

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 9741  
**COMPANY NAME** : ROHAS TECNIC BERHAD  
**FINANCIAL YEAR** : December 31, 2024

## OUTLINE:

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

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

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

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

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

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board as a whole continues to take ownership of effective leadership and the long-term success of Rohas Tecnic Berhad ("RTB") Group. The diversified skills and leadership experience offered by the Non-Executive Directors enable them to scrutinise performance, assess RTB Group's risk management and control processes, and support the Management.</p> <p>In discharging its functions and responsibilities, the Board is guided by the Board Charter, while some key matters that have been assigned to the Board Committees.</p> <p>During the year, the Board carried out the following tasks to ensure its obligation to shareholders and other stakeholders are met:-</p> <ul style="list-style-type: none"><li>• Setting the objectives, goals and strategic plan for RTB Group;</li><li>• Deliberating, scrutinising and approving RTB Group's budgets, plans and policies;</li><li>• Evaluating RTB Group's business operation to assess the adequacy of management and operation effectiveness;</li><li>• Evaluating principal and potential commercial risks of RTB Group and ensuring that appropriate systems are developed and put in place by Management to manage and mitigate these risks;</li><li>• Instituting systems of internal controls and recommending improvements to the Group's operating policies and procedures;</li><li>• Where required, implementation is being documented and developed, to safeguard the Shareholder's investment and Group's assets;</li><li>• Ensure compliance with applicable laws, regulations, rules, directives and guidelines; and</li></ul>

	<ul style="list-style-type: none"> <li>• Deliberating, scrutinising, evaluating and deciding on Management's proposals on investment initiatives.</li> <li>• Review and adjust the Board Composition (where necessary) to maintain a diverse and effective governance structure; and</li> <li>• Review and assess contracts and agreements related to the Group Chief Executive Officer ("GCEO") to ensure alignment with the Group's strategic goals and objectives.</li> </ul>			
<b>Explanation for departure</b>	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

### Intended Outcome

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

### Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Chairman of the Board is responsible for instilling good corporate governance practices, leadership and effectiveness in the Board. This includes setting the agenda, style and tone of Board discussions to promote constructive debate and effective decision-making, instilling and monitoring good corporate governance practices and leading all Board meetings and general meetings.</p> <p>Tan Sri Wan Azmi Wan Hamzah ("Tan Sri Wan Azmi") the Chairman of the Board, who has extensive business experience and broad exposure enabled him to demonstrate strong leadership and insightful decision-making within the corporate realm. He maintained regular communication with Management and Board Committees, fostering robust corporate governance practices at all levels of the organization.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

### Practice 1.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Tan Sri Wan Azmi Wan Hamzah ("Tan Sri Wan Azmi"), the Chairman of the Board, has extensive business experience and broad exposure enabled him to demonstrate strong leadership and insightful decision-making within the corporate realm.</p> <p>Leong Wai Yuan, the former Group CEO, opted for early retirement in the first quarter of 2024. Amirul Azhar bin Baharom was appointed as the Group CEO on 1 March 2024. During their respective tenures in that period, they led and managed the overall operations and organisational effectiveness with the support of a team of chief operating officers ("COOs") from respective business units and heads of functional support units.</p> <p>The Company continues to comply with the MCCG 2021 in respect of the separation of roles between the Chairman and Group CEO.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Tan Sri Wan Azmi is not a member of any Board Committee.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.5

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Directors have full and unrestricted access to the advice and dedicated support services of the two (2) Company Secretaries appointed by the Board. Both of them are experienced and competent, qualified to act as company secretaries under Section 235 of the Companies Act 2016. They advise the Board on procedural and regulatory requirements to ensure that the Board and its committees adhere to board policies, procedures and regulatory requirements in carrying out their roles and responsibilities effectively.</p> <p>The Company Secretaries shall be responsible for maintaining proper statutory records, registers, and documents for RTB which are essential in assisting the Board to achieve, meet and discharge their fiduciary responsibilities in accordance with good corporate governance practices. In addition, the Company Secretaries are also responsible for ensuring proper conduct at the Annual General Meetings, Board Committees' Meetings and any other meetings and the preparation of minutes thereat.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Directors are provided with sufficient information for Board discussions and meetings. Management makes all possible efforts and continues to improve itself in providing timely information to the Board. Key issues are presented and lengthy deliberations are held to ensure a thorough understanding of the matters put forth to the Board.</p> <p>The deliberations and decisions of the Board are recorded in the minutes of meetings and the process for recording abstention by Directors on a particular matter is in place. The minutes are circulated to the Board prior to the Board meeting and are reviewed and deliberated before being approved.</p> <p>All Directors are entitled to obtain independent professional advice, if necessary, at RTB Group’s expense from time to time in performing their duties, subject to the approval of the Senior Independent Non-Executive Director. All Directors also have full and unrestricted access to any information about the matters at hand.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

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

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

**Practice 2.1**

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has in place a Board Charter which is accessible on the RTB Group website. The Board Charter identifies the roles and responsibilities of the Board, Board Committee, Chairman, Group CEO, individual Directors and the Company Secretary.</p> <p>The Board reviews the said Charter periodically and any amendments or improvements thereto shall be made as and when the Board deems appropriate and necessary, and any subsequent amendments shall be approved by the Board. The last review of the Board Charter was conducted on 13 April 2023.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

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

### Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>A Business Code of Conduct is in place which includes policies and procedures for managing conflicts of interest as well as preventing abuse of power, corruption, insider trading and money laundering which is accessible from RTB Group’s website.</p> <p>All Directors and employees were provided with a copy of the Business Code of Conduct, as a required read and to be acknowledged.</p> <p><b>Anti-Bribery &amp; Anti-Corruption Policy</b></p> <p>In line with the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 took effect on 1 June 2020, the Board has approved the adoption of the Anti-Bribery and Corruption Policy. The Group is committed to conducting business dealings with the highest standard of integrity and ethics to comply with the applicable laws and regulatory requirements on anti-corruption. As part of the Anti – Corruption Awareness Campaign for RTB Group, all of its Directors and staff including, Senior Management of the Group have signed an Integrity Pledge for their commitment to the Group’s Anti-Bribery and Corruption Policy. The Anti-Bribery and Corruption Policy is published on the Company’s website at <a href="http://rohastecnic.com">rohastecnic.com</a>.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		



**Intended Outcome**

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

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

**Practice 3.2**

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

Application	:	Applied	
Explanation on application of the practice	:	RTB Group has a Whistleblowing Policy with the aim of enabling individuals to raise genuine concerns without fear of retaliation. This policy details the oversight and responsibilities of the whistleblowing and the reporting processes, as well as the protection and confidentiality given to whistleblowers. An overview of the Whistleblowing Policy is available on the Company’s website at <a href="http://rohastecnic.com">rohastecnic.com</a> .	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

### Practice 4.1

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

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has approved RTB Group’s sustainability strategies, priorities and targets that are driven by the formulated RTB Sustainability Framework. The framework driven by RTB’s sustainability vision and mission, with its core thrust - Strategy and Governance, that supported by the other three thrusts of Engagement and Culture, Assessment and Monitoring as well as Reporting. These thrusts are translated into continuous activities and initiatives across the Group. The underlying component of the framework covers all fourteen (14) Material Sustainability Matters (MSM) that cover Economic, Environment, Social and Governance (EESG) perspectives. The overall framework is to show the Group’s practice approach in managing sustainability in its business and operation. The roll out of the framework was coordinated by the Sustainability Department, with supports from all Subsidiaries of the Group.</p> <p>The Sustainability Committee (“SC”) which was formed in July 2021 is responsible to oversight the Group’s sustainability agenda and its focus. SC has approved the Sustainability Roadmap and Sustainability Initiative Committee to achieve the sustainability vision and mission.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 4.2**

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board Sustainability Committee and Sustainability working team, on annual basis, sustainability strategies are being communicated to our internal stakeholders during annual sustainability refresher session. In 2024, all priorities and targets are discussed and communicated with Heads of Department during annual sustainability assessment, series of workshops and as and when required, prior to being reported to Senior Management and Sustainability Committee (SC).</p> <p>RTB Group Sustainability Performance has been revised to widen its scope and to be communicated to our stakeholders once ready.</p> <p>The annual sustainability performance can be found in the Sustainability Statement in the Annual Report.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

### Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All sustainability issues are discussed at the Sustainability Committee ("SC") meetings. The Sustainability Department is responsible for preparing reports and updates to Senior Management and subsequently to SC for the Board's attention. The Head of Sustainability Department also attend monthly Management Meetings to provide updates and inputs on matters in relation to Sustainability.</p> <p>To fully comprehend and stay current on sustainability matters, Dr Jeyanthi, the Chairman of the Sustainability together with the members of the Sustainability Committee, other members of the Board had attended more than 10 hours of training per person concerning Sustainability provided by Malaysian Investor Relations Association Berhad ("MIRA") in 2021, whilst Neethia Raj had attended more than 40 hours of ESG related training and workshops since September 2022 including but not limited to GHG Protocol training Scope 1, 2 and 3, Carbon Footprinting and Reporting for Organisations, Impactful Sustainability Reporting, TCFD: The core of sustainability reporting, and Go ESG ASEAN Conference &amp; Exhibition. Dr Jeyanthi, has also attended the Mandatory Accreditation Programme Part II:- Leading for Impact (LIP) for Sustainability to have better preparation to address sustainability risks and opportunities effectively, and have better oversight over the Group's material sustainability matters.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 4.4

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Questionnaires in which the relevant sustainability-related performance measures and questions had been incorporated for the evaluation of the Board Members in the Board Assessment.  A detailed study is required for developing the criteria for the performance evaluations of the Board and Senior Management to address the material sustainability risks and opportunities.	
		The Company does not have any alternative practice currently and will look into developing the criteria for the performance evaluations of the Senior Management to address the material sustainability risks and opportunities.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	



### Intended Outcome

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

### Practice 4.5- Step Up

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

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	:  During FY2024, the Group Chief Executive Officer (“GCEO”) was tasked to manage the Group’s sustainability strategically, including the integration of sustainability considerations in the operations of the Group.  A Sustainability Department was established in 2022. Neethia Raj, a certified Chemist with a great passion for Sustainability, was appointed as manager to oversee the Sustainability initiatives.  The Sustainability Department is responsible for organising stakeholder engagement, assessing important sustainability issues and indicators, carrying out data gathering and reporting processes, and managing sustainability programmes.

**Intended Outcome**

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

**Practice 5.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Nomination & Remuneration Committee (“NRC”) evaluates the effectiveness of the Board and Individual Directors annually. Amongst others the composition of the Board, skills and experience matrix, performance and tenure of each director are the key areas of Board assessment. Directors with satisfactory evaluation and who met the criteria as set forth in the Directors’ Fit and Proper Policy are recommended to the Board for re-election	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.2**

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

Application	:	Applied	
Explanation on application of the practice	:	During financial year 2024 (“FY2024”), the Board comprises (6) members, four (4) of whom are Independent Non-Executive Directors  Hence, the Company meets the requirement of having at least half the Board comprising of independent directors.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 5.3**

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	None of the tenure of the existing independent director exceeds nine years of service.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

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

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

### Intended Outcome

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

### Practice 5.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Nomination &amp; Remuneration Committee (“NRC”) is responsible to lead the process for the nomination of new director appointments and making the necessary recommendations. In this respect, the role of the NRC is detailed in its Terms of Reference, which is accessible for reference on the Company’s website at <a href="http://rohastecnic.com">rohastecnic.com</a>.</p> <p>In making its recommendations to the Board, the NRC ensures that the candidates meet all criteria as set forth in the Directors’ Fit and Proper Policy, the details of which is accessible for reference on the Company’s website at <a href="http://rohastecnic.com">rohastecnic.com</a>. The NRC also considers and assess the suitability of a new appointment based on objective criteria, including:</p> <ul style="list-style-type: none"><li>• the mix of skills;</li><li>• expertise;</li><li>• qualification;</li><li>• experience;</li><li>• independence; and</li><li>• diversity (including race, cultural background and gender diversity)</li></ul> <p>required to meet the needs of the Company.</p> <p>In regards to senior management, the selection is mainly based on the required skills, knowledge and experience.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

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

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

### Practice 5.6

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The appointment of a new director is for consideration and decision by the full Board upon the recommendation from the Nomination and Remuneration Committee ("NRC").</p> <p>In identifying candidates for appointment of directors, the Board generally relies on recommendations from existing board members, management or major shareholders as well as independent sources to identify suitably qualified candidates.</p> <p>The Board will take into consideration and review the appropriate skills, independence, experience and knowledge required of the Board members, in the context of the needs of RTB Group and the selected candidate must meet all criteria as set forth in the Directors' Fit and Proper Policy. The Board will also review its composition and size from time to time to ensure its appropriateness and effectiveness. Nonetheless, the main criteria of the RTB Board's candidate are meritocracy based on relevant qualifications, experience, knowledge and expertise that will enhance the Board's value.</p> <p>During FY2024, a candidate identified by management, Kamarol Zaman Bin Radzak ("Kamarol"), a former Engineer and Head of Grid Maintenance at Tenaga Nasional Berhad with extensive experience in the Transmission Division and engineering qualifications, was appointed as a director of the Company on 9 April 2024. The NRC reviewed Kamarol's appointment, confirming his compliance with the Directors' Fit and Proper Policy and assessing his skills and knowledge against the Board's requirements. The NRC recommended that Kamarol's expertise would enhance the Board's composition and skillset.</p>
<b>Explanation for departure</b>	:	



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

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

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The profiles of all Directors, including their professional qualifications, work experiences and interest in the Company (if any) are set out on Director Profiles section of the Annual Report for the shareholders’ review.</p> <p>The Board’s statement of support on the appointment or reappointment of the Directors is set out in the explanatory note of the notice of AGM.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.8**

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	During FY2024, Sia Bun Chun served as the Chairman of the Nomination and Remuneration Committee. Despite holding a Non-Independent Non-Executive Director position, his extensive experience in Group operations and deep understanding of the Group's needs, which enabled him to select suitable candidate directors and senior management, were highly valued by the Board.	
	:	Notwithstanding that the Chairman of the Nomination and Remuneration Committee is a Non-Independent Director, the Board determined him to be the most suitable individual for the role. To further strengthen the Committee's independence, the Senior Independent Director also serves as a member, assisting the Chairman.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	During FY2024, the Board have good combination of gender diversity namely out of a total of 6 directors, there are two (2) women directors which represent 30% female directors on the Board.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 5.10**

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

<b>Application</b> :	Departure																																																		
<b>Explanation on application of the practice</b> :																																																			
<b>Explanation for departure</b> :	As at the end of FY2024, in terms of gender, age, ethnicity and independence for the Board composition is illustrated as below:																																																		
	<table> <tr> <th colspan="2">Diversity</th><th>Composition Percentage</th></tr> <tr> <td rowspan="3">Type of directorship</td><td>Independent</td><td>67%</td></tr> <tr> <td>Executive</td><td>0%</td></tr> <tr> <td>Non-Executive Non-Independent</td><td>33%</td></tr> <tr> <td rowspan="2">Gender</td><td>Male</td><td>67%</td></tr> <tr> <td>Female</td><td>33%</td></tr> <tr> <td rowspan="5">Age</td><td>30 – 39</td><td>0%</td></tr> <tr> <td>40 – 49</td><td>17%</td></tr> <tr> <td>50 – 59</td><td>33%</td></tr> <tr> <td>60 – 69</td><td>0%</td></tr> <tr> <td>70 and above</td><td>50%</td></tr> <tr> <td rowspan="4">Ethnicity</td><td>Malay/Bumiputra</td><td>50%</td></tr> <tr> <td>Chinese</td><td>33%</td></tr> <tr> <td>Indian</td><td>17%</td></tr> <tr> <td>Other</td><td>0%</td></tr> <tr> <td rowspan="2">Nationality</td><td>Malaysian</td><td>83%</td></tr> <tr> <td>Foreigner</td><td>17%</td></tr> <tr> <td rowspan="4">Tenure of service</td><td>Up to 2 years</td><td>17%</td></tr> <tr> <td>More than 2 years and up to 4 years</td><td>17%</td></tr> <tr> <td>More than 4 years and up to 6 years</td><td>17%</td></tr> <tr> <td>More than 6 years and up to 9 years</td><td>50%</td></tr> </table>		Diversity		Composition Percentage	Type of directorship	Independent	67%	Executive	0%	Non-Executive Non-Independent	33%	Gender	Male	67%	Female	33%	Age	30 – 39	0%	40 – 49	17%	50 – 59	33%	60 – 69	0%	70 and above	50%	Ethnicity	Malay/Bumiputra	50%	Chinese	33%	Indian	17%	Other	0%	Nationality	Malaysian	83%	Foreigner	17%	Tenure of service	Up to 2 years	17%	More than 2 years and up to 4 years	17%	More than 4 years and up to 6 years	17%	More than 6 years and up to 9 years	50%
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	<p>During the period under review, the Company does not have a diversity policy in relation to Directors and Senior Management.</p> <hr/> <p>The Company will look into and establish a diversity policy in relation to Directors and Senior Management for implementation.</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

## Intended Outcome

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

## Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	:  During the financial year under review, the NRC conducted annual assessments of the Board and its members ("Assessment"), in respect of the following:  (a) assessment of the effectiveness of the Board and the Board Committee;  (b) review of the skills, experience and competencies of the Board members; and  (c) assessment of the adequacy of the size and composition of the Board.  Arising from the above Assessment, the NRC observed that:  (a) the Board and the Committees of the Board were effective in carrying out their responsibilities;  (b) the Board generally has the desired mix of skills, experience and competencies in all areas;  (c) the Board have good combination of gender diversity namely out of a total of 6 directors, there are two (2) women directors which represent 30% female directors on the Board; and  (d) the size and the composition of the Board is adequate to meet the Company's requirements.
<b>Explanation for departure</b>	:  

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

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



### Intended Outcome

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

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

### Practice 7.1

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

<b>Application</b> :	Departure
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	<p>Directors' remuneration is formulated by the NRC to be competitive and realistic with the aim to attract, motivate and retain Directors with the relevant experience, expertise and quality needed to assist in managing RTB Group effectively. The level of remuneration is linked to the level of responsibilities undertaken by the Directors.</p> <p><b><u>Directors' Remuneration</u></b></p> <p>The Board has established a formal and transparent process for approving the remuneration of the Board and Board Committees, the CEO and the Key Senior Management of the Company. The NRC is responsible for formulating and reviewing the remuneration policies for the Board and Board Committees as well as the Senior Management of the Company to ensure the same remains competitive, appropriate, and in alignment with the prevalent market practices.</p> <p>The Company has a formal and transparent Directors' Remuneration Framework for the non-executive directors which comprises of retainer fees, meeting allowances and benefits-in-kind as follows: -</p>

Table 1: Directors' Remuneration Structure**							
Type of Director	Director's fee (per annum)	Meeting Attendance Allowance			Travelling Allowance		
		Board Meeting/ Board Committee Meeting for Chairman	Board Meeting/ Board Committee Meeting for Board members	Performance Review Meeting or any other Board Assignment (including Interview)	Within ASEAN countries (including Malaysia)	Outside ASEAN countries	
Chairman of the Board	RM55,000	RM2,750 per attendance	RM2,200 per attendance	RM500 per attendance	RM200 per diem	USD100 per diem	
Deputy Chairman of the Board of Directors	RM44,000						
Senior Independent Director	RM44,000						
Director	RM33,000						
<p><b>Notes:-</b></p> <p>(a) Each non-Executive Director is eligible for:</p> <ul style="list-style-type: none"><li>insurance coverage of up to RM100,000.00 for Hospitalisation and Surgery ("GHS") and Group Personal Accident Insurance ("GPA"); or</li><li>for a director who is not eligible for the insurance coverage due to being age 65 and above, maximum reimbursable medical expense of up to RM100,000.00 per annum.</li></ul> <p>(b) The Board approved the following Benefits-in-Kind ("BIKs") for the Chairman and Deputy Chairman: a dedicated driver and a monthly petrol card with a limit of RM1,000, on 21 November 2024.</p> <p>(c) The current Board Remuneration Structure, excluding the BIKs for the Chairman and Deputy Chairman, was approved at the Board Meeting held on 13 April 2023. Based on the said structure, a blanket amount of up to RM845,600.00 being the directors' remuneration for the period from the last Annual General Meeting ("30th AGM") until the forthcoming AGM ("31st AGM") was proposed to shareholders for approved and the approval was obtained at the 30th AGM held on 11 June 2024.</p> <p>The Board, with the recommendation from the NRC, had on 13 April 2023 approved a Remuneration Policy for Key Senior Management in ensuring that the remuneration of the key senior management of the Group is commensurate with their key performance achievements and the performance of the Group. The said policy can be found in the Company's website at <a href="http://rohastecnic.com">rohastecnic.com</a>.</p>							
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.							
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.					

<b>Timeframe</b>	:	Choose an item.	
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### Intended Outcome

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

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

### Practice 7.2

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Company has a combined “Nomination and Remuneration Committee” (“NRC”). The function and responsibilities of the NRC are set out in the Terms of Reference of the NRC which is accessible at the Company’s website at <a href="http://rohastecnic.com">rohastecnic.com</a> .	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

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

**Practice 8.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Please see details in table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Wan Azmi Wan Hamzah	Non-Executive Non-Independent Director	55.0	19.3	0	0	0	0	74.3	0	0	0	0	0	0	0
2	Sia Bun Chun	Non-Executive Non-Independent Director	38.4	27.0	0	0	0	0	65.4	0	0	0	0	0	0	0
3	Chee Suan Lye	Independent Director	44.0	31.4	0	0	0	0	75.4	0	0	0	0	0	0	0
4	Mohamed Tarmizi bin Ismail	Independent Director	6.8	12.1	0	0	0	0	18.9	0	0	0	0	0	0	0
5	Dr. Ir Jeyanthi A/P Ramasamy	Independent Director	33.0	58.3	0	0	0	0	91.3	0	0	0	0	0	0	0
6	Kamarol Zaman bin Radzak	Independent Director	24.0	30.8	0	0	0	0	69.8	15.0	0	0	0	0	0	15.0
7	Wan Afzal-Aris Wan Azmi	Alternate Director	0	4.4	0	0	0	0	4.4	0	0	0	0	0	0	0
8	Shaharuddin bin Zainuddin	Independent Director	33.0	46.8	0	0	0	0	79.8	0	0	0	0	0	0	0
9	Input info here	Choose an item.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Input info here	Choose an item.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Input info here	Choose an item.	Input info here	Input info here	Alternate Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
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### Intended Outcome

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

### Practice 8.2

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

<b>Application</b> :	Departure																																	
<b>Explanation on application of the practice</b> :																																		
<b>Explanation for departure</b> :	<p>The number of the top five Senior Management excluding the executive directors for the financial year ended 31 December 2024 whose remuneration falls within the respective bands is as follows:</p> <table><tr><td></td><td>RM400,001</td><td>RM450,001</td><td>RM500,001</td><td>RM550,001</td><td>RM600,001</td><td>RM1,700,001</td></tr><tr><td></td><td>–</td><td>–</td><td>–</td><td>–</td><td>–</td><td>–</td></tr><tr><td></td><td>RM450,000</td><td>RM500,000</td><td>RM550,000</td><td>RM600,000</td><td>RM650,000</td><td>RM1,750,000</td></tr><tr><td>Senior Management</td><td>1</td><td>1</td><td>-</td><td>1</td><td>1</td><td>1</td></tr></table> <p>RTB Group does not comply with recommendation to disclose on named basis the top five senior management's remuneration in the bands of RM50,000 in order to preserve confidentiality.</p> <p>The Board is of the view that it is not to the Company's advantage or business interest for detailed disclosure considering the highly competitive market for talents</p> <p>The Board through the Nomination and Remuneration Committee will ensure that the remuneration of the senior management commensurate with their key performance achievements and the performance of the Company.</p>							RM400,001	RM450,001	RM500,001	RM550,001	RM600,001	RM1,700,001		–	–	–	–	–	–		RM450,000	RM500,000	RM550,000	RM600,000	RM650,000	RM1,750,000	Senior Management	1	1	-	1	1	1
	RM400,001	RM450,001	RM500,001	RM550,001	RM600,001	RM1,700,001																												
	–	–	–	–	–	–																												
	RM450,000	RM500,000	RM550,000	RM600,000	RM650,000	RM1,750,000																												
Senior Management	1	1	-	1	1	1																												
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																																		
<b>Measure</b> :	Please explain the measure(s) the company has taken or intend to take to adopt the practice.																																	
<b>Timeframe</b> :	Choose an item.																																	



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

**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

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

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

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	In FY2024, the Chairman of the Audit and Risk Management Committee ("ARMC") was Shaharuddin Zainuddin, an Independent Non-Executive Director. He is not the Chairman of the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.2**

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

Application	:	Applied	
Explanation on application of the practice	:	<p>In line with recommendation of the MCCG 2021, the terms of reference of the Company’s Audit &amp; Risk Management Committee (“ARMC”) have stipulated a cooling-off period of at least three (3) years before any former key audit partner could be appointed as ARMC member to safeguard the independence of the audit of the Company’s financial statements.</p> <p>The terms of reference of the ARMC are available on the Company’s website.</p> <p>To-date, the Company has not appointed any former audit partner to be a member of the Audit Committee.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Under the Terms of Reference of the Audit &amp; Risk Management Committee ("ARMC"), the ARMC shall review the suitability and independency of the external auditors for their appointment and reappointment. The ARMC also reviews the nature and scope of the audit plans, audit reports and major findings of the external auditors.</p> <p>The ARMC has considered among others, the following before the appointment or re-appointment of the external auditor: -</p> <ul style="list-style-type: none"><li>(a) the adequacy of the experience and resources of the accounting firm;</li><li>(b) the persons assigned to the audit;</li><li>(c) the accounting firm's audit engagements;</li><li>(d) the size and complexity of the listed issuer's group being audited; and</li><li>(e) the number and experience of supervisory and professional staff assigned to the particular audit.</li></ul> <p>The Company has obtained written assurance from its external auditors, BDO PLT that they are and have been independent throughout the conduct of the audit engagement under the Malaysian Institute of Accountants ("MIA") By-Laws (on Professional Conduct and Ethics) that require auditors to be professionally independent.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.

The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The ARMC consists of all independent non-executive directors

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The ARMC possess the right mix of skills to discharge its duties effectively.</p> <p>In FY2024, ARMC was chaired by Encik Shaharuddin Zainuddin who is a Chartered Accountant with expertise in risk management, capital markets and Islamic finance. He possesses sufficient financial knowledge to provide satisfactory input on financial matters. The ARMC also comprises members with corporate and engineering backgrounds who are also financially literate and provide diverse perspectives that strengthen the quality of deliberations.</p> <p>All members receive ongoing The ARMC consists of all independent non-executive directors training and development as detailed on Corporate Governance Statement of the Annual Report 2024.</p> <p>The profiles of the ARMC members and details of training attended by them are disclosed in the Annual Report 2024 which is available on the website at <a href="http://rohastecnic.com">rohastecnic.com</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	



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

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

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

### Practice 10.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board and the ARMC review the effectiveness of the system and ensure that the relevant process is in place for identifying, evaluating and managing the significant risks to the achievement of the Group's strategic objectives. While the Board as a whole is responsible for the Group's system of internal control, the Board has delegated responsibility for monitoring the effectiveness of the Company's risk management and internal control systems to the ARMC.</p> <p>The ARMC oversee a risk-based internal audit programme, including periodic audits of the risk processes across the Group. This assures the management of risk and they also receive reports on the efficiency and effectiveness of internal controls. Each of the individual business units and functional Management Teams drives the process identify the principal and emerging risks and uncertainties.</p> <p>The Board confirms that it has monitored the Company's risk management and internal control system and that there is a process in place to identify, evaluate and manage the significant risks faced by the Group.</p> <p>In this respect, the details of the Risk Management and Internal Control Framework are set out in the Statement on Internal Control and Risk Management of the Annual Report 2024.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	Principal risks and uncertainties associated with RTB Group’s business are summarised on the Statement of Risk Management and Internal Control. The ARMC monitors and reports on Rohas Tecnic Berhad (“RTB”) Group’s risk management systems, corporate reporting and internal control principles. ARMC is also responsible for maintaining an appropriate relationship with its internal and external auditors. The ARMC Report is included in the Annual Report 2024.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

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

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

### Practice 10.3 - Step Up

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

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>RTB Group had embarked on risk management initiatives by establishing an Enterprise Risk Management Framework ("ERMF"). A Risk Management Working Group ("RMWG") is in place comprising of the Executive Directors of RTB Group with Group CEO as the chairman of the RMWG.</p> <p>The ARMC has responsibility for regularly reviewing the ERMF to ensure it remains sound. The ARMC is assisted by RMWG which are responsible for driving and supporting risk management across RTB Group.</p> <p>The key features of RTB Group's ERMF policy are:</p> <ul style="list-style-type: none"><li>• Sound risk management practice promotes effective governance which is integral to the achievement of business objectives.</li><li>• Embedding risk management into day-to-day management processes, decision-making and strategic planning.</li><li>• Every employee of the organisation is responsible to manage risks within their areas of responsibility.</li><li>• Periodic reporting and monitoring activities instils accountability and responsibility for managing risks.</li><li>• The risk management processes applied should aim to take advantage of opportunities, manage uncertainties and minimise threats.</li></ul>

## Intended Outcome

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

### Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Head of Internal Audit of RTB Group, is responsible for the overall internal audit activities of RTB Group. The Head of Internal Audit reports directly to the ARMC. The primary function of internal audit is to provide independent assurance that the RTB Group’s governance, risk and internal control systems are operating effectively.</p> <p>In line with the ARMC approved annual Internal Audit Plan, the internal audit function carries out the audit assignments independently and reports to the ARMC on the state of internal controls of the various operating units within RTB Group to the ARMC and provide recommendations for the improvement on the control procedures accordingly.</p> <p>Details of the internal audit activities and scope of coverage of the internal audit function including the cost incurred are provided in the Statement on Risk Management and Internal Control of the Annual Report 2024.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

## Intended Outcome

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

## Practice 11.2

The board should disclose—

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>During FY2024, the internal audit personnel are free from any relationship or conflicts of interest, which could impair their objectivity and independence. The Internal Audit Department (“IAD”) is headed by Tan Ying Jau (“Ying Jau”), General Manager, who had completed the Professional Examinations I &amp; Foundation Examinations with the Malaysian Institute of Certified Public Accountants. Ying Jau has an extensive 33 years of professional experience primarily with listed companies in the Main Market of Bursa Malaysia. Ying Jau had been immersed with various business areas including property development and manufacturing industries, specializing in operational internal audit reviews, investigative audits, identifying and assessing risks. The Head of IAD is supported by a Manager of Internal Audit.</p> <p>In executing the internal audit engagement, IAD refers to the standards and guidelines outlined in the Institute of Internal Auditors’ International Professional Practices Framework (IPPF). The conduct of internal audit works is also governed by the Internal Audit Charter and IAD’s established procedures and guidelines.</p> <p>The internal audit reviews are performed based on an internal audit plan approved by the ARMC. Internal Audit review findings together with management’s comments and action plans are presented and reviewed by the ARMC. Follow-up reviews will be conducted to report to the ARMC on the status of implementation of management action plans.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

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

### Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board takes cognisance of the importance in having effective, transparent and regular communication with the Company's stakeholders. The Board is committed to ensure that the Group continue to engage effectively with the shareholders to facilitate a mutual understanding of objectives. RTB Group has a number of formal channels in place to effectively communicate this information to all the shareholders and stakeholders. The Board primarily achieve this through the following activities; the annual report, announcements to Bursa Malaysia, quarterly reports, press releases and Group's website.</p> <p>The Company's shareholders and members of the public may gain access to any latest corporate information of the Company on its website at <a href="http://rohastecnic.com">rohastecnic.com</a> which is linked to the announcements published on the website of Bursa Malaysia at <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a>. The Company's website also provides easy access to the Company's Board Charter, Terms of Reference of Board Committees, key policies, financial highlights and annual reports.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

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

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

**Practice 12.2**

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

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

**Intended Outcome**

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

**Practice 13.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>On 30 April 2024, the Company had dispatched the notice of its 30th AGM to shareholders at least 30 days before the AGM, well in advance of the 21-day requirement under Section 316(2) of the Companies Act 2016, Paragraph 7.15 of the Main Market Listing Requirements and Clause 82 of the Company’s Constitution.</p> <p>The additional time given to shareholders is to allow them to make the necessary arrangements to participate the AGM. More importantly, it enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	All six (6) Board members, along with the alternate director, Group CEO, Chief Financial Officer, company secretary, the external auditors and key management personnel attended the 30th AGM either in person or remotely via the Online Meeting Platform hosted by Securities Services e-Portal (“SS e-Portal”).	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company leveraged technology to facilitate remote shareholders' participation and electronic voting, for its 30th Annual General Meeting (AGM) held on 11 June 2024, following Section 327 of the Companies Act 2016 and Clause 83 of the Constitution of the Company.</p> <p>The entire AGM proceedings were held through Remote Participation and Voting (RPV) facilities provided by SS E Solutions Sdn Bhd via online Meeting Platform hosted on Securities Services e-Portal ("SS e-Portal") at <a href="https://sshsb.net.my/">https://sshsb.net.my/</a>.</p> <p>The Administrative Notes of the AGM including the procedures for RPV facilities were published through the announcement to Bursa Malaysia and the Company's website respectively.</p> <p>RPV facilities in SS e-Portal provide an option for shareholders to cast their votes virtually at general meeting without the need to present in person or appoint a proxy to present at the AGM venue.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 13.4

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

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman has successfully created a meaningful engagement with the Board, Senior Management and Shareholders throughout 30th AGM. The AGM started with the briefing from Group CEO of the Company, providing a comprehensive review of the Group's performance initiatives and value created for shareholders. This review was supported by a visual and graphical presentation of the key points and financial figures.</p> <p>Before the AGM, shareholders were encouraged and given an opportunity as well as time by the Board to submit questions pertaining to the Annual Report, resolutions being proposed and the business of the Company or the Group in general before seeking approval from members and proxies on the resolutions. The Board, Senior Management, and external auditors, were also present virtually at the AGM to provide answers and clarification to shareholders. There was active engagement between the Chairman, Board members, Management and shareholders and there was an opportunity for shareholders to interact with the Board.</p> <p>The minutes of the 30th AGM (including all the Questions raised at the meeting and the Answers thereto) were made available on the Company's website upon review by the Board Members and approved by the Chairman, within 30 business days from the AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

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

## Intended Outcome

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

## Practice 13.5

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company had, on 11 June 2024 conducted its 30th AGM via the Securities Services e-Portal ("SS e-Portal") virtual meeting platform to facilitate shareholders' remote participation and voting in absentia.</p> <p>The SS-e Portal platform is accessible to all shareholders and allows active participation/engagement of shareholders with the Board of Directors and Senior Management.</p> <p>All questions raised by shareholders/proxies were read out and answered at the meeting.</p>
<b>Explanation for departure</b>	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 13.6**

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The minutes of the 30th AGM (including all the Questions raised at the meeting and the Answers thereto) were made available on the Company's website upon review by the Board Members and approved by the Chairman, within 30 business days from the AGM.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



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

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

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