-Executive Director
Chairperson

ONG HENG KAH

Independent Non-Executive Director
Member

DAVID DEV PETER

Independent Non-Executive Director
Member

REMUNERATION COMMITTEE

DAVID DEV PETER

Independent Non-Executive Director
Chairman

DATUK DR WONG LAI SUM

Independent Non-Executive Director
Member

ONG HENG KAH

Independent Non-Executive Director
Member

**FRONT ROW**

From left to right

- | | |
|--------------------------------|--|
| 1. Freddie Lim Jew Kiat | Non-Independent Executive Director |
| 2. Andy Lee Wan Kai | Non-Independent Group Chief Executive Officer |
| 3. Lee Check Poh | Non-Independent Executive Chairman |
| 4. Norihiko Yamada | Non-Independent Executive Director |
| 5. Tan Kim Yong | Non-Independent Deputy Group Chief Executive Officer |

BACK ROW

From left to right

- | | |
|---------------------------------|------------------------------------|
| 1. Datuk Dr Wong Lai Sum | Independent Non-Executive Director |
| 2. David Dev Peter | Independent Non-Executive Director |
| 3. Ong Heng Kah | Independent Non-Executive Director |

Note:

1. No Director has any family relationships with any other Directors and/or major shareholders of the Company except Mr. Lee Wan Kai who is the son of Mr. Lee Check Poh.
2. Other than the related party transactions disclosed in the Annual Report, no Director has any conflict of interest with the Company.
3. No Director has been convicted of any offences within the past 5 years other than traffic offences, if any.



LEE CHECK POH

Non-Independent Executive Chairman



Date of Appointment

24 April 1989

Qualification

- Bachelor of Arts in Economics (Hosei University, Japan)
- Master of Arts in Economics (Lakehead University, Canada)

Other Directorship in Public Company

None

Experience

- Currently appointed as the Executive Chairman
- Joined the Group in year 1977 and appointed as a Director and the Managing Director in year 1989 and 1998 respectively. Re-designated as Executive Chairman in 2013
- Was appointed as an Executive Director and later as the Managing Director of Sony Logistics (M) Sdn Bhd between 1989 and 2004
- Was appointed as the Chairman of Yusen Logistics (Singapore) Pte Ltd and Chief Regional Officer of Yusen Logistics South Asia Oceania Region from April 2015 to June 2018
- Was appointed as the Director / Executive Officer of Yusen Logistics Co., Ltd from April 2015 to March 2018
- Was appointed as Corporate Officer of Nippon Yusen Kabushiki Kaisha from April 2018 to March 2020

Training

- Integrated Training Program (ITP) by NYK Group South Asia (NGSA) Pte Ltd / FY2023 (South Asia & Oceania Region) Legal & Compliance Training

PROFILE OF BOARD OF DIRECTORS**ANDY LEE WAN KAI**

Non-Independent Group Chief Executive Officer

Date of Appointment: 19 August 2013**Qualification**

- Bachelor of Commerce (Queen's University, Canada)

Other Directorship in Public Company: None**Experience**

- Appointed as Group Chief Executive Officer on 1 April 2020
- Appointed as the Chief Business Development Officer from April 2019 to March 2020
- Appointed as Managing Director of TASCO Yusen Gold Cold Sdn Bhd (a subsidiary of TASCO) from September 2017 to March 2020
- Appointed as Operation Director in charge of Supply Chain Solutions Function from June 2014 to December 2017
- Joined the Group in 2005 and appointed as Corporate Executive Director in 2010
- Prior to his joining the Group, he was practising as a Certified Public Accountant in the audit firms involved in audit engagement, taxation, initial public offering, merger and acquisition projects

Training

- Integrated Training Program (ITP) by NYK Group South Asia (NGSA) Pte Ltd / FY2023 (South Asia & Oceania Region) Legal & Compliance Training
- Laying the Tracks of Tomorrow: The Future of Malaysia's Transport Infrastructure

**TAN KIM YONG**

Non-Independent Deputy Group Chief Executive Officer

Date of Appointment: 17 February 2011**Qualification**

- Chartered Accountant of the Malaysian Institute of Accountants (MIA)

Other Directorship in Public Company: None**Experience**

- Currently appointed as the Deputy Group Chief Executive Officer in charge of Corporate Development Function Group
- Re-designated as Deputy Group Chief Executive Officer in 2019
- Joined the Group in 1996 and appointed as Deputy Managing Director in 2011
- Prior to his joining the Group he was in the auditing line, handled project accounting for a construction company and held the post of Financial Controller in an engineering company and in a German multinational company

Training

- Integrated Training Program (ITP) by NYK Group South Asia (NGSA) Pte Ltd / FY2023 (South Asia & Oceania Region) Legal & Compliance Training
- Webinar Series: Modern Meeting

PROFILE OF BOARD OF DIRECTORS



FREDDIE LIM JEW KIAT

Non-Independent Executive Director

Date of Appointment: 17 February 2011

Qualification

- Malaysia Certificate of Education

Other Directorship in Public Company: None

Experience

- Currently appointed as the Group Chief Executive Officer (“CEO”) of TASCO Yusen Gold Cold Sdn Bhd (a subsidiary of TASCO)
- Resigned as Group CEO of TASCO Berhad in April 2020
- Re-designated as Group CEO of TASCO Group in June 2019
- Joined the Group in 1991 and appointed as the Managing Director from 2013 to 2019
- During his employment in the Company, he was assigned to various business divisions of the Group
- Prior to his joining the Group, he was involved in sales, dealing in courier services, chemicals and computers

Training

- Integrated Training Program (ITP) by NYK Group South Asia (NGSA) Pte Ltd / FY2023 (South Asia & Oceania Region) Legal & Compliance Training



NORIIHIRO YAMADA

Non-Independent Executive Director

Other Directorship in Public Company: None

Experience

- Currently appointed as the Director in charge of the Business Development Function and a representative of YLK
- Redesignated as Chief Sales Officer on 15 May 2024
- Appointed as NYK Group Country Head of Malaysia on 1 April 2024
- Appointed as Chief Business Development Officer on 1 April 2020
- Joined Yusen Air & Sea Service Co. Ltd, Nagoya Cargo Branch in 1992 as Customs Clearance staff, transferred to Nagoya Export Branch from 1993 to 1996 gaining invaluable experience in import and export procedures. Assigned to Sales Promotion Section of Okaya from 1996 to 1998
- Assigned to Miami Branch for a year (1998 – 1999) and thereafter recalled back to Japan to work in Central Japan Sales Division from 1999 to 2005
- Seconded to San Diego Sales Office from 2005 to 2008, thereafter transferred to Los Angeles Branch to in-charge of Sales Promotion of Los Angeles and San Diego and Sales Department Management until 2010
- Recalled to Japan in 2010 and was promoted as Manager in 2012 to in-charge of Development Sales Strategy of Business Planning Section at Global Headquarters thereafter transferred to Kansai Import Branch and work until his appointment to Malaysia as an Executive Director in April 2019

Training

- Integrated Training Program (ITP) by NYK Group South Asia (NGSA) Pte Ltd / FY2023 (South Asia & Oceania Region) Legal & Compliance Training
- Webinar Series: Reading, Understanding and Analysing of Financial Statements for Better Decision Making

Date of Appointment: 1 April 2019

Qualification

- Bachelor of Humanities and Social Sciences (Shizuoka University, Japan)

PROFILE OF BOARD OF DIRECTORS**ONG HENG KAH**

Independent Non-Executive Director

Date of Appointment: 29 May 2023**Qualification**

- Member of Malaysian Institute of Accountants
- Fellow member of Chartered Certified Accountants
- Member of Chartered Tax Institute of Malaysia
- An Approved Company Auditor

Other Directorship in Public Company: None**Experience**

- Appointed as an Independent Director on 29 May 2023 and also the Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee
- Became a member of Chartered Accountant of the MIA in 1996, Fellow member of Chartered Certified Accountants in 2000 and a member of Chartered Tax Institute of Malaysia in 2018.
- Became an Approved Company Auditor in 1998 and currently a partner of Leong Yip Ong & Co.

Training

- National Tax Conference 2023
- Mandatory Accreditation Programme (MAP)
- 2024 Budget Seminar
- MIA Webinar Series: Tax Implications Related to the Implementation of MFRS 15 & MFRS 16
- E-Invoicing: Is Your Business Ready for New Regulations?
- IFRS S1 and S2: Are We Ready?

**DAVID DEV PETER**

Independent Non-Executive Director

Date of Appointment: 29 May 2023**Qualification**

- Master of Law (LLM) (University of London)

Other Directorship in Public Company: None**Experience**

- Appointed as an Independent Director on 29 May 2023. He is also the Chairman of the Remuneration Committee, a member of the Audit Committee and Nominating Committee
- Admitted to the Malaysian Bar as an Advocate and Solicitor of the High Court of Malaya in 1995 and currently a Partner in Messrs Jerald Gomez & Associates
- Board member of the Advocates and Solicitors Disciplinary Board

Training

- Mandatory Accreditation Programme

PROFILE OF BOARD OF DIRECTORS



WONG LAI SUM

Independent Non-Executive Director

Date of Appointment: 1 March 2019

Qualification

- PhD Business, University Malaya
- Master in Public Administration, University Malaya
- Bachelor of Science (Hons) Biochemistry, University Malaya

Other Directorship in Public Company

- SAM Engineering & Equipment (M) Berhad
- Milux Corporation Berhad

Experience

- Appointed as an Independent Director in year 2019, Chairperson of Nominating Committee and member of Audit Committee and Remuneration Committee on 29 May 2023.
- Adviser of Faculty of Business and Accountancy in University of Malaya from 2016 to 2021
- Conjoint Professor (Practice) of Faculty of Business in University of Newcastle, Australia from 2016 to 2018
- Associate Professor of Faculty of Business and Research Fellow of TAR University College from 2016 to 2018 and 2018 to 2019 respectively
- Singapore Business Advisory Group of University of Newcastle from 2016 to 2018
- Director of Port Klang Authority from 2016 to 2017
- Economic Adviser to the Minister of Transport, Ministry of Transport Malaysia from 2016 to 2018
- Adviser to the National Export Council and CEO of the Malaysia External Trade Development Corporation from 2015 to 2016 and 2012 to 2015 respectively
- Director of Malaysia Petroleum Resources Council from 2013 to 2015
- Director and Trustee of the Malaysia Furniture Promotion Council from 2012 to 2015
- Director of MyCEB Tourism from 2012 to 2014
- Co-Chairman of Professional Services Development Council, Malaysia from 2012 to 2014

Training

- Navigating the ESG Risk in the Supply Chain
- Rewiring the Customer Experience with Data and AI
- Advancing Cyber Resilience : “Board’s Top 3 Must Know”
- Conflict of Interest and Governance of Conflict of Interest
- Bursa Malaysia Mandatory Accreditation Programme (MAP II : Leading for Impact)

PROFILE OF KEY MANAGEMENT**DORAIRAJ A/L SENGARAM**Deputy Group Chief Executive Officer
Operations**Qualification**Bachelor of Business Administration
(Universiti Utara Malaysia)**Working Experience**

- Joined the company in 2011 as General Manager
- Appointed as Deputy Group Chief Executive Officer in May 2024
- Appointed as Chief Operating Officer in 2017
- Appointed as Corporate Director in 2016
- In charge of Operations
- 34 years of logistics experience

**CHE WUI CHING**Corporate Director
Finance Group**Qualification**Bachelor of Commerce in Accounting
(University of Otago, New Zealand)**Working Experience**

- Joined the Company in 1999 as an Assistant Supervisor
- Appointed as the Corporate Director in 2016
- In charge of the Finance Group
- 26 years of working experience in accounts and finance

**MOHD SUFFIAN BIN MOHD SAID**Corporate Director
ESG Group and Compliance Group**Qualification**Bachelor in Business Administration
(University of North Texas, USA)**Working Experience**

- Joined the Company in 2008 as Deputy General Manager
- Appointed as Corporate Director in 2016
- In charge of ESG Group and Compliance Group
- 33 years of logistics and supply chain experience

**LAWRENCE QUEK HWAI CHOO**General Manager
Southern Region Head**Qualification**Diploma in Business Management
(SBTC College, Johor, Malaysia)**Working Experience**

- Joined the company in 2010 as Manager
- Promoted to General Manager in 2021
- In charge of Southern Region branches
- 36 years of logistics working experience

**LIOW WEI KUNG**Corporate Director
IT Development Group**Qualification**Bachelor of Science (Hons) Computing
(University of Bolton, UK)
Higher Diploma in Accounting**Working Experience**

- Joined the Company in 1991 as Head of Accounts Department in Penang Prai Logistics Centre
- Appointed as Head of Planning and Control in Head Quarter in 1999
- Appointed as Head of IT Division in 2002
- Appointed as the Corporate Director in 2021
- In charge of IT Software Development Group
- 22 years of experience in Software Engineering and Project Management. 13 years of experience in Accounting and Finance

**KONG PUI KIN**Corporate Director
Business Development,
Japanese Account Management Group**Qualification**Bachelor of Arts in Business Management
(Reitaku University, Japan)**Working Experience**

- Joined the Company in 2012 as Deputy General Manager
- Appointed as Corporate Director in 2023
- In charge of Japanese Account Management Group
- 18 years of experience in International Freight Forwarding.

**HARIS FAZAIL BIN HAROON**Corporate Director
Quality & Performance Improvement Group**Qualification**Advanced Diploma in
Business Administration (Transport)
(Institute Teknologi MARA Shah Alam)**Working Experience**

- Joined the company in 1995 as an Executive
- Appointed as Corporate Director in 2011
- In charge of Quality & Performance Improvement (QPI) & Technology Group, Contract Logistics Group (Warehouse & In Plant) and Land Transports Group (Haulage, Trucking & Rail Group)
- 29 years of working experience in the trucking business

PROFILE OF KEY MANAGEMENT



SUNG BOON LEONG

Corporate Director
Northern Region Head



Qualification

Bachelor of Social Science in Economics and Psychology (Universiti Kebangsaan Malaysia)



Working Experience

- Joined the Company in 1989 as an Officer
- Appointed as Corporate Director in 2016
- In charge of Northern Region branches
- 35 years of logistics experience working in the Company



LIM CHIN LEE

Senior General Manager
Business Development, Non-Japanese Account Management Group



Qualification

Bachelor of Commerce in Marketing and Management (Curtin University, Perth, Western Australia)



Working Experience

- Joined the Company in 2000 as an Executive
- Promoted to Senior General Manager in 2021
- In charge of Business Development, Accounts Management Group
- 26 years working experience in total logistics sales



MALCOLM JOHN WADDELL

Corporate Director
Business Development, Non-Japanese Account Management Group



Qualification

Bachelor of Science in Mathematics
Chartered Member of the Institute of Logistics & Transport (CMILT)



Working Experience

- Joined the Company in 2010 as Corporate Director
- In charge of Business Development of Non-Japanese Total Logistics Sales
- 43 years of experience in international business development and supply chain solutions
- Concurrent assignment as Director of Regional Business Development, South Asia & Oceania



TAKAHIKO KAWASE

General Manager
Business Development, Japanese Account Management Group



Qualification

Bachelor of Business Administration (Nanzan University, Japan)



Working Experience

- Joined the Company in 2023 as a General Manager
- Joined Yusen Logistics Co., Ltd. in 2001
- In charge of Business Development, Japanese Account Management Group
- 23 years of experience in total logistics sales
- Worked for Yusen Japan, Yusen France and Yusen Thailand before being assigned to Malaysia



TAI KAIN FATT

Corporate Director
Contract Logistics and Trucking Group
TASCO Yusen Gold Cold Sdn Bhd ("TYGC") Group



Qualification

Fellow Member of the Association of Chartered Certified Accountants (FCCA)



Working Experience

- Joined the company in 2010 as a Manager in Supply Chain Support
- Appointed as Corporate Director of TYGC in 2021
- In charge of Contract Logistics and Trucking Group
- 14 years of experience in logistics industry
- Prior to the above, he practiced as a Chartered Accountant.



CHOY WENG HOE

Corporate Director
Finance, Legal & Human Resource Group
TASCO Yusen Gold Cold Sdn Bhd ("TYGC") Group



Qualification

Master of Business Administration (Charles Sturt University, Australia)
Chartered Accountant of the Malaysian Institute of Accountants (MIA)



Working Experience

- Joined Gold Cold Transport Sdn Bhd as Head of Finance since year 2015
- Appointed as Corporate Director of TYGC in 2019
- In charge of Finance, Legal and Human Resource of TYGC Group
- 32 years of experience in accounts and finance

Note :

1. No Key Senior Management has any family relationships with any directors and/or major shareholders of the Company.
2. No Key Senior Management has any conflict of interest with the Company.
3. No Key Senior Management has been convicted of any offences within the past 5 years other than traffic offences, if any.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

To earn the trust of stakeholders – including shareholders, customers, business partners, and the regional communities where TASCO operates – and to meet their expectations, the Group is dedicated to building and continually enhancing a management structure that prioritizes transparency and efficiency.

Guidelines

The Board of Directors (“Board”) is committed to ensuring that the principles and best practices of corporate governance are observed and practiced throughout the Group. This commitment is fundamental to fulfilling its responsibilities to protect and enhance shareholders’ value while continuing to deliver sustainable performance.

The Malaysian Code on Corporate Governance (“Code”) outlines the principles and best practices regarding structures and processes that the Group may employ to achieve an optimal governance framework. The Board has provided specific disclosures on the application of each practice in its Corporate Governance Report (“CG Report”). The CG Report was announced to Bursa Securities alongside the Company’s Annual Report. A copy of the CG Report can be obtained from the Company’s website at www.tasco.com.my. Shareholders are advised to read this Overview Statement in conjunction with the CG Report.

Outlined below is the manner in which the Group has applied the principles of corporate governance and the extent to which it has complied with the best practices set out in the Code.

BOARD LEADERSHIP AND EFFECTIVENESS**I Board Responsibility****Internal Organisation Structure**

The Board comprises eight (8) members, including three (3) Independent Non-Executive Directors. Additionally, the Board has established the following three (3) Board Committees, and at management level, a Risk Management Committee assists the Board in carrying out its fiduciary duties. The Board Committees are:

- (a) Nominating Committee
- (b) Remuneration Committee
- (c) Audit Committee

These Board Committees deliberate on particular issues and report their findings and recommendations to the Board. However, the ultimate responsibility for all decisions lies with the entire Board.

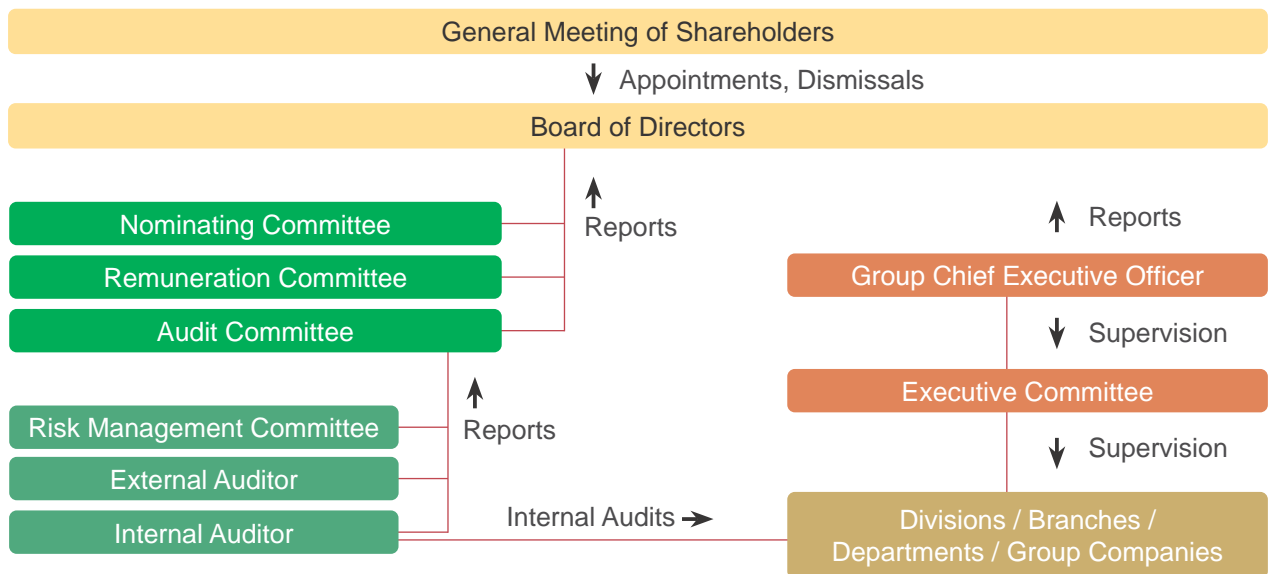
The Executive Committee, headed by the Group Chief Executive Officer, comprises Seventeen (17) members, including Executive Directors from the Board and senior level staff. The Executive Committee is responsible for discussing matters of particularly critical importance from the prospective of day-to-day management and operational strategies.

The positions of the Chairman and the Group Chief Executive Officer are held by two (2) individuals to promote accountability and facilitates the division of responsibilities between them. There is a clear division of responsibilities between the Chairman and the Group Chief Executive Officer, ensuring a balance of power and authority.

The Chairman is primarily responsible for the orderly conduct and workings of the Board, which includes leading the board in its collective oversight of management. Meanwhile, the Group Chief Executive Officer focuses on the business and day-to-day operations, as well as coordinating the development and implementation of business and corporate strategies. The division of responsibilities have clearly defined in the Board Charter.

Overall, our internal organisation structure is designed to clarify lines of authority and responsibility for the business and operation strategies, promote fast and accurate decisions, and enhance management transparency and efficiency.

CORPORATE GOVERNANCE OVERVIEW STATEMENT



Board Charter and Directors’ Code of Conduct and Ethics

The Board has formally adopted a Board Charter, which provides guidance to the Board in fulfilling its roles, duties, and responsibilities in line with the principles of good corporate governance. The Board Charter outlines the responsibilities of the Board, its Committees, and the requirements of Directors and Management. It undergoes periodic review to ensure consistency with the Board’s strategic intent and relevant standards of corporate governance. The Board Charter was last reviewed on 28 April 2022.

The Board is committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The Directors’ Code of Conduct and Ethics provide guidance for Directors regarding ethical and behavioural considerations and actions as they address their duties and obligations during their appointment.

The Board Charter and Directors’ Code of Conduct and Ethics are made available for reference on the Company’s website at www.tasco.com.my. The Board Charter will be periodically reviewed and updated to align with the needs of the Company and any new regulation that may impact the discharge of the Board’s responsibility.

Corporate Compliance Policy and Whistleblowing Policy and

The Company has established a Corporate Compliance Policy to guide acceptable employment practices, ethical values and conduct for the behaviour of employees. The Board also encourages employees within the Group to report suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse involving resources of the Company.

The Whistleblowing Policy and Procedure adopted by the Company provides and facilitates a mechanism for any individual to report concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse.

During the financial year, there were no complaints received.

The Corporate Compliance Policy and Whistleblowing Policy and Procedure are made available for reference on the Company’s website at www.tasco.com.my.

Succession Planning

The Board recognises the importance of succession planning to ensure the sustainability and continuity of the Group. All candidates appointed to senior management positions are of sufficient caliber, and there are programs in place to provide for the orderly succession of senior management. Succession planning also encompass appointing, assessing, training, setting the compensation of, and where appropriate, replacing senior management when necessary.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Chairman of the board should not be a member of the Audit Committee, Nominating Committee and Remuneration Committee

To avoid impairing the objectivity of the Chairman and the Board when deliberating on the observations and recommendations put forth by the board committees, the Chairman of the Board is not a member of the Audit Committee, Nominating Committee or Remuneration Committee. This ensures there is a check and balance as well as objective review by the Board.

Qualified Company Secretaries

The Board ensures that the Company is supported by qualified, experienced, and competent company secretary. The Company Secretary serves as the official liaison party to TASCO, communicating, preparing and submitting statutory returns with the Companies Commission of Malaysia (“CCM”) in compliance with the statutory requirements under the Malaysian Companies Act 2016 (“Act”).

The Company Secretary plays an important role in advising the Board on issues related to corporate compliance with the relevant laws, rules, procedures and regulations affecting the Board and the Group, as well as best practices of governance. The Directors have ready and unrestricted access to the advice and services of the Company Secretary. The Board is regularly kept up to date on and apprised of any regulations and guidelines.

The appointment and removal of the Company Secretary shall be within the purview of the Board.

Board meeting

The Board convenes at least four (4) scheduled Board meetings during each financial year. Additional meetings will be scheduled depending on business requirements, where appropriate. During the financial year, a total of four (4) Board meetings were held.

The Chairman has structured a pre-set agenda for the Board meeting and adequate time was allocated for the discussion of issues tabled to the board for deliberation. The agenda and the Board papers are circulated to Directors 7 days in advance to enable the Directors to effectively discharge their responsibilities. Any additional information requested by Directors is readily available and provided in a timely manner. Reports on the performance of the Group are also circulated to the Directors for their perusal and comments.

The Board maintains a formal schedule of matters reserved for its deliberation and decision-making. These include the approval of annual and interim results, major capital expenditure, budgets, major investments, strategic issues affecting the business of the Group, corporate policies and procedures and corporate plans.

In addition, on important matters that require the Board’s decisions, prior briefings, if necessary, are provided or conveyed by Executive Directors to other Board members to ensure full knowledge and understanding thus enhancing the members’ comprehension of Board papers before deliberations.

The Board is also notified of any corporate announcements to be released to Bursa Malaysia and is kept informed of updates issued by the various regulatory authorities.

All the deliberations and decisions of the Board meetings have been accurately reflected in the minutes, including any dissenting views and if any director had abstained from voting or deliberating on a particular matter. The minutes are circulated in a timely manner, and the Chairman signed the minutes upon confirmation by the Board of Directors and Board Committees at the next meeting.

In furtherance of their duties, the Directors have access to all information pertaining to the Group as well as the ability to seek independent professional advice at the Company’s expense, if necessary. The Directors also have access to the advice and services of the Company Secretary, who must ensure that all necessary information is obtained from Directors for the Company’s own records and for meeting statutory obligations, as well as obligations arising from the Main Market Listing Requirements (“LR”) of Bursa Malaysia and other regulatory requirements. The Board acknowledges the fact that the Chairman is entitled to the positive support of the Company Secretary in ensuring the effective functioning of the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The underlying factors of directors' commitment to the Company include devotion of time and continuous improvement of knowledge and skill sets. Besides Datuk Dr Wong Lai Sum, who is currently holding two (2) directorships in other public listed companies, none of the other Directors hold directorship in other listed company.

The annual schedule of meetings of the Board, its Committees, and shareholders meeting is usually set at the end of each year to enable the Directors to plan ahead and to facilitate their commitment to these meetings for the following year. Additional meetings are planned as and when necessary. Details of the attendance at Board and Board Committee meetings are outlined in the relevant sections of this Statement.

Sustainability

The Board together with the management, takes responsibility for the governance of sustainability in the company, including setting the company's sustainability strategies, priorities and targets. The Board recognised that an effective board leadership and oversight require the integration of sustainability considerations in corporate strategy, governance and decision-making. Sustainability and its underlying environment, social as well as governance ("ESG") issues have become increasingly material to the ability of companies to create durable and sustainable value and maintain confidence of our stakeholder.

The Company has formally adopted a Sustainability Policy to provide a series of guidance for taking proactive actions and effectively measures to anticipate and address material ESG risks and opportunities. The Sustainability Policy is available on the Company's website at www.tasco.com.my.

The Board, together with the management, have set out the long-term strategy and a clear plan on sustainability, including supporting the global transition to a net-zero economy. Please refer to our Sustainability Statement from pages 27 to 88.

The Board has identified a designated person within the management, to provide dedicated focus on managing sustainability strategically, including the integrated of sustainability considerations into the operations of the company.

II. Composition of the Board

The Board comprises the following members and the details of attendance of each member at the Board meetings held during the financial year ended 31 March 2024 are as follows:

Name	Status of Directorship	Independent	Meeting Attended
Lee Check Poh (Chairman)	Executive	No	4/4
Lee Wan Kai (Group Chief Executive Officer)	Executive	No	4/4
Tan Kim Yong (Group Deputy Chief Executive Officer)	Executive	No	4/4
Lim Jew Kiat	Executive	No	4/4
Norihiko Yamada	Executive	No	4/4
Datuk Dr Wong Lai Sum	Non-Executive	Yes	4/4
David Dev Peter Appointed on 29.05.2023	Non-Executive	Yes	3/3
Ong Heng Kah Appointed on 29.05.2023	Non-Executive	Yes	3/3

Note: the number of meetings attended by them is calculated based on their attendance of the meetings hold subsequent to their appointment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Group's leadership is spearheaded by a seasoned and dynamic Board of Directors. This Board is composed of a diverse mix of professionals, long-serving staff members, and entrepreneurs, all of whom bring a wealth of skills from various business, financial, economic, and legal fields. By setting clear objectives and strategic directions, the Board ensures effective control and provides robust leadership, overseeing the Group's overall operations and management.

The Board reviews and adopts a strategic plan that covers the core business of the Group. The various strategies and objectives identified in the plan are monitored and evaluated during the implementation. Additionally, the Board implements a risk management system that identifies principal risks and ensures their management to mitigate potential impacts. Other responsibilities include reviewing the adequacy and integrity of the Group's internal control systems and management information systems for compliance with applicable laws, regulations, rules, directives and guidelines, as well as developing and implementing succession planning for senior management and an investor relations program for the Group.

The Board considers its current size to be adequate, facilitating effective decision-making. Additionally, the Board annually reviews the appropriateness of its size.

The Board's composition complies with the LR that requires at least 1/3 of the Board to comprise Independent Non-Executive Directors. However, it does not in line with Practice 5.2 of the Code, which requires at least half of the Board members to be independent directors. Necessary steps will be taken to meet the requirements of the Code.

There is a balance on the Board due to the presence of Independent Non-Executive Directors, who bring strong independent judgment, knowledge, skills and experience to the Board's deliberations during the decision-making process. The Independent Non-Executive Directors ensure that the interest of the minority shareholders and other stakeholders are given due consideration in the deliberations of the various issues and matters affecting the Group.

Tenure of Independent Directors

None of the existing Independent Directors of the Company has serve for a period of more than nine (9) years.

Appointment and Re-election of Directors

The Company has established a nomination process to appoint new directors and adopted a Fit and Proper Policy has also been adopted on 30 June 2022.

The Nominating Committee is empowered to identify and recommend new appointments to the Board. The potential candidates may be proposed by independent sources, existing directors, senior management staff, shareholders or third-party referrals. Under normal circumstances, the Nominating Committee reviews new board candidates to fill vacancies arising from resignation, retirement or any other reasons and make recommendations to the Board for decision. Based on the Nominating Committee's recommendation, the Board evaluates and decides on the appointment of the proposed candidate.

Upon receipt of the proposal, the Nominating Committee is responsible to conducting an assessment and evaluation of the proposed candidate in accordance with the Fit and Proper Policy. Besides following the guidance outlined in the Fit and Proper Policy, the assessment and evaluation process may also include, at the Nominating Committee's discretion, reviewing the candidate's resume, curriculum vitae, qualifications, as well as conducting formal or informal interviews.

In discharging its duty, the Nominating Committee assesses the suitability of an individual for appointment to the Board by considering the individual's skills, knowledge, expertise, experience, age, cultural background, gender, strength of qualities, competency, and understanding of the business environment. The Nominating Committee also considers the time the candidate can devote to effectively serve on the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Company has a gender diversity policy in place, which mandates that any list of proposed candidates for the Board and/or Senior Management shall include at least one (1) woman candidate, wherever reasonably possible during the selection process. The Nominating Committee and the Board are responsible for ensuring that gender diversity objectives are integrated into board and senior management recruitment, performance evaluation, and succession planning processes. The Company is committed to providing a suitable working environment free from harassment and discrimination to attract and retain women's participation in the Board and Senior Management. Since 1 March 2019, a female director has been appointed. Additionally, there is one (1) female member in the Executive Committee of the Board, which is equivalent to 5.88%. For appointment of Independent Directors, the Nominating Committee also assesses whether the candidate meets the requirements for independence based on criteria prescribed in the LR.

According to the Company's Constitution, all newly appointed Directors are subject to retirement and are entitled for re-election at the first Annual General Meeting ("AGM") following their appointment. At every subsequent AGM, one-third of the existing Directors, including the Managing Director, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office provided always that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election. An election of Directors shall take place every year. The election of each Director is voted separately. Any person appointed by the Board either to fill casual vacancy or as an addition to the existing Directors, shall hold office only until the next AGM and shall be eligible for re-election.

For the appointment of Senior Management, the Director responsible for the recruitment of the respective position considers objective criteria, merit and gives due regard to diversity factors such as skills, experience, expertise, age, cultural background, gender, strength of qualities, competency and understanding of the business environment.

Nominating Committee

The Nominating Committee was established on 6 December 2007, and its terms of reference, as well as the nomination and election process of directors are accessible for reference on the Company's website at www.tasco.com.my. The terms of reference of Nominating Committee were last reviewed on 28 April 2022.

The Nominating Committee comprises the following members and the details of attendance of each member at the Nominating Committee meeting held after their appointment as members of the Nominating Committee are as follows:

Name	Status of Directorship	Independent	Meeting Attended
Datuk Dr Wong Lai Sum (Chairperson) Appointed on 29.05.2023	Non-Executive	Yes	1/1
Ong Heng Kah Appointed on 29.05.2023	Non-Executive	Yes	1/1
David Dev Peter Appointed on 29.05.2023	Non-Executive	Yes	1/1

The Nominating Committee was established by the Board to ensure an appropriate balance, size and the necessary mix of skills, experience, and core competencies to effectively govern the organisation and achieve its intended goals and objectives. Its responsibilities include proposing new candidates for the Board and assessing Directors on an ongoing basis.

CORPORATE GOVERNANCE OVERVIEW STATEMENT**a) Annual Assessment of Existing Directors**

The director, who is subject to re-election and/ or re-appointment at next AGM, met the fitness and propriety in line with the Fit and Proper Policy and undergoes assessment by the Nominating Committee before recommendations are made to the Board and shareholders for the re-election and/ or re-appointment. This assessment is based on the yearly assessment conducted by the Nominating Committee.

The Nominating Committee will review and assess the mix of skills, expertise, composition, size and experience of the Board of Directors. Additionally, the Committee will evaluate the performance of each individual director, the effectiveness of the Board, and the Board Committees.

The Nominating Committee convened to review the mix of skills, experience, and qualities of the Board committees and Board members, as well as the appropriateness of the Board's size. After thorough evaluation, the Committee concluded that the Board composition was adequately balanced, ensuring continued effectiveness and efficiency.

b) Assessment on Independence of Directors

In accordance with the Code, the Board, assisted by the Nominating Committee, conducts an annual review of the independence of the Company's Independent Non-Executive Directors. The Board employs the definition of an 'Independent Non-Executive Director' as provided by the LR, using this definition as criteria for the independence assessment of Directors, who are required to provide written confirmation of their independence on a yearly basis. Additionally, consideration is given to assessing whether the independent directors can act independently of management and free from any business or other relationships.

Any director who believes they have or may have a conflict of interest, material personal interest, or a director or indirect interest or relationship that could reasonably be considered to influence the Directors' decisions on any matter concerning the Company is required to promptly disclose it to the Board. Furthermore, they must abstain from participating in any discussion or voting on the respective matter.

Following the assessment conducted, the Nominating Committee is satisfied that the Independent Non-Executive Directors comply with the definition of Independent Non-Executive Directors as defined in the LR.

c) Assessment on Audit Committee as a whole and the performance of the individual Audit Committee member

The Nominating Committee has reviewed the term of office of the AC members and assessed the performance of the Audit Committee and its members during the financial year. The Committee was satisfied with the assessment results.

The members of the Nominating Committee have reviewed and recommended to the Board the re-election of Directors who retire in accordance with the Company's Constitution.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Directors' Training

The Board recognises the needs to attend training to enable its members to discharge their duties effectively.

The Board has empowered the Directors of the Company to determine their own training requirements as they consider necessary to stay updated on various issues in the changing business environment, regulatory changes, and corporate governance developments. This approach aims to enhance their professionalism and knowledge to effectively discharge their duties and obligations. Throughout the financial year, Directors have attended training sessions listed under their individual director profiles. This practice aligns with paragraph 15.08(2) of the LR. A brief description of the trainings attended by the Directors is as follows: -

No. Programme

- 1 Integrated Training Program (ITP) by NYK Group South Asia (NGSA) Pte Ltd/FY2023 (South Asia & Oceania Region) Legal & Compliance Training
- 2 Webinar Series: Modern Meeting
- 3 Webinar Series: Reading, Understanding and Analysing of Financial Statements for Better Decision Making
- 4 Laying the Tracks of Tomorrow: The Future of Malaysia's Transport Infrastructure
- 5 National Tax Conference 2023
- 6 2024 Budget Seminar
- 7 MIA Webinar Series: Tax Implications Related to the Implementation of MFRS 15 & MFRS 16
- 8 E-Invoicing: Is Your Business Ready for New Regulations?
- 9 Navigating the ESG Risk in the Supply Chain
- 10 Rewiring the Customer Experience with Data and AI
- 11 Advancing Cyber Resilience: "Board's Top 3 Must Know"
- 12 Conflict of Interest and Governance of Conflict of Interest
- 13 Bursa Malaysia Mandatory Accreditation Programme
- 14 Bursa Malaysia Mandatory Accreditation Programme (MAP Part II: Leading for Impact)
- 15 IFRS S1 S2 : Are We Ready?

For new Directors, a familiarisation program has been conducted to acquaint them with the Group's operations. This program includes presentation of the Group's operations, meetings with senior management, and site visits, where appropriate, to facilitate their understanding of the Group.

The Board receives regular updates from the Company Secretary regarding the latest updates and major amendments to the LR and other regulatory requirements pertinent to the discharge of the Directors' duties and responsibilities. Additionally, the External Auditors highlighted changes to the Malaysian Financial Reporting Standards and legislation affecting the Company's financial statements during the financial year.

III Remuneration Committee

The Remuneration Committee comprises the following members and the details of attendance of each member at the Remuneration Committee meeting held after their appointment as members of the Remuneration Committee are as follows:

Name	Status of Directorship	Independent	Meeting Attended
David Dev Peter (Chairman) Appointed on 29.05.2023	Non-Executive	Yes	1/1
Datuk Dr Wong Lai Sum Appointed on 29.05.2023	Non-Executive	Yes	1/1
Ong Heng Kah Appointment of 29.05.2023	Non-Executive	Yes	1/1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Remuneration Committee is tasked with recommending to the Board the remuneration of the Executive Directors, in all forms. The determination of the remuneration of Non-Executive Directors as well as Executive Directors will be decided by the Board as a whole, with the Director concerned abstaining from deliberations and voting on the decisions regarding their individual remuneration.

The terms of reference of the Remuneration Committee were last reviewed by the Board on 28 April 2022 and they comply with the recommendations of the Code. The terms of reference can be obtained from the Company's website at www.tasco.com.my.

The levels of remuneration for Directors should be set at a rate that attracts and retains their services, considering prevailing market pay and employment conditions within the industry. Remuneration packages should include components that link corporate performance and individual contribution, particularly for Executive Directors. Non-Executive Directors should receive reasonable allowances and fees commensurate with their experience and skills.

The Board has established a Remuneration Policy to create a formal and transparent procedure for developing the structure of remuneration packages for Directors and Key Senior Management. The Company's objective is to maintain a competitive remuneration package that attracts, retains and motivates high-quality Board and Key Senior Management members to achieve Company's business objectives, while also aligning with shareholders' interests. The Remuneration Policy is available for reference on the Company's website at www.tasco.com.my.

Pursuant to Section 230(1) of the Act, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries must be approved at a general meeting.

The proposed amount of Directors' fee for the shareholders' approval at the forthcoming AGM is RM350,000 for the period from 6 September 2024 until the next AGM. Additionally, shareholders' approval will be sought at the forthcoming AGM for the payment of Directors' benefit (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM30,000 from 6 September 2024 until the next AGM of the Company.

The details of the remuneration of Directors of the Company and Group for the financial year ended 31 March 2024 by category and in the band of RM50,000 are as follows:

Received from the Company

Range of Remuneration	Executive Directors	Non-Executive Directors
Below RM50,000	-	6
RM250,001 to RM300,000	1	-
RM1,400,001 to RM1,450,000	2	-
RM1,450,001 to RM1,500,000	1	-
RM2,150,001 to RM2,200,000	1	-

The remuneration is further analysed by fees and salaries and other emoluments:

	Fees RM	Salaries and other emoluments RM	Total RM
Executive Directors	-	6,751,867	6,751,867
Non-Executive Directors	164,000	-	164,000

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Received from the Group

Range of Remuneration	Executive Directors	Non-Executive Directors
Below RM50,000	-	6
RM250,001 to RM300,000	1	-
RM1,400,001 to RM1,450,000	2	-
RM1,450,001 to RM1,500,000	1	-
RM2,150,001 to RM2,200,000	1	-

The remuneration is further analysed by fees and salaries and other emoluments:

	Fees RM	Salaries and other emoluments RM	Total RM
Executive Directors	-	6,751,867	6,751,867
Non-Executive Directors	164,000	-	164,000

The details of the remuneration of Key Management of the Company and Group for the financial year ended 31 March 2024 by category and in the band of RM50,000 are as follows:

Range of Remuneration	Group	Company
RM250,001 to RM300,000	1	1
RM300,001 to RM350,000	2	2
RM350,001 to RM400,000	2	1
RM400,001 to RM450,000	2	1
RM500,001 to RM550,000	1	1
RM750,001 to RM800,000	2	2
RM850,001 to RM900,000	1	1
RM900,001 to RM950,000	1	1

Summary of activities of Remuneration Committee:

- Reviewed the remuneration packages for the Executive Directors.
- Reviewed the fees and benefits of the Non-Executive Directors and recommended to the Board to seek shareholders' approval.

EFFECTIVE AUDIT AND RISK MANAGEMENT

I Audit Committee

The Audit Committee assists the Board to reviewing the adequacy and integrity of the Group's internal control systems and all financial statements before their submission to the Board for approval. The terms of reference of Audit Committee was last reviewed on 28 April 2022 and is available in the Company's website.

The Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee comprises solely Independent Non-Executive Directors. The role of the Audit Committee is to support the Board in overseeing the processes for the production of financial data, reviewing financial reports, and assessing the internal control of the Group.

The composition of the Audit Committee, along with its reports, is presented in the Audit Committee Report within this Annual Report. The Board has not appointed any of the Company's former key audit partners as a member of the Audit Committee. The Audit Committee adheres to a minimum three (3) years cooling-off period before any former key audit partner can be appointed as a member of the Audit Committee.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board has upheld a professional and transparent relationship with the Group's auditors, both external and internal. The Audit Committee consistently seeks assurance on the effectiveness of the internal control systems through independent appraisal by the auditors, ensuring compliance with the applicable accounting standards in Malaysia. There exists liaison and unrestricted communication between the Audit Committee and the external auditors.

The external auditors would be re-appointed annually subject to annual evaluation by the Audit Committee. As part of the evaluation process, the Audit Committee obtains feedback from the management team on the quality of the audit service provided by the external auditors. Additionally, the audit partner in-charge of a public listed company should be rotated (within the audit firm) every seven (7) years to ensure independence of audit.

The Audit Committee has conducted the annual evaluation on the suitability and performance of the auditors based on the relevant criteria set out in the policy and procedures of the Company. This includes assessing the adequacy of resources of the firm, quality of service and competency of the staff assigned to the audit, the external auditors' independence and the costing. Satisfied with RSM (Malaysia) PLT's performance and audit independence, the Audit Committee recommended their re-appointment as external auditors.

Furthermore, the Audit Committee has obtained written confirmation from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement for the financial year, in accordance with the terms of all relevant professional and regulatory requirements.

Approval by the Audit Committee is required before the external auditor and its affiliates render any non-audit services. This approval process considers the nature and extent of the non-audit services and assesses the appropriateness of the level of fees associated with those services.

The Board accepted the Audit Committee's recommendation and was satisfied with RSM (Malaysia) PLT's suitability and audit independence. Consequently, the Board agreed to propose a resolution on their appointment to the shareholders for approval at the forthcoming AGM.

For the financial year ended 31 March 2024, statutory audit fees incurred by the Company and on Group basis is RM157,500 and RM380,000 respectively.

The non-audit fees incurred for services rendered for the Company and the Group by the external auditors for the financial year ended 31 March 2024 is RM25,300.

The Board, guided by recommendations by the Audit Committee, ensures that all quarterly announcements and annual reports present a balanced and understandable assessment of the Group's financial position and prospects. Additionally, the Board is obligated by the Act to prepare financial statements that provide a true and fair view of the state of affairs, including cash flows and results of the Group and of the Company for the financial year. A statement by the Board of its responsibilities for preparing the financial statements is set out on page 115 of this Annual Report.

In presenting its quarterly results and annual financial statements to the shareholders, the Directors aim to present a balanced and understandable assessment of the Group's position and prospects. The Company has established an appropriate and transparent relationship with its external auditors through the Audit Committee. Additionally, both the Audit Committee and the Board review the information to be disclosed before the release to Bursa Malaysia.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

II. Risk Management and Internal Control Framework

The Board acknowledges the importance of a sound system of internal control for the Group, which includes risk assessment. The Board recognizes its ultimate responsibilities in ensuring the maintenance of such a system.

The Company adopts the COSO (Committee of Sponsoring Organisations of the Treadway Commission) control framework throughout its audit implementation as a basis for assessing the adequacy and effectiveness of the Company’s risk and control processes. Additionally, the Company has established a Risk Management Committee at management level, comprising 14 members of senior level staff. This Committee is responsible for ensuring the existence of a risk management program to identify and manage major or significant operational, financial, and market risks associated with the Group’s businesses.

The Risk Management Committee seeks to enhance the administration and operation of the Company by adopting the following Risk Tabulation Table to identify and evaluate its risk exposure, with a focus on operational processes. The Committee will take appropriate measures to mitigate these risks in the future.

Risk Tabulation Table			
LIKEHOOD	High		
	Medium		
	Low		
	Minor	Moderate	Major
IMPACT			

The terms of reference of the Risk Management Committee have been approved by the Board.

Internal Control System

The Directors recognize their ultimate responsibility for the Group’s system of internal controls and the need to review the adequacy and the integrity of these systems.

Additionally, the Directors acknowledge the importance of identifying principal risks and implementing an appropriate risk management system. The Group has an internal audit function, which reports to the Audit Committee and assists the Board in monitoring and managing risks and internal controls.

Internal Audit Function

The Board acknowledges its responsibility for maintaining a sound system of internal controls. This system aims to provide a reasonable assessment of effective and efficient operations, internal financial controls, and compliance with laws, regulations, internal procedures, and guidelines.

The Internal Audit Function is outsourced to an independent professional firm, Messrs. Omar Arif & Co., which reports directly to the Audit Committee. Each quarterly audit is conducted by approximately 2 to 3 internal auditors, depending on the area of audit. The Internal Auditor prepares and presents an Annual Internal Audit Plan for the consideration and approval of the Audit Committee. The Internal Auditor adopts a risk-based approach in preparing its audit strategy, and the annual plan is based on the risk profiles of the business operations. The scope of the internal audit is determined by the audit plan. The Internal Auditor reports to the Audit Committee on a quarterly basis and provides independent views on the adequacy, integrity and effectiveness of the system of internal control following its reviews.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Audit Committee has conducted an annual assessment of the Internal Audit Function to ensure adequacy of its scope, competency and resources, enabling it to effectively perform its function in accordance with the relevant professional standards. During audits, the Internal Auditor remains free from any relationships or conflicts of interest that could impair their objectivity and independence.

During the financial year, the Internal Auditor conducted audits in the areas of Procurement, Sales, Information Technology Management and Payment. Additionally, they conducted Follow-up Audits to ensure that relevant action plans for operational efficiency were carried out. Additionally, the Internal Auditor presented the Audit Planning Memorandum for the financial year ending 31 March 2024 to the Audit Committee for approval.

The Group incurred RM59,470 for internal audit costs during the financial year ended 31 March 2024.

The Statement of Risk Management and Internal Control, located on pages 119 to 120 of this Annual Report, provides an overview of the state of internal controls within the Group. This statement has been reviewed by external auditors. Further information on the internal audit function and its activities are set out on page 120 of this Annual Report.

INTEGRITY IN CORPORATE REPORTING AND MENINGFUL RELATIONSHIP WITH STAKEHOLDERS**III. Communicate with Stakeholders**

The Board highly values its dialogue with both institutional shareholders and private investors, acknowledging the importance of providing timely and equal dissemination of relevant information to them. In this regard, the Board adheres to the disclosure requirements of Bursa Malaysia by making announcements via the Bursa Malaysia's website at www.bursamalaysia.com. Furthermore, information about the Company is disseminated through the following channels:

- a) Annual Report;
- b) Circular to Shareholders; and
- c) Company's website at www.tasco.com.my

Any enquiry regarding the Company and its group of companies may be conveyed to the following personnel:

Mr. Lee Wan Kai**(Group Chief Executive Officer)**

Telephone number : 03-51018888
 Fax number : 03-55488288
 Email address : andy.lee@tasco.com.my

Mr. Tan Kim Yong**(Deputy Group Chief Executive Officer)**

Telephone number : 03-51018888
 Fax number : 03-55488288
 Email address : ky.tan@tasco.com.my

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board actively engages with the relevant stakeholders, including employees, shareholders, potential investors, authorities, and customers, to gain a better understanding of the expectations and concerns, as well as the company's impact on them. The Company holds briefing sessions for fund managers, investment analysts, potential investors, and the media in conjunction with the announcement of quarterly results, yearly financial results to Bursa Malaysia and AGM.

The Company's annual report is uploaded to the Company's website and hard copies are available upon request. Additionally, various announcements, particularly the timely release of quarterly results, are made through Bursa Malaysia. Members of the public can obtain the full financial results and announcements from both the Bursa Malaysia's website and the Company's website. This ensures accessibility to important information for stakeholders.

IV. Conduct of General Meeting

The Board encourages shareholders' active participation at the Company's Annual General Meeting ("AGM") and general meetings. Shareholders are encouraged to exercise their rights to ask questions, provide views, and vote at general meetings. General meetings serve as important platforms for directors and senior management to engage shareholders, facilitating greater understanding of the company's business, governance, and performance. These meetings enable and support shareholders in exercising their ownership rights and expressing their views to the board and senior management on any areas of concern.

The AGM remains the principal forum for dialogue with shareholders, providing an opportunity for shareholders to seek clarifications on the Group's operations. Given the significance of AGM, at least twenty-eight (28) days' notice of meeting, together with the Annual Report, is sent out to the shareholders. All Board members, as well as the Chairs of the Audit, Nominating and Remuneration Committees, attended the Forty-Eighth AGM and provided responses to questions addressed to them. The Chairman ensures sufficient time is allocated for shareholders to raise their concerns and seeks clarification from the Board and Committees members. The external auditors will also present to provide their professional and independent clarification on any issues and concerns raised by the shareholders, if any.

The Company conducted the recent years' general meetings in a virtual manner, which leveraging technology to facilitate greater shareholder participation, electronic voting and remote shareholder participation. The Board endeavored to ensure the virtual meetings supported meaningful engagement between the board, senior management and shareholders. The minutes of the AGMs are made available in the company's website within thirty (30) business days after the AGMs.

The Board takes note that all the resolutions tabled to vote in the general meetings have to be decided by way of poll and the detailed results shall be included in the announcements to Bursa Malaysia on the same day of the general meetings.

The Board also ensures that each item of special business included in the Notice of AGM or Extraordinary General Meeting must be accompanied by an explanation of the effects of the proposed resolution.

Compliance Statement

The Board strives to ensure that the Company complies with the Principles and Best Practices of the Code. The Board will endeavor to improve and enhance the procedures from time to time.

CORPORATE GOVERNANCE OVERVIEW STATEMENT**STATEMENTS OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS**

The Directors are required by the Act, to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards, and give a true and fair view of the state of affairs of the Group and Company at the end of the financial year and of the results and cash flows of the Group and Company for the financial year. In preparing the financial statements, the Directors have:

- Selected suitable accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Ensure that all applicable accounting standards have been followed; and
- Prepared the financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors have the responsibility of ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Group and Company and which enable them to ensure that the financial statements comply with the Act.

The Directors have overall responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

AUDIT COMMITTEE REPORT

The Board is pleased to present the Audit Committee Report for the financial year ended 31 March 2024.

COMPOSITION AND ATTENDANCE

The composition of the Audit Committee (“AC”) as at the date of this report is as follows:

Name	Status of Directorship	Independent	Meeting Attended
Ong Heng Kah (Chairman) Appointed on 29.05.2023	Non-Executive	Yes	4/4
Datuk Dr Wong Lai Sum Appointed on 29.05.2023	Non-Executive	Yes	4/4
David Dev Peter Appointed on 29.05.2023	Non-Executive	Yes	4/4

Note: The number of meetings attended by them is calculated based on their attendance of meetings held subsequent to their appointment as AC members.

The AC has three (3) members, all of whom are Independent Directors. This meets the requirement of Practice 9.4 of the Code, which stipulates that the AC should comprise solely of independent directors. The AC Chairman is not the Chairman of the Board, in accordance to Practice 9.1 of the Code.

The AC Chairman, Mr Ong Heng Kah who is elected among the AC members, is a member of the Association of Chartered Certified Accountants and Malaysian Institute of Accountants which complies with paragraph 15.09(1)(c)(i) of the LR.

AUTHORITY

The AC shall operate in accordance with the procedures determined by the Board and at the expense of the Group:

- a. have explicit authority to investigate any matter within its terms of reference;
- b. have the resources which are required to perform its duties;
- c. have full and unrestricted access to any information pertaining to the Group;
- d. have unrestricted access to the Group Chief Executive Officer;
- e. have direct communication channels with the external auditors and person(s) carrying out the internal audit function;
- f. be able to obtain independent/external professional or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and
- g. be able to convene meetings with the external auditors, the internal auditors or both excluding the attendance of other directors and employees of the Group, whenever deemed necessary.

The full terms of reference of the AC can be viewed on the Company’s website at www.tasco.com.my.

AUDIT COMMITTEE REPORT**MEETINGS**

The AC met five (5) times during the financial year ended 31 March 2024. The existing member of the AC attended all the four (4) meetings subsequent to their appointment as AC members on 29 May 2023.

Minutes of each meeting were recorded and tabled for confirmation at the next AC meeting and were subsequently noted by the Board. The Chairman also conveyed matters of significant concern to the Board as and when they were raised by the External Auditors or Internal Auditors.

The lead audit partner of the External Auditors responsible for the Group audit attended two (2) AC meetings during the financial year to present the Audit Progress Memorandum and Audit Planning Memorandum before commencement of the audit of the Group. The AC also met the External Auditors on two (2) occasions without the presence of the Executive Directors and management. At these meetings, the AC enquired about management's cooperation with the External Auditors, access to information during their audit, and proficiency in financial reporting. The External Auditors were also invited to raise any matters of importance to the AC.

INTERNAL AUDIT FUNCTION

The Group Internal Audit Function, which was outsourced to Messrs. Omar Arif & Co., conducted audit activities as planned in the Internal Audit Memorandum. Their scope of audit also covers Related Party Transactions ("RPT").

On an annual basis, the Internal Auditors presented their audit plan to the AC for review and approval. The audit findings and reports were presented to the AC members at all the AC meetings held during the financial year ended 31 March 2024. Their reports covered the status and progress of their assignments, audit recommendations, management's response, and the outcome of the procedural review on RPT. Follow-up audit reports were also presented to the AC.

The costs incurred in maintaining the outsourced internal audit function for the financial year ended 31 March 2024 is RM59,470.

SUMMARY OF ACTIVITIES

During the financial year under review, the AC conducted the following activities:

Financial Reporting and Compliance

- Reviewed quarterly and annual financial reports for the Company and the Group prior to submission to the Board for consideration and approval, focusing particularly on the following:
 - (i) significant and unusual events;
 - (ii) changes in or implementation of major accounting policy; and
 - (iii) compliance with accounting standards and other legal requirements.
- Reviewed the Group's quarterly results and year-end financial statements in accordance with applicable approved and new accounting standards issued by the Malaysian Accounting Standards Board and other relevant legal and regulatory requirements.
- Reviewed the Statement on Risk Management and Internal Control prior to submission to the Board for consideration and approval for insertion into the Annual Report 2023.

AUDIT COMMITTEE REPORT

Internal Audit and Risk Management

- Reviewed and assessed the adequacy of the scopes and functions of the Internal Audit Plan and Risk Management for the Company and the Group and, authorised resources to address identified risk areas.
- Reviewed and assessed the adequacy and effectiveness of the risk management framework and the appropriateness of Management's responses to key areas, proposing recommendations for improvements to be implemented.
- Reviewed the audit report prepared by the Internal Auditors, considered their material findings, and assessed the Management's responses and actions.
- Considered the renewal of Internal Audit engagement.

External Audit

- Reviewed the External Audit Plan for the Company and the Group with the External Auditors to ensure that the audit scope and activities are adequately covered.
- Reviewed the proposed final audit fees for the External Auditors and Internal Auditors regarding their audit of the Company and the Group.
- Considered the re-appointment of the External Auditors.
- Met with the External Auditors twice a year without the presence of the executive Board members and management.
- Assessed the suitability, performance, and independence of the External Auditors in accordance with the criteria set out in the policy and procedures of the Company.

Related Party Transaction

- Reviewed the related party transactions and ensure that they are not more favourable to the related parties than those generally available to the public and comply with the LR.
- Reviewed the policies, procedures, and processes established for related party transactions.
- Reviewed the Recurrent Related Party Transactions circular and recommended to the Board to seek shareholders' approval for renewal of shareholders' mandate.

OTHER INFORMATION

The Nominating Committee reviewed the term of office of the AC Members and assessed the performance of the AC and its Members through an annual Board Committee effectiveness assessment. The Nominating Committee is satisfied that the AC and its members discharged their functions, duties and responsibilities in accordance with the AC's Terms of Reference. The result of the assessment was reported to the Board, and the Board concurred with the Nominating Committee regarding the performance of the AC and its Members.